

PROJECT PLAN AMENDMENT THREE

**TAX INCREMENTAL FINANCE DISTRICT
NUMBER ELEVEN**



CITY OF LA CROSSE, WISCONSIN

April 9, 2009

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NUMBER ELEVEN**

CITY OF LA CROSSE, WISCONSIN

**PREPARED BY THE
LA CROSSE CITY PLANNING DEPARTMENT**

**Recommended by the La Crosse City Plan Commission
March 30, 2009**

**Approved by the Common Council
April 9, 2009**

**Approved by Joint Review Board
April 16, 2009**

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**AMENDMENT NUMBER THREE
TO TAX INCREMENTAL FINANCE DISTRICT NUMBER ELEVEN
CITY OF LA CROSSE, WISCONSIN**

SECTION I. INTRODUCTION

Wisconsin's Tax Incremental Law was created to help cities and villages rehabilitate blighted areas, improve or develop industrial sites and improve or develop mixed-use areas. In creating Wisconsin's Tax Incremental Law, the State Legislature expressed its concern that cities and villages had neither the incentive nor the financial resources necessary to carry out projects that benefited not only the city or village, but all jurisdictions which share in the tax base.

The Tax Increment Law gives cities and villages the authority, under certain conditions, to designate a specific area within its boundaries as a Tax Incremental Finance District and requires them to prepare a plan to develop or redevelop the District. Cities or villages then may use all increased property taxes generated by the increased property values from such development or redevelopment to pay for eligible costs which they incur to improve the District. This law assumes that all governmental units which tax properties within the District will eventually benefit from the increased value which will be generated. In the meantime, because it is making the improvements, the municipality that created the District is allowed to retain the increased taxes generated during the existence of the District to pay for the costs of the public improvements.

State Statutes place certain limitations upon the amendment of Tax Incremental Districts. Only whole parcels of property that are assessed for general property tax purposes and which are contiguous can be included within a District. In addition, at least fifty per cent (50%) of the real property in a District must meet at least one of the following criteria:

1. It is a blighted area;
2. It is an area in need of conservation or rehabilitation work;
3. It is an area suitable for industrial sites and has been zoned for industrial use; or
4. It is an area suitable for mixed-use development.

It also must be found that:

1. The improvement of the area is likely to enhance significantly the value of substantially all the other real property in the District;
2. The project costs relate directly to eliminating blight, directly serve to rehabilitate or conserve the area, directly serve to promote industrial development or directly serve to promote mixed-use development; and
3. The equalized value of taxable property of the District plus the value increment of all existing Districts does not exceed 12 percent of the total equalized value of taxable property within the City.

Before a Tax Incremental District is amended, a Joint Review Board, which is comprised of representatives of the authorities having the power to levy taxes in the District and one public member, must approve the municipality's action relative to the amendment of the District.

A Tax Incremental District shall terminate when the earlier of the following occurs:

1. That time when the City has received aggregate tax increments with respect to such District in an amount equal to the aggregate of all project costs under the Project Plan and any amendments to the Project Plan for such District.
2. Twenty-seven years after the District is created (depending upon the type of TIF).
3. The local legislative body, by resolution, dissolves the District at which time the City becomes liable for all unpaid project costs actually incurred, except this paragraph does not make the City liable for any tax incremental bonds or notes issued.

The Project Plan for Amendment Three to Tax Incremental Finance District Number Eleven, “the District,” in the City of La Crosse has been prepared in compliance with s. 66.1105(4)(f), Wisconsin Statutes. TIF District Number Eleven is defined by the boundary shown on Map 1 found on Page 13 (all of the maps are located in the back of this report). Pursuant to s. 66.1105(4)(f), the Project Plan shall include:

- A statement listing the kind, number and location of all proposed public works or improvements within the district or, to the extent provided in s. 66.1105(4)(d), sub. (2)(f)1.k., Wisconsin Statutes, outside the district;
- an economic feasibility study;
- a detailed list of estimated project costs;
- a description of the methods of financing all estimated project costs;
- the time when the related costs or monetary obligations are to be incurred;
- a map showing the district boundaries;
- a map showing existing uses and conditions of real property in the district;
- a map showing proposed improvements and uses in the district;
- proposed changes of zoning ordinances, master plan, if any, maps, building codes and city ordinances;
- a list of estimated non-project costs;
- a statement of the proposed method for the relocation of any persons to be displaced;
- an indication as to how creation of the tax incremental district promotes the orderly development of the city; and
- an opinion of the city attorney advising whether the plan is complete and complies with s. 66.1105, Wisconsin Statutes.

SECTION II. STATEMENT LISTING THE KIND, NUMBER AND LOCATION OF ALL PROPOSED PUBLIC WORKS OR IMPROVEMENTS WITHIN AND OUTSIDE OF THE DISTRICT

This section of the Project Plan outlines the proposed public improvements within the amended Tax Incremental Finance District Number Eleven. The only change from the current TIF Project Plan is the addition of an estimated \$5.1 million in project costs for the third phase of the Riverside Center redevelopment project. The revised list of detailed project costs is found on Table I, Page 3.

TABLE I
La Crosse TID No. 11 Project Costs - Amendment Three
Detailed List of Estimated Project Costs

	Costs	YEAR							
		2005	2006	2007	2008	2009	2010	2011	
Capital Costs - Development of TID:									
Property Acquisition	\$11,250,000	\$8,500,000	\$2,000,000	\$750,000					
Personal Property Acquisition	\$700,000	\$200,000		\$500,000					
Business replacement, moving expenses, search payment, business value, business re-establishment	\$1,300,000	\$800,000			\$500,000				
Building Demolitions	\$1,900,000	\$1,150,000		\$250,000		\$250,000	\$250,000		
Site Improvements (grading, clearing, and grubbing)	\$900,000	\$400,000	\$100,000	\$200,000		\$100,000	\$100,000		
Site Improvements (clean fill)	\$500,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000			
Environmental Remediation	\$400,000	\$50,000	\$150,000		\$200,000				
Sanitary Sewer	\$250,000					\$250,000			
Watermain	\$500,000				\$200,000	\$200,000	\$100,000		
Storm Sewer	\$600,000				\$200,000	\$200,000	\$200,000		
Curb and gutter	\$300,000				\$100,000	\$100,000	\$100,000		
Street paving/Sidewalks/Lights	\$500,000				\$200,000	\$200,000	\$100,000		
Transit Center Construction	\$15,000,000			\$7,500,000	\$7,500,000				
Community Arts project (cost for lofts, housing, live-work space and not for the Community Theatre)	\$2,000,000				\$1,000,000	\$1,000,000			
Parking lot Construction	\$200,000		\$200,000						
Riverwalk Construction	\$900,000		\$400,000	\$200,000	\$200,000	\$100,000			
Streetscaping	\$3,000,000			\$333,333	\$333,333	\$333,333	\$666,667	\$666,667	
Alley Paving	\$100,000					\$100,000			
Xcel Substation	\$1,000,000					\$1,000,000			
Parking Ramp Construction	\$15,000,000				\$7,500,000	\$7,500,000			
Signage/Wayfinding	\$50,000					\$50,000			
Riverside Center TIF Grant - Bldg Construction**	\$5,950,000				\$170,000	\$170,000	\$170,000	\$680,000	
Riverside Center TIF Grant - Job Creation	\$875,000					\$437,500	\$437,500		
TID Loan/Grant for Building Rehab/Constr/Job creation	\$2,230,000		\$150,000		\$950,000	\$530,000	\$600,000		
(Projects include but not limited to Sara Lee Warehouse, Home Apt. Rental, former Heilemen Corp., Hollywood Theater, Lunch Encounter, 5th Ave by Post Office, Sara Lee production, Collins Sign, Burger King)									
Historic Façade Improvement Loan	\$100,000				\$100,000				
Redevelopment Fund	\$450,000				\$200,000	\$250,000			
Subtotal - Capital Costs	\$65,955,000								
Administrative Costs:									
TID Admin. (Finance, Legal, Engineering, Planning)	\$100,000	\$25,000	\$25,000	\$25,000	\$25,000				
Subtotal - Administrative Costs	\$100,000								
Organization Costs:									
TID Planning, managing, audit (City Staff Costs)	\$50,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	
Relocation Services	\$35,000	\$15,000	\$10,000	\$10,000					
Appraisals	\$45,000	\$15,000	\$15,000	\$15,000					
Environmental Site Assessments	\$50,000	\$25,000	\$15,000	\$10,000					
Title Work	\$30,000	\$10,000	\$10,000	\$10,000					
Alta Surveys	\$22,500	\$7,500	\$7,500	\$7,500					
Joint Marketing with Developer	\$30,000			\$15,000	\$15,000				
Engineering Design Services	\$50,000		\$25,000	\$25,000					
Subtotal Organization Costs	\$312,500								
Financing Costs:									
Interest Costs	\$19,581,449	\$1,958,145	\$1,958,145	\$1,958,145	\$1,958,145	\$1,958,145	\$1,958,145	\$1,958,145	
Total Project Costs	\$85,948,949	\$13,260,645	\$5,170,645	\$11,913,978	\$21,456,478	\$14,833,978	\$4,687,312	\$3,309,812	

A. Capital Costs for Development of the TID:

Capital costs most often include projects located within the boundaries of the District. Infrastructure costs for projects located outside of the District, benefiting or necessary for the development within the District may also be eligible District projects. Such costs must be shared in a reasonable manner relating to the amount of benefit to the District. Infrastructure costs may include:

1. Land acquisition, relocation, and building demolition to facilitate development or redevelopment within the District.
2. Street construction or reconstruction, installation/upgrading of sanitary sewer, water, and storm water infrastructure to facilitate development or redevelopment.
3. Installation or improvements to other utilities including electric, natural gas, telecommunications, cable TV, fiber optic, etc.
4. Construction of trails and other related improvements to facilitate pedestrian travel in and around the District.
5. Installation/construction of landscaping improvements, streetscaping/wayfinding.
6. Construction of parking improvements.
7. Scenic improvements that are part of an economic development project.

B. Administrative Costs:

Administrative costs include, but are not limited to, a portion of the salaries of City personnel, consultants and others directly involved with planning and administering the projects and the District over the statutory expenditure period.

C. Organization Costs:

Organization costs include, but are not limited to, the fees of the financial consultant, attorneys, engineers, planners, surveyors, relocation consultants, appraisers, and other contracted services related to the District. This shall include the District economic or environmental feasibility studies, traffic studies, preparation of this Project Plan for the District, financial projections, preliminary engineering to determine project costs, maps, legal services, and other payments made which are necessary or convenient to the District.

D. Financing Costs:

Financing costs include interest, but are not limited to, finance fees, bond discounts, bond redemption premiums, bond legal opinions, bond fees, ratings, capitalized interest, bond insurance and other expenses related to financing.

SECTION III. LOCAL ACTION

Before Tax Incremental Finance District Eleven can be amended, the City Plan Commission must hold a public hearing(s) on the proposed amendment of a District and the proposed boundaries thereof and on the proposed Project Plan for the District. The public hearing on the amendment of and the boundaries for the District may be held separately from or concurrent with a public hearing on the proposed Project Plan. After the public hearing(s), the City Plan Commission must submit the recommended Tax Incremental District boundaries and Project Plan to the local legislative body for action if it desires to create/amend a District. Before adopting such resolution, the local legislative body may amend both the proposed District boundaries and Project Plan. On March 12, 2009 the Resolution approving the amendment to the District was introduced by the Common Council. The Public Hearing for the District is scheduled for March 30, 2009. Notice of the Public Hearing is to be published in the La Crosse Tribune on March 16, 2009 and March 23, 2009.

State Statutes require that the City that seeks to amend a Tax Incremental District convene a Joint Review Board (JRB) to review the proposal. The first meeting of the JRB must be held within fourteen days after the Notice of the above-referenced hearing(s) is published. For Tax Incremental Districts proposed by the City of La Crosse, the membership of the Joint Review Board would consist of a representative chosen by the City of La Crosse, a representative chosen by La Crosse County, a representative chosen by the Western Technical College District, a representative chosen by the School District of La Crosse and one public member. The public member and the chairperson of the JRB must be selected by a majority vote of the other JRB members. It is the responsibility of the JRB to review the public record, planning documents and the resolution passed by the local legislative body creating the District, or City Plan Commission, if applicable, and to either approve or not approve such resolution based on certain criteria by a majority vote after receiving the resolution. The first meeting of the JRB is to be held on or about March 16, 2009 with the final meeting to act on the Common Council's Resolution scheduled on or about April 16th. The procedure for amending the Project Plan follows essentially the same procedure as the adoption of the original plan.

Capacity to Create TIF Districts

In 2004 the State Legislature amended the Tax Incremental Financing Law to allow up to 12% of the total equalized value of taxable property within the City to be included within Tax Incremental Districts. The City of La Crosse's 2008 total equalized value is \$3,127,195,600. The City can include up to twelve percent (12%) of the total equalized value of the community in existing and new tax incremental finance districts. 12% of this value in the City of La Crosse is \$375,263,472.

The following chart identifies the existing tax incremental districts with their present certified value. The Department of Revenue (DOR), in its yearly recertification of existing districts effective September 1, 2008, has provided this information. Amendment Number Three to TIF District Number Eleven has no impact on the TIF capacity of the City.

TABLE

Capacity to Create Tax Incremental Districts

December 31, 2008 Total Equalized Value (including Tax Incremental Districts)	\$3,127,195,600
Twelve percent (12%) of Total Equalized Value	\$375,263,472
Actual value within TIF's as per State Statute 66.1105(4)(gm)4.c.	\$195,177,900
TIF Capacity (Over/Under)	\$180,085,572
TIF Capacity (%)	6.24%

District	When Created	Last Date to Incur Costs	Dissolution Date	Current Increment	Balance to Close TIF	Base Value	Value Increment	Increment Transfers	Overlap	Total Value
4	8/18/1987	8/18/2009	8/18/2014	\$997,008	\$233,354	\$0	\$ 36,455,400	To TIF 6		\$ 36,455,400
5	3/12/1992	3/12/2014	3/12/2019	\$216,827	-\$380	\$ 894,800	\$ 7,664,500	To TIF 6	TIF 11	\$ 8,559,300
6	4/14/1994	4/14/2016	4/14/2021	\$1,252,265	\$23,607,837	\$ 33,884,800	\$ 42,506,900		TIF 11	\$ 76,391,700
7	8/14/1997	8/14/2019	8/14/2024	\$172,639	\$1,076,557	\$ 14,218,300	\$ 6,034,600			\$ 20,252,900
8	7/10/1997	7/10/2015	7/10/2020	\$71,488	\$3,893	\$ 3,689,000	\$ 2,633,100	To TIF 6		\$ 6,322,100
9	6/22/1999	6/22/2017	6/22/2030	\$107,217	\$542,983	\$ 1,442,900	\$ 15,479,900			\$ 16,922,800
10	6/14/2003	6/24/2025	6/24/2030	\$8,764	\$746,769	\$ 2,540,100	\$608,400			\$ 3,148,500
11	10/12/2004	10/12/2026	10/12/2031	\$984,081	\$23,149,140	\$ 124,484,000	\$40,206,700			\$ 164,690,700
12	7/14/2005	7/14/2027	7/14/2032	\$458,801	\$7,524,367	\$ 2,760,200	\$18,023,900			\$ 20,784,100
13	5/11/2006	5/11/2021	5/11/2026	\$5,542	\$1,098,463	\$ 20,723,200	\$9,329,600			\$ 30,052,800
14	8/24/2006	8/24/2028	8/24/2033	\$87,382	-\$428,327	\$ 57,863,800	\$16,234,900			\$ 74,099,700
Totals						\$ 262,501,100	\$ 195,177,900			\$ 457,679,000

Source: Wisconsin Department of Revenue and City of La Crosse, 2008-09

Note: Annual increments from TIF 4, TIF 5, and TIF 8 are currently allocated to pay debt costs for TIF 6.

- | | | | |
|-----------------|---------------------------------|----------------------------|-------------------------|
| 4 = Airport | 7 = Amtrak Depot | 10 = Park Plaza | 13 = Kwik Trip |
| 5 = Marriott | 8 = Dura Tech | 11 = Gateway Redevelopment | 14 = Gundersen Lutheran |
| 6 = City Vision | 9 = International Business Park | 12 = Three Rivers Plaza | |

The City should carefully monitor the growth within the existing TIF Districts as well as the capacity to create additional TIF Districts in order to allow the City to create additional TIF Districts as the need arises.

SECTION IV. DESCRIPTION OF TAX INCREMENTAL FINANCE DISTRICT NUMBER ELEVEN

Tax Incremental Finance District Number Eleven was created as the primary local financing tool for the Gateway Redevelopment area, which is a large area encompassing a portion of Downtown La Crosse. Within the boundaries of this Tax Incremental Finance District are sites suitable for business creation, residential development and/or mixed uses. This TIF District is approximately 141.45-acres in size. As previously stated, the boundary for Tax Incremental Finance District Number Eleven is delineated on Map 1 on Page 13.

SECTION V. ECONOMIC FEASIBILITY STUDY

Purpose

The purpose of this study is to determine whether the project income expected to be generated from the tax increments expected by the development of land within the proposed District could finance the costs associated with the implementation of the Project Plan.

General Development Potential Description

The emphasis of this section is on the projection of new development and its corresponding increment value. These projections were prepared by the La Crosse City Planning staff. With the

examination of the last few years of data on the actual creation of increment, the projections of new tax base have been revised to reflect both new development and development opportunities reflected in the City Vision 2020 Downtown Master Plan. The projections of tax increment revenues contained in this section are based on the potential development of certain buildings and/or sites to accommodate land uses consistent with the overall City Vision 2020 Downtown Master Plan. Projections of development within a three- to five-year period are based on the City's understanding of the general market conditions and feasibility within the Downtown La Crosse and surrounding area. Projections beyond the five-year period are more speculative of market conditions. These projections are summarized in Table III which follows.

TABLE III
La Crosse TIF District #11 - Amendment Three
Projected Development Assumptions

PROJECT		Square Feet	Time Frame
Riverside Center Project Phase I, II & III	\$45,500,000	280,000	2006-11
Warehouse	\$5,000,000	100,000	2008
Transit Center	\$7,000,000	60,000	2006-08
Food Co-op	\$1,000,000	15,000	2004-05
Home Apt. Rental	\$500,000	10,000	2008
Greyhound	\$250,000	5,000	2006
Lunch Encounter	\$100,000	5,000	2009
Gerrard Condos (6th & Main)	\$5,500,000	30,000	2005-06
5th Avenue (by Post Office)	\$200,000	10,000	2008-09
Rowleys Office Supply	\$1,600,000	50,000	2007
Former Heilemen Corp. Expansion	\$2,500,000	50,000	2007-08
Sara Lee Warehouse	\$5,000,000	150,000	2009
Collins Sign	\$5,000,000	150,000	2010-11
Burger King	\$1,000,000	25,000	2010
Hollywood Theatre	\$2,000,000	10,000	2008
Other Renovations	\$28,000,000	470,000	2004-2031
TOTAL VALUE INCREMENT	\$110,150,000	1,420,000	

Source: City of La Crosse Planning Department, 2009 update

The change from the 2007 TIF Project Plan is the addition of the third phase of the Riverside Center redevelopment project. The estimated taxable value of the third phase is approximately \$18,000,000.

The economic feasibility analysis should be considered as a baseline projection that is annually monitored to ensure that projection targets are being met. The annual monitoring should attempt to ensure that a total increment value is being achieved rather than whether a specific identified project created those increments. Public borrowing and/or expenditures should be based on this annual review process. It is the intent of this Project Plan to maximize the potential of Tax Incremental Finance District Number Eleven to accomplish the proposed public improvements identified in Table I found on Page 3.

The economic feasibility analysis for Tax Incremental Finance District Number Eleven is presented in Tables IV and V, found on Pages 8 and 9. Table IV shows the projected tax increments from the District based on the development assumptions made in Table III. It is projected that the development increment in Tax Incremental Finance District Number Eleven could generate \$92,614,336 in tax revenues over the life of the TIF (year 2031).

TABLE IV
La Crosse TIF District #11 - Amendment Three
Projected Tax Increments

YEAR	BASE VALUE OF DISTRICT	NET PROJECTED VALUE INCREASE	CUMULATIVE VALUE INCREASE (1)	MILL RATE	ANNUAL PROJECTED TAX INCREMENT	CUMULATIVE TAX INCREMENT
2005	\$91,480,800	\$500,000	\$500,000	0.02956000	\$14,780	\$14,780
2006	\$124,484,000	\$1,000,000	\$1,500,000	0.02804000	\$42,060	\$56,840
2007	\$124,484,000	\$13,887,500	\$18,499,600	0.02702000	\$499,859	\$556,699
2008	\$124,484,000	\$14,000,000	\$35,689,503	0.02798000	\$998,592	\$1,555,291
2009	\$124,484,000	\$15,000,000	\$53,959,153	0.02798000	\$1,509,777	\$3,065,069
2010	\$124,484,000	\$8,000,000	\$65,310,544	0.02798000	\$1,827,389	\$4,892,458
2011	\$124,484,000	\$11,572,024	\$80,317,744	0.02798000	\$2,247,290	\$7,139,748
2012	\$124,484,000	\$11,572,020	\$95,410,819	0.02798000	\$2,669,595	\$9,809,343
2013	\$124,484,000	\$1,822,024	\$100,841,925	0.02798000	\$2,821,557	\$12,630,900
2014	\$124,484,000	\$1,822,024	\$106,363,258	0.02798000	\$2,976,044	\$15,606,944
2015	\$124,484,000	\$1,822,024	\$111,977,074	0.02798000	\$3,133,119	\$18,740,062
2016	\$124,484,000	\$1,822,024	\$117,685,684	0.02798000	\$3,292,845	\$22,032,908
2017	\$124,484,000	\$1,822,024	\$123,491,460	0.02798000	\$3,455,291	\$25,488,199
2018	\$124,484,000	\$1,822,024	\$129,396,828	0.02798000	\$3,620,523	\$29,108,722
2019	\$124,484,000	\$1,822,024	\$135,404,281	0.02798000	\$3,788,612	\$32,897,334
2020	\$124,484,000	\$1,822,024	\$141,516,369	0.02798000	\$3,959,628	\$36,856,962
2021	\$124,484,000	\$1,822,024	\$147,735,709	0.02798000	\$4,133,645	\$40,990,607
2022	\$124,484,000	\$1,822,024	\$154,064,982	0.02798000	\$4,310,738	\$45,301,345
2023	\$124,484,000	\$1,822,024	\$160,506,936	0.02798000	\$4,490,984	\$49,792,329
2024	\$124,484,000	\$1,822,024	\$167,064,388	0.02798000	\$4,674,462	\$54,466,791
2025	\$124,484,000	\$1,822,024	\$173,740,226	0.02798000	\$4,861,252	\$59,328,042
2026	\$124,484,000	\$1,822,024	\$180,537,409	0.02798000	\$5,051,437	\$64,379,479
2027	\$124,484,000	\$1,822,024	\$187,458,971	0.02798000	\$5,245,102	\$69,624,581
2028	\$124,484,000	\$1,822,024	\$194,508,022	0.02798000	\$5,442,334	\$75,066,916
2029	\$124,484,000	\$1,822,024	\$201,687,748	0.02798000	\$5,643,223	\$80,710,139
2030	\$124,484,000	\$1,822,024	\$209,001,417	0.02798000	\$5,847,860	\$86,557,998
2031	\$124,484,000	\$1,822,024	\$216,452,377	0.02798000	\$6,056,338	\$92,614,336
\$110,150,000					\$92,614,336	

(1) Assumes an inflation rate of 2.5% and includes base value inflation increment

Table V shows the proposed debt retirement schedule for the funds the City intends to use to pay for the improvements it is proposing to make and the annual tax increments and annual accumulative tax increment deficit/surplus expected to be generated by the proposed development assumptions from Table III. Table V indicates that the tax increments that are expected to be generated by the proposed development assumptions would be sufficient to pay for the debt incurred by the year 2030, which is year 26 of the District.

TABLE V
La Crosse TIF DISTRICT #11 - Amendment Three
Proposed Debt Retirement Schedule

YEAR	PROJECT COSTS	TAX INCREMENTS	ACCUMULATIVE DEFICIT/SURPLUS
2005	\$13,260,645	\$14,780	-\$13,245,865
2006	\$5,170,645	\$42,060	-\$18,374,450
2007	\$11,913,978	\$499,859	-\$29,788,568
2008	\$21,456,478	\$998,592	-\$50,246,454
2009	\$14,833,978	\$1,509,777	-\$63,570,655
2010	\$4,687,312	\$1,827,389	-\$66,430,578
2011	\$3,309,812	\$2,247,290	-\$67,493,099
2012	\$3,309,812	\$2,669,595	-\$68,133,316
2013	\$2,473,145	\$2,821,557	-\$67,784,904
2014	\$5,533,145	\$2,976,044	-\$70,342,005
2015	\$0	\$3,133,119	-\$67,208,886
2016	\$0	\$3,292,845	-\$63,916,041
2017	\$0	\$3,455,291	-\$60,460,750
2018	\$0	\$3,620,523	-\$56,840,227
2019	\$0	\$3,788,612	-\$53,051,615
2020	\$0	\$3,959,628	-\$49,091,987
2021	\$0	\$4,133,645	-\$44,958,342
2022	\$0	\$4,310,738	-\$40,647,604
2023	\$0	\$4,490,984	-\$36,156,620
2024	\$0	\$4,674,462	-\$31,482,158
2025	\$0	\$4,861,252	-\$26,620,906
2026	\$0	\$5,051,437	-\$21,569,470
2027	\$0	\$5,245,102	-\$16,324,368
2028	\$0	\$5,442,334	-\$10,882,033
2029	\$0	\$5,643,223	-\$5,238,810
2030	\$0	\$5,847,860	\$609,050
2031	\$0	\$6,056,338	\$6,665,387
TOTAL	\$85,948,949	\$92,614,336	

The retirement of the District, taking into consideration the assumptions identified in Table I (Detailed List of Estimated Project Costs) and Table III (Projected Development Assumptions), is based on the property tax collection that was in place at the time of the Public Hearing held on March 30, 2009.

The assumptions on when development will occur, or "the rate of absorption", is based on a review of market conditions that exist in 2009, as well as actual development that has taken place since the creation of the District. If the state or national economy takes a downswing, these projections on absorption will have to be modified. It is expected and recommended that the City Plan Commission and Common Council annually review the financial condition of the amended Tax Incremental Finance District Number Eleven. The economic feasibility analysis projects that amended Tax Incremental Finance District Number Eleven is feasible, provided that the development assumptions are being achieved as a total estimated value of future development. The City should not spend at levels projected in Tables I and V without either developer agreements that guarantee repayment of expenditures or without a "risk assessment" that defines the City's financial exposure that the Common Council finds acceptable. The City should analyze the fiscal condition of the amended Tax Incremental Finance District Number Eleven on the basis of how well the development assumptions are being met. Decisions to continue spending annually should be based on the "state of the district".

SECTION VI. DESCRIPTION OF THE METHODS OF FINANCING

Financing for the proposed project will be done primarily as General Obligation Bonds, revenue bonds, loans, and/or grants. The amount of borrowing and the strategy of financing is expected to be obtained from State Trust Fund loans and G.O. Bonds. The accounting for the amended TIF District Number Eleven will be done as a separate fund. The City will make its final decision on where and how to borrow funds on a case-by-case basis and with the advice of the City's financial consultant, Finance & Personnel Committee and Director of Finance. It is expected that the TIF borrowing may be done annually or on a project-specific basis. It is not anticipated that the total amount of project costs would ever be considered for one borrowing.

Tables IV & V, which were also referenced in the Economic Feasibility Study Section, give a summary of project costs, the proposed debt retirement schedule, expected project income and expected tax increments by year during the expected duration of the tax incremental district. As can be seen in these tables, it is projected that all project costs ultimately will be paid for by tax increments and project income within the twenty-seven year statutory-required retirement period. The amended TIF Project Plan has been written to enable project costs to be completed in order to encourage new development and redevelopment within the amended District boundaries. An annual analysis should be made to strategize financing alternatives in consideration of potential shortfalls between tax increments collected and debt service required to pay the bonds. Excess tax increments will be available to cover potential shortfalls with repayment to the City prior to retirement of the amended TIF District. The City will, on a case-by-case basis and annually, review the proposed expenditures and decide the economic feasibility of the District prior to authorizing additional expenditures.

The total scope of activities is estimated within the project cost estimates in Table I. Any non-tax revenues received will reduce the applicable TIF project expenditure which, in turn, will reduce the total amount of TIF project costs. This reduction will allow the Common Council more flexibility in determining the timeframe for other project expenditures.

SECTION VII. EXISTING LAND USES AND CONDITIONS

Map 2, found on Page 14, has been provided to give a general description of the conditions within the area. Map 4 is a zoning map that generally describes zoning categories within the District. These two maps should be used in combination when studying the existing land uses and conditions.

There are two criteria that should be highlighted in this section. The first is that the TIF District, in compliance with the statutes, does not have more than twenty-five percent (25%) of vacant land within the TIF boundary. The second criterion is that more than fifty percent (50%) of the lands within the original and amended TIF boundary were found to be economically and/or physically blighted. Primary blight criterion used in this Project Plan is economic blight. The purpose and intent of this TIF District is to reverse the tax base stagnation, physical blight and economically-declining conditions within the area.

SECTION VIII. EXISTING AND PROPOSED ZONING

Map 4 shows the TIF District boundary overlaid onto an existing zoning map.

The anticipated change is rezoning the area within amended TIF District Number Eleven to a Planned Development and/or Commercial District. This rezoning will be done to allow commercial, residential and/or mixed use project(s).

SECTION IX. BUILDING CODES AND CITY ORDINANCES

No changes are currently being anticipated in the City's Building Code or other City codes.

SECTION X. RELOCATION

If acquisition occurs within the amended TIF District Number Eleven which may cause displacements due to implementation of these specific projects, the City will conform to the requirements as set forth by the Department of Commerce in the State of Wisconsin Relocation Laws. If federal funds are used in the relocation process, the federal relocation process will also be followed.

SECTION XI. STATEMENT INDICATING HOW AMENDING THE TID PROMOTES THE ORDERLY DEVELOPMENT OF THE CITY OF LA CROSSE

TIF District Number Eleven is being amended to assist redevelopment and the expansion of businesses and commerce within the Gateway Redevelopment area of the City of La Crosse. The amendment of this TID will provide the financial resources for the City to promote orderly development by making sites within the City suitable for redevelopment that otherwise would not be occurring, by providing new employment opportunities that would not otherwise be available, and, in general, promoting the public health, safety and general welfare. The redevelopment stimulated by the use of this TID will increase the overall tax base of the City, increase employment, increase household income, and generally improve the quality of life in the City.

SECTION XII. FINDINGS

- A. A minimum of 50% of the area occupied by real property within amended TIF District Number Eleven is a blighted area.
- B. The improvement of amended TIF District Number Eleven is likely to significantly enhance the value of substantially all of the other real property in the district.
- C. The project costs relate directly to eliminating blight consistent with the purpose for which the district was created.
- D. The equalized value of taxable property of amended TIF District Number Eleven, plus the value increment of all existing districts does not exceed 12% of the total equalized value of taxable property within the City.

SECTION XIII. CITY ATTORNEY OPINION

The City Attorney for the City of La Crosse, Wisconsin hereby states that I have reviewed the Amended Project Plan for Tax Incremental Finance District Number Eleven, City of La Crosse, Wisconsin, dated April 9, 2009, and have found that it is complete and complies with Section 66.1105, Wisconsin Statutes.

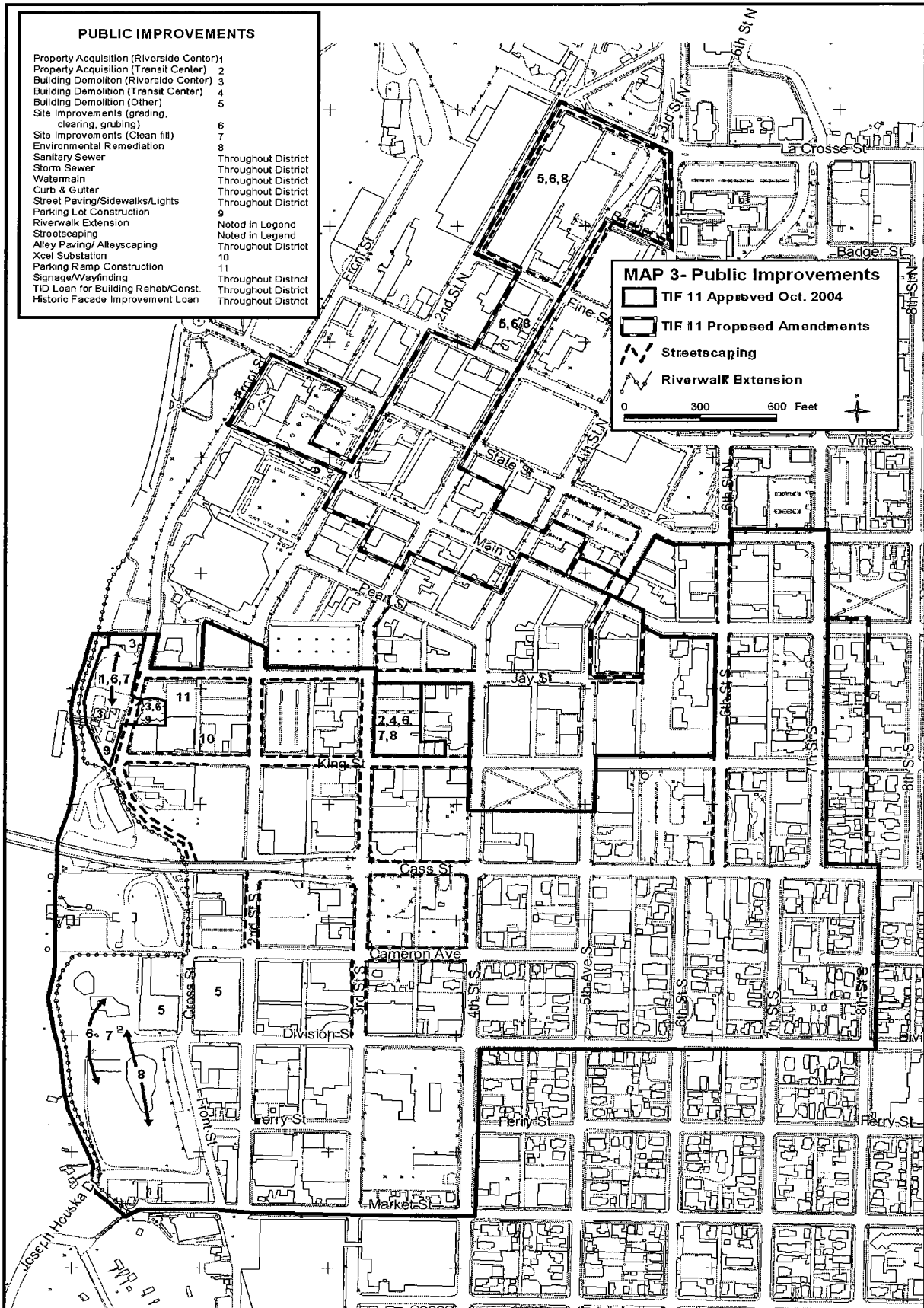


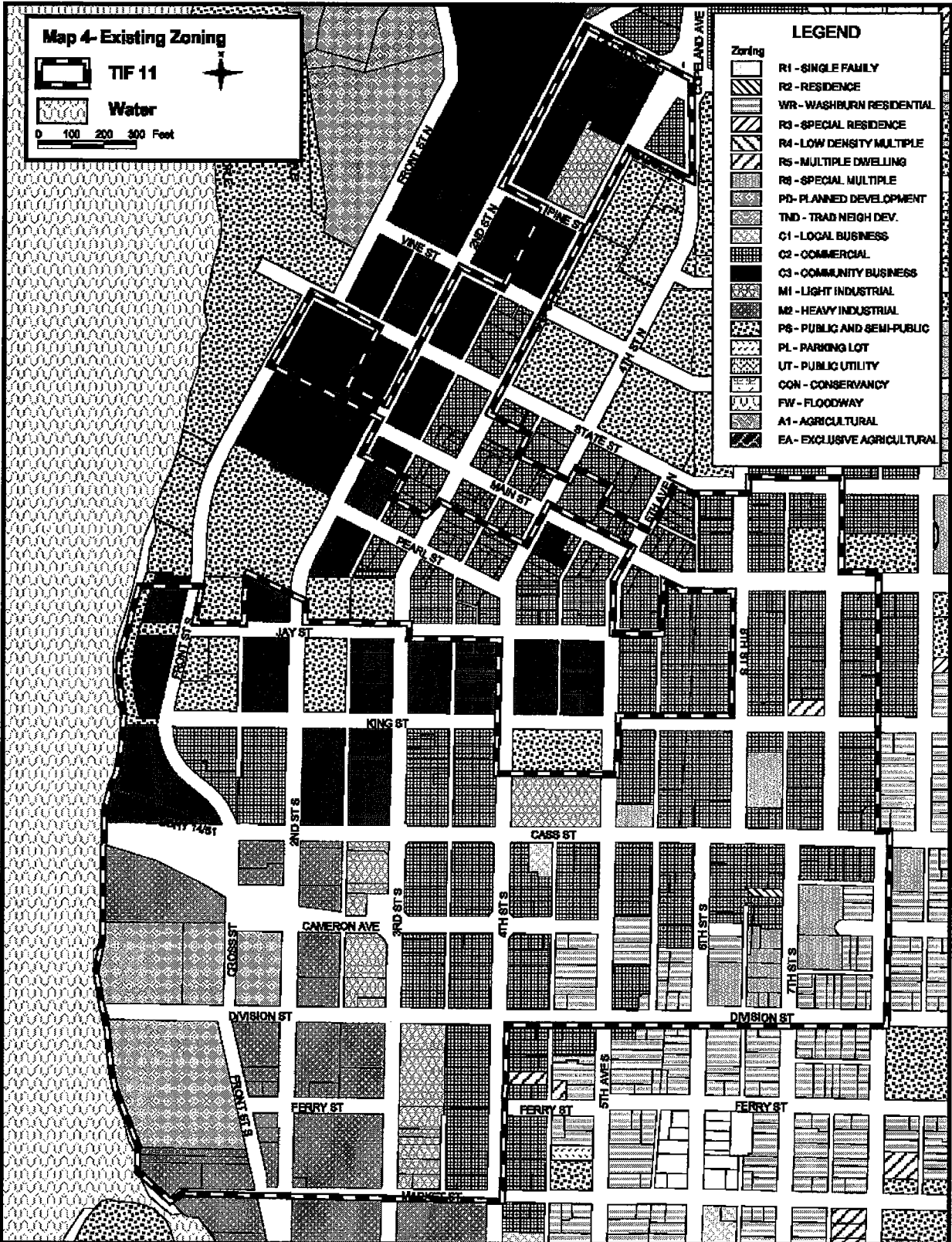
City Attorney



Map 2- Existing Land Uses & Conditions
TIF 11







APPENDIX A LEGAL DESCRIPTION

A parcel of land located in parts of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$, the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ and the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 31, T16N, R7W described as follows:

Area 1:

Commencing at the Northeast corner of Lot 1, Block 28 of the plat of the Town of La Crosse, said point being on the West line of Fourth Street and the Point of Beginning; Thence S along said line to the North line of Badger Street; Thence NWly along said line and said line extended to the West line of Third Street; Thence SWly along said line to a point approximately 30 feet S of the Southeast corner of Lot 10, Block 19 of said plat; Thence SEly to the West line of the alley in Block 24 of said plat; Thence SWly along said line to the Southeast corner of Lot 3, Block 24 of said plat; Thence SEly to the Northwest corner of Lot 7, Block 24 of said plat; Thence continuing SEly along the North line of said Lot 7 and said North line extended to the east line of Fourth Street; Thence NEly along said line to the NW corner of Lot 3, Block 33 of said plat; Thence SEly along the north line of said Lot and said north line extended to the east line of an alley in said Block 33; Thence SWly along said line to the north line of Main Street;

Thence NWly along said line to the west line of Fourth Street; Thence SWly along said line to the southeast corner of Lot 9, Block 23 of said plat; Thence NWly along the south line and south line extended of said Lot 9 to the east line of Third Street; Thence SWly along said line to the northwest corner of Lot 5, Block 23 of said plat; Thence NWly to the northeast corner of Lot 6, Block 20 of said plat and the west line of Third Street;

Thence NWly along the north line of said Lot 6 to the east line of an alley; Thence NEly along said alley line to approximately the mid-point of the west line of Lot 9, Block 20 of said plat; Thence NWly on a line perpendicular to the alley line to the west line of said alley; Thence SWly along said west line approximately 10 feet; Thence NWly to the east line of Second Street and a point approximately 10 feet south of the southwest corner of Lot 2, Block 20; Thence NEly along said line to the North line of Main Street and the Southwest corner of Lot 5, Block 19 of said plat; Thence NWly to the Southeast corner of Lot 6, Block 8 of said plat; Thence NWly along the South line of Block 8 and said line extended to the Southwest corner of Lot 6, Block 1 of said plat and the East line of Front Street;

Thence NEly along said line to the South line of State Street; Thence SEly to the East line of the alley in Block 8; Thence SWly along said line to the Northwest corner of Lot 6; Thence SEly along the North line of Lot 6 extended to the East line of Second Street and the Northwest corner of Lot 5, Block 19; Thence NEly along said line to the Northwest corner of Lot 1, Block 18; Thence SEly to the Northeast corner of Lot 1, Block 18; Thence NEly to the North line of Pine Street and the Southwest corner of Lot 6, Block 16; Thence NWly to the East line of Second Street and the Southwest corner of Lot 5, Block 16; Thence NEly along said line to the South line of La Crosse Street and the Northwest corner of Lot 1, Block 15; Thence SEly along the South line of La Crosse Street to the Point of Beginning.

Area 2:

Beginning at the northwest corner of a parcel with an I.D. number of 17-20025-20 at the east bank of the Mississippi River; Thence, easterly along the north line and north line extended of said parcel to the east line of Front Street; Thence, southerly along said east line to the north line of Jay Street; Thence, easterly along said north line to the southwest corner of a parcel with an I.D. number of 17-20026-110; Thence, northerly along the west line of said parcel and the western side of a parcel with an I.D. number of 17-20002-40 to the northernmost corner of said parcel (17-20002-40);

Thence, southeasterly along the northern line of parcels with I.D numbers 17-20002-40 and 17-20026-110 and said northern line extended, to the east line of Second Street; Thence, southerly along said east line to the north line of Jay Street; Thence, easterly along said north line to the east line of Third Street; Thence, southerly along said east line to the south line of Jay Street; Thence, easterly along said south line to the west line of Fourth Street; Thence, southerly along said west line to the north line extended west, of a parcel with an I.D. number of 17-20034-140; Thence, easterly along said line and line extended to the east line of Fifth Avenue; Thence, northerly along said east line to the north line of King Street; Thence, easterly along said north line to the west line of Sixth Street;

Thence, northerly along said west line to the south line of Main Street; Thence, westerly along said south line to the east line of an alley located in the block between Fifth Avenue and Sixth Street; Thence, southerly along said alley east line to the centerline of Jay Street; Thence, westerly along said centerline to the centerline of Fifth Avenue; Thence, northerly along said centerline, and centerline extended, to the north line of Main Street; Thence, westerly along said north line to the west line of a parcel with an I.D. number of 17-20021-140; Thence, northerly along the west line of said parcel to the north line of said parcel; Thence, easterly along the north line of said parcel and said north line extended easterly to the east line of Fifth Avenue; Thence, northerly along said east line to the south line of State Street;

Thence, easterly along said south line to the east line of Sixth Street; Thence, northerly along said east line to the north line of State Street; Thence, easterly along said north line to the east line of Seventh Street; Thence, southerly along said east line to the north line of Main Street; Thence, easterly along said north line to the extended east line of an alley located in the block between Seventh Street and Eighth Street; Thence, southerly along said alley east line to the north line of Cass Street; Thence, easterly along said north line to the east line of Eighth Street; Thence, southerly along said east line to the south line of Division Street; Thence, westerly along said south line to the east line of Fourth Street; Thence, southerly along said east line to the south line of Market Street; Thence, westerly along said south line to the east bank of the Mississippi River; Thence, northerly along said river bank to the point of beginning.

**APPENDIX B
PUBLIC HEARING NOTICE**

**NOTICE OF PUBLIC HEARING
ON PROPOSED AMENDMENT NUMBER THREE TO
TAX INCREMENTAL FINANCE DISTRICT NUMBER ELEVEN,
CITY OF LA CROSSE, WISCONSIN**

The City of La Crosse Plan Commission will hold a public hearing on the proposed amendment to Tax Incremental Finance District Number **Eleven**, City of La Crosse, Wisconsin at 4:00 PM on Monday, March 30, 2009, in the Fifth Floor Conference Room, City Hall, 400 La Crosse Street, La Crosse, Wisconsin. The purpose of the amendment is to add Project Costs as permitted under Section 66.1105(4)(h)1., Wisconsin Statutes. The cost of the amendment is approximately \$5.1 million.

The description of the boundary of Tax Incremental Finance District Number Eleven, City of La Crosse, La Crosse County, Wisconsin, is more particularly described as follows:

A parcel of land located in parts of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$, the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ and the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 31, T16N, R7W described as follows:

Commencing at the Northeast corner of Lot 1, Block 28 of the plat of the Town of La Crosse, said point being on the West line of Fourth Street and the Point of Beginning; Thence S along said line to the North line of Badger Street; Thence NWly along said line and said line extended to the West line of Third Street; Thence SWly along said line to a point approximately 30 feet S of the Southeast corner of Lot 10, Block 19 of said plat; Thence SEly to the West line of the alley in Block 24 of said plat; Thence SWly along said line to the Southeast corner of Lot 3, Block 24 of said plat; Thence SEly to the Northwest corner of Lot 7, Block 24 of said plat; Thence continuing SEly along the North line of said Lot 7 and said North line extended to the east line of Fourth Street; Thence NEly along said line to the NW corner of Lot 3, Block 33 of said plat; Thence SEly along the north line of said Lot and said north line extended to the east line of an alley in said Block 33; Thence SWly along said line to the north line of Main Street;

Thence NWly along said line to the west line of Fourth Street; Thence SWly along said line to the southeast corner of Lot 9, Block 23 of said plat; Thence NWly along the south line and south line extended of said Lot 9 to the east line of Third Street; Thence SWly along said line to the northwest corner of Lot 5, Block 23 of said plat; Thence NWly to the northeast corner of Lot 6, Block 20 of said plat and the west line of Third Street;

Thence NWly along the north line of said Lot 6 to the east line of an alley; Thence NEly along said alley line to approximately the mid-point of the west line of Lot 9, Block 20 of said plat; Thence NWly on a line perpendicular to the alley line to the

west line of said alley; Thence SWly along said west line approximately 10 feet; Thence NWly to the east line of Second Street and a point approximately 10 feet south of the southwest corner of Lot 2, Block 20; Thence NEly along said line to the North line of Main Street and the Southwest corner of Lot 5, Block 19 of said plat; Thence NWly to the Southeast corner of Lot 6, Block 8 of said plat; Thence NWly along the South line of Block 8 and said line extended to the Southwest corner of Lot 6, Block 1 of said plat and the East line of Front Street;

Thence NEly along said line to the South line of State Street; Thence SEly to the East line of the alley in Block 8; Thence SWly along said line to the Northwest corner of Lot 6; Thence SEly along the North line of Lot 6 extended to the East line of Second Street and the Northwest corner of Lot 5, Block 19; Thence NEly along said line to the Northwest corner of Lot 1, Block 18; Thence SEly to the Northeast corner of Lot 1, Block 18; Thence NEly to the North line of Pine Street and the Southwest corner of Lot 6, Block 16; Thence NWly to the East line of Second Street and the Southwest corner of Lot 5, Block 16; Thence NEly along said line to the South line of La Crosse Street and the Northwest corner of Lot 1, Block 15; Thence SEly along the South line of La Crosse Street to the Point of Beginning.

During the public hearing, all interested parties will be afforded an opportunity to express their views on the proposed Amendment Number Three to Tax Incremental Finance District Number Eleven. Persons desiring information on the proposed amendment should contact the City Planning Department, City Hall, 400 La Crosse Street, La Crosse, Wisconsin 54601, between the hours of 8:30 AM and 5:00 PM or telephone: (608) 789-7512. The proposed amendment package will be available for review at the above-referenced address and will be provided upon request.

Lawrence J. Kirch
Secretary, City Plan Commission

Publish: La Crosse Tribune as Legal Notice, caption as 16 point.
March 16, 2009 and March 23, 2009
Bill: City Planning Department
Furnish Affidavit of Publication

