

July 15, 2020

TID #9 Annual Report:

City of Fitchburg, WI



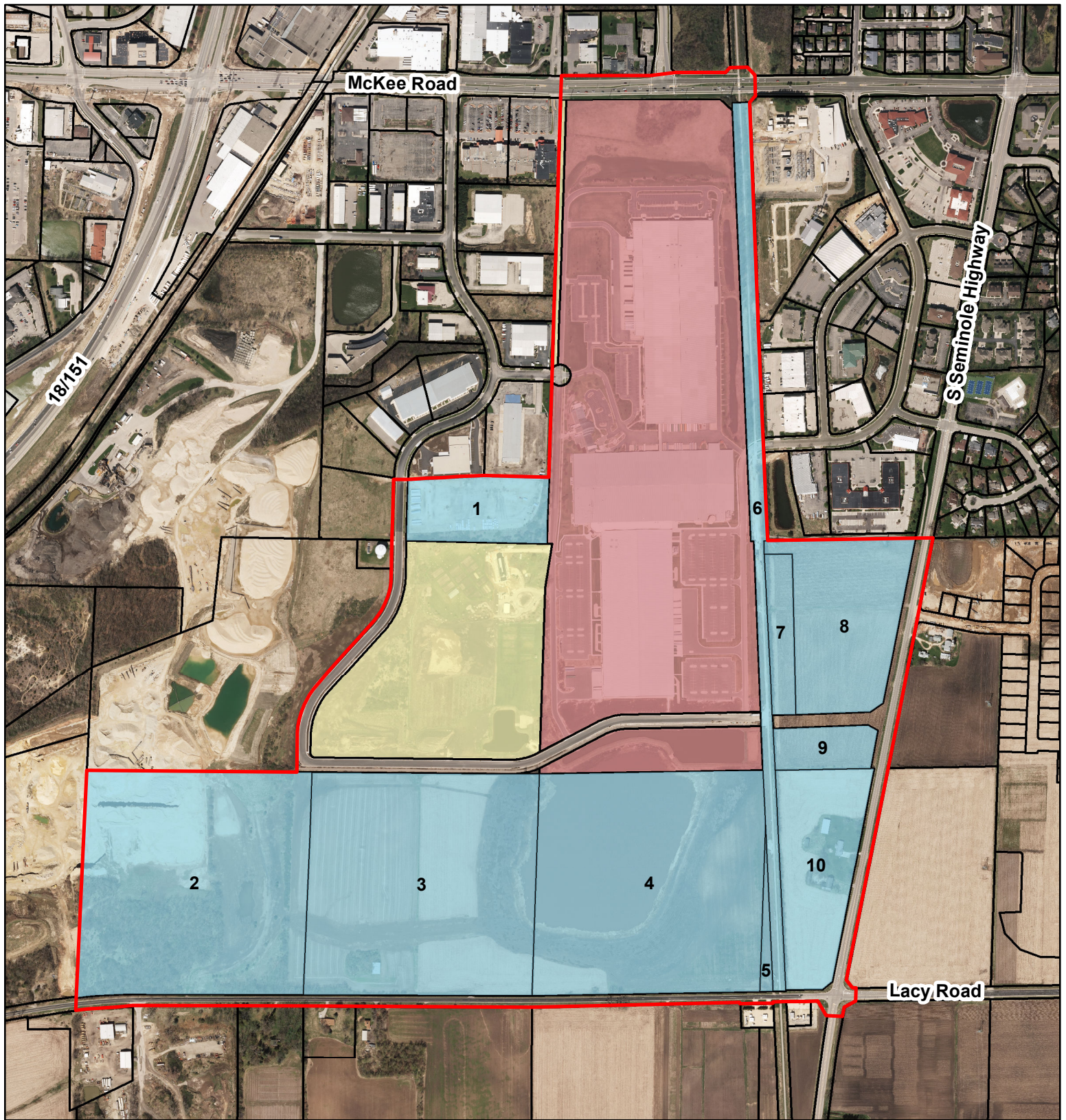
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BUILDING COMMUNITIES. IT'S WHAT WE DO.

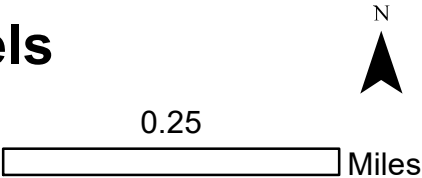


Legend

- TID #9 Proposed Boundary
- Other Tax Parcels
- Original TID #9
- Approved TID #9 Amendment 1
- Proposed TID #9 Amendment 2

Note: Numbers in map are referenced in data table

Fitchburg TID #9 - Tax Parcels



Annual Tax Increment District Report

City of Fitchburg, Wisconsin
Tax Increment District No. 9

Purpose:	State law requires municipalities with an active Tax Incremental District (TID) to electronically file an Annual Report for each TID by July 1 of each calendar year. This is a supplement to that filing to be used at the annually required meeting of the standing Joint Review Board.		
District Summary:	Tax Increment District No. 9 ("District") was created on June 9, 2015 as an industrial district. The District was first amended in 2016 to add territory and amend the project plan expenditures. The District was amended a second time in 2019 to add territory and amend the project plan expenditures (including costs within a ½ mile radius). The TID has an expenditure period that ends on June 9, 2030 and has a mandatory termination date of June 9, 2035. The final year of increment collection is 2036.		
Background Data:	Base Value (as of 1/1/2015) will change with 2019 amendment		\$43,552,400
	Incremental Value (1/1/2019)		\$26,617,200
	Year End Fund Balance (12/31/2019)		(\$216,436)
	Projected Closure (based on current cash flow*)		2036
	* The City expects to make additional projects costs through the end of the District's expenditure period. The projected closure year identified is based on current cash flow projections only.		
Notes:	• Promega R&D facility partially completed as of 1/1/2020. Completion expected in Spring/Summer 2021. • Subzero R&D facility 15-20% complete as of 1/1/2020. Exterior will be complete, and occupancy expected in January 2021. Office and lab build out timing will depend on product orders. • Race Day Events 80%-90% complete as of 1/1/2020. Project now completed except for some landscaping. • Hop Haus 10% complete as of 1/1/2020. Completion and occupancy expected end of July 2020.		
Joint Review Board Action:	Resolution acknowledging filing of Annual TID Report and compliance with annual meeting requirements.		

Attachments:

- Development Assumptions
- TID increment projection
- Estimated Financing Plan
- TID Cash Flow Projection
- PE-300 form

City of Fitchburg, Wisconsin

Tax Increment District # 9

Development Assumptions

Construction Year	Actual	Net New Construction Estimates from City	Additional Value needed for Cash flow	Annual Total	Construction Year
1 2015	4,226,900			4,226,900	2015 1
2 2016	13,070,500			13,070,500	2016 2
3 2017	7,651,300			7,651,300	2017 3
4 2018	1,668,500			1,668,500	2018 4
5 2019		23,131,900		23,131,900	2019 5
6 2020		83,249,700		83,249,700	2020 6
7 2021		1,845,700		1,845,700	2021 7
8 2022			3,500,000	3,500,000	2022 8
9 2023			3,500,000	3,500,000	2023 9
10 2024			3,500,000	3,500,000	2024 10
11 2025			3,500,000	3,500,000	2025 11
12 2026			1,750,000	1,750,000	2026 12
13 2027				0	2027 13
14 2028				0	2028 14
15 2029				0	2029 15
16 2030				0	2030 16
17 2031				0	2031 17
18 2032				0	2032 18
19 2033				0	2033 19
20 2034				0	2034 20
Totals	26,617,200	108,227,300	15,750,000	150,594,500	

Notes:

City of Fitchburg, Wisconsin

Tax Increment District # 9

Tax Increment Projection Worksheet

Type of District	Industrial	Existing Base Value	43,552,400
District Creation Date	June 9, 2015	Projected Amendment #2 Base Value	1,254,888
Valuation Date	Jan 1, 2015	Appreciation Factor	0.50%
Max Life (Years)	20	Base Tax Rate	\$24.29
Expenditure Periods/Termination	15 6/9/2030	Rate Adjustment Factor	-0.50%
Revenue Periods/Final Year	20 2036		
Extension Eligibility/Years	Yes 3		
Recipient District	No	Tax Exempt Discount Rate	N/A
		Taxable Discount Rate	N/A

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment
1 2015	4,226,900	2016		4,226,900	2017	\$24.43	103,252
2 2016	13,070,500	2017		17,297,400	2018	\$25.36	438,616
3 2017	7,651,300	2018		24,948,700	2019	\$24.69	616,023
4 2018	1,668,500	2019		26,617,200	2020	\$24.29	646,553
5 2019	23,131,900	2020	133.086	49,882,186	2021	\$24.17	1,205,620
6 2020	83,249,700	2021	249,411	133,381,297	2022	\$24.05	3,207,621
7 2021	1,845,700	2022	666,906	135,893,903	2023	\$23.93	3,251,705
8 2022	3,500,000	2023	679,470	140,073,373	2024	\$23.81	3,334,954
9 2023	3,500,000	2024	700,367	144,273,740	2025	\$23.69	3,417,784
10 2024	3,500,000	2025	721,369	148,495,108	2026	\$23.57	3,500,197
11 2025	3,500,000	2026	742,476	152,737,584	2027	\$23.45	3,582,196
12 2026	1,750,000	2027	763,688	155,251,272	2028	\$23.34	3,622,945
13 2027	0	2028	776,256	156,027,528	2029	\$23.22	3,622,854
14 2028	0	2029	780,138	156,807,666	2030	\$23.10	3,622,764
15 2029	0	2030	784,038	157,591,704	2031	\$22.99	3,622,673
16 2030	0	2031	787,959	158,379,663	2032	\$22.87	3,622,582
17 2031	0	2032	791,898	159,171,561	2033	\$22.76	3,622,492
18 2032	0	2033	795,858	159,967,419	2034	\$22.64	3,622,401
19 2033	0	2034	799,837	160,767,256	2035	\$22.53	3,622,311
20 2034	0	2035	803,836	161,571,092	2036	\$22.42	3,622,220
Totals	150,594,500		10,976,592		Future Value of Increment		55,907,762

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).

City of Fitchburg, Wisconsin

Tax Increment District # 9

Estimated Financing Plan

	SUB ZERO Municipal Revenue Obligation (MRO)	PROMEGA Municipal Revenue Obligation (MRO)	SUPREME STRUCTURES Municipal Revenue Obligation (MRO)	Portion of CIP Financing G.O. Bond 2021	Portion of CIP Financing G.O. Bond 2025	Portion of CIP Financing G.O. Bond 2026	Cash or Advance	Totals
Projects								
Sub Zero Development Incentive	5,500,000							5,500,000
Promega Development Incentive		13,804,000						13,804,000
Supreme Structures MRO			320,000					320,000
Lacy Road (Fitchrona to Seminole)							806,900	806,900
Lacy/Seminole Regional Storm Water							225,000	225,000
Lacy/Seminole Storm Pond for Roads							1,100,000	1,100,000
Lacy Road (Fitchrona to Seminole)				5,208,500				5,208,500
Lacy/Seminole Intersection, Lacy E, Seminole N					741,500	5,455,700		6,197,200
Lacy/Seminole Regional Storm Water					2,393,000			2,393,000
Total Project Funds	5,500,000	13,804,000	320,000	5,208,500	3,134,500	5,455,700	2,131,900	35,554,600
Estimated Finance Related Expenses								
Municipal Advisor				18,320	21,553	27,112		
Bond Counsel				7,633	9,579	11,619		
Disclosure Counsel				4,580	5,588	6,971		
Rating Agency Fee				7,634	9,959	11,619		
Paying Agent				381	300	550		
Underwriter Discount	0	0	12.00	63,780	38,700	67,020		
Total Financing Required	5,500,000	13,804,000	320,000	5,310,828	3,220,179	5,580,591		
Rounding	0	0	0	4,172	4,821	4,409		
Net Issue Size	5,500,000	13,804,000	320,000	5,315,000	3,225,000	5,585,000		
Notes:								

City of Fitchburg, Wisconsin

Tax Increment District # 9

Cash Flow Projection Page 1 of 3

Year	Projected Revenues					Proposed MRO Expenditures							
	Tax Increments	Interest Earnings/ (Cost)	Inter gov.	Personal Property Aid	Other Revenue	Total Revenues	Existing MRO Sub Zero		Proposed Sub Zero Expansion		Promega Expansion MRO		Year
							Dated Date: Principal	Accrued int. paid Interest	Dated Date: Principal	Est. Rate TBD Interest	Dated Date: Principal	Est. Rate TBD Interest	
2015						0							2015
2016		33				33							2016
2017	103,252	3,992	1,046,701			1,153,945							2017
2018	438,616	1,762	214,777			655,155							2018
2019	616,023	4,987	134,880	2,039	7,926	765,855							2019
2020	646,553		125,000	1,590		773,143							2020
2021	1,205,620		125,000	1,590		1,332,210	100,945	150,000	202,444	275,000		759,220	2021
2022	3,207,621		125,000	1,590		3,334,211	200,000	49,055	193,444	275,000	300,000	5.50%	2022
2023	3,251,705		125,000	1,590		3,378,295	200,000		182,943	275,000	400,000	5.50%	2023
2024	3,334,954		125,000	1,590		3,461,544	200,000		170,943	265,500	500,000	5.50%	2024
2025	3,417,784		125,000	1,590		3,544,374	200,000		158,943	253,750	600,000	5.50%	2025
2026	3,500,197		125,000	1,590		3,626,787	200,000		146,943	240,750	700,000	5.50%	2026
2027	3,582,196		125,000	1,590		3,708,786	200,000		134,943	226,500	800,000	5.50%	2027
2028	3,622,945		125,000	1,590		3,749,535	225,000		122,943	211,500	900,000	5.50%	2028
2029	3,622,854		125,000	1,590		3,749,444	225,000		110,193	195,250	1,200,000	5.50%	2029
2030	3,622,764		125,000	1,590		3,749,354	250,000		96,693	178,000	1,200,000	5.50%	2030
2031	3,622,673		125,000	1,590		3,749,263	250,000		82,443	159,750	1,200,000	5.50%	2031
2032	3,622,582		125,000	1,590		3,749,172	250,000		67,443	140,250	1,200,000	5.50%	2032
2033	3,622,492		125,000	1,590		3,749,082	250,000		52,443	119,500	1,200,000	5.50%	2033
2034	3,622,401		125,000	1,590		3,748,991	250,000		37,443	97,500	1,200,000	5.50%	2034
2035	3,622,311		125,000	1,590		3,748,901	250,000		22,443	74,250	1,200,000	5.50%	2035
2036	3,622,220		125,000	1,590		3,748,810	249,055	7,472	49,500	49,500	1,200,000	5.50%	2036
							525,000	5,00%	465,000	5,00%	1,204,000	5.50%	
Total	55,907,762	10,774	3,521,358	29,069	7,926	59,476,889	3,250,000	449,055	2,219,011	3,060,250	13,804,000	7,912,520	

Notes:

Cash Flow Projection Page 2 of 3

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Tax Increment District #9

Cash Flow Projection Page 3 of 3

Year	Other Expenditures						Balances			Year
	Capital Outlay	1/2 mile Sub Zero Parkway	1/2 mile Market/Dr. N	Fiscal Charges	Admin. Costs	Total Expenditures	Annual	Cumulative	Principal Outstanding	
2015	30				27,633	27,663	(27,663)	(27,663)		2015
2016	904,946			708	40,329	945,983	(945,950)	(973,613)		2016
2017	19,640	70,492			1,745	91,877	1,062,068	88,455		2017
2018	88,689	821,740	60,910	7,100	13,412	1,335,045	(679,890)	(591,435)	3,250,000	2018
2019	50			9,486	45,626	390,856	374,999	(216,436)	8,750,000	2019
2020				9,195	46,539	683,178	89,966	(126,470)	22,874,000	2020
2021	1,189,250			9,000	47,469	2,660,983	(1,328,773)	(1,455,244)	28,068,055	2021
2022				9,000	48,419	2,154,660	1,179,551	(275,693)	27,358,055	2022
2023				9,000	49,387	2,533,467	844,828	569,135	26,178,055	2023
2024					50,375	2,599,705	861,839	1,430,974	24,873,055	2024
2025	942,650				51,382	3,615,586	(71,212)	1,359,762	26,663,055	2025
2026					52,410	3,091,977	534,810	1,894,572	30,508,055	2026
2027					53,458	3,683,658	25,128	1,919,700	28,368,055	2027
2028					54,527	3,635,525	114,010	2,033,710	26,068,055	2028
2029					55,618	3,870,835	(121,391)	1,912,319	23,428,055	2029
2030					56,730	3,811,965	(62,612)	1,849,707	20,723,055	2030
2031					57,865	3,725,191	24,072	1,873,780	17,978,055	2031
2032					59,022	4,332,106	(582,933)	1,290,846	14,483,055	2032
2033					60,203	4,232,649	(483,567)	807,279	10,928,055	2033
2034					61,407	4,160,428	(411,436)	395,843	7,283,055	2034
2035					62,635	4,088,945	(340,045)	55,798	3,544,000	2035
2036					63,887	3,731,155	17,655	73,453	0	2036
Total	3,145,255	892,232	60,910	53,489	1,060,077	59,403,436				Total

Projected TID Closure

Form PE-300	TID Annual Report	2019 WI Dept of Revenue
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Section 1 - Municipality and TID					
Co-muni code 13225	Municipality FITCHBURG		County DANE	Due date July 1, 2020	Report type ORIGINAL
TID number 009	TID type 5	TID name Seminole/Lacy	Creation date N-/N/NaN-	Mandatory termination date N-/N/NaN-	Expected termination date N/A

Section 2 - Beginning Balance	Amount
TID fund balance at beginning of year	\$-591,435

Section 3 - Revenue	Amount
Tax increment	\$616,023
Investment income	\$4,987
Debt proceeds	
Special assessments	
Exempt computer aid	\$134,880
Sale of property	
Allocation from another TID	
Developer guarantees name	
Transfer from other funds source	
Other grants sources	
Other revenue sources	
Source Exempt personal property aid	\$2,039
Source expense billed to developer in 2019	\$7,926
Total Revenue (deposits)	\$765,855

Form PE-300	TID Annual Report	2019 WI Dept of Revenue
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Section 4 - Expenditures	Amount
Capital expenditures	\$50
Administration	\$9,826
Professional services	\$34,310
Interest and fiscal charges	\$9,486
DOR fees	\$1,150
Discount on long-term debt	
Debt issuance costs	
Principal on long-term debt	
Environmental costs	
Real property assembly costs	
Allocation to another TID	
Developer grants name	
Developer name Sub-Zero Group Inc	\$335,694
Transfer to other funds source	
Other expenditures source	
Name Other administrative costs	\$340
Total Expenditures	\$390,856

Section 5 - Ending Balance	Amount
TID fund balance at end of year	\$-216,436
Future costs	\$54,856,054
Future revenue	\$42,298,892
Surplus or deficit	\$-12,773,598

Section 6 - Preparer/Contact Information	
Preparer name Misty Dodge	Preparer title Finance Director/Treasurer
Preparer email misty.dodge@fitchburgwi.gov	Preparer phone (608) 270-4252
Contact name Misty Dodge	Contact title Finance Director/Treasurer
Contact email misty.dodge@fitchburgwi.gov	Contact phone (608) 270-4252

Form PE-300	TID Annual Report	2019 WI Dept of Revenue
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Submission Information	
Co-muni code	13225
TID number	009
Submission date	06-28-2020 02:53 PM
Confirmation	TIDAR20190389O1593374023829
Submission type	ORIGINAL