



June 22, 2020

Project Plan & Territory Amendment Tax Incremental District No. 13

City of Fitchburg, Wisconsin

Organizational Joint Review Board Meeting Held:	Scheduled for June 30, 2020
Public Hearing Held:	Scheduled for June 30, 2020
Approval by Plan Commission:	Scheduled for June 30, 2020
Adoption by Common Council:	Scheduled for June 30, 2020
Approval by the Joint Review Board:	TBD

Table of Contents

Executive Summary	3
Preliminary Map of Original District Boundary and Territory to be Added	6
Map Showing Existing Uses and Conditions Within the Territory to be Added	9
Identification of Parcels to be Added	11
Equalized Value Test	13
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District	14
Map Showing Proposed Improvements and Uses Within the Territory to be Added	21
Detailed List of Estimated Project Costs	24
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred	27
Annexed Property	31
Estimate of Property to be Devoted to Retail Business	31
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances	32
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	32
How Amendment of the Tax Incremental District Promotes the Orderly Development of the City	33
List of Estimated Non-Project Costs	34
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)	35
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions	36

SECTION 1:

Executive Summary

Description of District

Tax Incremental District (“TID”) No. 13 (“District”) is a 65 - acre Mixed Use District created on September 11, 2018. The District was created to:

- Facilitate the expansion of the Phoenix company. The first phase of this expansion included a 10,000 square foot neutron imaging facility. The second phase of the expansion is a 50,000 square foot global headquarters. Development incentives were included in the Project Plan for these expansions.
- Facilitate other commercial and mixed-use development within the District.
- Fund Infrastructure costs including road and related utility extensions, along with path and boardwalk improvements.

Purpose of Amendment

The purpose of this amendment, referred to hereafter as the Plan, the Amendment, or the Plan Amendment, is to:

- Add territory to the District as permitted under Wis. Stat. §66.1105(4)(h)2. This is the first of four permitted territory amendments available to the District.
- Modify and update the categories, locations or costs of the Projects to be undertaken to provide opportunities for additional private development.

Estimated Total Project Cost Expenditures

The original project plan included approximately \$23.6 million of project costs for development incentives and infrastructure projects. This amendment includes an additional \$11,550,000 of project costs for environmental analysis & remediation, geotechnical work for subsurface conditions, infrastructure improvements, and development incentives related to structured parking and other infrastructure. Total District eligible expenditures will be approximately \$35.3 million.

Incremental Valuation

The City projects that new land and improvements value of approximately \$222 million will occur within the District (original and amended boundary). Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and

associated values is included in the Economic Feasibility Study located within this Plan.

Expected Termination of District

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs by 2035.

Summary of Findings

As required by Wis. Stat. § 66.1105, and as documented in this Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:
 - The investment needed to provide the parking and other infrastructure, placemaking amenities, environmental remediation, soil/groundwater remediation, dewatering, and geotechnical work necessary to allow for development within the District. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure and remediation improvements.
2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information pertaining to this amendment:
 - Ongoing development within the District is likely to result in the purchase of goods and services from local suppliers and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.
 - Initial development by Phoenix within the District is projected to add 150 new jobs and additional territory within the District will provide opportunities for additional job creation.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax

incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.

4. Not less than 50% by area of the real property within the District, as amended, is suitable for mixed use development as defined by Wis. Stat. § 66.1105(2)(cm).
5. Based on the foregoing finding, the District remains designated as a mixed-use district.
6. The Project Costs relate directly to promoting mixed use development in the District, consistent with the purpose for which the District is created. Lands proposed within the existing boundary for newly-platted residential development comprise no more than 35% of the real property area within the amended District. Costs related to newly-platted residential development may be incurred based on the proposed development having a density of at least three (3) units per acre as defined in Wis. Stat. § 66.1105(2)(f)3.a.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property within the territory to be added to the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City. The base value of properties being added to the District that are already located within another TID do not count towards the 12% limit.
9. The Plan for the District is feasible and is in conformity with the Master Plan of the City.
10. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).

SECTION 2:

Preliminary Map of Original District Boundary and Territory to be Added

Map Found on Following Page.



-  TID #13 Boundary
-  TID #13 Amendment Boundary
-  Parcels
-  TID #13 Amendment Tax Parcels
-  TID #13 Tax Parcels

**FITCHBURG TID #13
AMENDMENT**

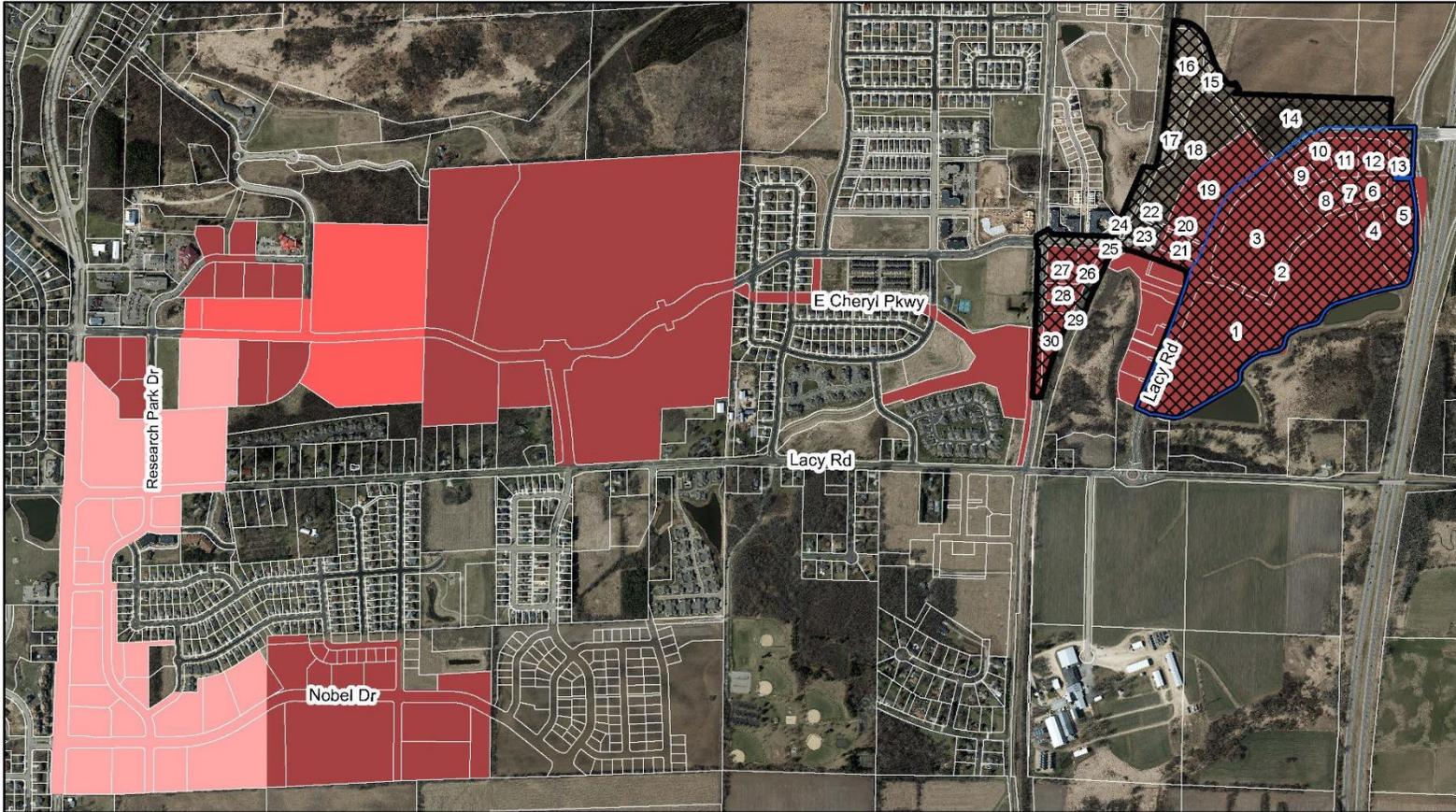
TAX PARCELS

Note - Numbers identified in map refer to Map Key in data table. Parcel boundaries shown as of January 1, 2020



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-  TID #13 Amendment Boundary
-  TID #13 Boundary
-  TID 4 Original - Fitchburg Technology Campus (2003)
-  TID 4 Amendment I - Agora (2005)
-  TID 4 Amendment II - FTC II/Uptown (2011)
-  Parcels

Note - Numbers identified in map refer to Map Key in data table.
Parcel boundaries shown as of January 1, 2020

FITCHBURG TID #13 AMENDMENT OVERLAY ON TID 4

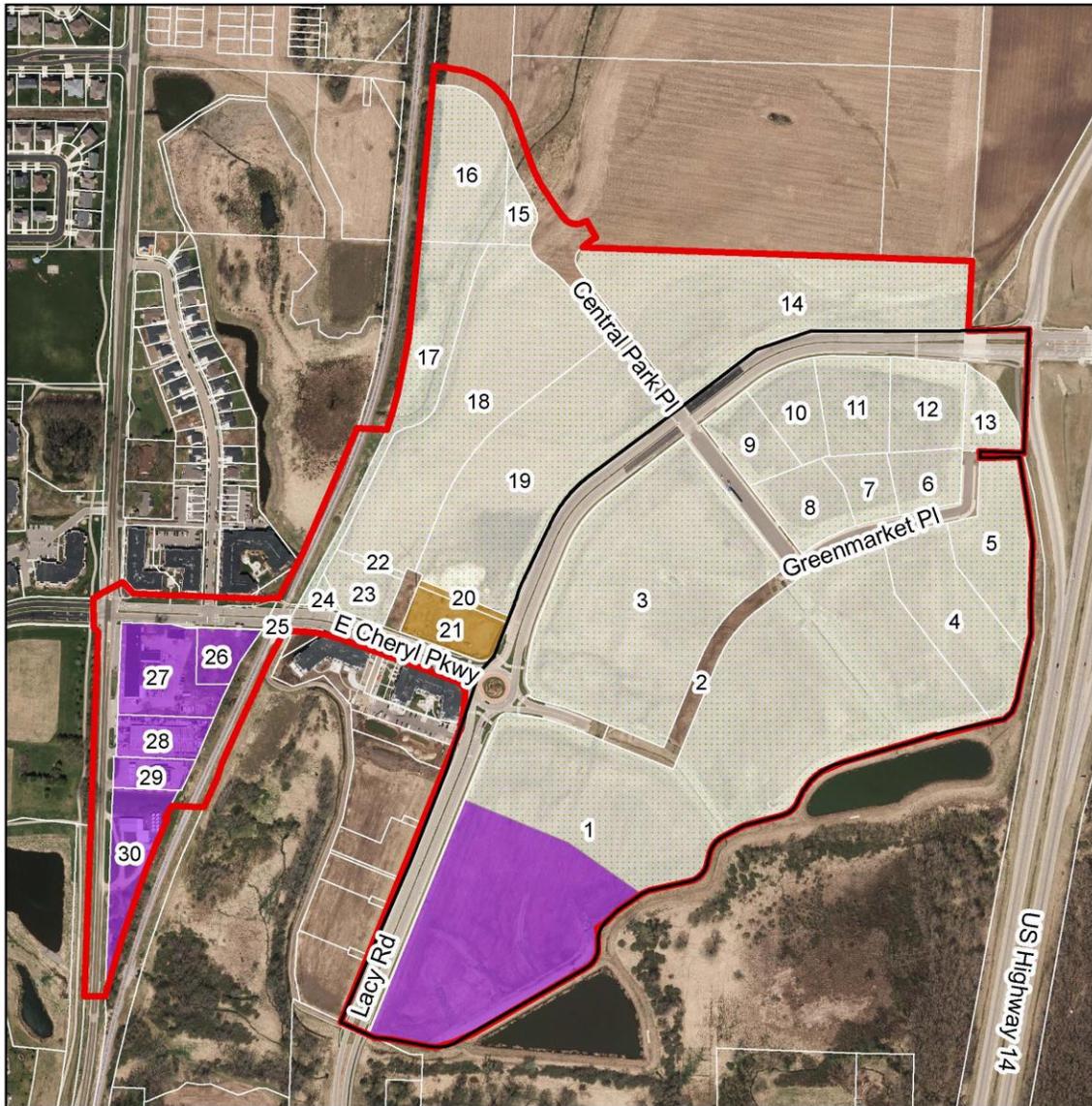


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SECTION 3:

Map Showing Existing Uses and Conditions Within the Territory to be Added

Map Found on Following Page.



**FITCHBURG TID #13
AMENDMENT**

CURRENT LAND USE

Note - Numbers identified in map refer to Map Key in data table. Parcel boundaries shown as of January 1, 2020



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SECTION 4:

Identification of Parcels to be Added

List Found on Following Page.

SECTION 5:

Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property proposed to be added to the District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

Parcels that are presently located within an existing TID do not count towards the 12% test as these parcels are already included in the increment value of the existing district. The City is in compliance with the statutory equalized valuation test and may proceed with creation of this District as illustrated below.

City of Fitchburg, Wisconsin	
Tax Increment District # 13	
Valuation Test Compliance Calculation	
Amendment Date	6/30/2020
	Valuation Data Currently Available 2019
Total EV (TID In)	3,419,112,900
12% Test	410,293,548
Increment of Existing TIDs	
TID #4	215,916,700
TID #5	96,268,600
TID #9	26,617,200
TID #10	1,440,800
TID #11	12,100
TID #12	9,851,900
TID #13	3,033,000
Total Existing Increment	<u>353,140,300</u>
Projected Base of New or Amended District	16,789,025
Less Value of Any Underlying TID Parcels	16,782,348
Total Value Subject to 12% Test	<u><u>353,146,977</u></u>
Compliance	PASS

SECTION 6:

Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

The following is a list of public works and other TIF-eligible projects that the City has implemented, or expects to implement, within the original District and within the Territory to be incorporated by this Amendment. Any costs directly or indirectly related to the public works and other projects are considered "Project Costs" and eligible to be paid with tax increment revenues of the District.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

In order to promote and facilitate development and/or redevelopment the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

In order to promote the objectives of this Plan, the City may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; and maintaining adequate open space. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other

public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

Site Preparation Activities

Environmental Audits and Remediation

Any cost incurred by the City related to environmental audits, testing, and remediations, soil/groundwater remediation, dewatering, and geotechnical work are eligible Project Costs.

Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

There are inadequate sanitary sewer facilities serving areas of the District. To allow development to occur, the City or developer may construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the

District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs.

The improvements to the wastewater treatment facilities, although not within the ½ mile radius, are an eligible project cost under Section 66.1105(2)(f)1 k.

Water System Improvements

There are inadequate water distribution facilities serving areas of the District. To allow development to occur, the City or developer may construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the City or developer may construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs.

Electric Service

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require

abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

Gas Service

In order to create sites suitable for development the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

Communications Infrastructure

In order to create sites suitable for development the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

There are inadequate street improvements serving areas of the District. To allow development to occur, the City or developer may need to construct or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping, Landscaping, and Placemaking Amenities

In order to attract development consistent with the objectives of this Plan, the City or developer may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; installation of brick or other decorative walks, terraces and street crossings; and placemaking amenities such as plaza, recreational, art, and

cultural amenities. These and any other similar amenities installed by the City are eligible Project Costs.

CDA Activities

Contribution to Community Development

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the City may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

Miscellaneous

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs. The City's practice is to provide developer incentives on a pay-as-you-go basis through the issuance of a Municipal Revenue Obligation.

Projects Outside the Tax Increment District

Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to make the following project cost expenditures outside the District included in the original project plan:

- Construction of 50% of the Golden Gate (240') road and utility improvements, including lighting improvements.
- Construction of 60% of the East Cheryl & Syene Road intersection improvements.

- Multi-use path improvements.

These projects will benefit the District through additional road access, enhancements to vehicular safety, and broader connectivity within the area with multi-use path improvements.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees in connection with the implementation of the Plan.

Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, site preparation, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages, and other expenses are included as Project Costs.

In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment.

The City reserves the right to implement only those projects that remain viable as the Plan period proceeds.

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Plan or the original Project Plan. To the extent the costs benefit the City outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received by the City in connection with the implementation of this Plan.

SECTION 7:

Map Showing Proposed Improvements and Uses Within the Territory to be Added

Map Found on Following Page.



- TID #13 Amendment Boundary
- TID #13 Boundary
- New Multi-Use Path (Approximate)
- Proposed Street (Approximate)
- Public Sanitary Sewer
- Street Improvements
- Signalized Intersection
- TID #13 Amendment Tax Parcels
- TID #13 Tax Parcels
- Parcels

**FITCHBURG TID #13
AMENDMENT**

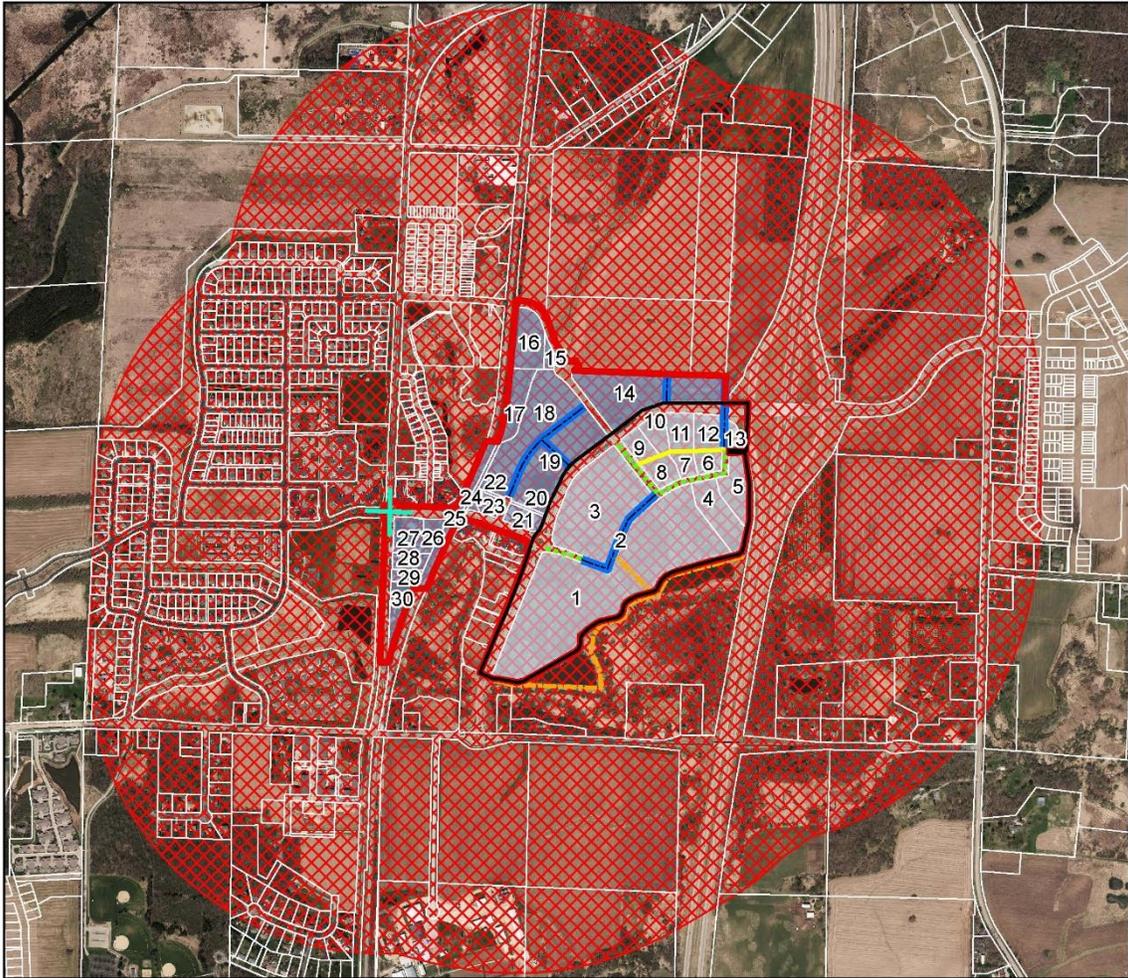
PUBLIC IMPROVEMENTS

Note - Numbers identified in map refer to Map Key in data table. Parcel boundaries shown as of January 1, 2020



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SOURCE: PLANNING & ZONING DEPARTMENT AND DANE COUNTY LIO AIR PHOTO: FLY DANE 2017





-  TID #13 Boundary
-  TID #13 Amendment Boundary
-  New Multi-Use Path (Approximate)
-  Proposed Street (Approximate)
-  Public Sanitary Sewer
-  Street Improvements
-  Signalized Intersection
-  Parcels
-  TID #13 Amendment Tax Parcels
-  TID #13 Tax Parcels
-  Half Mile Buffer

Note - Numbers identified in map refer to Map Key in data table. Parcel boundaries shown as of January 1, 2020

FITCHBURG TID #13 AMENDMENT

PUBLIC IMPROVEMENTS WITH HALF MILE BUFFER



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SOURCE: PLANNING & ZONING DEPARTMENT AND DANE COUNTY LIO AIR PHOTO: FLY DANE 2017



SECTION 8:

Detailed List of Estimated Project Costs

All costs are based on 2020 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2020 and the time of construction. The City also reserves the right to increase certain Project Costs to the extent others are reduced or not implemented without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

The City may finance project costs directly as a city public infrastructure project. As an alternative, the City may also use a combination of providing a development incentive to reimburse for public infrastructure projects and financing city public infrastructure projects. The City can use either approach on any TID project.

This Plan is not meant to be a budget, nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without further amending this Plan.

Project costs are TID eligible to the extent sufficient increment is available to support these projects.

City of Fitchburg, Wisconsin

Tax Increment District # 13

Original Project Plan List

Original
Project Plan

Project Name/Type

East Cheryl (330'), Path (2600') & Boardwalk (450')

Construction road and utilities	437,900
Right of Way (0.37 acres)	22,200
City of Fitchburg Staff Admin/inspection	17,500
Geotechnical	1,250
Design	65,700
Electrical piles & luminaries	30,000
MGE install light poles	12,000
Subtotal	586,550

Greenmarket (790')

Construction road and utilities	766,400
Right of Way (0.37 acres)	63,600
City of Fitchburg Staff Admin/inspection	30,700
Geotechnical	4,000
Design	115,000
Electrical piles & luminaries	10,000
MGE install light poles	4,000
Subtotal	993,700

Golden Gate (480')

Construction road and utilities	455,900
Right of Way (0.37 acres)	26,400
City of Fitchburg Staff Admin/inspection	18,200
Geotechnical	4,000
Design	68,400
Electrical piles & luminaries	10,000
MGE install light poles	4,000
Subtotal	586,900

Nine Springs Lots

Construction road and utilities	388,501
City of Fitchburg Staff Admin/inspection	15,540
Geotechnical	750
Design	29,138
Subtotal	433,929

0.5 mile radius projects

Golden Gate (480')	
Construction road and utilities	259,600
Right of Way (0.37 acres)	19,200
City of Fitchburg Staff Admin/inspection	10,400
Geotechnical	4,000
Design	38,900
Electrical piles & luminaries	10,000
MGE install light poles	4,000
Subtotal	346,100
TID Eligible 50%	173,050

OL 13 Bile Path

Construction road and utilities	184,900
City of Fitchburg Staff Admin/inspection	7,400
Geotechnical	750
Design	27,700
Subtotal	220,750

Development Incentives

Phoenix	2,100,000
Onsite Infrastructure	3,000,000
Parking Structure	5,000,000
Development incentives (sustainability, underground parking)	10,000,000

Planning, Legal, Administration

500,000

Total Projects

23,594,879

City of Fitchburg, Wisconsin

Tax Increment District # 13

Amendment #1 Project List

Project Name/Type	Added Costs Amendment #1
Environmental Analysis & Remediation of Gerlach & Perkins Oil Sites	750,000
Soil/Ground Water Remediation/Dewatering/Geotechnical Subsurface Conditions	500,000
Development Incentives	10,000,000
(Mixed use, Structured/Underground Parking, Sustainability, Town Square & Placemaking Amenities, Streets, Electric Poles and Illuminaries etc.)	
0.5 mile radius projects	
East Cheryl Parkway & Syene Road intersection (total cost is \$833,333 60% is TID eligible)	500,000
TOTAL AMENDMENT #1	<u>11,750,000</u>
ORIGINAL PLAN & AMENDMENT #1 TOTAL	35,344,879

SECTION 9:

Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes an updated forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how remaining Project Costs would be financed, and a projected cash flow demonstrating that the District remains economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to create \$222 million in incremental value. Estimated valuations and timing for construction are included in **Table 1**. Assuming the City's current equalized TID Interim tax rate of \$22.72 per thousand of equalized value, and economic appreciation of 0.50%, the District would generate \$63.4 million in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

Financing and Implementation

Based on the Project Cost expenditures as included within the cash flow exhibit (**Table 3**), the District is projected to accumulate sufficient funds by the year 2035 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 1 – Development Assumptions

City of Fitchburg, Wisconsin											
Tax Increment District # 13											
Development Assumptions											
Construction Year	Actual	Health Care Lots 1,4,5	Office, Commercial, Mixed Use Lots 3, 6-13	Phoenix Industries 50,000 SF Phase II	Parcel 23, 26, 27	Parcel 19	Parcel 18	Parcel 14	Annual Total	Construction Year	Construction Year
1 2018	3,033,000								3,033,000	2018	1
2 2019				3,875,000					3,875,000	2019	2
3 2020				3,875,000					3,875,000	2020	3
4 2021									0	2021	4
5 2022					5,000,000				5,000,000	2022	5
6 2023		30,000,000	15,000,000			10,000,000			55,000,000	2023	6
7 2024		9,000,000				10,000,000			19,000,000	2024	7
8 2025			15,000,000						15,000,000	2025	8
9 2026		9,000,000				15,000,000			24,000,000	2026	9
10 2027			15,000,000				20,000,000		35,000,000	2027	10
11 2028									0	2028	11
12 2029			15,000,000				14,000,000		29,000,000	2029	12
13 2030									0	2030	13
14 2031			15,000,000					10,000,000	25,000,000	2031	14
15 2032								5,000,000	5,000,000	2032	15
16 2033									0	2033	16
17 2034									0	2034	17
18 2035									0	2035	18
19 2036									0	2036	19
20 2037									0	2037	20
Totals	3,033,000	48,000,000	75,000,000	7,750,000	5,000,000	35,000,000	34,000,000	15,000,000	222,783,000		

Notes:

Table 2 – Tax Increment Projection Worksheet

City of Fitchburg, Wisconsin										
Tax Increment District # 13										
Tax Increment Projection Worksheet										
Type of District	Mixed Use				Base Value	16,805,025				
District Creation Date	September 11, 2018				Appreciation Factor	0.50%		Apply to Base Value		
Valuation Date	Jan 1, 2018				Base Tax Rate	\$24.14				
Max Life (Years)	20				Rate Adjustment Factor					
Expenditure Period/Termination	15		9/11/2033		Tax Exempt Discount Rate	3.50%				
Revenue Periods/Final Year	20		2039		Taxable Discount Rate	5.00%				
Extension Eligibility/Years	Yes		3							
Recipient District	No									

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt		
								NPV Calculation	Taxable NPV Calculation	
1	2018	3,033,000	2019	0	3,033,000	2020	\$22.72	68,903	62,146	59,521
2	2019	3,875,000	2020	15,165	6,923,165	2021	\$22.72	157,278	199,205	188,914
3	2020	3,875,000	2021	34,616	10,832,781	2022	\$22.72	246,095	406,410	381,736
4	2021	0	2022	54,164	10,886,945	2023	\$22.72	247,326	607,610	566,294
5	2022	5,000,000	2023	54,435	15,941,379	2024	\$22.72	362,151	892,257	823,668
6	2023	55,000,000	2024	79,707	71,021,086	2025	\$22.72	1,613,431	2,117,516	1,915,701
7	2024	19,000,000	2025	355,105	90,376,192	2026	\$22.72	2,053,134	3,623,963	3,239,170
8	2025	15,000,000	2026	451,881	105,828,073	2027	\$22.72	2,404,164	5,328,321	4,715,118
9	2026	24,000,000	2027	529,140	130,357,213	2028	\$22.72	2,961,408	7,356,724	6,446,592
10	2027	35,000,000	2028	651,786	166,008,999	2029	\$22.72	3,771,333	9,852,529	8,546,611
11	2028	0	2029	830,045	166,839,044	2030	\$22.72	3,790,189	12,275,992	10,556,630
12	2029	29,000,000	2030	834,195	196,673,239	2031	\$22.72	4,467,952	15,036,212	12,813,249
13	2030	0	2031	983,366	197,656,606	2032	\$22.72	4,490,292	17,716,424	14,973,156
14	2031	25,000,000	2032	988,283	223,644,889	2033	\$22.72	5,080,684	20,646,485	17,300,676
15	2032	5,000,000	2033	1,118,224	229,763,113	2034	\$22.72	5,219,676	23,554,908	19,578,003
16	2033	0	2034	1,148,816	230,911,929	2035	\$22.72	5,245,774	26,379,029	21,757,730
17	2034	0	2035	1,154,560	232,066,488	2036	\$22.72	5,272,003	29,121,291	23,844,041
18	2035	0	2036	1,160,332	233,226,821	2037	\$22.72	5,298,363	31,784,068	25,840,938
19	2036	0	2037	1,166,134	234,392,955	2038	\$22.72	5,324,855	34,369,662	27,752,254
20	2037	0	2038	1,171,965	235,564,920	2039	\$22.72	5,351,479	36,880,312	29,581,657
Totals		222,783,000		12,781,920		Future Value of Increment	63,426,489			

Notes:

Actual results will vary depending on development, inflation of overall tax rates.

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

Table 3 – Cash Flow

City of Fitchburg, Wisconsin																						
Tax Increment District # 13																						
Cash Flow Projection																						
Year	Projected Revenues				Expenditures										Balances			Year				
	Tax Increments	Investment income	Less City Admin Fees	Net Available TID Revenues	Municipal Revenue Obligation (MRO) \$2,100,000 Phoenix Industries		Municipal Revenue Obligation (MRO) \$3,000,000 2023		Municipal Revenue Obligation (MRO) \$10,000,000 2024		Municipal Revenue Obligation (MRO) \$8,000,000 2025		Municipal Revenue Obligation (MRO) \$11,250,000 2027		Admin.	Interest & Fiscal Charges	Capital Outlay		Total Expenditures	Annual	Cumulative	Principal Outstanding (MRO)
					Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest								
2018		3		3		6%		6.00%		6.00%		6.00%			22,832	125		22,957	(22,954)	(22,954)		2018
2019		32		32											1,235	540		1,775	(1,743)	(24,697)	0	2019
2020	68,903		(20,000)	48,903												494	60,000	494	48,409	23,712	2,100,000	2020
2021	157,278		(20,400)	136,878		126,000												186,000	(49,122)	(25,410)	2,100,000	2021
2022	246,095		(20,808)	225,287	50,000	126,000												176,508	48,779	23,369	2,050,000	2022
2023	247,326		(21,224)	226,102	50,000	123,000												173,000	53,102	76,470	5,000,000	2023
2024	362,151		(21,649)	340,502	40,000	120,000		180,000										340,000	502	76,972	14,960,000	2024
2025	1,613,431		(22,082)	1,591,350	130,000	117,600	200,000	180,000										1,227,600	363,750	440,722	22,630,000	2025
2026	2,053,134		(22,523)	2,030,611	130,000	109,800	200,000	168,000	700,000	600,000				480,000				1,907,800	122,811	563,532	21,600,000	2026
2027	2,404,164		(22,974)	2,381,190	130,000	102,000	200,000	156,000	715,000	558,000	615,000	480,000						1,861,000	520,190	1,083,723	31,190,000	2027
2028	2,961,408		(23,433)	2,937,975	130,000	94,200	200,000	144,000	715,000	515,100	615,000	443,100		675,000				2,473,300	464,675	1,548,398	29,530,000	2028
2029	3,771,333		(23,902)	3,747,431	130,000	86,400	200,000	132,000	715,000	472,200	615,000	406,200	1,000,000	675,000				3,410,600	336,831	1,885,229	26,870,000	2029
2030	3,790,189		(24,380)	3,765,809	130,000	78,600	200,000	120,000	715,000	429,300	615,000	369,300	1,000,000	615,000				3,287,900	477,909	2,363,138	24,210,000	2030
2031	4,467,952		(24,867)	4,443,084	130,000	70,800	200,000	108,000	715,000	386,400	615,000	332,400	1,000,000	555,000				3,165,200	1,277,884	3,641,022	21,550,000	2031
2032	4,490,292		(25,365)	4,464,927	130,000	63,000	200,000	96,000	715,000	343,500	615,000	295,500	1,000,000	495,000				3,042,500	1,422,427	5,063,449	18,890,000	2032
2033	5,080,684		(25,872)	5,054,812	130,000	55,200	200,000	84,000	715,000	300,600	615,000	258,600	1,000,000	435,000				2,919,800	2,135,012	7,198,461	16,230,000	2033
2034	5,219,676		(26,390)	5,193,286	130,000	47,400	200,000	72,000	715,000	257,700	615,000	221,700	1,000,000	375,000				2,797,100	2,396,186	9,594,647	13,570,000	2034
2035	5,245,774		(26,917)	5,218,857	130,000	39,600	200,000	60,000	715,000	214,800	615,000	184,800	1,000,000	315,000				2,674,400	2,544,457	12,139,104	10,910,000	2035
2036	5,272,003		(27,456)	5,244,547	130,000	31,800	200,000	48,000	715,000	171,900	615,000	147,900	1,000,000	255,000				2,551,700	2,692,847	14,831,951	8,250,000	2036
2037	5,298,363		(28,005)	5,270,358	130,000	24,000	200,000	36,000	715,000	129,000	615,000	111,000	1,050,000	195,000				2,479,000	2,791,358	17,623,309	5,540,000	2037
2038	5,324,855		(28,565)	5,296,290	130,000	16,200	200,000	24,000	715,000	86,100	615,000	74,100	1,100,000	132,000				2,403,300	2,892,990	20,516,299	2,780,000	2038
2039	5,351,479		(29,136)	5,322,343	140,000	8,400	200,000	12,000	720,000	43,200	620,000	37,200	1,100,000	66,000				2,289,600	3,032,743	23,549,042	0	2039
Total	63,426,489	35	(485,947)	62,940,576	2,100,000	1,440,000	3,000,000	1,620,000	10,000,000	5,107,800	8,000,000	3,841,800	11,250,000	4,788,000	24,067	1,667	60,000	39,391,534				Total

Notes:

1. Interest on the MRO/PAYGO bonds is subject to negotiation with the developer. Principal amount of the MRO will be reduced to assure adequate cash flow from the developer's project to fund payment of annual principal and interest on the MRO. Timing of issuance of the MRO may vary depending on the pace of development.

Projected TID Closure

SECTION 10:

Annexed Property

There are no lands proposed for inclusion within the District that were annexed by the City on or after January 1, 2004.

SECTION 11:

Estimate of Property to be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12:

Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances Zoning Ordinances

The proposed Plan Amendment is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan Amendment is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for industrial, commercial, and mixed-use development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan Amendment conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13:

Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should the continued implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14:

How Amendment of the Tax Incremental District Promotes the Orderly Development of the City

This Plan Amendment promotes the orderly development of the City by creating new industrial sites, creating opportunities for mixed use development, providing necessary public infrastructure improvements, and providing appropriate financial incentives for private development projects. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to and diversify the tax base and will generate positive secondary impacts in the community such as increased employment opportunities.

SECTION 15:

List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

For projects outside the District, but within a half mile of the boundary, only the portion of the costs attributable to the District will be paid by District revenues.

The Plan includes the following non-project costs (not attributable to the District):

Description of Non-Project Costs	Estimated Cost
Golden Gate (240') road improvements, utilities, and lighting	\$173,050
East Cheryl Parkway & Syene Road intersection	\$333,333
Total	\$506,383

SECTION 16:

Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)

Sample

[Date]

Mayor Richardson
City of Fitchburg
5520 Lacy Rd
Fitchburg, Wisconsin 53711-5318

RE: Project Plan Amendment for Tax Incremental District No. 13

Dear Mayor Richardson:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105. As City Attorney for the City of Fitchburg, I have been asked to review the above-referenced project plan amendment for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the amended Project Plan for the City of Fitchburg Tax Incremental District No. 13 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

City Attorney

SECTION 17:

Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.							
Tax Bill Allocation		2019			Percentage		
County					14.64%		
Special District					0.00%		
Municipality					39.10%		
School District of Oregon					41.78%		
Technical College					4.48%		
					<u>100.00%</u>		
Revenue Year	County	Municipality	School District of Oregon	Technical College	Total	Revenue Year	
2020	10,085	26,944	28,788	3,086	68,903	2020	
2021	23,020	61,502	65,711	7,044	157,278	2021	
2022	36,020	96,234	102,820	11,021	246,095	2022	
2023	36,201	96,715	103,334	11,076	247,326	2023	
2024	53,007	141,616	151,308	16,219	362,151	2024	
2025	86,524	231,160	246,980	26,474	591,138	2025	
2026	120,208	321,152	343,130	36,780	821,270	2026	
2027	120,809	322,758	344,846	36,964	825,376	2027	
2028	171,290	457,625	488,943	52,410	1,170,268	2028	
2029	238,649	637,585	681,218	73,019	1,630,472	2029	
2030	239,842	640,773	684,624	73,385	1,638,624	2030	
2031	287,593	768,347	820,929	87,995	1,964,864	2031	
2032	289,031	772,188	825,034	88,435	1,974,688	2032	
2033	323,728	864,885	924,074	99,051	2,211,738	2033	
2034	341,972	913,627	976,152	104,633	2,336,385	2034	
2035	343,682	918,196	981,033	105,156	2,348,067	2035	
2036	345,401	922,787	985,938	105,682	2,359,807	2036	
2037	347,128	927,400	990,868	106,211	2,371,607	2037	
2038	348,863	932,037	995,822	106,742	2,383,465	2038	
2039	350,608	936,698	1,000,801	107,275	2,395,382	2039	
		<u>4,113,661</u>	<u>10,990,230</u>	<u>11,742,354</u>	<u>1,258,658</u>	<u>28,104,903</u>	
Notes:							
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.							