



CITY OF FITCHBURG, WISCONSIN

Territory & Project Plan Amendment to Tax Incremental District No. 6



August 12, 2013

Joint Review Board Organizational Meeting Held:

July 16, 2013

Public Hearing Held:

July 16, 2013

Adopted by Plan Commission:

August 20, 2013

Adopted by Common Council:

August 27, 2013

Consideration for Approval by the Joint Review Board:

September 18, 2013

Tax Incremental District No. 6 Territory & Project Plan Amendment

City of Fitchburg Officials

Common Council

Shawn Pfaff	Mayor
Dorothy Krause	Council Member
Carol Poole	Council Member
Richard Bloomquist	Council Member
Patrick Stern	Council Member
Jason Gonzalez	Council Member
Dan Carpenter	Council Member
Steve Arnold	Council Member
Becky Baumbach	Council Member

City Staff

Tony Roach	City Administrator
Thomas Hovel	Zoning Administrator – City Planner
Mark Sewell	City Attorney
Michael Zimmerman	Economic Development Director
Paul Woodard	Public Works Director/City Engineer
Michael Procknow	City Assessor
Linda Cory	City Clerk
Norma DeHaven	Finance Director

Plan Commission

James Anderson	Ed Kinney
Becky Baumbach	Rachel Lee
Kathleen Kilgore	Tony McGrath
	Carol Poole

Joint Review Board

Tom Hovel

City Representative

Adam Gallagher/Charles Hicklin

Dane County

Lorin Toepper

Madison Area Technical College District

Renee Zook/Dean Gorrell

Verona Area School District

Tony McGrath

Public Member

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EXECUTIVE SUMMARY

DESCRIPTION OF ORIGINAL DISTRICT AND PROPOSED TERRITORY AMENDMENT

- Original District Purpose.
 - Tax Incremental District (“TID”) No. 6 (the “TID” or “District”) is an existing mixed-use district, which was created by a resolution of the City of Fitchburg (“City”) Common Council adopted on August 8, 2006 (the “Creation Resolution”).

- Additional Amendments.
 - The District has not been previously amended.

- Purpose of this Amendment.
 - To further facilitate development and/or redevelopment within areas adjacent to the District, the City desires to amend its boundaries to add territory. A map, located in Section 3 of this plan, identifies the Territory to be added and its geographic relationship to the existing District’s boundaries.
 - This amendment will cause territory to be added to the District, providing incentive and opportunities for additional private development and redevelopment.
 - This amendment will modify the categories, locations or costs of the Projects to be undertaken, providing incentive and opportunities for additional private development and redevelopment.

- Estimated Total Project Expenditures.
 - The City anticipates making project expenditures of approximately \$17 M to undertake projects in the amendment areas as listed in this Project Plan. It is anticipated that the remaining and additional projects will be completed in two phases. The Expenditure Period of this District terminates on August 8, 2021. The remaining and additional projects to be undertaken pursuant to this Project Plan are expected to be financed with general obligation debt, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of project financing by phase is located in Section 10 of this plan.

- Economic Development.
 - As a result of the amendment of this District, the City projects that additional land and improvements value of approximately \$24 M will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the amended area(s) and within the original District boundaries. A table detailing assumptions as to the timing of new development and redevelopment, and associated values is located in Section 10 of this plan. In addition, the amendment of the District is expected to result in further economic benefits as detailed in the Summary of Findings hereafter.

- Expected Termination of District.
 - TID No. 6 has a maximum statutory life of 20 years, and must close not later than August 8, 2026, resulting in a final collection of increment in budget year 2027. Pre-amendment cash flow projections indicate that the existing increment value and assuming no additional projects are undertaken anticipate total cumulative revenues that will exceed total liabilities by the year 2014, enabling the District to close 13 years earlier than its maximum life. Based on the Economic Feasibility Study located in Section 10 of this Plan, amendment of the District would shift the projected closure year from 2014 to 2025.

SUMMARY OF FINDINGS

As required by s.66.1105 Wis. Stats., and as documented in this Project Plan Amendment and the exhibits contained and referenced herein, the following findings are made:

1. **That “but for” amendment of this District, the additional development projected to occur within the amendment areas as detailed in this Project 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 making this determination, the City has considered the following information:
 - In order to make the amendment areas suitable for development and/or redevelopment, the City will need to make a substantial investment to pay for the costs of: property, right-of-way and easement acquisition; site preparation; installation of utilities; installation of streets and related streetscape items; development incentive payments; façade grants and loans, and other associated costs. Due to the extensive initial investment in public infrastructure and/or rehabilitation that is required in order to allow development and/or redevelopment to occur, the City has determined that development and/or redevelopment of the amendment area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development and/or redevelopment of the amendment area is unlikely to occur.

 - Use of TIF will provide the City with the means to stimulate new development in the amended area.

2. **The economic benefits of amending the Tax Incremental 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:

- As demonstrated in the Economic Feasibility Section of this Project Plan, the total tax increments projected to be collected in the existing district and the amended area are more than sufficient to pay for the actual and proposed Project Costs within the original District and the amended areas. On this basis alone, the finding is supported.
 - The additional development expected to occur in the amendment area(s) is likely to assist in the retention of existing jobs and also generate between approximately 175 jobs over the life of the District, with an average wage of between \$18 and \$22/hour.
 - The development expected to occur within the amended area(s) would create between 50 and 75 residential units, providing housing opportunities for workers.
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
- If approved, the boundary amendment would become effective for valuation purposes as of January 1, 2013. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the amendment area due to new construction, renovation or appreciation of property values occurring after January 1, 2013 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
 - Given that additional development is not likely to occur or in the same manner without the use of tax incremental financing (see finding # 1), and since the District will generate additional economic benefits that are more than sufficient to compensate for the additional cost of the improvements (see Finding #2), the City reasonably concludes that the overall additional benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not amended. As required by Section 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 made and can be found in Appendix A of the Project Plan.
4. Not less than 50% by area of the real property within the District, as amended, is suitable for a combination of commercial and residential uses, defined as “mixed-use development” within the meaning of Section 66.1105(2)(cm) of the Wisconsin Statutes. Lands proposed or developed for newly platted residential development comprise 2% (and in no event will exceed 35%), as amended, by the area of the real property within the District. Any project Costs related to newly platted residential development are eligible expenditures based on the finding that the development; has a residential housing density of at least 3 units per acre as defined in Section 66.1105(2)(f)3.a., Wisconsin Statutes.
5. Based upon the findings, as stated above, and the original findings as stated in the Creation Resolution, the District remains declared a mixed-use District based on the identification and classification of the property included within the District.
6. The Project Costs of the District relate directly to promoting mixed-use development in the District consistent with the purpose for which the District was created.

7. The improvements to be made within the territory incorporated by this Amendment are likely to enhance significantly the value of substantially all of the other real property in the District..
8. The equalized value of the taxable property within the territory to be added to the District by this amendment, plus the value increment of all other existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that approximately 38% of the territory within the District, as amended, will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Sections 66.1105(5)(b) of the Wisconsin Statutes. (If over 35% must specifically state, otherwise can simply state less than 35%)
10. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the City.

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TYPE & GENERAL DESCRIPTION OF DISTRICT

The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on August 8, 2006 by resolution of the Common Council. The District's valuation date, for purposes of establishing base value, was January 1, 2006.

The existing District is a "Mixed Use District" based upon a finding that at least 50%, by area, of the real property within the District was suitable for a combination of commercial and residential uses within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). The District will remain in compliance with this finding after the addition of the territory identified in this Amendment. The District will also remain in compliance with the prohibition that no more than 35% of the area of the District be allocated for newly-platted residential development. To the extent that the City has incurred, or may incur, Project Costs for newly platted residential development, the residential development will have a density of at least 3 units per acre as defined in s.66.1105(2)(f)3.a., Wisconsin Statutes. The Preliminary Parcel list found in Section 5 of this plan provides a calculation demonstrating continued compliance with both the 50% test and the 35% test.

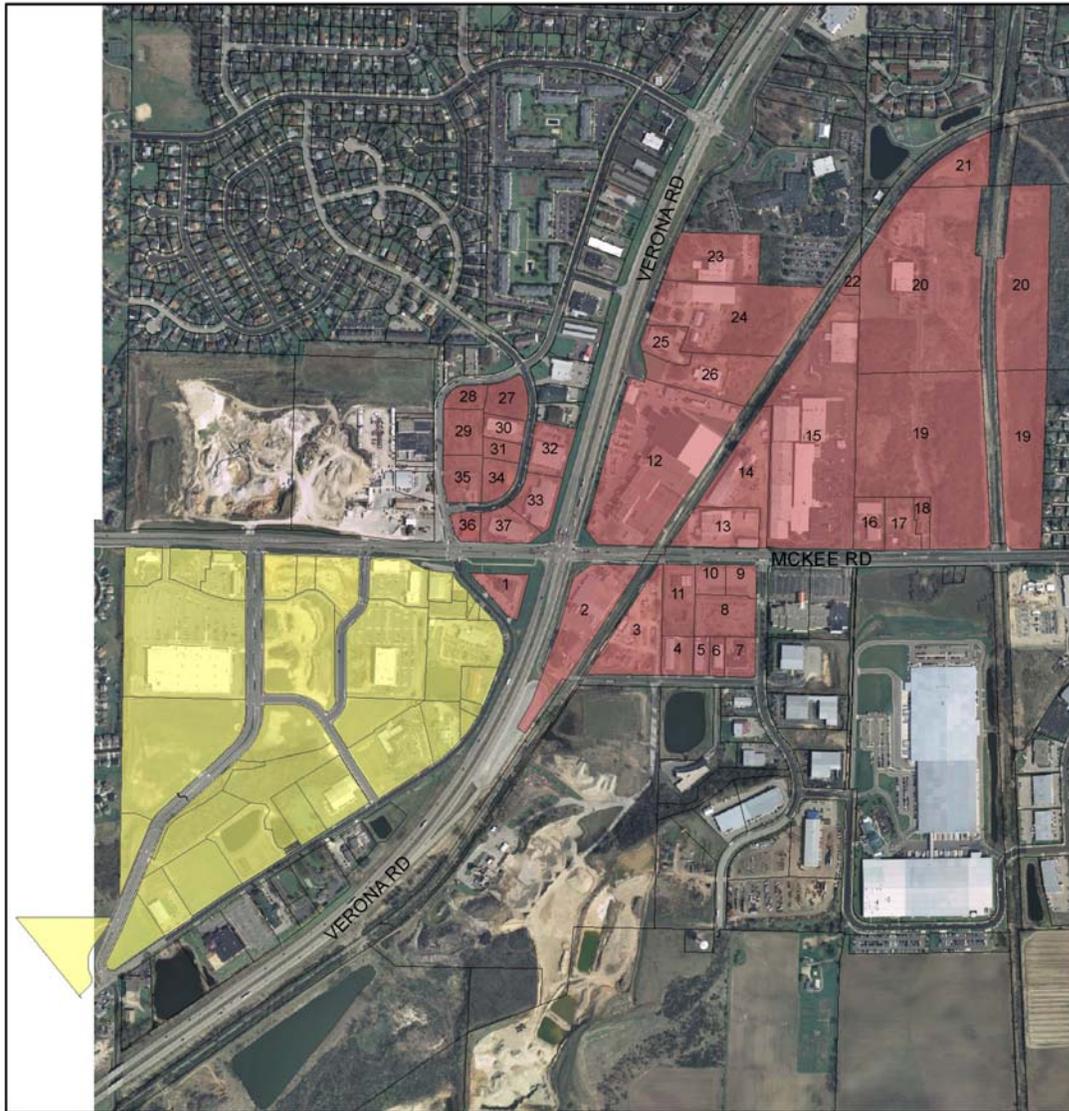
Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a City to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have not previously been amended. This Project Plan Amendment supplements, and does not supersede or replace any component of the original Project Plan, unless specifically stated. All components of the original Project Plan remain in effect.

The purpose of the Amendment is to facilitate development within areas adjacent to the existing District. The amendment to the District boundaries and the Project Plan will enable the City to install additional public improvements, and to make additional necessary related expenditures that will create development and/or redevelopment opportunities consistent with the original purposes for which the District was created. The amendment is also to update and/or provide for the undertaking of additional expenditures.

A map depicting the boundaries of the District is found in Section 3 of this Plan. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution, the District remains a mixed-use District based on the identification and classification of the property included within the District.

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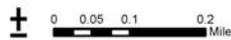
MAP OF ORIGINAL DISTRICT BOUNDARY, WITH TERRITORY AMENDMENT AREA IDENTIFIED



FITCHBURG TID #6 PROPOSED ADDITION

-  Tax Parcels
-  Existing TID #6
-  Proposed Addition

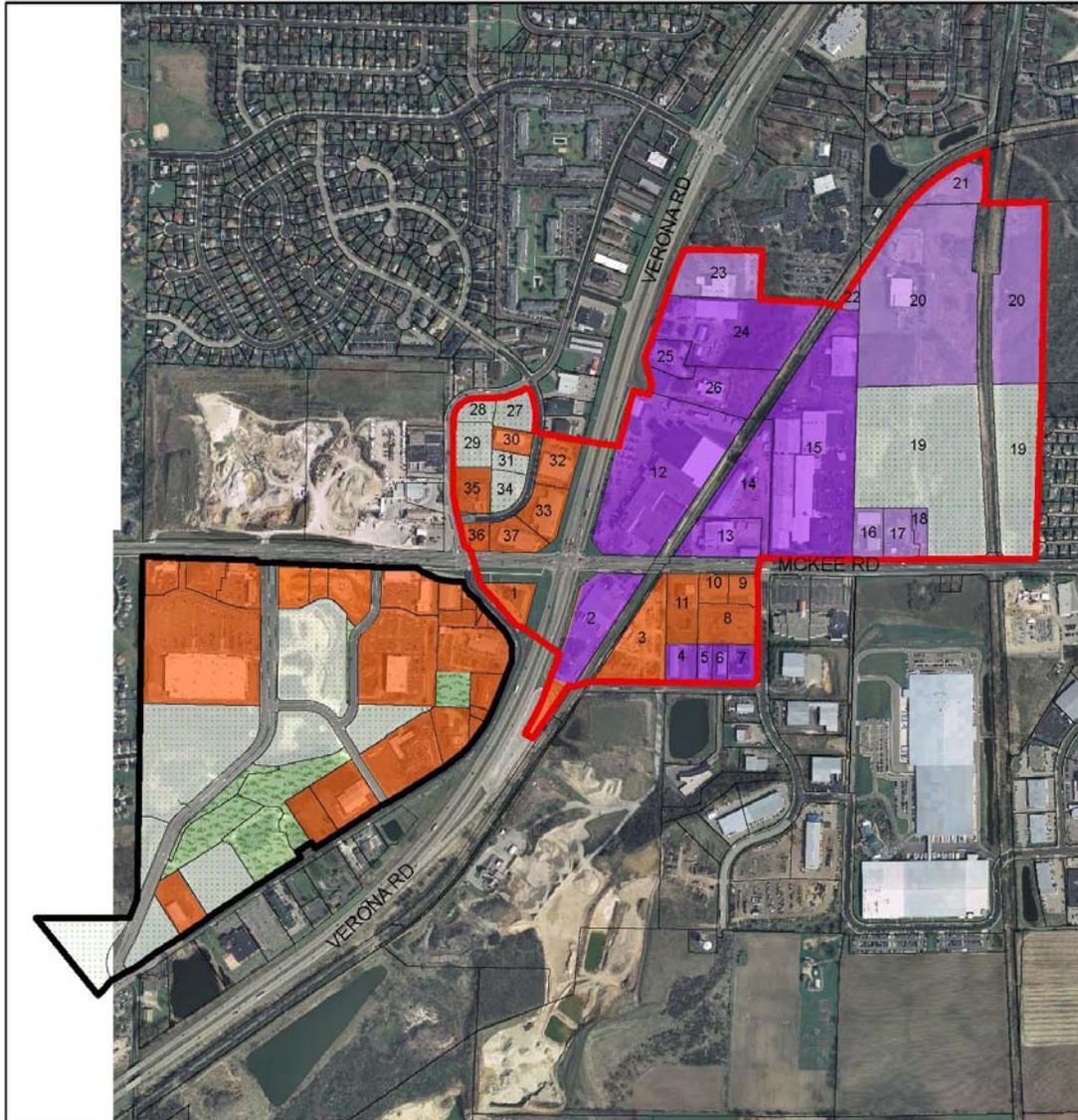
Note - Numbers illustrated in map refer to Map #'s in tables.



CREATED BY: PLANNING & ZONING DEPARTMENT 01/2013
SOURCE: PLANNING & ZONING DEPARTMENT AND DANE COUNTY LIO

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MAP SHOWING EXISTING USES & CONDITIONS WITHIN THE TERRITORY TO BE ADDED



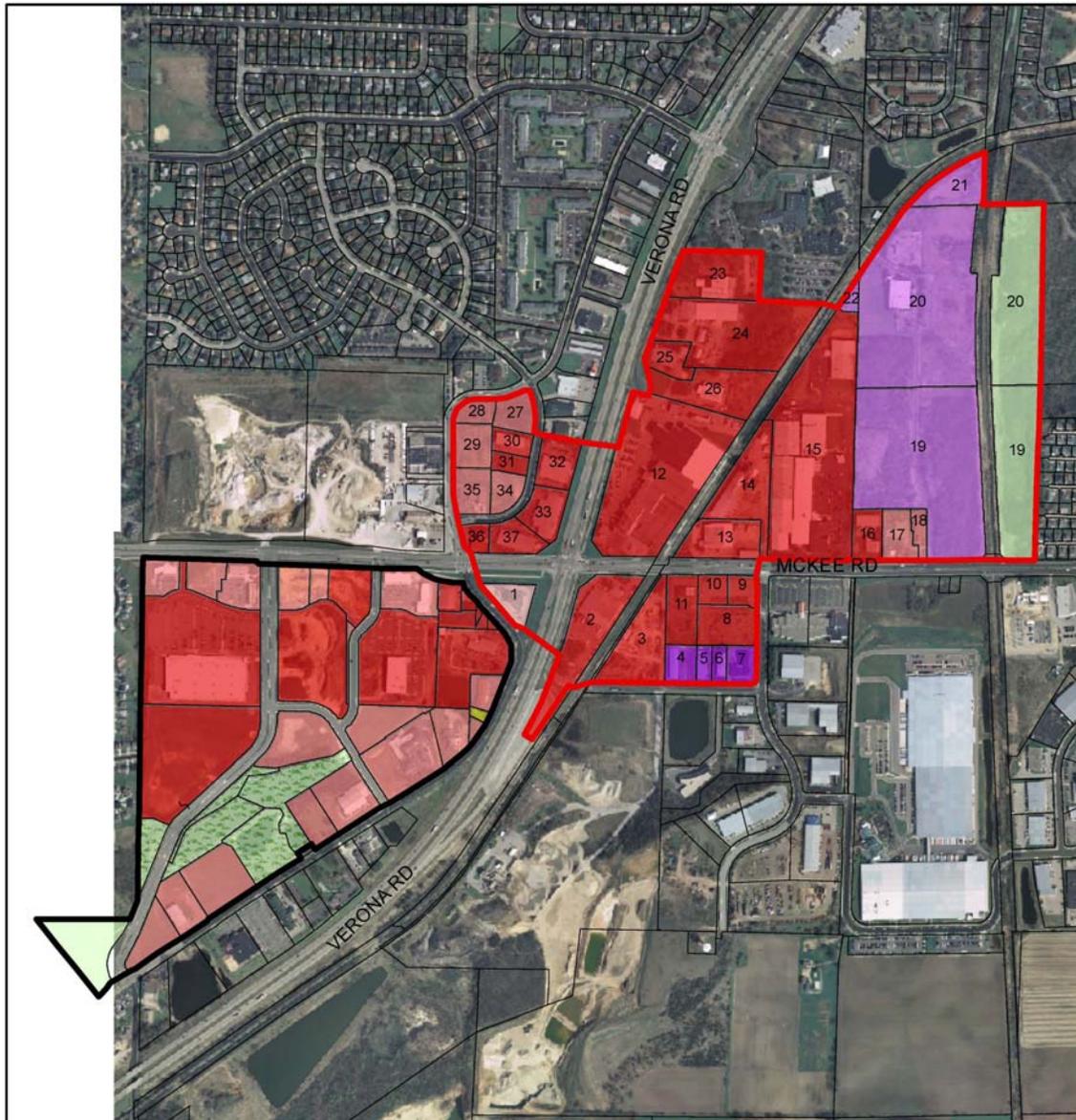
**FITCHBURG TID #6 PROPOSED ADDITION -
CURRENT LAND USE**

- Tax Parcels
- Proposed Addition
- Existing TID #6
- Current Land Use**
- AG: Agriculture or Vacant
- BUS: Business
- I-C: Industrial-Commercial
- I-G: Industrial-General
- P&OS: Park & Open Space

Note - Numbers illustrated in map refer to Map #'s in tables.



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SOURCE: PLANNING & ZONING DEPARTMENT AND DANE COUNTY LID



FITCHBURG TID #6 PROPOSED ADDITION - CURRENT ZONING

- Tax Parcels
- Proposed Addition
- Existing TID #6
- Current Zoning**
- R-LM: Low to Medium Density Residential
- B-P: Professional Business
- B-G: General Business
- B-H: Highway Business
- I-S: Specialized Industrial
- I-G: General Industrial
- P-R: Park and Recreation District
- A-T: Transitional Agriculture

Note - Numbers illustrated in map refer to Map #'s in tables.



CREATED BY: PLANNING & ZONING DEPARTMENT 06/2013
SOURCE: PLANNING & ZONING DEPARTMENT AND DANE COUNTY LIO

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PRELIMINARY LIST OF PARCELS WITHIN THE TERRITORY TO BE ADDED TO THE EXISTING DISTRICT & ANALYSIS

MAP REF #	PARCEL NO.	OWNER	ADDRESS	LOT TYPE	ASSESSED ACRES	ASSESSED VALUE - LAND	ASSESSED VALUE - IMP	TOTAL ASSESSED VALUE (LAND & IMP)	EXISTING ZONING
1	060907125012	WISCONSIN COMMUNITY BANK	6180 VERONA RD UNIT 1	UNIT	0.00	\$430,000	\$755,000	\$1,185,000	B-P
1	060907125042	THOMAS F BUNBURY	6180 VERONA RD UNIT 2	UNIT	0.00	\$215,000	\$520,000	\$735,000	B-P
1	060907125072	UNIT 3 WCB LLC	6180 VERONA RD UNIT 3	UNIT	0.00	\$215,000	\$460,000	\$675,000	B-P
2	060907185252	W-M INVESTMENTS LLC	6169 MCKEE ROAD	NA	5.43	\$2,350,000	\$140,000	\$2,490,000	B-H
3	060907189206	JOHN D PAUL	6149 MCKEE RD	LOT	5.04	\$549,000	\$1,000	\$550,000	B-H
4	060907103048	THE RC GROUP	6140 COTTONWOOD DR	LOT	1.47	\$210,000	\$445,000	\$655,000	I-G
5	060907104154	MARY R HERMANSON	6126 COTTONWOOD DR	LOT	0.70	\$100,000	\$375,000	\$475,000	I-G
6	060907104654	LYALL HACH	6120 COTTONWOOD DR	LOT	0.70	\$100,000	\$295,000	\$395,000	I-G
7	060907105064	UNITED VACCINES INC	2919 COMMERCE PARK DR	LOT	1.36	\$203,500	\$1,087,200	\$1,290,700	I-G
8	060907102254	REALTY INCOME CORPORATION	NA	LOT	2.84	\$800,000	\$160,000	\$960,000	B-H
9	060907101504	REALTY INCOME CORPORATION	6101E MCKEE RD	LOT	1.04	\$365,000	\$150,000	\$515,000	B-H
10	060907100756	REALTY INCOME CORPORATION	NA	LOT	1.02	\$355,000	\$150,000	\$505,000	B-H
11	060907100014	PDQ FOOD STORES INC	6133 MCKEE RD	LOT	2.59	\$1,130,000	\$330,000	\$1,460,000	B-H
12	060906493307	CERTCO INC	6150 MCKEE RD	NA	17.61	\$6,905,000	\$6,660,000	\$13,565,000	B-H
13	060906497607	TJM MCKEE ROAD LLC	6124 MCKEE RD	NA	3.93	\$1,177,300	\$1,599,300	\$2,776,600	B-H
14	060906498204	CONSOLIDATED NUTRITION LC	6104 MCKEE RD	NA	5.13	\$302,300	\$653,900	\$956,200	B-H
15	060906495010	VALD LLC	6080 MCKEE RD	NA	20.89	\$1,640,400	\$6,722,400	\$8,362,800	B-H
16	060905392301	MCKEE ROAD LLC	6060 MCKEE RD	LOT	1.79	\$625,000	\$515,000	\$1,140,000	B-H
17	060905392203	FITCHBURG SERENITY CLUB INC	6048 MCKEE RD	LOT	0.00	\$0	\$0	\$0	B-G
18	060905392114	FITCHBURG, CITY OF	6042 MCKEE RD	LOT	0.00	\$0	\$0	\$0	B-G
19	060905390009	THERMO ELECTRON SCIENTIFIC INSTRUMENTS LLC	5225 VERONA RD	NA	31.18	\$1,099,900	\$21,200	\$1,121,100	I-S and A-T
20	060905385015	THERMO ELECTRON SCIENTIFIC INSTRUMENTS LLC	5225 VERONA RD	NA	34.10	\$1,006,100.00	\$2,312,300.00	\$3,318,400.00	I-S and A-T
21	060905292802	THERMO ELECTRON SCIENTIFIC INSTRUMENTS LLC	NA	NA	2.70	\$13,700.00	\$0.00	\$13,700.00	I-S
22	060906484308	THERMO ELECTRON SCIENTIFIC INSTRUMENTS LLC	NA	NA	0.43	\$13,000.00	\$0.00	\$13,000.00	I-S
23	060906481605	NFW ACQUISITION CORP	5237 VERONA RD	NA	4.95	\$1,615,000	\$30,000	\$1,645,000	B-H
24	060906482006	HENDRICKSON CHILDREN TR, PHILIP J	5253 VERONA RD	NA	11.00	\$575,300	\$1,570,600	\$2,145,900	B-H
25	060906495618	ZIMMERMAN PROPERTY MANAGEMENT LLC	5301 VERONA RD	LOT	1.81	\$710,000	\$60,000	\$770,000	B-H
26	060906495814	CERTCO INC	5305 VERONA RD	LOT	4.99	\$850,000	\$5,000	\$855,000	B-H
27	060906442602	RHK LLC	NA	LOT	1.73	\$435,000	\$0	\$435,000	B-G
28	060906442353	FITZGLIN LTD PTNSP	NA	LOT	0.99	\$245,000	\$0	\$245,000	B-G
29	060906398723	FITZGLIN LTD PTNSP	NA	LOT	1.99	\$480,000	\$0	\$480,000	B-G
30	060906442844	MCALLEN INVESTMENTS LTD PARTNERSHIP	5375 KING JAMES WAY	LOT	1.12	\$148,500	\$404,100	\$552,600	B-H
31	060906443102	AZ INVESTMENTS LLC	5381 KING JAMES WAY	LOT	0.87	\$245,000	\$0	\$245,000	B-H
32	060906443263	BENJAMIN INVESTMENTS LLC	5380 KING JAMES WAY	LOT	2.21	\$770,000	\$730,000	\$1,500,000	B-H
33	060906492960	BENJAMIN BUILDING CO LLC	5396 KING JAMES WAY	LOT	2.20	\$1,050,000	\$990,000	\$2,040,000	B-H
34	060906443202	AZ INVESTMENTS LLC	5381 KING JAMES WAY	LOT	1.43	\$405,000	\$0	\$405,000	B-G
35	060906398616	FITCHBURG, CITY OF	5415 KING JAMES WAY	LOT	0.00	\$0	\$0	\$0	B-G
36	060906398849	PDQ FOOD STORES INC	6202 MCKEE RD	LOT	0.87	\$545,000	\$420,000	\$965,000	B-H
37	060906493067	BENJAMIN INVESTMENTS LLC	5400 KING JAMES WAY	LOT	2.18	\$1,045,000	\$195,000	\$1,240,000	B-H
TOTAL					178.27	\$28,924,000	\$27,757,000	\$56,681,000	

6 EQUALIZED VALUE TEST

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

The equalized value of the Territory to be incorporated by this Amendment, plus the increment value of TID No. 6, plus the value of all other existing tax incremental districts within the City, totals \$239,734,200. This value is less than the maximum of \$300,452,760 in equalized value that is permitted for the City of Fitchburg. The City is therefore in compliance with the statutory equalized valuation test and may proceed with amendment of this District.

<i>City of Fitchburg, WI</i>				
Tax Increment District No. 6 Amendment (Amended Area Only)				
Valuation Test Compliance Calculation				
Anticipated Creation/Amendment	1/1/2013	Valuation Data		
		Currently Available	Establishing 12% Limit Based on Anticipated Creation Date	Estimated Valuation Data Establishing Base Value
Property Appreciation Factor:	0.50%	ACTUAL	ESTIMATED	ESTIMATED
As of January 1,		2013	2014	2015
Total Equalized Value (TID IN)		2,503,773,000	2,516,291,865	
Limit for 12% Test		300,452,760	301,955,024	
Increment Value of Existing TID's				
TID No. 4 Increment		122,865,500	123,479,828	Percentage Increase in Base Value at Which EV Test will Fail 107.12%
TID No. 6 Increment		55,152,800	55,428,564	
TID No. 7 Increment		5,034,900	5,060,075	
TID No. 8 Increment		0	0	
Total Existing Increment		183,053,200	183,968,466	
Projected Base Value of New District		56,681,000	56,964,405	57,249,227
Existing TID New Construction Factor				
TOTAL VALUE SUBJECT TO TEST/LIMIT		239,734,200	240,932,871	241,217,693
COMPLIANCE		PASS	PASS	PASS



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STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS

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 or 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 AND/OR REDEVELOPMENT.** 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 State 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 intends to 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; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. 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.** There have been no known environmental studies performed within the proposed District. If, however, it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.
- **DEMOLITION.** In order to make sites suitable for development and/or redevelopment, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.
- **SITE GRADING.** Land within the District may require grading to make it suitable for development and/or redevelopment, 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 and/or redevelopment to occur, the City 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.
- **WATER SYSTEM IMPROVEMENTS.** There are inadequate water distribution facilities serving areas of the District. To allow development and/or redevelopment to occur, the City 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 and/or redevelopment within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the City 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 and/or redevelopment, 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 and/or redevelopment, 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 and/or redevelopment, 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 and/or redevelopment to occur, the City may need to construct and/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 AND LANDSCAPING.** In order to attract development and/or redevelopment consistent with the objectives of this Plan, the City 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; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

CDA OR RDA TYPE ACTIVITES

- **CONTRIBUTION TO COMMUNITY DEVELOPMENT OR REDEVELOPMENT AUTHORITY.** 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 OR RDA 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 OR RDA for this purpose are eligible Project Costs.

- **REVOLVING LOAN/GRANT PROGRAM.** To encourage private redevelopment consistent with the objectives of this Plan, the City, through its CDA OR RDA, may provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA OR RDA in the program manual. Any funds returned to the CDA OR RDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA OR RDA for purposes of implementing this program are considered 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.
- **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.
- **PROJECT COSTS.** Specific restrictions and conditions related to various project costs detailed in this document are provided below:
 1. Certco Powerline Relocation (\$750,000) will be added to the Avenue A/B project conditioned on a guarantee of additional improvement value within the TID by the property owner or their assign that their expansion projects will generate sufficient increment to cover the cost of this project in the year 2025 or earlier.
 2. McKee Road Powerline (\$1,200,000) will only be funded if agreements with ATC, DOT, MG&E, Alliant and/or other interested parties to fund the total cost of the project are

obtained, and there is sufficient increment to cover the cost of this project in the year 2025 or earlier.

3. Nesbit Road Roundabout (\$500,000) will only be constructed if the intersection meets warrants for a roundabout, and there is sufficient increment to cover the cost of this project in the year 2025 or earlier.
4. Nesbit Road Signal (\$130,000) contained in the initial project plan is deleted.
5. The project cost line item "Parking assistance, sustainability, demolition, relocation, Badger Trail, and Williamsburg Way extension" (\$6,300,000) is further defined as follows:
 - Parking assistance is for structured or underground parking participation to allow a site to undertake a higher floor area ratio than would otherwise occur with at grade parking.
 - Sustainability is to assist with sustainability initiatives such as green roofs, water re-use, higher levels of storm water management than otherwise required, high level energy efficiency or sound attenuation.
 - Demolition is explained earlier in this section.
 - Relocation is explained earlier in this section.
 - Badger Trail, may be allocated \$300,000 of the available funds in this line item for a grade separated crossing of McKee Road.
 - Williamsburg Way extension, if accomplished, could use up to \$3,300,000 of the allocated money in this line item for the extension of Williamsburg Way east of Verona Road to Avenue A. However, this expense would only be funded with a \$10,000,000 guarantee of additional improvement value within the TID by the property owner or their assign, and that, prior to this guarantee that sufficient other increment has been generated to have the TID close out in year 2025 or earlier.
 - Any development incentive funded from this line item will be funded by "Pay As You Go" developer bonds, and will be considered only upon inclusion of a look back provision on the bonds, with a limitation of payments on the bonds no later that 2025.

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.

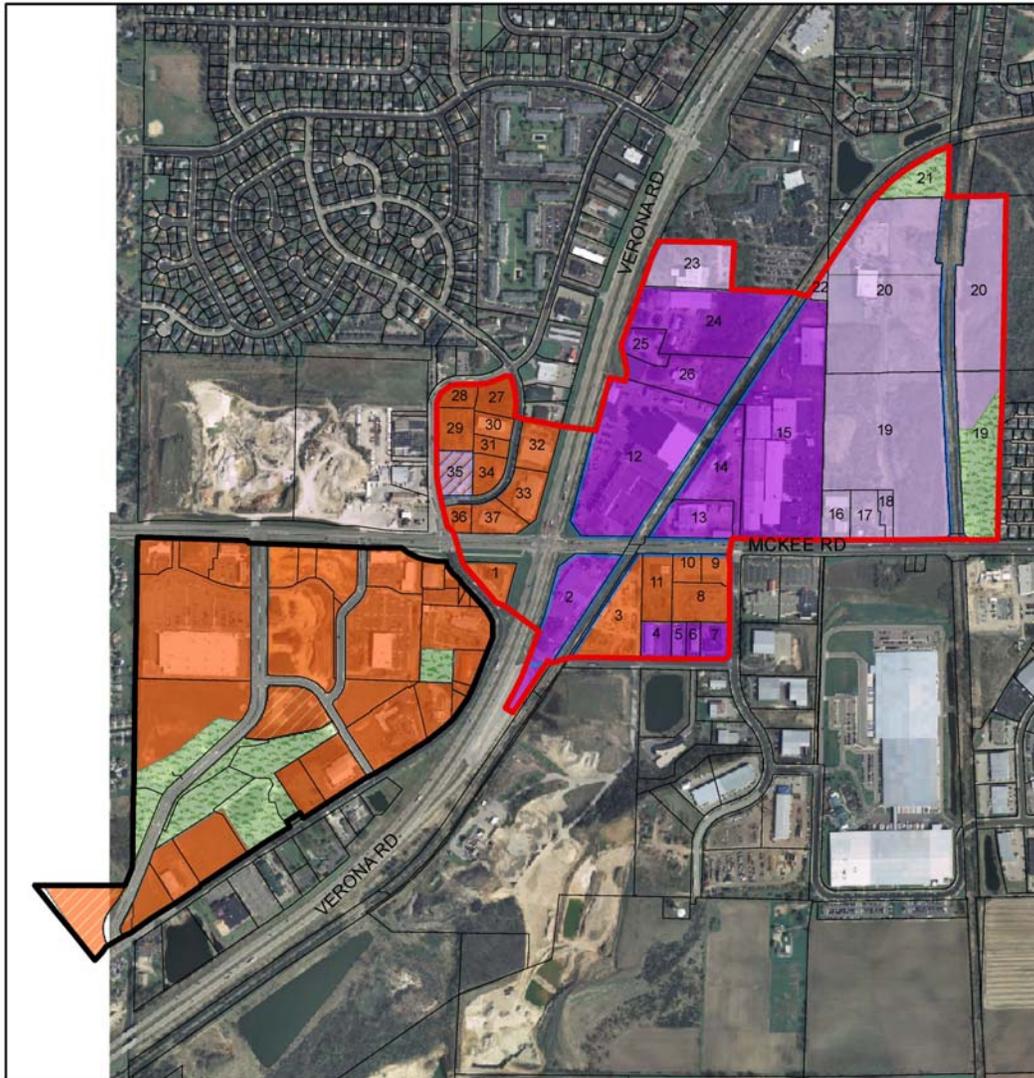
In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statute Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project 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. Proration of costs in the Plan is also estimated 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 Project Plan.

8

MAP SHOWING PROPOSED IMPROVEMENTS AND USES WITHIN THE TERRITORY TO BE ADDED



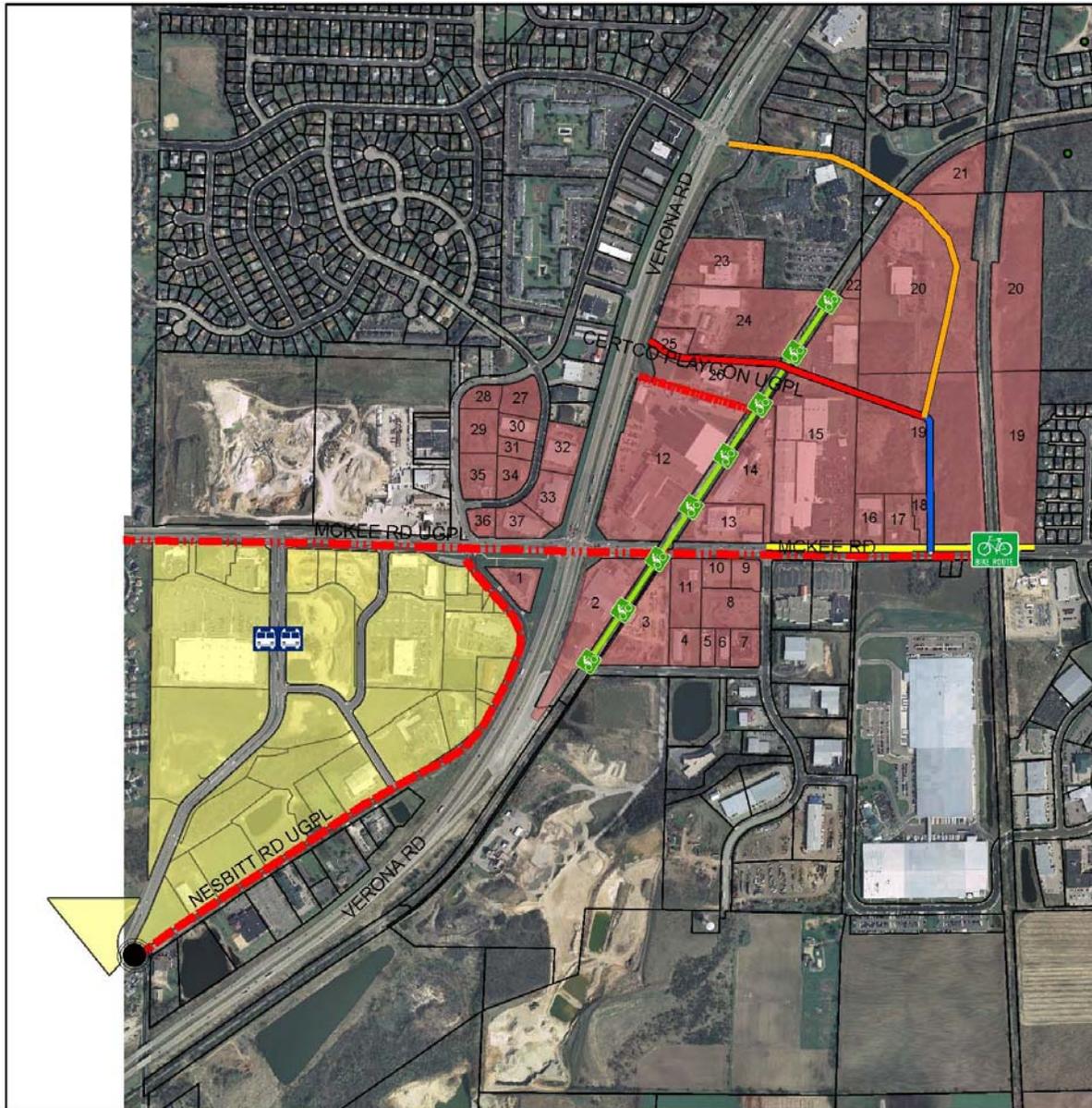
- Tax Parcels
- Proposed Addition
- Existing TID #6
- Future Land Use**
- BUS: Business
- CC: City Center
- I-C: Industrial-Commercial
- I-G: Industrial-General
- MU: Mixed Use
- POS: Park & Open Space
- Study Area

FITCHBURG TID #6 PROPOSED ADDITION - FUTURE LAND USE

Note - Numbers illustrated in map refer to Map #'s in tables.



CREATED BY: PLANNING & ZONING DEPARTMENT 06/2013
SOURCE: PLANNING & ZONING DEPARTMENT AND DANE COUNTY LIO



- Tax Parcels
- Existing TID #6
- Proposed Addition

FITCHBURG TID #6 PROPOSED ADDITION - PROPOSED IMPROVEMENTS

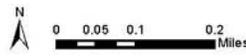
Proposed Improvements

- Avenue A
- Williamsburg Way
- Avenue B
- McKee Road Expansion
- Military Ridge Bike Trail Improvement
- Proposed Bus Shelter
- Proposed Roundabout
- Bike/Ped Grade Separation

Proposed Underground Powerlines

- CERTCO PLAYCON UGPL
- MCKEE RD UGPL
- NESBITT RD UGPL

Note - Numbers illustrated in map refer to Map #'s in tables.



CREATED BY: PLANNING & ZONING DEPARTMENT 06/2013
SOURCE: PLANNING & ZONING DEPARTMENT AND DANE COUNTY LIO

9 DETAILED LIST OF ADDITIONAL AND/OR UPDATED PROJECT COSTS

This Section contains information relative to the specific projects and expenditures that the City anticipates it will undertake or make within the Territory to be incorporated into the District by this Amendment.

All costs are based on 2013 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2013 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.

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.

PROPOSED TIF PROJECT COST ESTIMATES

	G.O. Bond	G.O. bonds	Total Project Costs
	2014	2017	All Phases
Projects			
Avenue A/B	4,900,000		4,900,000
Military Ridge Path Improvements	250,000		250,000
Certco & Placon - Powerline Relocation	750,000		750,000
Expand McKee Road (Comm Pk to Badger TI)		2,600,000	2,600,000
McKee Road - Power Line (In Current Plan)	1,200,000		1,200,000
Bus Shelter (In Current Plan)	60,000		60,000
Nesbit Road - Roundabout	500,000		500,000
Nesbit Road - Underground Power Line	170,000		170,000
Parking Assistance, Sustainability, Demolition, Relocation, Badger Trail, and Williamsburg Way Extension		6,300,000	6,300,000
Subtotal Needed for Projects	7,830,000	8,900,000	16,730,000

10

ECONOMIC FEASIBILITY STUDY & A DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS RELATED THERETO ARE TO BE INCURRED

The information and exhibits contained within this Section demonstrate that the District, as proposed to be amended by the addition of territory, will remain economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the remaining projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The City expects to complete the remaining projects in one or multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private development and/or redevelopment. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur as a result of the continued implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development and/or redevelopment expected to occur, 2) an updated projection of tax increments to be collected resulting from that development and/or redevelopment and other economic growth within the District, and 3) an updated cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

AVAILABLE FINANCING METHODS

Implementation of this Plan may require that the City issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. The following is a list of the types of obligations the City may choose to utilize.

General Obligation (G.O.) Bonds or Notes

The City may issue G.O. Bonds or Notes to finance the cost of Projects included within this Plan. Wisconsin Statutes limit the principal amount of G.O. debt that a community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (including increment values). The tables on the ensuing page provide a calculation of the City’s current and projected G.O. debt capacity. Tables 1 and 2 project, respectively, the City’s equalized value, and the full faith and credit borrowing capacity of the City. Equalized valuation projections were made using two methods. The first projects future valuation of the City using the average annual percentage of valuation growth experienced between 2008 and 2012. This method is identified as the percentage method. The second method projects the future valuation based upon the average annual value change between 2008 and 2012. This method is identified as the straight-line method. Table 2 projects the G.O. borrowing capacity of the City

utilizing the straight-line valuation projection and considering the existing debt of the City, demonstrating that the City will have sufficient G.O. debt capacity during the implementation period of the District to finance projects using this method if it chooses.



City of Fitchburg, WI



Projection of General Obligation Debt Borrowing Capacity

Table 1 - Projection of Growth in Equalized Value (TID IN)

--PERCENTAGE METHOD--			--STRAIGHT LINE METHOD--		
HISTORICAL DATA					
2009	2,582,226,200		2009	2,582,226,200	
2010	2,524,627,800		2010	2,524,627,800	
2011	2,489,764,900		2011	2,489,764,900	
2012	2,447,132,400		2012	2,447,132,400	
2013	2,503,773,000	-0.76%	2013	2,503,773,000	-19,613,300
PROJECTED VALUATIONS					
2014	2,484,755,591	-0.76%	2014	2,484,159,700	-0.78%
2015	2,465,882,629	-0.76%	2015	2,464,546,400	-0.79%
2016	2,447,153,017	-0.76%	2016	2,444,933,100	-0.80%
2017	2,428,565,665	-0.76%	2017	2,425,319,800	-0.80%
2018	2,410,119,494	-0.76%	2018	2,405,706,500	-0.81%
2019	2,391,813,431	-0.76%	2019	2,386,093,200	-0.82%
2020	2,373,646,411	-0.76%	2020	2,366,479,900	-0.82%
2021	2,355,617,379	-0.76%	2021	2,346,866,600	-0.83%
2022	2,337,725,286	-0.76%	2022	2,327,253,300	-0.84%

Table 2 - Projection of G.O. Debt Capacity (Based on Straight Line Method)

BUDGET YEAR	EQUALIZED VALUE	GROSS DEBT LIMIT	DEBT BALANCE	NET BORROWING CAPACITY
2014	2,503,773,000	125,188,650	24,547,282	100,641,368
2015	2,484,159,700	124,207,985	21,991,794	102,216,191
2016	2,464,546,400	123,227,320	19,363,951	103,863,369
2017	2,444,933,100	122,246,655	16,798,698	105,447,957
2018	2,425,319,800	121,265,990	14,205,000	107,060,990
2019	2,405,706,500	120,285,325	12,595,000	107,690,325
2020	2,386,093,200	119,304,660	10,895,000	108,409,660
2021	2,366,479,900	118,323,995	9,655,000	108,668,995
2022	2,346,866,600	117,343,330	8,655,000	108,688,330
2023	2,327,253,300	116,362,665	7,660,000	108,702,665
2024	2,307,640,000	115,382,000	6,590,000	108,792,000
2025	2,288,026,700	114,401,335	5,490,000	108,911,335
2026	2,268,413,400	113,420,670	4,305,000	109,115,670
2027	2,248,800,100	112,440,005	3,075,000	109,365,005
2028	2,229,186,800	111,459,340	1,815,000	109,644,340
2029	2,209,573,500	110,478,675	1,100,000	109,378,675
2030	2,189,960,200	109,498,010	350,000	109,148,010
2031	2,170,346,900	108,517,345		108,517,345
2032	2,150,733,600	107,536,680		107,536,680
2033	2,131,120,300	106,556,015		106,556,015
2034	2,111,507,000	105,575,350		105,575,350
2035	2,091,893,700	104,594,685		104,594,685

Bonds Issued to Developers (“Pay as You Go” Financing)

The City may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the City and, therefore, do not count against the City’s statutory borrowing capacity.

Tax Increment Revenue Bonds

The City has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the City, or as a form of lease revenue bond by its Community Development Authority (CDA) or by a Redevelopment Authority (RDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the City and therefore do not count against the City’s statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the City may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

Utility Revenue Bonds

The City can issue revenue bonds to be repaid from revenues of its various utility systems, including revenues paid by the City that represent service of the system to the City. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the City must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

Special Assessment “B” Bonds

The City has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the City determines that special assessments are appropriate, the City can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the City’s statutory borrowing capacity. If special assessments are levied, the City must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

PLAN IMPLEMENTATION

As stated in the original project plan, projects identified will provide the necessary anticipated governmental services and/or development incentives to the remaining district. The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements, if any. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

It is anticipated developer agreements between the City and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement these agreements might include levying of special assessments against benefited properties.

The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.

IMPLEMENTATION & FINANCING TIMELINE

It is anticipated that the City will undertake the remaining improvements (already included in the project plan) and the added improvements in two phases, as follows below. The City reserves the right to modify the timeline of the improvements to meet the development needs of the district.

		G.O. Bond		Total Project Costs All Phases
		2014	2017	
Projects				
Avenue A/B		4,900,000		4,900,000
Military Ridge Path Improvements		250,000		250,000
Certco & Placon - Powerline Relocation		750,000		750,000
Expand McKee Road (Comm Pk to Badger TI)			2,600,000	2,600,000
McKee Road - Power Line (In Current Plan)		1,200,000		1,200,000
Bus Shelter (In Current Plan)		60,000		60,000
Nesbit Road - Roundabout		500,000		500,000
Nesbit Road - Underground Power Line		170,000		170,000
Parking Assistance, Sustainability, Demolition, Relocation, Badger Trail, and Williamsburg Way Extension			6,300,000	6,300,000
Subtotal Needed for Projects		7,830,000	8,900,000	16,730,000
Finance Related Expenses				
Financial Advisor		38,000	38,000	
Bond Counsel (Estimate)		17,000	17,000	
Rating Agency Fee		12,500	12,500	
Paying Agent (if Term Bonds)		675	675	
Max. Underwriter's Discount	\$12.50	100,000	\$12.50	113,438
Capitalized Interest				
Total Financing Required		7,998,175	9,081,613	
<i>Estimated Interest Earnings</i>	0.15%	(2,447)	0.50%	(9,264)
<i>Assumed Spend Down (Months)</i>	6		6	
Rounding		4,272	2,651	
NET ISSUE SIZE		8,000,000	9,075,000	

DEVELOPMENT ASSUMPTIONS

Construction Year	City of Fitchburg, WI Tax Increment District No. 6 Amendment (Amended Area Only) Development Assumptions										Annual Total
	Phase I					Existing TID Expansion					
	United Vaccines	Saris Cycling	General Beverage	Harder Corp	Certco	Placon	Hyvee	Firestone	Target Outlet	Johnson Apartments	
2006											0
2007											0
2008											0
2009											0
2010											0
2011											0
2012											0
2013	500,000	200,000	1,000,000				500,000				2,700,000
2014		1,100,000		(770,000)		(500,000)	4,500,000				4,330,000
2015			1,500,000		6,000,000				1,500,000	5,000,000	14,000,000
2016		3,000,000									3,000,000
2017											0
2018											0
2019											0
2020											0
2021											0
2022											0
2023											0
2024											0
2025											0
TOTALS	500,000	4,300,000	2,500,000	(770,000)	6,000,000	(500,000)	5,000,000	500,000	1,500,000	5,000,000	24,030,000

NOTES:

INCREMENT REVENUE PROJECTIONS - Amended Area Only

City of Fitchburg, WI

Tax Increment District No. 6 Amendment (Amended Area Only)
Tax Increment Projection Worksheet



Apply Inflation Factor to Base?

Type of District	Mixed Use
Actual Creation Date	8/8/2006
Valuation Date	Jan. 1, 2006
Maximum Life (In Years)	20
Expenditure Period (In Years)	15
Revenue Periods/Final Rev Year	20 2027
End of Expenditure Period	8/8/2021
Latest Termination Date	8/8/2026
Eligible for Extension/No. of Years	Yes 3
Eligible Recipient District	No

Projected Base Value	56,681,000
Pre-Amendment Base Value (Actual)	20,623,400
Property Appreciation Factor	0.50%
Current Tax Rate (Per \$1,000 EV)	0.00%
Tax Rate Adjustment Factor (Next 2 Years)	0.00%
Tax Rate Adjustment Factor (Following 2 Years)	0.00%
Tax Rate Adjustment Factor (Thereafter)	0.00%

Discount Rate 1 for NPV Calculation	4.00%
Discount Rate 2 for NPV Calculation	5.50%

Cumulative @ 4.00%	0
Cumulative @ 5.50%	0

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment
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The two zero tax increments to the right are included in the sum of the NPV calculations to accurately reflect the time value of the delay

Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment
1 2006	0	2007	0	0	2008	19.97	0
2 2007	0	2008	0	0	2009	21.11	0
3 2008	0	2009	0	0	2010	21.74	0
4 2009	0	2010	0	0	2011	23.49	0
5 2010	0	2011	0	0	2012	24.33	0
6 2011	0	2012	0	0	2013	25.17	0
7 2012	0	2013	0	0	2014	25.17	0
8 2013	2,700,000	2014	0	2,700,000	2015	25.17	67,956
9 2014	4,330,000	2015	13,500	7,043,500	2016	25.17	177,277
10 2015	14,000,000	2016	35,218	21,078,718	2017	25.17	530,527
11 2016	3,000,000	2017	105,394	24,184,111	2018	25.17	608,687
12 2017	0	2018	120,921	24,305,032	2019	25.17	611,730
13 2018	0	2019	121,525	24,426,557	2020	25.17	614,789
14 2019	0	2020	122,133	24,548,690	2021	25.17	617,863
15 2020	0	2021	122,743	24,671,433	2022	25.17	620,952
16 2021	0	2022	123,357	24,794,790	2023	25.17	624,057
17 2022	0	2023	123,974	24,918,764	2024	25.17	627,177
18 2023	0	2024	124,594	25,043,358	2025	25.17	630,313
19 2024	0	2025	125,217	25,168,575	2026	25.17	633,465
20 2025	0	2026	125,843	25,294,418	2027	25.17	636,632

24,030,000	1,264,418	7,001,424
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Note: Projection does not include appreciation of amendment base value. Any increased value due to a appreciation of base would further improve the cash flow of the district.

CASH FLOW – Amended Area Only



Tax Increment District No. 6 Amendment (Amended Area Only)
Cash Flow Pro Forma



Year	Revenues		Expenditures				Balances		Project Cost Principal Outstanding	Year
	Tax Increments	Investment Earnings	Total Revenues	G.O. Bond \$8,000,000 Dated 10/1/14	G.O. Bond \$9,075,000 Dated 10/1/17	City Admin Expense	Total Expenditures	Annual		
		1.00%	Prin (3/1)	Est. Rate	Interest	Prin (3/1)	Est. Rate	Interest		
2006		0	0						0	0
2007		0	0						0	0
2008		0	0						0	0
2009		0	0						0	0
2010		0	0						0	0
2011		0	0						0	0
2012		0	0						0	0
2013		0	0						0	0
2014		0	0						(93,175)	(93,175)
2015	67,956	0	67,956	3.500%	280,000				(103,175)	(103,175)
2016	177,277	0	177,277	3.500%	280,000				(325,219)	(325,219)
2017	530,527	0	530,527	3.500%	280,000				(432,942)	(432,942)
2018	608,687	0	608,687	3.500%	262,500				(687,415)	(687,415)
2019	611,730	0	611,730	3.500%	236,250				(2,034,228)	(2,034,228)
2020	614,789	0	614,789	3.500%	210,000				(3,503,748)	(3,503,748)
2021	617,863	0	617,863	3.500%	183,750				(4,913,959)	(4,913,959)
2022	620,952	0	620,952	3.500%	157,500	575,000	4.000%	363,000	(6,514,846)	(6,514,846)
2023	624,057	0	624,057	3.500%	131,250	750,000	4.000%	340,000	(8,046,394)	(8,046,394)
2024	627,177	0	627,177	3.500%	105,000	1,000,000	4.000%	280,000	(9,508,587)	(9,508,587)
2025	630,313	0	630,313	3.500%	78,750	1,000,000	4.000%	200,000	(10,901,410)	(10,901,410)
2026	633,465	0	633,465	3.500%	52,500	1,000,000	4.000%	160,000	(12,224,847)	(12,224,847)
2027	636,632	0	636,632	3.500%	26,250	1,000,000	4.000%	80,000	(13,478,883)	(13,478,883)
Total	7,001,424	0	7,001,424	8,000,000	2,283,750	9,075,000	2,133,000	188,175	21,679,925	(14,678,501)

Projected TID Closure

NOTES:

INCREMENT REVENUE PROJECTIONS - Full District

City of Fitchburg, WI

Tax Increment District #6 (Full District)
Tax Increment Projection Worksheet



Apply Inflation Factor to Base?

56,681,000
20,623,400
0.50%
0.00%
0.00%

Projected Base Value
Pre-Amendment Base Value (Actual)
Property Appreciation Factor
Current Tax Rate (Per \$1,000 EV)
Tax Rate Adjustment Factor (Next 2 Years)
Tax Rate Adjustment Factor (Following 2 Years)
Tax Rate Adjustment Factor (Thereafter)

Mixed Use
8/8/2006
Jan. 1, 2006
20
15
20 2027
8/8/2021
8/8/2026
Yes
3
No

Type of District
Actual Creation Date
Valuation Date
Maximum Life (in Years)
Expenditure Period (in Years)
Revenue Periods/Final Rev Year
End of Expenditure Period
Latest Termination Date
Eligible for Extension/No. of Years
Eligible Recipient District

4.00%
5.50%

Discount Rate 1 for NPV Calculation
Discount Rate 2 for NPV Calculation

24,030,000
4,993,172
31,865,104

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment	Cumulative @ 4.00%	Cumulative @ 5.50%
1	2006	0	2007	13,984,300	2008	19.97	279,205	248,212	237,775
2	2007	0	2008	30,159,700	2009	21.11	636,761	792,518	751,779
3	2008	0	2009	40,923,400	2010	21.74	889,866	1,523,923	1,432,646
4	2009	0	2010	49,254,600	2011	23.49	1,156,989	2,438,308	2,271,747
5	2010	0	2011	50,951,200	2012	24.33	1,239,639	3,380,332	3,123,921
6	2011	0	2012	51,558,300	2013	25.17	1,297,664	4,328,522	3,969,477
7	2012	0	2013	51,816,092	2014	25.17	1,304,152	5,244,803	4,776,960
8	2013	2,700,000	2014	54,775,172	2015	25.17	1,378,629	6,176,155	5,582,052
9	2014	4,330,000	2015	59,379,048	2016	25.17	1,494,503	7,146,956	6,411,367
10	2015	14,000,000	2016	73,675,943	2017	25.17	1,854,340	8,305,171	7,386,716
11	2016	3,000,000	2017	77,044,323	2018	25.17	1,939,118	9,469,756	8,333,484
12	2017	0	2018	77,429,544	2019	25.17	1,948,814	10,595,147	9,274,434
13	2018	0	2019	77,816,692	2020	25.17	1,958,558	11,682,665	10,151,737
14	2019	0	2020	78,205,776	2021	25.17	1,968,351	12,733,584	10,987,461
15	2020	0	2021	78,596,804	2022	25.17	1,978,193	13,749,135	11,783,578
16	2021	0	2022	78,989,788	2023	25.17	1,988,084	14,730,509	12,541,964
17	2022	0	2023	79,384,737	2024	25.17	1,998,024	15,678,856	13,264,408
18	2023	0	2024	79,781,661	2025	25.17	2,008,014	16,595,287	13,952,613
19	2024	0	2025	80,180,569	2026	25.17	2,018,054	17,480,877	14,608,201
20	2025	0	2026	80,581,472	2027	25.17	2,028,145	18,336,664	15,232,719
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CASH FLOW – Full District



Tax Increment District #6 - Full District
Cash Flow Pro Forma

Year	Revenues		Expenditures				Balances			Project Cost Principal Outstanding	Year			
	Tax Increments	Investment Earnings	Total Revenues	PAYG Bond \$4,095,955 Dated 8/1/09	G.O. Bond \$8,000,000 Dated 10/1/14	G.O. Bond \$9,075,000 Dated 10/1/17	City Admin Expense	Total Expenditures	Annual			Cumulative		
			Prin (4/1)	Est. Rate	Interest	Prin (10/1)	Est. Rate	Interest	Prin (10/1)	Est. Rate	Interest			
2006		1.00%	0		0				0				2006	
2007		0	0		0				0				2007	
2008	279,205	0	279,205		0				0			4,095,954	2008	
2009	636,761	0	636,761	502,752	6.500%	257,662			502,752			3,593,202	2009	
2010	889,866	0	889,866	456,068	6.500%	189,348			713,730			3,137,134	2010	
2011	1,156,989	0	1,156,989	448,162	6.500%	160,218			637,510			2,688,972	2011	
2012	1,239,639	0	1,239,639	448,162	6.500%	131,087			608,380			2,240,810	2012	
2013	1,297,664	16,205	1,313,869	448,162	6.500%	101,957			672,424	93,175		9,792,648	2013	
2014	1,304,152	22,620	1,326,772	448,162	6.500%	72,826	3.500%	280,000	560,119	10,000		18,419,486	2014	
2015	1,378,629	30,286	1,408,915	448,162	6.500%	43,696	3.500%	280,000	810,988	10,000		17,971,324	2015	
2016	1,494,503	36,266	1,530,769	448,162	6.500%	14,565	3.500%	280,000	776,858	5,000		17,523,162	2016	
2017	1,854,340	43,805	1,898,145	448,162	6.500%	14,565	500,000	3,500%	1,247,727	5,000		16,575,000	2017	
2018	1,939,118	50,309	1,989,427	448,162	6.500%	14,565	750,000	3,500%	1,955,500	5,000		15,250,000	2018	
2019	1,948,814	50,648	1,999,462	448,162	6.500%	14,565	750,000	3,500%	2,081,250	5,000	(81,788)	13,750,000	2019	
2020	1,958,558	49,830	2,008,388	448,162	6.500%	14,565	750,000	3,500%	2,025,000	5,000	(16,612)	12,250,000	2020	
2021	1,968,351	49,664	2,018,015	448,162	6.500%	14,565	750,000	3,500%	2,218,750	5,000	(200,735)	10,500,000	2021	
2022	1,978,193	47,657	2,025,850	448,162	6.500%	14,565	750,000	3,500%	2,152,500	5,000	(126,650)	8,750,000	2022	
2023	1,988,084	46,390	2,034,474	448,162	6.500%	14,565	750,000	3,500%	2,086,250	5,000	(51,776)	7,000,000	2023	
2024	1,998,024	45,873	2,043,897	448,162	6.500%	14,565	750,000	3,500%	2,020,000	5,000	23,897	5,250,000	2024	
2025	2,008,014	46,112	2,054,126	448,162	6.500%	14,565	750,000	3,500%	1,953,750	5,000	100,376	3,500,000	2025	
2026	2,018,054	47,115	2,065,170	448,162	6.500%	14,565	750,000	3,500%	1,887,500	5,000	177,670	1,750,000	2026	
2027	2,028,145	48,892	2,077,037	448,162	6.500%	14,565	750,000	3,500%	1,836,250	20,000	240,787	0	2027	
Total	31,365,104	631,672	31,996,776	4,095,954		971,360	8,000,000		2,283,750	2,133,000	9,075,000	188,175	26,747,239	4,140,709

Projected TID Closure

1,792,648 Remaining on PAYG Note post 2013 Payment

NOTES:

11 ANNEXED PROPERTY

There are no lands within the Territory proposed to be included within the District by Amendment that were annexed by the City on or after January 1, 2004.

12 ESTIMATE OF ADDITIONAL TERRITORY TO BE DEVOTED TO RETAIL BUSINESS

The City estimates that approximately 38% of the territory within the District, as amended, will be devoted to retail business at the end of the District's maximum expenditure period. This finding is made to fulfill the reporting requirement as contained in Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin Statutes.

13 PROPOSED CHANGES IN ZONING ORDINANCES

The City anticipates that a portion of the Territory to be incorporated into the District by Amendment will be rezoned prior to development.

14 PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND CITY OF FITCHBURG ORDINANCES

It is expected that this Plan will be complementary to the City's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other City ordinances for the implementation of this Plan.

15 RELOCATION

In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable state statutes as required in Wisconsin Statutes chapter 32.

16 ORDERLY DEVELOPMENT AND/OR REDEVELOPMENT OF THE CITY OF FITCHBURG

This amendment contributes to the orderly development and/or redevelopment of the City by providing the opportunity for continued growth in tax base, job opportunities and general economic activity

17 A LIST OF ESTIMATED NON-PROJECT COSTS

Non-Project Costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds. Examples would include:

- 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.

The City does not expect to incur any non-Project Costs in the implementation of this Project Plan.

18

**OPINION OF ATTORNEY FOR THE CITY OF FITCHBURG ADVISING
WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN
STATUTES, SECTION 66.1105**



Office of the City Attorney

5520 Lacy Road
Fitchburg, WI 53711-5318
Phone: (608) 270-4200
Fax: (608) 270-4212
www.city.fitchburg.wi.us

July 18, 2013

Mayor Shawn Pfaff
City of Fitchburg
5520 Lacy Road
Fitchburg, WI 53711

RE: City of Fitchburg, Wisconsin Tax Incremental District No. 6 Amendment

Dear Mayor:

As City Attorney for the City of Fitchburg, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Section 66.1105 of the Wisconsin Statutes. This opinion is provided pursuant to Section 66.1105(4)(f), Wis. Stat.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark R. Sewell'.

Attorney Mark R. Sewell
City of Fitchburg