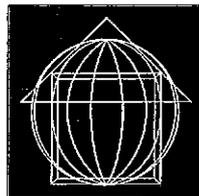


City of Middleton, Wisconsin

TID No. 3

Amended Project Plan and
Boundary Description

Public Hearing & Draft
February 25, 1997



Vandewalle & Associates

Planning Design and Development Consultants
402 West Lakeside Street
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(608) 255-3988
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INTRODUCTION

The City of Middleton created the original TIF districts in the 1980s. The latest district, TIF District No. 3, was created in September, 1993. All three TIF districts have been very successful and have either retired earlier than the statutorily-required time frame or are generating development increment beyond the original projections.

Many activities originally intended to be included within the TIF districts have not been able to be undertaken because of time constraints in the spending period of the TID, priorities of other areas or similar reasons. Consequently, one major area of potential project activities, the downtown district, was not fully implemented.

TIF District No. 3, at the time of adoption in 1993, included project activities which would continue the revitalization and redevelopment activities originally anticipated in the first TIDs. However, the 1993 project plan was still somewhat scaled back and, if fully implemented, would nearly complete the entire downtown area projects.

This amendment to TID #3 is intended to expand the project activities within the downtown to allow full completion of the original intent of the downtown revitalization process. Amendment to TID #3 will allow the City to finalize redevelopment plans and implement them. This implementation will not only benefit the downtown but also the entire community.

Since creation of TID No. 3, the Wisconsin legislature has revised the TIF statutes. These revisions have changed the original time frame under which this district was created. TID No. 3 now has ten (10) years for project activity expenditures. The district also has twenty-seven (27) years in which to retire.

One significant change is that the district may amend its boundary one (1) time during the initial seven (7) years of spending. This allows the community to expand the boundary if the projects anticipated to be undertaken within the expanded area are extensions of the original project activities meet the intent of the original project plan. Spending within the amended boundary must take place within the next three (3) years after the boundary amendment has been adopted by Council.

Project activities may still be amended at any time during the ten year spending period. All project plan amendments must go through the same statutorily-required process with public hearings, joint review board formation and Council approval.

This document includes amended tables and narratives which should be attached to the original project plan as updates and further clarification of project costs and/or economic feasibility.

1. Table 1 is an update and amendment to Table 1 of the original project plan.
2. Tables 4 and 5 are revisions of the same tables in the original project plan, depicting current and new projected conditions.

There are no changes to any other tables or project plan maps.

AMENDED SECTION V. PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

Table 1 has been amended to reflect actual project activities and costs expended to date within TID #3. In addition, project costs yet to be expended have been refined based on current and future planning and revitalization and redevelopment needs. The proposed changes are intended to be more comprehensive and allow the City the flexibility to complete the downtown revitalization process started with the original TIF district.

Since the creation of TID #3 in 1993, economic conditions within the TIF district have exceeded the original projections. Development increments anticipated to be in place at the end of 1995 were originally projected to be \$13,800,000. The State of Wisconsin has certified the value of TID #3, as of January 1, 1996, to be \$29,503,000, or approximately a 114% increase over the original projections. Current projections for the TIF district anticipate \$66,000,000 in new development increment, or an overall 50% increase over the original \$44,000,000 over the life of the TIF district. This is a significant increase and positive impact on the TID.

When TID #3 was created, the intent of the district was to complete projects not undertaken in TID #1. However, even the projects listed in Table 1 in the original TID #3 project plan were not as comprehensive and in depth as long-range planning recommendations would warrant. Because the economic projections for the TIF are significantly higher than originally anticipated, the City is now given the opportunity to comprehensively plan and accomplish the original intent of both TIF districts.

Both the Plan Commission and City Council have worked very closely with the planning consultants on long-range planning for the TIF district. Project activities and expenditures reflected in the Revised Table 1 reflect the consensus of both

governmental bodies. Implementation of these projects are anticipated to yield new development increment, job creation, blight elimination and other redevelopment opportunities that would probably not occur if these projects were not implemented.

As was the case with the original project plan, all costs listed in the Revised Table 1 are estimates. These costs will be refined as projects move forward. Revised Table 1 shows the actual costs incurred through 1996. All project costs from 1997 through 2003 are estimates.

Currently, the Plan Commission is in the process of evaluating projects and costs for 1997. Revised Table 1 reflects over \$10,200,000 of potential project costs to be expended in 1997. Even though these project costs are listed in Table 1 to be undertaken in 1997, the Plan Commission and City Council will still need to authorize any project activity and eventual spending on a case-by-case basis.

Currently, Revised Table 1 shows project expenditures to be made by 1999. This was the end of the original spending period for TID #3. Because the new legislation allows for an additional three years to spend, Table 1 reflects those project activities to potentially be undertaken between 2000 and 2003. Designation of these projects in 1999 reflects the City's intent to achieve these projects within this time frame. However, any or all of these projects may be postponed and undertaken prior to the end of the spending period.

All projects within Table 1 may be moved and undertaken within any year in the 10 year spending period. Listing of all project activities within the project plan allows the City to undertake any projects and pay for them through tax increment revenues. The purpose of listing anticipated project activities and estimated project costs is to give the City the flexibility to undertake a comprehensive approach to development

within the TID. The limitation imposed by the statutes is the total dollar amount to be expended within the TID as well as the types of projects. Assigning an estimated budget to all project activities gives the City the budgetary control on spending within the TID.

Changes in Table 1 include the following:

1. Stormwater Management District. The original project plan included an estimated \$3,915,000 in project costs. The new project costs are anticipated to be approximately \$6,100,000. Actual costs to date have totaled \$1,183,000.
2. Greenway Center District. The estimated project costs within the original project plan were approximately \$3,500,000. The revised costs reflect a potential \$5,500,000 to be spent within this district.
3. Downtown District. The downtown district is the district with the largest increase in expenditures proposed to be undertaken. The original project plan anticipated \$1,750,000 of project activities. Since 1993, there has been a significant increase in redevelopment and new development interests within the downtown. Consequently, new project activities have been identified which will further enhance and improve the downtown district. The new proposed project costs are listed as approximately \$7,135,000.
4. Airport Road District. There is actually a decrease in anticipated costs within this district. The original project plan anticipated over \$2,000,000 of project costs. The revised costs reflect a little over \$1,000,000. This is due to repositioning of part of this project into the existing USH 12 district.

5. Existing US Highway 12 District. The total increase in estimated costs is approximately \$600,000. Costs have been reduced in some areas while increased by the addition of the west beltline extension integration (matching funds).
6. General and Special Projects. These costs have been combined in revised Table 1 and actually reflect an anticipated decrease from \$3,135,000 to an estimated \$2,360,100. This is due to consolidation and refinement of project activities from the original project plan.

As was stated previously, all project expenditures must be approved by the appropriate City commissions and councils prior to project activities being undertaken. The City staff will carefully monitor the activities within TID #3 prior to recommending to Council project activities to be undertaken in their annual budgetary cycle.

scenario and \$15,805,000 in project costs. The revised Tables 4 and 5 now reflect the current tax collection scenario, approximately \$80,000,000 in new increment and \$24,093,804 in project costs. Based on these projections, the TIF is still anticipated to retired in 2014 or on the same schedule as the original project plan.

City of Middleton

Revised Table 4 – Revenue Analysis

As of November 20, 1996

Revised Analysis Showing Current Projects of Revenue

Base value year	1993	Rate of inflation	3.00 %
Base value amount	\$36,806 ...in \$1,000s	Interest rate	7.00 %
Net value tax rate	0.0273	0.0237 (1997, et seq.)	

Year	Development Increment	Tax base loss	Total value	Inflation factor	Total current value	Total increment	Tax revenue
12/31	base						

Totals							\$71,251
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1993	\$2,373	\$0	\$39,179	1.0000	\$39,179	\$2,373	\$0
1994	\$20,140	\$0	\$56,945	1.0300	\$58,654	\$21,848	\$0
1995	\$29,503	\$0	\$66,309	1.0609	\$70,347	\$33,541	\$70
1996	\$33,000	\$0	\$69,806	1.0927	\$76,278	\$39,473	\$596
1997	\$36,000	\$0	\$72,806	1.1255	\$81,943	\$45,138	\$794
1998	\$39,000	\$0	\$75,806	1.1593	\$87,879	\$51,074	\$935
1999	\$42,000	\$0	\$78,806	1.1941	\$94,098	\$57,292	\$1,069
2000	\$47,000	\$0	\$83,806	1.2299	\$103,070	\$66,265	\$1,209
2001	\$52,000	\$0	\$88,806	1.2668	\$112,496	\$75,691	\$1,357
2002	\$57,000	\$0	\$93,806	1.3048	\$122,395	\$85,589	\$1,569
2003	\$62,000	\$0	\$98,806	1.3439	\$132,786	\$95,981	\$1,792
2004	\$67,000	\$0	\$103,806	1.3842	\$143,691	\$106,886	\$2,027
2005	\$72,000	\$0	\$108,806	1.4258	\$155,131	\$118,325	\$2,273
2006	\$77,000	\$0	\$113,806	1.4685	\$167,127	\$130,322	\$2,531
2007	\$80,437	\$0	\$117,243	1.5126	\$177,340	\$140,534	\$2,802
2008	\$80,437	\$0	\$117,243	1.5580	\$182,660	\$145,854	\$3,086
2009	\$80,437	\$0	\$117,243	1.6047	\$188,140	\$151,334	\$3,328
2010	\$80,437	\$0	\$117,243	1.6528	\$193,784	\$156,978	\$3,454
2011	\$80,437	\$0	\$117,243	1.7024	\$199,598	\$162,792	\$3,584
2012	\$80,437	\$0	\$117,243	1.7535	\$205,585	\$168,780	\$3,717
2013	\$80,437	\$0	\$117,243	1.8061	\$211,753	\$174,947	\$3,855
2014	\$80,437	\$0	\$117,243	1.8603	\$218,106	\$181,300	\$3,997
2015	\$80,437	\$0	\$117,243	1.9161	\$224,649	\$187,843	\$4,143
2016	\$80,437	\$0	\$117,243	1.9736	\$231,388	\$194,583	\$4,293
2017	\$80,437	\$0	\$117,243	2.0328	\$238,330	\$201,524	\$4,448
2018	\$80,437	\$0	\$117,243	2.0938	\$245,480	\$208,674	\$4,608
2019	\$80,437	\$0	\$117,243	2.1566	\$252,844	\$216,039	\$4,772
2020	\$80,437	\$0	\$117,243	2.2213	\$260,429	\$223,624	\$4,941

Note: All amounts are in \$1,000s

*1995 Tax Rate was \$29.65/\$1000

For TIF purposes beginning in 1997, the school portion of the tax rate will be reduced by 25%.

City of Middleton

Revised Table 5 — Expenditure Analysis

As of November 20, 1996

Add \$8,288,351 in expenses to be spent 1996-2000

Year	Tax revenue	Non-tax revenue	Total revenue	Proj costs	Acct balance	Debt serv	Acct balance	Annual \$ borrowed
12/31								
	nominal \$			01 January	31 December			

Totals	\$71,251	\$0	\$71,251	\$24,093				(\$25,455)
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1993	\$0	\$0	\$0	\$381	(\$381)	\$38	(\$419)	(\$419)
1994	\$0	\$0	\$0	\$1,124	(\$1,543)	\$32	(\$1,575)	(\$1,156)
1995	\$70	\$0	\$70	\$710	(\$2,215)	\$97	(\$2,311)	(\$736)
1996	\$596	\$0	\$596	\$775	(\$2,489)	\$174	(\$2,664)	(\$352)
1997	\$794	\$0	\$794	\$10,227	(\$12,096)	\$847	(\$12,943)	(\$10,279)
1998	\$935	\$0	\$935	\$5,120	(\$17,128)	\$1,199	(\$18,327)	(\$5,384)
1999	\$1,069	\$0	\$1,069	\$5,757	(\$23,015)	\$1,611	(\$24,626)	(\$6,299)
2000	\$1,209	\$0	\$1,209		(\$23,417)	\$1,639	(\$25,056)	(\$430)
2001	\$1,357	\$0	\$1,357		(\$23,700)	\$1,659	(\$25,359)	(\$302)
2002	\$1,569	\$0	\$1,569		(\$23,789)	\$1,665	(\$25,455)	(\$96)
2003	\$1,792	\$0	\$1,792		(\$23,662)	\$1,656	(\$25,319)	\$0
2004	\$2,027	\$0	\$2,027		(\$23,292)	\$1,630	(\$24,922)	\$0
2005	\$2,273	\$0	\$2,273		(\$22,649)	\$1,585	(\$24,235)	\$0
2006	\$2,531	\$0	\$2,531		(\$21,704)	\$1,519	(\$23,223)	\$0
2007	\$2,802	\$0	\$2,802		(\$20,421)	\$1,429	(\$21,851)	\$0
2008	\$3,086	\$0	\$3,086		(\$18,765)	\$1,314	(\$20,078)	\$0
2009	\$3,328	\$0	\$3,328		(\$16,750)	\$1,173	(\$17,923)	\$0
2010	\$3,454	\$0	\$3,454		(\$14,469)	\$1,013	(\$15,482)	\$0
2011	\$3,584	\$0	\$3,584		(\$11,898)	\$833	(\$12,731)	\$0
2012	\$3,717	\$0	\$3,717		(\$9,014)	\$631	(\$9,645)	\$0
2013	\$3,855	\$0	\$3,855		(\$5,790)	\$405	(\$6,195)	\$0
2014	\$3,997	\$0	\$3,997		(\$2,198)	\$154	(\$2,352)	\$0
2015	\$4,143	\$0	\$4,143		\$1,791	\$0	\$0	\$0
2016	\$4,293	\$0	\$4,293		\$0	\$0	\$0	\$0
2017	\$4,448	\$0	\$4,448		\$0	\$0	\$0	\$0
2018	\$4,608	\$0	\$4,608		\$0	\$0	\$0	\$0
2019	\$4,772	\$0	\$4,772		\$0	\$0	\$0	\$0
2020	\$4,941	\$0	\$4,941		\$0	\$0	\$0	\$0

Notes: All amounts are in \$1,000s
 Retirement must occur within 27 years of the establishment of the TIF District
 Actual figures are **integrated**

City of Middleton, Wisconsin

Revised Table #1

22 January 1997

TIF #3

All District Projects and Activities

1991

1996

1997

Estimated

1998

Estimated

1999

Estimate

2000

Estimated

2001

Estimated

2002

Estimated

2003

Totals†

Actual†

1

2

3

4

1

2

3

4

1

2

3

4

1

2

3

4

1

2

3

	1996 Actual†	1997 1	1997 2	1997 3	1997 4	1998 1	1998 2	1998 3	1998 4	1999 1	1999 2	1999 3	1999 4	2000 1	2000 2	2000 3	2000 4	2001 1	2001 2	2001 3	2001 4	2002 1	2002 2	2002 3	2002 4	2003 1	2003 2	2003 3	Totals†
Stormwater Management District	\$1,183	\$2,930	\$0	\$0	\$0	\$1,980	\$0	\$0	\$0	\$10	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,102,628
• Design of stormwater management system																													N/A
– Project management	\$82	\$20				\$20																							\$121,753
– Preliminary design	\$267																												\$286,609
– Final design / permit	\$374	\$150				\$50																							\$574,000
* – Construction	\$399	\$1,650				\$1,200																							\$3,249,185
– Acquisition	\$0	\$500				\$300																							\$800,000
• Comprehensive recreation design development	\$1																												\$981
– TIF #3 District	\$0	\$5																											\$5,000
• Deming Way extension – road & bridge construction	\$60	\$600																											\$660,000
– Bridge #2	\$0					\$400																							\$400,000
• Economic development strategies related to channelization	\$0	\$5				\$10				\$10																			\$25,000
Greenway Center District	\$495	\$2,737	\$50	\$0	\$0	\$1,040	\$50	\$0	\$0	\$670	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,492,066
• Extend Greenway Boulevard	\$0																												N/A
* – Economic Development Fund	\$608																												\$608,000
• Terrace Avenue extension to west	\$0																												N/A
– Planning and design	\$47																												\$46,834
– Construction	\$199	\$11																											\$210,000
• USH 14 corridor land use and appearance	\$0																												N/A
– Trailhead Park and USH 14 Beautification	\$0																												\$100,000
– Railroad Extension	\$0									\$570																			\$570,000
• Comprehensive trail system	\$0																												N/A
– Esser Pond trail system	\$17	\$200																											\$216,532
– Linkage to western greenspace (P.V. Golf/Blackhawk Ski)	\$0					\$140				\$100																			\$240,000
• Infrastructure Design & Construction	\$0	\$375				\$100																							\$475,000
– Market Street/Coop Road	\$0	\$715																											\$715,000
– Market Street Bridge	\$0	\$375																											\$375,000
– Aspen Commons Mall South	\$0	\$575																											\$575,000
– Quarry Restoration	\$0	\$250																											\$250,000
– Administration and Contingencies	\$0	\$286																											\$286,000
• Aspen Commons North	\$0					\$500																							\$500,000
• Greenway Storm Sewer Extension	\$25																												\$25,000
• Greenway Skywalk	\$0					\$300																							\$300,000
Downtown District	\$357	\$4,000	\$0	\$0	\$0	\$450	\$0	\$0	\$0	\$3,027	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,133,803
• Bridge/M&I Bank: Unniversity Ave left turn lane & signal upgrade	\$0	\$380																											\$380,000
• Cayuga Blvd	\$0																												N/A
– Entry (University to Elmwood)	\$0	\$215																											\$215,000
– Right-of-Way (Cost covered by out-source and not part of total budget)	\$0																												\$0

City of Middleton, Wisconsin

TIF #3

All District Projects and Activities

Revised Table #1

22 January 1997

	1991	1997												1998												1999												2000												2001												2002												2003			Totals†
	1996	Estimated				Estimated				Estimate				Estimated																																																															
	Actual†	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3																																													
• Elmwood Ave Streetscape (Aurora to railroad tracks)	\$0					\$50								\$25																							\$75,000																																								
• Depot area parking and landscaping	\$0	\$115																																			\$115,000																																								
• Implementation of Phase Two parking plan	\$0													\$100																							\$100,000																																								
• North Parmenter land use and appearance plans	\$0					\$150																															\$150,000																																								
• Parking Lot (City Hall)	\$0													\$250																							\$250,000																																								
• Proposed Downtown Redevelopment Projects (* Individual project amounts are contained in this total)	\$0	\$3,590				\$250				\$690																											\$4,530,000																																								
A. Pet Milk Building Adaptive Reuse*																																																																													
B. Cayuga West*																																																																													
C. Cayuga East*																																																																													
D. R-O-W Widening*																																																																													
E. Parmenter/University Corner Project*																																																																													
F. Community Center Project*																																																																													
G. Depot District*																																																																													
H. Housing Expansion*																																																																													
• Quarry Park Improvements	\$0													\$300																							\$300,000																																								
H. Housing Expansion*	\$0													\$50																							\$50,000																																								
• Railroad Switches and Spur	\$13													\$112																							\$125,303																																								
• Streetscape improvements (Hubbard) and Elmwood	\$162																																				\$162,000																																								
• Clark & Lee	\$0													\$500																							\$500,000																																								
• Terrace Avenue	\$0																																				\$0																																								
- Bike Lane (on street, High Point to Terrace Parking Lot)	\$6																																				\$5,500																																								
- Parking Lot	\$86																																				\$86,000																																								
- Streetscape (High Point to Terrace Parking Lot)	\$90																																				\$90,000																																								
Airport Road & U.S. 12 Bypass Improvements	\$0	\$15	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,020,000																																											
• ROW design and appearance plans	\$0	\$10																																			\$10,000																																								
• Land use plan refinements and integration	\$5	\$5																																			\$10,000																																								
• Airport Road improvements from U.S. 12 to City Limits	\$0					\$500				\$500																											\$1,000,000																																								
Existing US Highway 12 District	\$0	\$35	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,950	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,985,000																																											
• Future land use and circulation plan	\$0	\$10																																			\$10,000																																								
• Roadway design and appearance planning	\$0	\$20																																			\$20,000																																								
• Pedestrian/bikeway linkages - design and construction	\$0									\$250																											\$250,000																																								
• New development design standards	\$0	\$5																																			\$5,000																																								
• Pheasant Branch Nature Preserve recreation corridor crossing (USH 12 underpass) - 20% funding match	\$0									\$100																											\$100,000																																								
• CTH M/USH 12 intersection	\$0									\$100																											\$100,000																																								
• Proposed west beltline extension integration (matching funds)	\$0									\$1,500																											\$1,500,000																																								

City of Middleton, Wisconsin

Revised Table #1

22 January 1997

TIF #3

All District Projects and Activities

	1991	1992				1993				1994				1995				1996				1997				1998				1999				2000				2001				2002				2003				Totals†
	1996	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4									
General	\$550	\$110	\$0	\$0	\$0	\$1,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,360,107								
• Refinement of TIF project plan (includes LUP)	\$52																																									\$51,763								
• Administration/ project management team	\$272	\$100				\$100				\$100																																\$571,500								
• GIS mapping	\$60	\$10																																								\$70,154								
• Debt Expense	\$167																																									\$166,690								
• Economic Development Fund	\$0					\$1,000				\$500																																\$1,500,000								
Project Totals	<i>by quarter</i>	\$2,990	\$10,177	\$50	\$0	\$0	\$5,070	\$50	\$0	\$0	\$5,757	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0									
	<i>...by year</i>	\$2,990																																								\$24,093,804								
	<i>...Cumulative</i>					\$13,217				\$18,337																																								

NOTES

- ± All figures given for 1991 through 1995 are rounded from the actual numbers, as are the totals found at the bottom of the table. Subtotals on the right, and the total in the bottom right-hand corner are actual.
- † 1992 expenditures provided for information only. Because the TIF plan did not become effective until 1993, they can not be included in the total TIF budget.
- * ...includes construction administration
- ** Expected resale revenue of \$1.6 million has been subtracted from the total costs.

Revision History:
 Taken and revised from Table #6 / BPN / 21 January 1997

APPENDIX A



OFFICE OF THE MAYOR

(608) 827-1050
FAX (608) 827-1057

January 30, 1997

Dr. Beverly Simone
President, MATC
3550 Anderson St.
Madison, WI 53704

Re: **TIF No. 3, City of Middleton, WI**

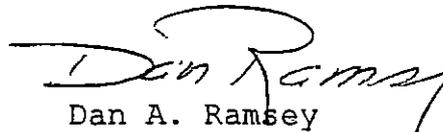
Dear Dr. Simone:

The City of Middleton is proposing to amend the Tax Increment Financing District No. 3 (TID #3) project plan for the purpose of continuing with implementation of redevelopment of Downtown through construction of public improvements and encouraging redevelopment opportunities to eliminate blighted conditions. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which amending the tax increment district project plan will be considered.

A public hearing is scheduled for Tuesday, February 25, 1997, beginning at 7:00 pm, at City Hall. Prior to the public hearing, the Joint Review Board is requested to meet at 6:15 pm to elect a Chairperson and a member-at-large. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:15 pm. A copy of the agenda for that meeting is enclosed. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TIF district. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

We will be contacting you to confirm attendance at this meeting.

Sincerely,


Dan A. Ramsey
Mayor

enclosures

MIDDLETON, WISCONSIN 53562

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PUBLIC NOTICE

CITY OF MIDDLETON

To Whom It May Concern:

At a meeting of the Plan Commission to be held on Tuesday, February 25, 1997, at 7:00 pm, at Middleton City Hall, 7426 Hubbard Ave., Middleton, a public hearing will be held on the amendment to the City of Middleton Tax Incremental District #3 project plan.

The amendment contains a list of the public improvement projects and their associated costs that have been added to the original project plan. The total estimated TIF expenditure in the amended project plan is \$24,093,804. The purpose of the refined and added public improvements is to continue the comprehensive approach to redeveloping the Downtown as well as continue with public improvements within the remainder of the TIF district.

A copy of the proposed amended project plan is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 7:45 am to 4:30 pm, Monday through Friday.

At the public hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amendment.

EILEEN M. KELLEY
City Planner/Zoning Administrator

Publish: 2-6-97
2-13-97



OFFICE OF THE MAYOR

(608) 827-1050
FAX (608) 827-1057

January 30, 1997

Mr. Richard J. Phelps
Dane County Executive
210 Martin Luther King Jr. Blvd., Rm. 421
Madison, WI 53709

Re: **TIF No. 3, City of Middleton, WI**

Dear Mr. Phelps:

The City of Middleton is proposing to amend the Tax Increment Financing District No. 3 (TID #3) project plan for the purpose of continuing with implementation of redevelopment of Downtown through construction of public improvements and encouraging redevelopment opportunities to eliminate blighted conditions. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which amending the tax increment district project plan will be considered.

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We will be contacting you to confirm attendance at this meeting.

Sincerely,


Dan A. Ramsey
Mayor

enclosures

MIDDLETON, WISCONSIN 53562

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box •



OFFICE OF THE MAYOR

(608) 827-1050
FAX (608) 827-1057

January 30, 1997

Dr. Steve Koch
Superintendent
Middleton/Cross Plains Area School District
7106 South Ave.
Middleton, WI 53562

Re: **TIF No. 3, City of Middleton, WI**

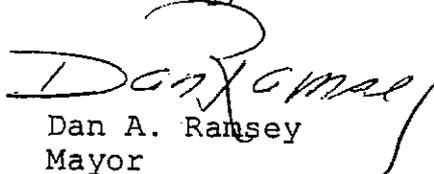
Dear Dr. Koch:

The City of Middleton is proposing to amend the Tax Increment Financing District No. 3 (TID #3) project plan for the purpose of continuing with implementation of redevelopment of Downtown through construction of public improvements and encouraging redevelopment opportunities to eliminate blighted conditions. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which amending the tax increment district project plan will be considered.

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We will be contacting you to confirm attendance at this meeting.

Sincerely,


Dan A. Ransey
Mayor

enclosures

MIDDLETON, WISCONSIN 53562

26 HUBBARD AVENUE

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APPENDIX B

AFFIDAVIT OF PUBLICATION

State of Wisconsin)

) ss.

County of Dane)

Andrew Lee Tracy

being duly sworn, says that he (she) is an authorized representative of THE MIDDLETON TIMES-TRIBUNE, weekly newspaper published in the city of Middleton, in said County, and that a notice, of which is a printed copy taken from such paper, has been published in said paper once each week, for two weeks, successively; that the first publication thereof was on the 6 day of February A.D. 1997 and the last publication thereof was on the 13 day of February A.D. 1997.

Subscribed to and sworn before me this 12 day of March 1997.

Mary E. Corbett

My Commission expires 11-28-98

Printers fees \$.....

PUBLIC NOTICE
CITY OF MIDDLETON

To Whom It May Concern:

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A copy of the proposed amended project plan is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 7:45 a.m. to 4:30 p.m., Monday through Friday.

At the public hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amendment.

Publish: 2/6/97; 2/13/97

EILEEN M. KELLEY
City Planner/Zoning Administrator

APPENDIX C

MINUTES
JOINT REVIEW BOARD, TIF DISTRICT #3
CITY OF MIDDLETON
TUESDAY FEBRUARY 25, 1997 6:15 P.M.

PRESENT: Sam Simon, John Hart, Manuel Lugo, Dan Ramsey

ALSO PRESENT: Susan Hoeft, Kelley

Moved by Sam Simon, seconded by Manuel Lugo to nominate Dan Ramsey as the Chairperson of the Joint Review Board, TIF District #3. Moved by John Hart, seconded by Simon that nominations be closed for Chairperson. Motion carried, 4-0.

Moved by Manuel Lugo, seconded by Sam Simon to appoint Dennis Dorn as the citizen member-at-large for the Joint Review Board. Motion carried, 4-0.

Susan Hoeft, of Vandewalle & Associates, briefly explained the proposed amendment to TIF District #3.

It was agreed that the next meeting of the Joint Review Board will be held on Thursday, March 27th, at 5:00 pm.

EILEEN KELLEY

Eileen Kelley

APPENDIX D

MINUTES
MIDDLETON PLAN COMMISSION
TUESDAY FEBRUARY 25, 1997 7:00 P.M.

PRESENT: Ramsey, Wexler, Morehouse, Elskamp, Bruce, Barmore, Connors

ALSO PRESENT: Susan Hoeft, Kelley

1. MINUTES OF 2-11-97

Moved by Wexler, seconded by Barmore to approve the minutes of 2-11-97. Motion carried.

2. PUBLIC HEARING - PROPOSED AMENDMENT #1 TO TIF DISTRICT #3

Susan Hoeft, of Vandewalle & Associates, briefly described the proposed amended Project Plan and the revisions in Tables 1, 4 and 5.

Chairman Ramsey opened the public hearing at 7:12 PM, and there being no public comment, immediately closed the public hearing.

Moved by Wexler, seconded by Bruce to approve the Resolution, and recommend approval of the Resolution to the Common Council, amending TIF District #3 as proposed. Motion carried.

3. CONCEPT REVIEW - PROPOSED SIP, WALT OLSON

Moved by Barmore, seconded by Connors to grant conceptual approval of the lot configuration for the proposed SIP for a portion of the Quisling property as submitted. Motion carried.

4. CHAMBER OF COMMERCE BANNERS

It was noted that the Plan Commission will review the banners at the first meeting in April.

EILEEN KELLEY

Eileen Kelly

APPENDIX F

RESOLUTION 1997-7

Amending TID #3 Project Plan & Boundary Description

WHEREAS, the City of Middleton Plan Commission has prepared and adopted an amendment to the project plan for Tax Incremental District #3, which:

1. Includes an amended Section V. Proposed Public Works and Estimated Costs including an amended Table 1 itemizing said costs; and
2. Includes an amended Section VII. Economic Feasibility Analysis which includes amended Tables 4 and 5; and

WHEREAS, the Plan Commission has held a public hearing on the proposed amended project plan and has notified the chief executive officer of all local government entities having the power to levy taxes on property within the proposed district, including the school board of any school district which includes property within the district pursuant to Section 66.46(4)(3), Wis. Stats.

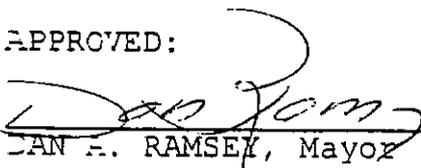
WHEREAS, the City Plan Commission has submitted such amended project plan to the Common Council of the City of Middleton;

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Middleton finds that:

1. Such amended project plan for Tax Incremental District #3, City of Middleton is feasible; and
2. Such amended project plan is in conformity with the City Master Plan and other policies and laws of the City of Middleton;

BE IT FURTHER RESOLVED that the Common Council of the City of Middleton approves such amended project plan for Tax Incremental District #3 pursuant to the provisions of Section 66.46, Wis. Stats.

APPROVED:

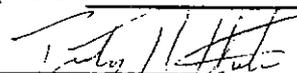


DAN E. RAMSEY, Mayor

March 4, 1997

date

This is to certify that the foregoing resolution was adopted by the Common Council of the City of Middleton at a meeting held on the 4th day of March, 1997.



TIMOTHY R. STUDER, City Clerk

APPENDIX G

**JOINT REVIEW BOARD
TIF DISTRICT NO. 3 AMENDMENT NO. 1**

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents of this information is listed in Section 66.46(4)(i), Wis. Stats.

(i) *The local legislative body shall provide the joint review board with the following information and projections:*

1. *A list of project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.*

Response:

Activities for TIF District No. 3 are listed in Table 1 on pages 7-9 of the amended project plan. The original TIF No. 3 project plan listed total project expenditures to be \$15,805,000. This amendment revises those costs to reflect an estimated total of \$24,093,804. This reflects an increase of \$8,288,804 to be expended during the remaining six and one-half years of spending. Approximately \$2,990,000 has been expended through 1996.

Amended Section VI. Economic Feasibility Analysis lists the certified increment through 1/1/96 at \$29,503,000. It is estimated that the total development increment could yield as much as \$80,437,000 within the entire district. Taxes generated on this potential increment within the 22-year estimated retirement period, with the current mill rate of \$23.70/\$1000, could yield as much as \$46,000,000 in tax revenues. Potential tax revenues have already been reduced due to the legislative action reducing the school levy on the property tax rolls. They could further be reduced by future actions by the Wisconsin State Legislature.

2. *The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.*

Response:

Allowing for a three (3) percent annual inflation factor (as was stated in the original project plan), the total value increment of the TIF District is estimated to be approximately \$225,000,000 if the district is terminated by 2015. This is only a projection. Actual figures will be based on inflation and development that took place within the district at the time it is terminated.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefit by improvements within the tax incremental district.*

Response:

Costs already incurred in TIF District No. 3 have directly contributed to new increment already reflected in the DOR certified value for 1/1/96 or in new increment presently under construction. None of these projects would have been built and investment made by these private sector entities if the TIF had not been originally created in 1993.

The costs associated in the original TID #3 and now proposed amended project plan are typical of public improvement costs associated with industrial and redevelopment activities. Primary areas of public purpose costs are for industrial infrastructure improvements, other improvements within rights-of-way, redevelopment activities such as acquisition, relocation, site improvements and other activities promoting redevelopment. The City has successfully recruited numerous new development within Greenway Center and the Industrial Park. In addition, the development of land previously unable to be developed due to lack of stormwater improvements provides a new inventory of buildable land extending the capabilities of the current Industrial Park. Redevelopment opportunities in the downtown have greatly increased with interest expressed by current landowners to move facilities that are not the "highest and best" use within the downtown to areas more conducive to that type of use. Amendment of the TIF project costs will give the City the ability to expand the Industrial Park and provide it with the marketing opportunity for new business as well as continue with the blight elimination and redevelopment activities in the downtown area.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The financial feasibility study for TIF District No. 3 indicates that the project costs listed in the Table 1 associated with the district will be paid by tax increments generated within the district. The cost of capital is also covered through tax increments generated within the district listed under the category "Debt Service" in Revised Table 4 of the amended Section VII. The statutes require that the City provide the share of the projected tax increments which would be paid by the taxable property owners within TID #3.

If all development in the TIF would occur without the use of TID financing, the taxes from that development are assumed to gross a

maximum of approximately \$46,000,000. If this were the case, the tax revenues would be divided as follows:

State of Wisconsin	..89%	\$409,400
Dane County	16.4%	7,544,000
Middleton Cross Plains School District	50.79%	23,363,400
MATC	6.7%	3,082,000
City of Middleton	25.19%	11,587,400

(There may be discrepancies due to rounding.)

This figure is approximately 25% higher than the original TIF project plan's tax revenue projections (\$33,000,000+). However, as stated above, the anticipated increment projections are significantly higher than originally projected which is due primarily to the dramatic increase in increment actually constructed over what was originally anticipated.

If the premise is that development would occur without the use of TIF, each of these taxing jurisdictions would receive their proportionate share of the taxes levied on the new development. However, if the premise is that the development would not occur as projected in the project plan without the use of TIF financing, the overlying taxing jurisdictions would not be receiving this estimated tax revenue over the estimated 22 year retirement.

The original TIF project plan, based on a different tax revenue collection scenario, was estimated to retire in 2014. The amended TIF plan shows a retirement to take place in 2015 if the City spends and recruits on the schedule projected in Tables 4 and 5. The purpose of including all of the costs in the amendment is to allow the City the opportunity to spend enough to continue with the new development and redevelopment originally anticipated in both TID Nos. 1 and 3 but not included within the original plans.

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

The activities of amended TIF District No. 3 will benefit all property taxpayers through expansion of the industrial base already present in the community. Not only will the tax base be expanded, new jobs will be created as well as more spendable income within the City. Also very critical is the ability to comprehensively implement the redevelopment of the downtown. All of these activities will assist in supporting local retail and commercial establishments. A strong business climate can help to

bring in new business interested in the area. In sum, all economic development activity will contribute to the orderly growth of not only the City of Middleton but also the entire region.

JOINT REVIEW BOARD

TIF DISTRICT NO. 3

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

- A. *Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;*
- B. *Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and*
- C. *Whether the benefits of the proposal outweigh the anticipated loss of tax increments to be paid by the owners of property in the overlying tax districts.*

This report has been prepared to address those criteria by providing some information and data on the impact of an amended TIF District No. 3 project plan on the City of Middleton. The criteria are addressed in turn below.

- A. TIF District No. 3 was originally created for the specific purpose of constructing public infrastructure improvements to respond to industrial development and provide a funding mechanism for downtown redevelopment activities. Amending the TIF project plan to include project activities will further assist in the goals and objectives set out in the first TIF No. 3 project plan. Implementation of project activities has expanded the developable land within the Industrial Park. Also included within the amended project plan are expansions of the original downtown redevelopment activities as well as other activities within the remainder of the TIF district boundary. None of these properties will be able to be developed without the use of TIF financing. Implementation of these activities will further contribute to the orderly growth of the community.
- B. The economic benefits anticipated for TID #3 include the infrastructure development of additional industrial land made available through stormwater improvements. Encouraging additional redevelopment activities through inclusion of expanded funding for redevelopment within the downtown will also take place as a result of amending the project plan. All these improvements will not only benefit the City but also the region under the overlying taxing jurisdictions by creating jobs, providing business, commercial and retail opportunities that can be taken advantage of by regional residents as well as City residents. Although it is anticipated that increased

employment, business and personal income and property value will all be results of amending the TIF district project plan, the aggregate cashflow from these benefits is insufficient to pay for the costs needed to construct the infrastructure to spur on these economic benefits. Consequently, the City would need to construct the improvements out of the City's portion of the levy which would greatly burden the City taxpayer while benefitting the entire region.

- C. Amendment of TID #3 will continue the orderly growth of the City in one area by completing the construction of public infrastructure improvements relating to industrial development. As has been experienced by the City in previous industrial development, the availability of easily-serviced land provides the City with a "quick response" time for potential industrial interest in the community. This preparedness has allowed the City to recruit a high quality business with new skilled jobs as well as tax base diversification. Other economic benefits include the increase of spendable income within the City. Through recruitment of industry, the need for spin-off business as well as supporting retail and commercial and residential opportunities helps to create a well-rounded community that is able to service the needs of residents and visitors. In addition, redevelopment of properties that are no longer fitting within the logical pattern of uses within the downtown area as well as redevelopment of underutilized properties will also contribute to the orderly growth of the community. Regional, as well as City, residents can benefit from these activities. All of these benefits outweigh the anticipated loss of tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

**RESOLUTION APPROVING CITY COUNCIL RESOLUTION
AMENDING TIF DISTRICT NO. 3
PROJECT PLAN**

CITY OF MIDDLETON, WISCONSIN

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the amended project plan for TIF District No. 3, City of Middleton, Wisconsin; and

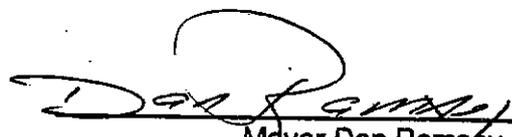
WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the amended project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. The development expected in TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;
2. The economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 27th day of March, 1997.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT No. 3
CITY OF MIDDLETON, WISCONSIN



Mayor Dan Ramsey, Chair

VOTE:

IN FAVOR:

Dan Ramsey

Sam Simon

John Hart

Dennis Dorn

AGAINST:

APPENDIX H