

**AMENDMENT #1
TO
TAX INCREMENTAL DISTRICT
NUMBER SIX
CITY OF LA CROSSE, WISCONSIN**

**PROJECT PLAN AND
BOUNDARY DESCRIPTION**

Adopted by the Common Council on September 9, 1999
Approved by Plan Commission on August 30, 1999

Prepared by the City of La Crosse Planning Department

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BOUNDARY DESCRIPTION

LIST OF PROPERTY OWNERS RECEIVING BLIGHT LETTERS

**AMENDMENT NUMBER ONE
TO TAX INCREMENTAL DISTRICT NUMBER SIX
CITY OF LA CROSSE, WISCONSIN**

SECTION I. INTRODUCTION

Wisconsin's Tax Incremental Law was created in 1975 to help cities and villages rehabilitate blighted areas and improve or develop industrial sites. 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 benefit not only the city or village, but all municipalities 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 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 value generated by 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 creation 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; or
3. It is an area suitable for industrial sites and has been zoned for industrial use.

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 or directly serve to promote industrial development; and
3. either the equalized value of taxable property of the district plus all existing districts does not exceed seven percent (7%) of the total equalized value of taxable property within the City or the equalized value of taxable property of the district plus the value increment of all existing districts within the City does not exceed five percent (5%) of the total equalized value of taxable property within the City.

Before a Tax Incremental District is created, 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 creation 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. Sixteen years after the last expenditure identified in the Project Plan is made.
3. The local legislative body, by resolution, dissolves the District at which time the City shall become 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.

SECTION II. LOCAL ACTION

Before a Tax Incremental District can be created, the City Plan Commission must hold a public hearing(s) on the proposed creation of a District and the proposed boundaries thereof, and on the proposed Project Plan for the District. The public hearing on the creation 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 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 a District.

The local legislative body may adopt a resolution creating a Tax Incremental District after a 30-day period has elapsed since the public hearing(s) referenced above has been held. Before adopting such resolution, the local legislative body may amend both the proposed District boundaries and Project Plan.

State Statutes require that the City that seeks to create a Tax Incremental District convene a Joint Review Board to review the proposal. The first meeting of the Board must be held within fourteen (14) 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 Wisconsin 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 Joint Review Board must be selected by a majority vote of the other Board members. It is the responsibility of the Review Board to review the public record, planning document 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 not less than ten (10) days nor more than thirty (30) days after receiving the resolution.

The procedure for amending the Project Plan follows essentially the same procedure as the adoption of the original plan.

SECTION III. GENERAL DESCRIPTION OF TAX INCREMENTAL DISTRICT NUMBER SIX

Tax Incremental District Number Six was created as the primary local financing tool for implementation of the downtown revitalization plan for the City of La Crosse, City Vision 2000. This is a comprehensive revitalization effort between the City and the private sector business group known as Downtown Mainstreet, Inc. (DMI). This TIF District is based on a two-year old plan preparation period involving extensive public input. The City Vision 2000 plan, as a blueprint for downtown revitalization, has been adopted by the City Council following recommendation of the City Plan Commission. The City Vision 2000 plan was, also, adopted by the La Crosse County Board. Tax Incremental District Number Six is one outcome of this plan and planning process. The

City Vision 2000 Master Plan was updated and adopted by the Common Council on June 10, 1999. This Project Plan amendment is intended to further the implementation of the Master Plan Update.

Tax Incremental District Number Six has fulfilled its original intent which was to stimulate private sector redevelopment opportunities that would have not otherwise been able to happen outside the context of a master plan and without the ability of tax incremental financing improvements. As noted below, over \$22 million of increment value has been created to date. This indicates that private sector redevelopment has indeed occurred as a result of the public TIF expenditures. The continued strategy behind the District is to incorporate those projects and project activities that could be accomplished in a ten-year period. Expenditures within the TIF District will be closely tied to developer agreements that will be negotiated prior to making TIF expenditures. The City Council will need to act on any expenditure made. This Project Plan is intended to be flexible as to the scope and type of eligible activities. TIF expenditures will be refined and adjusted over the ten-year allowed spending period, provided they are within the general intent and description of this Project Plan. Any project refinements or adjustments will require a favorable recommendation of the City Plan Commission and adoption by the City Council. Any decision to spend more money than the total amounts projected in this Project Plan would require amendment to the Project Plan through the TIF Joint Review Board process.

This Tax Incremental District and Project Plan are prepared to comply with the blight elimination and revitalization sections of the Wisconsin TIF Statutes. During the two-year long study leading up to adoption of the City Vision 2000 plan and the proposal of Tax Incremental District Number Six, urban planning and revitalization consultants had documented that the downtown area, part of which is incorporated into this TIF District, meets the definition of economic and physical blight as provided in the State statutes. *The purpose and intent of this TIF District is to reverse the tax base decline, physical blight and economically-declining conditions within the downtown area.*

The implementation strategy, adopted as part of the City Vision 2000 plan, is incorporated by reference and the Master Plan Update is also incorporated by reference. A joint Project Management Team (PMT) has been established by City Council action to manage plan implementation. The PMT is made up of City Council members and private sector business representatives. The PMT is charged with advising the City Council on implementation strategy refinements and changes that will

be necessary to ensure successful implementation of this Project Plan for Tax Incremental District Number Six.

Tax Incremental District Number Six is designed as a comprehensive, multi-project TIF district. With adoption of this Project Plan, the City Council is enabled to make TIF-eligible expenditures throughout a ten-year spending period. Each expenditure will require specific action of the City Council. Actions of the City Council will be based on the purpose and intent described in the City Vision 2000 Master Plan Update and by the needs of specific development agreements.

SECTION IV. PROJECT BOUNDARIES

The boundary for Tax Incremental District Number Six is delineated on Map 1. It is extended to the east to 7th Street north of La Crosse Street and to 8th Street north of Vine Street. The District boundary then encompasses part of the Historic Central Business District along Main Street to King Street and 5th Street to 3rd Street. The Tax Incremental District Number Six boundary moves south along 3rd Street to take in properties south of the Cass Street bridge and west to the Mississippi River. The District then traverses the River along the Cass Street Bridge to include several parcels along Park Plaza on Barron Island.

The Tax Incremental District Number Six boundary was delineated after careful consideration and study based on the City Vision 2000 - La Crosse CBD Master Plan. Other crucial criteria in determining the boundary was the determination of economic blight in some portions of the District and physical blight in other areas of the District. The Statutes require that no more than 25% of the land within a TIF District formed under the "blight determination" be vacant for the past seven years. The boundary was drawn to take into account the amount of vacant property as well as the economic and physical blighted conditions.

One purpose of this Project Plan Amendment is to add territory on the west side of North 2nd Street. Section 66.46 (4)(h)2, Wisconsin Statutes, provides that "not more than once during the 7 years after the tax increment district is created, the Planning Commission may adopt an amendment to a Project Plan under subd. 1 to modify the district's boundaries by adding territory to the district that is contiguous to the district and that is served by public works or improvements that were created as part of the district's Project Plan. Expenditures for project costs that are incurred because of an amendment to a project plan to which this subdivision applies may be made for not more than 3 years after the date on which the local legislative body adopts a resolution amending the project

plan”. The amended TIF District Boundary Description is available from the City Planning Department. The area proposed to be added to the District are the whole parcels of land that constitute the MAPCO or JJAWC property located on North 2nd Street.

Capacity to Create TIF Districts

At the time Tax Incremental District Number Six was created, the City had 2.39% capacity to create new TIFs. With the addition of new territory, the base value of Tax Incremental District Number Six will have to be recalculated following the procedures found at Section 66.46(5)(c) or Section 66.46(5)(ce), Wisconsin, Statutes. The City of La Crosse's 1998 total equalized value is \$1,882,454,500. The City can only include up to seven percent (7%) of the total equalized value of the community in existing and new tax incremental districts. Seven percent (7%) in the City of La Crosse is \$131,771,815. The alternative method for calculating tax incremental district capacity is to measure the value increment for all existing tax incremental districts plus the equalized value of taxable property of the new district and determine whether that figure exceeds five percent (5%) of the total equalized value (\$94,122,725).

The chart below identifies the existing tax incremental districts with their present certified value. The Department of Revenue, in its yearly recertification of existing Districts effective September 1, 1998, has provided this information. The Department of Revenue will recertify the values in the existing tax incremental districts on or about September 1, 1999, which will then identify the new 1999 increment(s). Even with the recent creation of Tax Incremental Districts Number Seven, Eight and Nine, the addition of value to Tax Incremental District Number Six by adding the Machine Products property, is anticipated to be within the City's five percent limitation.

Dec. 31, 1998, Total Equalized Value (including Tax Incremental Districts)	\$ 1,882,454,500
Five percent (5%) of Total Equalized Value	\$ 94,122,725
TIF Capacity (5% rule) 1998	\$ 13,894,625
Seven percent (7%) of Total Equalized Value	\$ 131,771,815
Current Equalized Value in all TIFs	\$ 139,814,100
TIF Capacity (7% rule) 1998	0

DISTRICT	WHEN CREATED	BASE VALUE	INCREMENT	% INC. VALUE	TOTAL VALUE	% TOTAL VALUE
No. 1	05/01/78	12,613,200	42,243,500	2.24	54,856,700	2.91
No. 2	Retired					0
No. 3	Dissolved					0
No. 4	08/18/87	0	18,621,300	.99	18,621,300	.99
No. 5	03/12/92	894,800	2,992,800	.16	3,887,600	.21
No. 6	04/14/94	32,684,000	15,042,000	.80	47,726,000	2.54
No. 7		9,705,000	673,100	.04	10,378,100	.55
No. 8		3,689,000	655,400	.03	4,344,400	.23
SUB TOTAL		59,586,000	80,228,100	4.26	139,814,100	7.43
No. 9		*1,437,600		.08		
TOTAL			(1) 81,665,700	4.34		

Source: Wisconsin Department of Revenue and City of La Crosse, 1998

*Estimated Base Value, not certified by State.

(1) 80,228,100 + 1,437,600 = 81,665,700

5% Limit: 94,122,725

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 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 to be generated 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 originally prepared by Vandewalle & Associates of Madison, Wisconsin. Vandewalle & Associates is an urban redevelopment firm with significant experience in projecting the timing and value of new development that can be stimulated by completing proposed TIF project activities. With the examination of the last five years of data on the actual creation of increment and with the recent adoption of the City Vision 2000 Master Plan Update, the projections of new tax base have been revised to reflect both new development and development opportunities reflected in the Master Plan Update.

The approach to Tax Incremental District Number Six is comprehensive and not reliant on a single developer proposal. The concept is to create surplus increment from major development projects, such as the Front Street residential/mixed use project area (Robers project). This surplus increment is viewed as a tax revenue source to make feasible project expenditures in other parts of the TIF District where tax increments are not likely to be generated at a level sufficient to economically justify needed public improvements. Examples of these needed public improvements are parking and streetscape improvements within the Historic Central Business District.

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 Vision 2000 Master Plan Update. Projections of development within a three- to five-year period are based on the consultant's and the City's understanding of the general market conditions and feasibility within the La Crosse downtown area. Projections beyond the five-year period are more speculative of market conditions but do reflect the market conditions of similarly-sized communities which have aggressively implemented a comprehensive downtown revitalization plan. These projections are summarized in Table 1.

During the preparation of the Project Plan, the consultant estimated that, over the first five years, the increment would equal \$27,625,000. The actual increment as of the 1998 assessment year exceeds \$22,000,000. The areas projected for new development increment are generally described on Map 3.

This District was being created without specific developer agreements for the identified development projects. Many of the areas identified for new development increment will require the

recruitment of developers after the City has created the TIF Project Plan and has the ability to fund activities needed to make a project feasible. It is expected that, prior to the City making project expenditures related to stimulating specific private-sector projects, individual developer agreements will be entered into as has been the City's past practice. Many of the expenditures are public works activities that are not developer/project specific. This TIF District Project Plan is comprehensive so that broader public works activities, not developer/project specific, can be achieved from surplus increments. In this Project Plan, surplus increments are defined as the maximum increments that can be generated over the life of the TIF District after the developer-project specific costs have been feasibly funded by the TIF District. The economic feasibility projections are based on the full utilization of the allowed tax increment collection period (27 years). It is necessary that surplus increments are reserved as a part of each private development project so that there are sufficient increments to feasibly fund public infrastructure improvements that are not specific to one development, but rather benefit the entire downtown area.

The economic feasibility analysis should be considered as a baseline projection that is annually monitored to ensure that projection targets are being met. The projected increments may be achieved by projects other than those identified in Table 1. 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. This Project Plan Amendment is the result of that annual monitoring process whereby the City Planning Department has prepared an annual "State of the TIF Report" to monitor the continued economic feasibility of the TIF District. It is the intent of this Project Plan to maximize the potential of Tax Incremental District Number Six to accomplish the proposed public improvements identified in Table 4.

Table 1 and Map 3 summarize the development assumptions that are used in the economic feasibility analysis. These development assumptions are projected by the year in which such development could be reasonably anticipated. These projections were originally prepared by Vandewalle & Associates, and were based on preliminary market research that was analyzed during the preparation of the City Vision 2000 Master Plan. This research was based primarily upon review of recent market studies that were previously prepared for redevelopment project activities within the Downtown area. The City Planning Department updated Table 1 based on an analysis of recent

development trends, known projects and availability and suitability of development sites. More detailed market studies and/or reliance upon developer agreements will be required if the City intends to borrow solely based on the projections in Table 1. The City may choose to proceed with some TIF-project spending based on the expectation that spending for project activities is necessary to stimulate developer interest. That is a decision, however, that the City should make in an annual case-by-case risk assessment.

Projections in Table 1 include assumptions either as to the number of units or land use square footage that could be anticipated in identified redevelopment project areas. These assumptions of development should be viewed as minimum redevelopment targets when negotiating redevelopment agreements with private developers. Assumptions of the taxable value by type of use (i.e., residential or commercial) is based on a review of comparable real estate values occurring within the La Crosse trade area. In a few cases, the value of new development reflects a minimum value target to be negotiated within private developer agreements.

Within the primary historic district, there has been a generalized assumption that new tax base will be derived from multiple small projects stimulated through the comprehensive changes occurring throughout the District. This assumption is based on development levels achieved in other comprehensive downtown revitalization projects. The assumptions of increment, projected in Table 1, are not estimates of construction costs, but are factored to equate to the anticipated equalized value to which an annual mill rate will be applied. The actual construction values would be higher than those projected because those values include soft costs not assessed by the City. Table 1 does not include any projection of personal property value. This has been done because valuation of personal property can significantly fluctuate from year to year. It should be understood that by not including personal property in the increment projections, the City is being conservative. The revised Table 1 does reflect the “increment value” of personal property that has actually been received by the City which can be used for debt retirement. However, as part of the Project Plan Amendment, the City has, again, chosen not to project future personal property “increment” in order to keep increment estimates realistic and conservative. With the recent removal of computers as personal property from the tax roll, this strategy of not basing the creation of the TIF District on personal property has borne fruit. Real estate valuation can also significantly fluctuate from year to

year. For that reason, there should be an annual review and evaluation of the stability of the increment value prior to making annual borrowing and/or spending decisions.

In compliance with the statutory requirements of tax incremental financing, a finding has been made that the private development activities projected would "not otherwise occur without the use of tax incremental financing". It must be understood that these projected private development increments will not naturally occur without the proactive implementation of this Project Plan. The implementers of the Project Plan will need to be aggressive in stimulating the identified private development projects. The posture cannot be to expect that private developers will have financially feasible projects without implementation of the public improvement activities identified in this Plan.

Each of the development increments projected will require some form of public/private relationship. The general market conditions within the downtown area of La Crosse, as they currently exist, are not capable of supporting the identified developments without such a partnership.

The economic feasibility analysis for Tax Incremental District Number Six is presented in Tables 1A, 2 & 3. Table 2 shows the projected tax increments from the District based on the development assumptions made in Table 1. Table 1 has been modified to include actual increment values that can now be compared to the original projections. The original projections assumed that there would be no development in 1994, \$7,750,000 in 1995, \$6,375,000 in 1996, \$5,300,000 in 1997, \$8,200,000 in 1998, \$10,250,000 in 1999, \$13,650,000 total in years 2000 and on. The actual figures show that the first development increment was produced in 1995 with \$2,112,900 in 1995, \$5,316,600 in 1996, \$5,028,900 in 1997, \$2,583,600 in 1998 and an estimated \$7,482,900 in 1999. It is assumed that the maximum development increment in Tax Incremental District Number Six could potentially be \$72,099,900. Table 2 further estimates tax increments to be paid by the development assumptions on a yearly basis.

Table 3 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 in Table 1. This Table 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 2018.

The retirement of the District, taking into consideration the assumptions identified in Table 1 (Development Increment Assumptions) and Table 5 (Proposed Public Improvements Summary), is based on the property tax collection that was in place at the time of the Public Hearings held in February, 1994. Since that time, the Governor has signed legislation that changed the amount of property taxes collected on new development within the TIF District. With the removal of a portion of the school levy from the total levy, the Legislature has permitted TIF Districts to be extended for a total of 27 years rather than 23 years if the TIF District was created before October 1, 1995. All future spending must be seriously considered through annual audits in light of this change in legislation.

The assumptions on when development will occur, or "the rate of absorption", is based on a review of market conditions that existed in 1993, 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 City Council annually review the financial condition of Tax Incremental District Number Six. The economic feasibility analysis projects that Tax Incremental District Number Six 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 4 and 5 without either developer agreements that guarantee repayment of expenditures or without a "risk assessment" that defines the City's financial exposure that the Council finds acceptable. The City should analyze the fiscal condition of Tax Incremental District Number Six 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. PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

This section of the Project Plan outlines the proposed public improvements within Tax Incremental District Number Six. The public works improvement activities are delineated by redevelopment district on the following tables and maps. Table 4 has been broken down by redevelopment district to correspond to the Comprehensive Master Plan. A summary of all district activities is provided in Table 5. The proposed project activities have been previously identified in the La Crosse CBD Master Plan and the City Vision 2000 Master Plan Update prepared by City

Vision with input from City staff. The project costs are estimates only at this point in time. As development moves forward and specific project activities are undertaken, refinement in the scope of project activity as well as preparation of plans and specifications will further define project activity costs.

Table 4 identifies proposed public improvements that can be predetermined as necessary improvements for achieving Downtown redevelopment. Since it is impossible to project all the potential activities and improvements that might be needed over a full ten-year TIF-spending period, this Project Plan has established a Redevelopment Fund. The Redevelopment Fund is referred to as "discretionary" for the purpose of having the authority and flexibility to make TIF-eligible project improvements that most likely will arise during this spending period. This discretionary funding allows the TIF District the flexibility to provide funding for projects yet to be identified and determined necessary within the scope and intent of the TIF District Project Plan and also required to be confirmed in a development agreement or by Council action. Upon Council approval and direction, the RDA could also be involved in administering the redevelopment funding. Any economic incentives granted will be consistent with the TIF statutory requirements and must be approved on a case-by-case basis by the City Council. The Redevelopment Fund also allows the city Plan Commission and City Council flexibility for funding a project if it should go over the estimated budget as shown in Table 4.

Table 4 has been broken down into the four districts as identified in the La Crosse CBD Master Plan. The proposed project activities have been numbered to correspond to the district map. Table 5, located at the end of this section, is a summary table for ease of reference. Please note that Table 5 also includes a "General" line item identifying planning, legal, administration and marketing funding as well as other general infrastructure improvements over the ten year spending period.

SECTION VII. FINANCING

Financing for the proposed project will be done primarily as General Obligation Bonds, revenue bonds or loans. The amount of borrowing or the strategy of financing is yet to be determined. The accounting for TIF District No. 6 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 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 2 & 3, 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 proposed tax incremental district. As can be seen in this table, 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 TIF Project Plan has been written to enable project costs to be completed in order to encourage new development and redevelopment within the 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 bond. Excess tax increments will be available to cover potential shortfalls with repayment to the City prior to retirement of the 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 project plan for TIF District No. 6 was written with approximately \$850,000 of donations identified as non-tax revenues anticipated to offset TIF project costs. The donations have

not materialized and the amended project plan identifies only limited donations for the remainder of the plan period. Non-tax revenues are defined as revenues from sources other than tax increments. The City Vision 2000 CBD Master Plan has identified potential funding sources (see chart below) for individual projects within the TIF project plan. Also refer to Table 4 for other sources of potential funding identified for individual projects. It is recommended that the City review potential funding sources and annually submit application(s) for the identified funding sources and to develop any special assessment formulas as part of a funding strategy as each specific project is implemented. Funding strategies will be recommended to the appropriate board or commission with final action to be taken by the City Council. However, until the time that application is made, the availability of funding is not known. Consequently, the economic feasibility of the TIF project plan is based only on TIF funding. The City has received over \$1,100,000 in funding from outside sources including the Wisconsin DNR and the Federal Highway Administration. In addition, the City has made available Federal Community Development Block Grant funds for projects located within the Redevelopment Project North and West of City Hall and the Riverside Redevelopment Project.

The total scope of activities are estimated within the project cost estimates in Table 4. 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 City Council more flexibility in determining the timeframe for other project expenditures.

SECTION VIII. EXISTING LAND USES AND CONDITIONS

The following aerial photo, identified as Map 8, has been provided to give a general description of the conditions and building configurations within the downtown area. Map 9 is a land use and zoning map that generally describes the existing land uses within proposed TIF District No. 6. These two maps should be used in combination when studying the Project Plan.

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 proposed TIF boundary. The second criterion is that more than fifty percent (50%) of the lands within the TIF boundary have been found to be economically and/or physically blighted. Primary blight criterion used in this Project Plan is economic blight. The economic blight designation includes the entire Central Business District (CBD) in competition with the suburban growth areas of the La Crosse metropolitan area.

It is the intent of this comprehensive downtown revitalization effort to restructure the economic role of the downtown to diversify and strengthen the feasibility of developing new businesses and supporting a deteriorating structure of existing businesses. The purpose and intent of this TIF District is to reverse the tax base decline, physical blight and economically-declining conditions within the downtown area.

SECTION IX. PROPOSED LAND USE

The land uses proposed in the TIF District No. 6 are shown in the City Vision 2000 - CBD Master Plan Update. This Master Plan was a result of a two-year public planning effort to redefine land uses and economic relationships within the downtown area. The Master Plan Update recently completed underwent an 18 month process of meetings and public hearings prior to its adoption. Tax Increment District No. 6 is considered an implementation tool to achieve the land uses proposed in the Master Plan. In October, 1992, the Master Plan was adopted by the City Council and, shortly thereafter, by the La Crosse County Board of Supervisors. The City Vision 2000 Master Plan Update was adopted by the Common Council on June 10, 1999 and should be referred to for a detailed understanding of proposed land use.

The proposed Tax Incremental District will promote the orderly development of the City by helping to eliminate undesirable, blighted and inappropriate light industrial and warehousing land uses from a significant section of the City's Central Business District and by making it financially feasible for the City to replace such uses with more appropriate uses as recommended by the CBD Master Plan.

SECTION X. EXISTING AND PROPOSED ZONING

Map 9, contained in Section VIII, shows the TIF District boundary overlaid onto an existing zoning map. The categories indicated in that map are the existing zoning categories in the City of La Crosse Zoning Ordinance.

There are two principal changes anticipated in zoning within the District. The first of those changes is the creation of an Historic District Overlay Ordinance that will encompass a significant portion of the downtown area. The final boundaries of that proposed district are currently in the final phases of being prepared. The second change is rezoning of the industrial district west of Front Street to Planned Development District. This rezoning will be done to allow a major residential/mixed use project on an identified redevelopment site. Other zoning changes may be proposed to extend the community business zoning category as plan implementation proceeds. This has been accomplished as a result of the “South Side Comprehensive Rezoning which was completed in 1996. In addition, several other rezoning have been completed as anticipated in the original Project Plan.

SECTION XI. BUILDING CODES AND CITY ORDINANCES

No changes are currently being anticipated in the City's Building Code or other City codes other than the Historic District previously referenced in Section X.

SECTION XII. RELOCATION

If acquisition occurs within the Tax Incremental District No. 6 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.