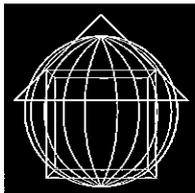


*A planning document for ...*

The City of Middleton, Wisconsin

# TID No. 3: Amendment No. 2 Project Plan and Boundary Description

Public Hearing Draft: May 25, 1999



VANDEWALLE & ASSOCIATES  
Madison & Milwaukee, Wisconsin

## **INTRODUCTION**

The City of Middleton created TIF District No. 3 in September, 1993 and subsequently amended the project plan in 1997. This TID has been extremely successful, seeing almost \$60,000,000 of new increment generated in approximately four calendar years.

The first amendment primarily added downtown projects that were not either undertaken in the original TID created in the 1980s or included in the original 1993 TID No. 3 project plan. These projects expanded downtown revitalization and redevelopment activities to more comprehensively approach the planning recommendations made by the City's planning consultant.

Since the first amendment was adopted in early 1997, there has been significant development that has taken place, not only in the downtown but also proposed in the northern section of the City. This second amendment to TID No. 3 takes into account the proposed expansion areas as well as their affiliated projects.

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. This amendment reflects this one-time boundary change.

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 and the first amendment as updates and further clarification of project costs and/or economic feasibility.

1. Table 1 is an update and amendment to amended Table 1.
2. Table 2 is an update and amendment to Table 2 of the original project plan.
3. Tables 4 and 5 are revisions of the same tables in the amended project plan, depicting current and new projected conditions.
4. Map 1 is an amendment to the boundary map contained in the original project plan. Subdistrict maps are also included in this amendment to further depict the boundary change.

**AMENDED SECTION III. TAX INCREMENT DISTRICT BOUNDARY  
DESCRIPTION AND EQUALIZED VALUES**

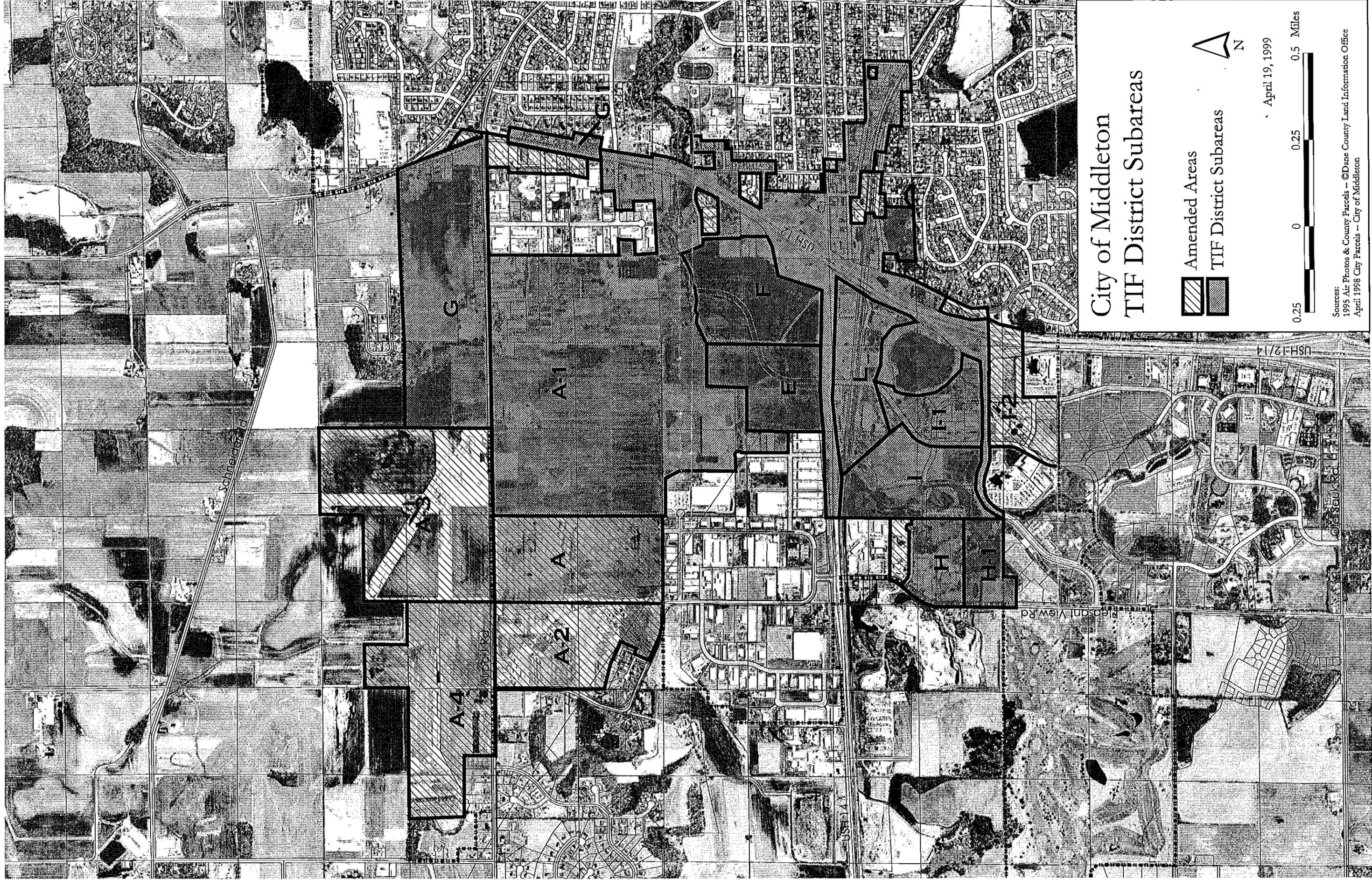
Map 1, on the following page, reflects the proposed boundary changes for TID No. 3. In the downtown, properties have been added between Elmwood and Terrace Avenues west of Parmenter St. Properties at the intersection of University Avenue and Parmenter have also been added to the district.

Properties south of Airport Road and west of the Beltline Highway have been included in the TID as well as properties previously exempted within the middle of the TID. A small property was included immediately east of Subarea G.

The south part of the TID has seen the inclusion of properties south of Greenway Boulevard, west of the Beltline Highway. These are located within I-2 of the subarea districts. A small portion of property has been added immediately north of Subarea H.

The largest addition to the TID boundary includes properties on the northwest area of the TID designated as Subareas A, A-2, A-3 and A-4. These properties have been recently annexed into the City and include the Morey Airfield property and Quisling properties, all slated for primarily industrially-related development or airport expansion.

Previously exempted properties within the boundary have now been incorporated in the amended boundary to clarify the TID boundary and include potential other redevelopment sites.



# City of Middleton TIF District Subareas

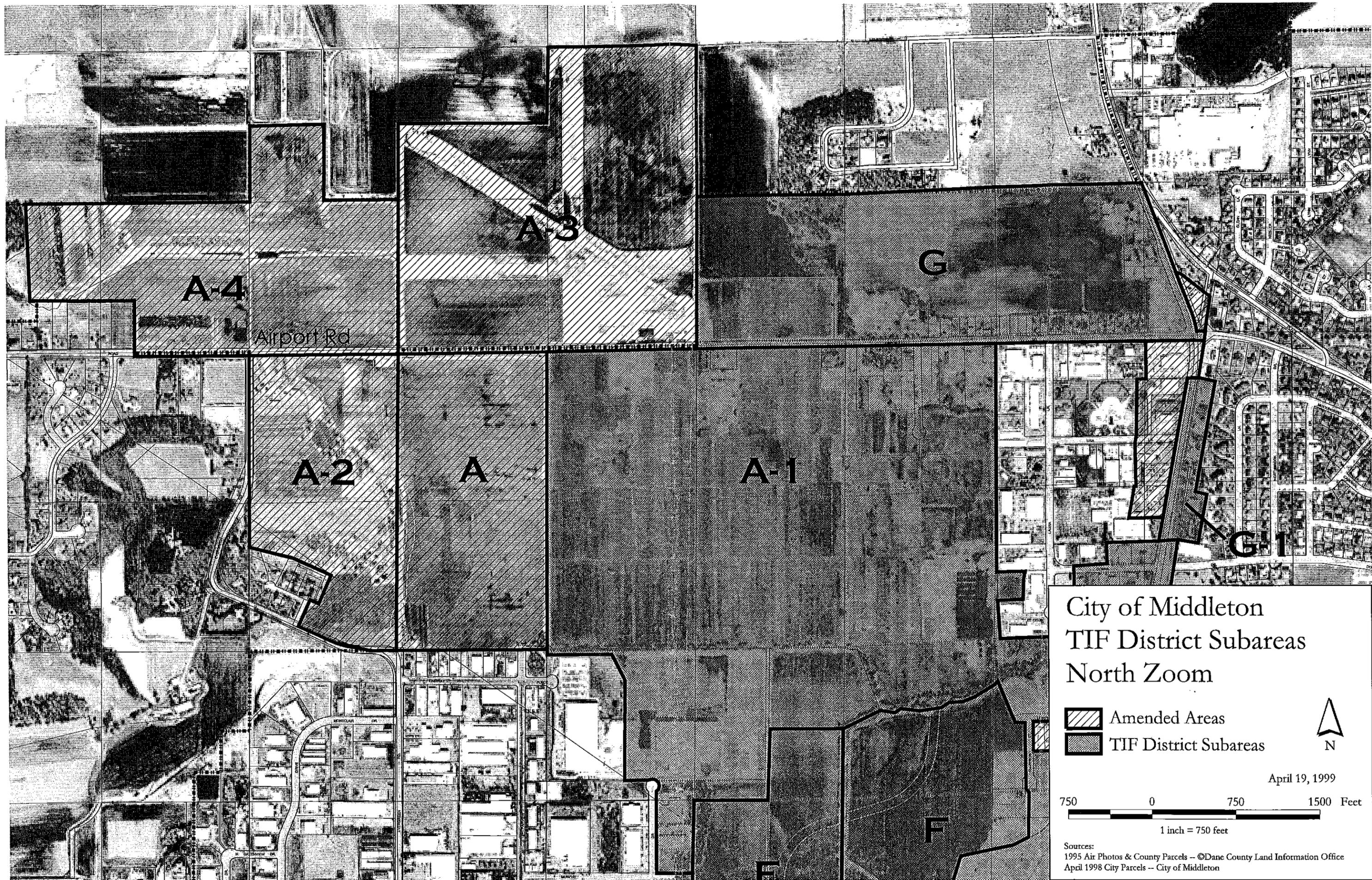
- Amended Areas
- TIF District Subareas



April 19, 1999



Sources:  
1995 Air Photos & County Parcels -- ©Dane County Land Information Office  
April 1998 City Parcels -- City of Middleton



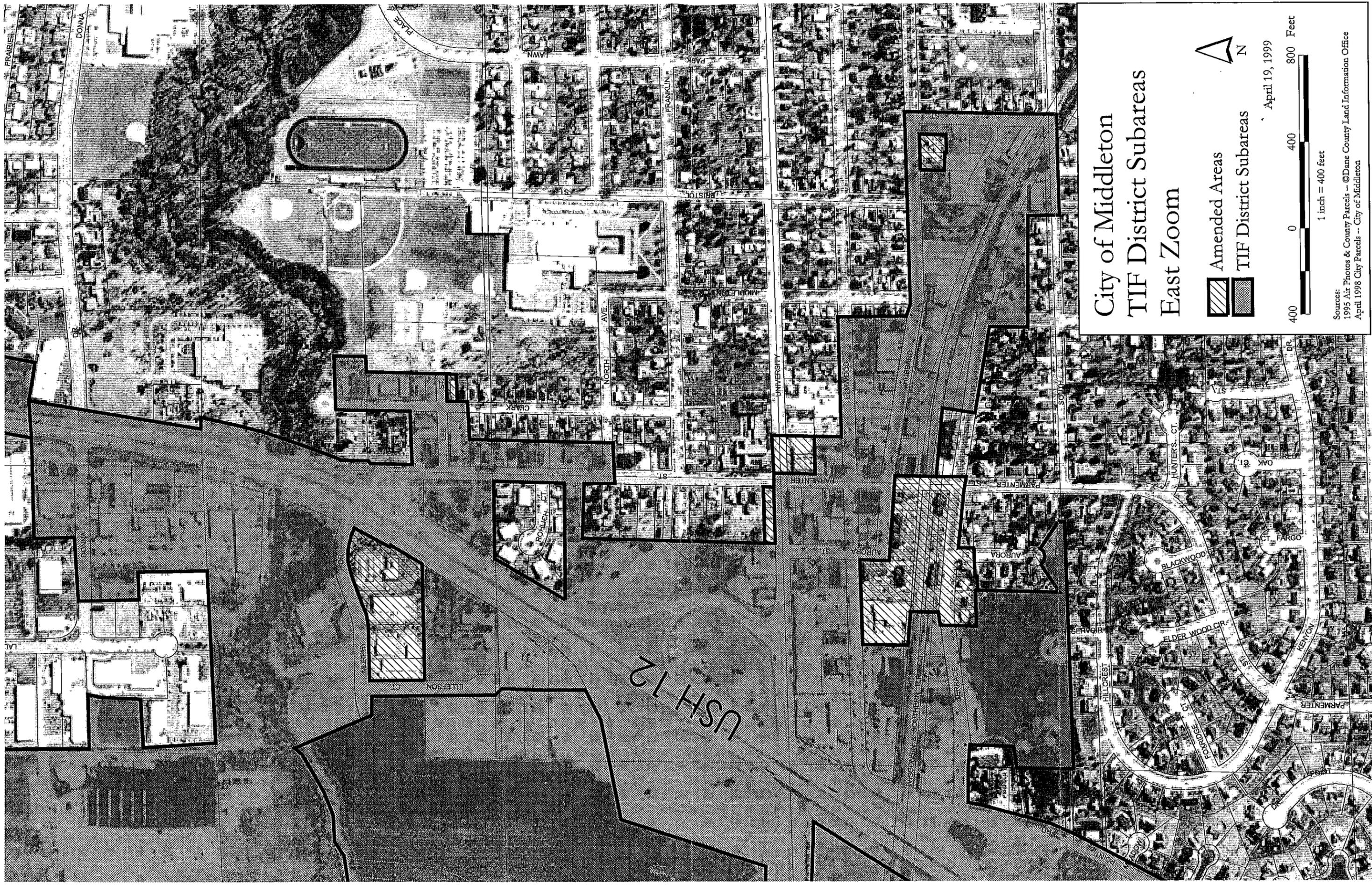
City of Middleton  
TIF District Subareas  
North Zoom

 Amended Areas  
 TIF District Subareas

  
N

April 19, 1999  
750 0 750 1500 Feet  
1 inch = 750 feet

Sources:  
1995 Air Photos & County Parcels -- ©Dane County Land Information Office  
April 1998 City Parcels -- City of Middleton

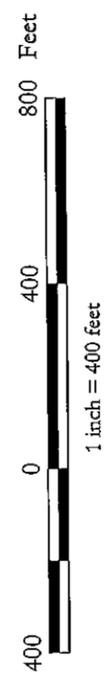


# City of Middleton TIF District Subareas East Zoom

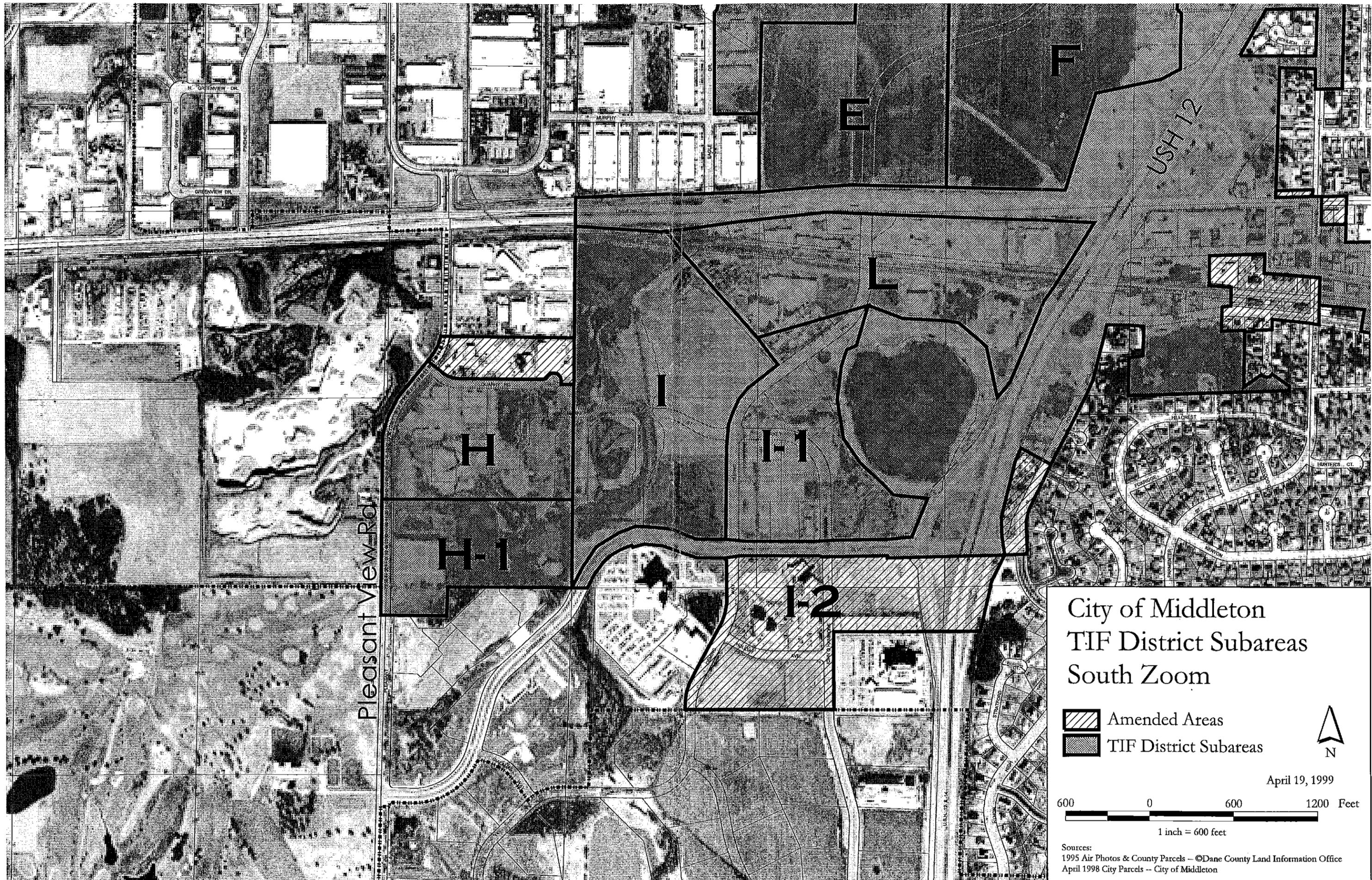
-  Amended Areas
-  TIF District Subareas



April 19, 1999



Sources:  
1995 Air Photos & County Parcels -- ©Dane County Land Information Office  
April 1998 City Parcels -- City of Middleton



# City of Middleton TIF District Subareas South Zoom

-  Amended Areas
-  TIF District Subareas

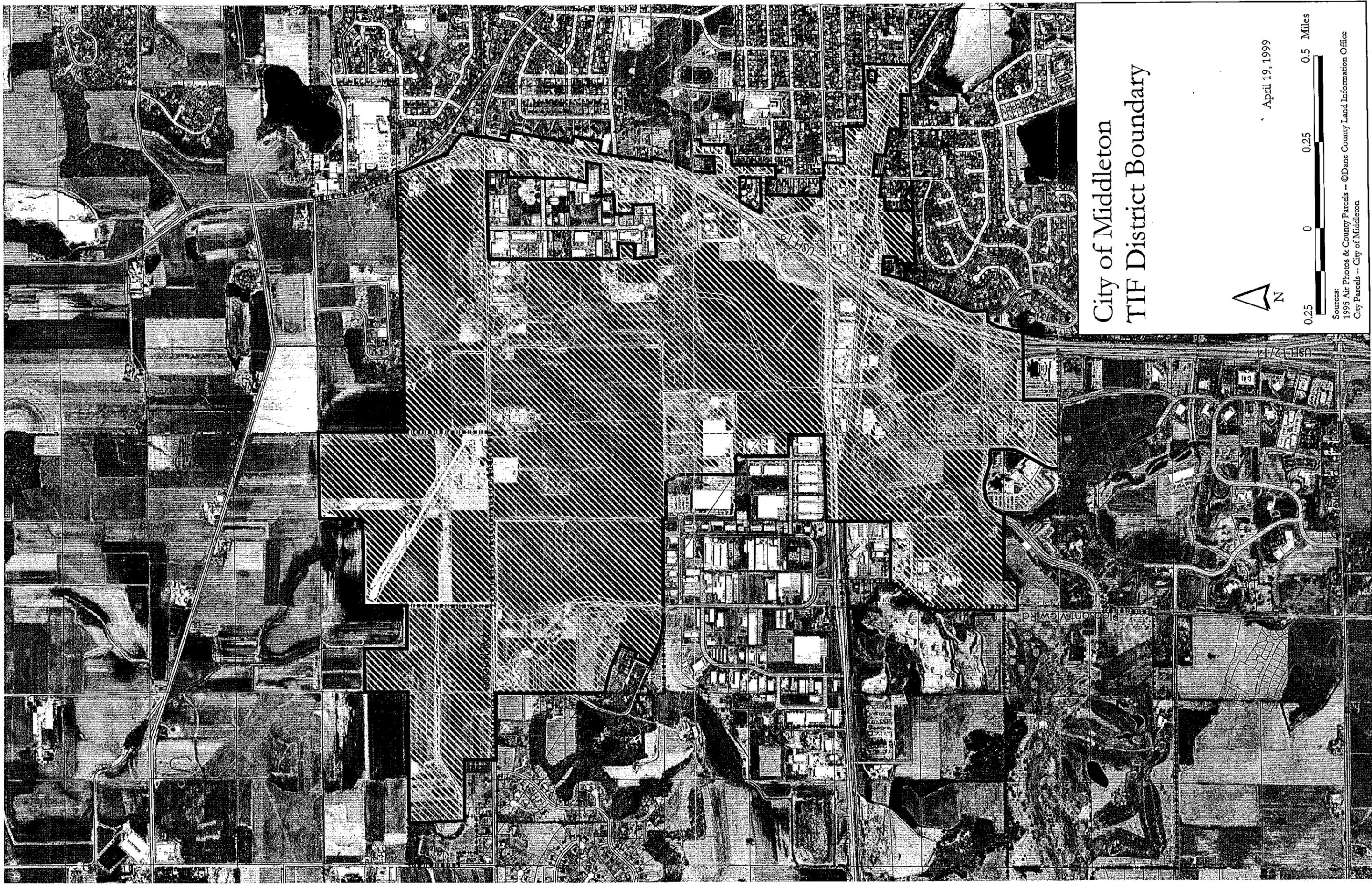


April 19, 1999

600 0 600 1200 Feet

1 inch = 600 feet

Sources:  
1995 Air Photos & County Parcels - ©Dane County Land Information Office  
April 1998 City Parcels - City of Middleton



# City of Middleton TIF District Boundary



April 19, 1999



Sources:  
1995 Air Photos & County Parcels - ©Dane County Land Information Office  
City Parcels - City of Middleton

**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 continue with a more comprehensive approach to both downtown revitalization efforts as well as expanded industrially development efforts.

Since the creation of TID #3 in 1993 and the amendment in 1997, economic conditions within the TIF district continue to exceed the original and updated projections. The current State-certified equalized values of the increment is almost \$60,000,000, a tremendous increase from the \$36,000,000 that was anticipated to be in place during the same time period. Current projections for the TIF district now anticipate a potential of over \$219,000,000 in new development increment, or an overall 300+% increase over the amended projections of \$66,000,000 made in 1997. It is obvious from these certified and anticipated projections that this TID is a far exceeding the original projections and is a very successful TID.

Amendment No. 2 proposed project costs reflect the refining of expenditures needed to meet the development demand currently being experienced within the TID.

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.

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 1998. All project costs from 1999 through 2003 are estimates.

Revised Table 1 reflects over \$13,000,000 of potential project costs to be expended in 1999. Even though these project costs are listed in Table 1 to be undertaken in 1999, the Plan Commission and City Council will still need to authorize any project activity and spending on a case-by-case basis.

Currently, Revised Table 1 shows project expenditures to be completed by 2003. All projects within Table 1 may be moved and undertaken within any year in the 10 year spending period. However, any projects within the amended boundary area must be undertaken or contracts awarded within three years of the amendment resolution. 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. Amendment No. 1 of the project plan included an estimated \$6,102,528 in project costs. The new project costs in Amendment No. 2 are anticipated to only be approximately \$250,000 more. Actual costs to date have totaled \$1,124,000.

2. Greenway Center District. The estimated project costs in Amendment No. 1 of the project plan were approximately \$5,500,000. The revised costs reflect a potential \$6,600,000 to be spent within this district. This increase is due to the commuter rail matching fund category addition for comprehensive development of this district.
3. Downtown District. The downtown district is the district with the largest expenditures increase proposed to be undertaken. Amendment No. 1 anticipated a bit over \$7,100,000 of project activities. Since 1997, there has been continued significant increases in redevelopment and new development construction and interest within the downtown. Consequently, more project activities continue to be identified as a direct result of continued private sector investment. The new proposed project costs are listed as approximately \$12,655,000.
4. Airport Road District. Since Amendment No. 1 was adopted by the City, the Airport Road/USH 12 project area has been defined with the location of the bypass. Consequently, the City is now able to quantify the costs directly associated with this DOT project. It is estimated that over \$7,800,000 of project costs have been or are anticipated to be expended prior to the end of the spending period. A majority of costs are associated with acquisition and relocation of homes and businesses along Airport Road as well as defined Airport Road and bypass improvement costs.
5. Existing US Highway 12 District. The total increase in estimated costs from Amendment No. 1 is less than \$200,000.
6. Stormwater Management District North. This area is part of the amended boundary. The purpose for inclusion of this area is to address stormwater management north of Airport Road. This area was originally studied for inclusion

in the TIF in 1993. However, the studies for stormwater management were not yet completed (part of the original TIF projects). Consequently, until completion of these studies, this area was not defined as necessary for inclusion within the original boundary and project costs. However, since the studies have been completed as well as refined, the City has determined that the project costs proposed under this subcategory are necessary for comprehensive stormwater management and do meet the statutory requirement that the amended projects are extensions of the original projects within the plan adopted in 1993. The estimated costs for these improvements are identified as a little over \$8,600,000.

7. Airport Property and Improvements. This subcategory has also been added to this Amendment. The purpose for inclusion within the boundary amendment as well as additional project costs is the need for acquisition of the airport land for stormwater control and management (also reflected in the Stormwater Management District/North category identified above). The City is currently studying the potential of relocating stormwater management on the southside of the runway to the northside, thereby allowing more airport land for expansion of airport functions as well as minimal development. In addition, the City's studies include the potential rerouting of one part of the channel through the southwest corner of the property. All of these relocations necessitate the inclusion of this property within the amended boundary as well as its accompanying costs. The total anticipated costs in this new category are estimated to be approximately \$2,625,000.
8. General and Special Projects. These costs have been combined in revised Table 1 and reflect an increase to an estimated \$8,100,069. This is due to refinement of actual project costs expended as well as identification of new costs associated with

comprehensive redevelopment, all of which are extensions of the intent of the original project plan costs.

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.

**City of Middleton, Wisconsin**  
**TIF #3 Amendment No. 2**

Draft — Revision #4  
**Revised Table #1**

**Amended Table 1**

**Costs -- All District Projects and Activities**

	1991												Totals‡																
	1996	1997				1998				1999				2000				2001				2002				2003			
	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
<b>1 Stormwater Management District — South</b>	\$1,097	\$11	\$0	\$0	\$0	\$16	\$0	\$0	\$0	\$2,930	\$0	\$0	\$0	\$1,980	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350	\$0	\$0	\$6,384,454
• Design of stormwater management system																													\$0
– Project management	\$78	\$1								\$20				\$20															\$118,842
– Preliminary design	\$267																												\$267,000
– Final design / permit	\$281	\$7				\$16				\$150				\$50															\$504,759
* – Construction	\$412									\$1,650				\$1,200															\$3,261,940
– Acquisition	\$21	\$3								\$500				\$300															\$823,651
• Comprehensive recreation design development																													\$0
– TIF #3 District	\$1									\$5																			\$6,000
• Deming Way extension – road & bridge construction	\$37									\$600																			\$637,262
– Bridge #2														\$400															\$400,000
– Bridge #3																										\$350			\$350,000
• Economic development strategies related to channelization										\$5				\$10															\$15,000
<b>2 Greenway Center District</b>	\$2,356	\$716	\$0	\$0	\$0	\$759	\$0	\$0	\$0	\$1,010	\$0	\$0	\$0	\$1,366	\$0	\$0	\$0	\$50	\$0	\$0	\$0	\$640	\$0	\$0	\$0	\$600	\$0	\$0	\$6,595,263
• Extend Greenway Boulevard																													
* – Economic Development Fund	\$608																												\$608,000
• Terrace Avenue extension to west																													
– Planning and design	\$47																												\$47,000
– Construction	\$200	\$11																											\$210,525
• USH 14 corridor land use and appearance										\$10																			\$10,000
– Trailhead Park and USH 14 Beautification														\$50				\$50											\$100,000
• Comprehensive trail system																													
– Esser Pond trail system	\$17	\$236																											\$253,346
– Linkage to western greenspace (P.V. Golf/Blackhawk Ski)																						\$140				\$100			\$240,000
• Infrastructure Design & Construction	\$1,481									\$100																			\$1,581,293
– Market Street/Coop Road		\$468																											\$467,772
– Market Street Bridge																													\$0
– Aspen Commons Mall South						\$759																							\$759,149
– Quarry Restoration														\$250															\$250,000
– Greenway Sanitary Sewer Bypass														\$30															\$30,000
– Administration and Contingencies														\$286															\$286,000
• Aspen Commons Extension														\$400															\$400,000
• Greenway Skywalk														\$350															\$350,000
• Commuter Rail Matching Fund	\$2																					\$500				\$500			\$1,002,178





**City of Middleton, Wisconsin  
TIF #3 Amendment No. 2**

Draft — Revision #4  
**Revised Table #1**

**Amended Table 1**

**Costs -- All District Projects and Activities**

1991	1996				1997				Actual				1998				Actual				1999				Estimated				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	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3																	

**NOTES**

- ‡ All figures given for 1991 through 1996 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
- Debt expense in years 1991-1996 and 1997 actual debt service expenditure. The total amount of \$1,141,000 is not reflected in Project Totals

*Revision History:*

*Taken and revised from Table #6  
Taken and revised from Middleton Redevelopment 1998 Budget.xls  
Version 2  
Version 3 / bpn / 4/23/99  
Version 4 / bpn / 5/6/99*

**Amended Table 2  
Development Increment  
Assumptions**

	31-Dec 1993 Certified	31-Dec 1994 Certified	31-Dec 1995 Certified	31-Dec 1996 Certified	31-Dec 1997 Certified	31-Dec 1998 Est	31-Dec 1999 Est	31-Dec 2000 Est	31-Dec 2001 Est	31-Dec 2002 Est	31-Dec 2003 Est	31-Dec 2004 Est	31-Dec 2005 Est	31-Dec 2006 Est	31-Dec 2007+ Est	Totals
<b>Stormwater Management District - South</b>	\$0	\$0	\$0	\$0	\$0	\$600	\$2,400	\$2,100	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$600	\$16,500
<b>Area E: Industrial</b>						\$600	\$600	\$300								\$1,500
• 17 acres; 5 ac remaining @ \$300,000 per acre																
<b>Area F: Industrial</b>							\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$600	\$15,000
• 50 acres																
• 6.0 acres per year (ac/yr) @ \$300,000 per acre																
<b>Greenway Center District</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000	\$13,000	\$9,500	\$3,750	\$3,000	\$2,500	\$0	\$0	\$0	\$35,750
<b>Area H &amp; H-1: Mixed use commercial</b>																\$4,500
• H 5 remaining acres @ \$500,000 per acre								\$2,500								
• H-1 4 remaining acres @ \$500,000 per acre							\$1,000	\$1,000								
<b>Area I: Mixed use commercial</b>							\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$2,500				\$17,500
• 35 acres																
• 6.0 acres per year (ac/yr) @ \$500,000 per acre																
<b>Area I-1: Mixed use commercial</b>																\$5,000
• Current increment																
• 10 remaining acres @ \$500,000 per acre								\$2,500	\$2,500							
<b>Area I-2: Mixed use commercial</b>																\$5,000
• 10 remaining acres @ \$500,000 per acre								\$2,500	\$2,500							
<b>Area L: Terrace Avenue extension</b>																\$3,750
• 25 remaining acres @ \$150,000 per acre (2000 to 2002)								\$1,500	\$1,500	\$750						
<b>Downtown District</b>	\$0	\$0	\$0	\$0	\$0	(\$502)	\$2,403	(\$586)	\$4,100	\$2,600	\$1,100	\$500	\$500	\$0	\$0	\$10,116
<b>Downtown Housing</b>																\$2,400
• 100 units																
• 12 units per year (unit/yr) @ \$50,000 per unit																
<b>Commercial</b>							\$2,500									\$2,500
• Aurora to Cayuga: 2 ac @ \$500,000 per acre							\$500		\$500	\$500						\$1,500
• West of Cayuga (Office building): 2 ac @ \$1,000,000 per acre									\$1,000	\$1,000						\$2,000
• Remaining Downtown Commercial							\$500		\$2,000	\$500	\$500	\$500	\$500			\$4,500



## **AMENDED SECTION VII. ECONOMIC FEASIBILITY ANALYSIS**

Both Tables 4 and 5 have been revised to reflect current and projected conditions within TID #3. The development increment projections are based on State-certified values through January 1, 1998. In addition, the TID has experienced a higher density of development within certain areas of the TID over what was originally projected in 1993. This higher density has created more new increment value. Also, the tax value per acre has increased over what was originally anticipated as well as the increase in timing of new development. All of these factors contribute to more development increment being generated to date and over the life of the TIF district.

Amendment No. 1 projected an increment generation of \$80,437,000. Projected new increments could yield as much as \$219,000,000 over the life of the TIF district.

The formats for Tables 4 and 5 remain the same. It is important to note here that another change in the legislation concerns the tax collection scenario. In 1993, 100 percent of the taxes collected on new increment within a TIF district went back to the municipality. The current legislation has enacted property tax relief for property owners by decreasing the school tax levy. Consequently, a portion of the tax revenues originally dedicated to the TIF district are no longer available. Tables 4 and 5 reflect the 1998 tax levy that takes into account current legislation.

The original project plan anticipated retirement of the district in the year 2014. This retirement was based on \$44,100,000 of new increment, the original tax collection scenario and \$15,805,000 in project costs. The revised Tables 4 and 5 now reflect the current tax collection scenario, approximately \$219,000,000 in new increment and

\$54,687,222 in project costs. Based on these projections, the TIF retirement period has been extended two years and is anticipated to retire in 2016.

City of Middleton  
**Amended Table 4 – Revenue Analysis**

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	0.0210		

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

<b>Totals</b>						<b>\$141,285</b>
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1993	\$2,373	\$0	\$39,179	1.0000	\$39,179	\$2,373	\$0
1994	\$20,140	\$0	\$56,946	1.0300	\$58,654	\$21,848	\$0
1995	\$29,503	\$0	\$66,309	1.0609	\$70,347	\$33,541	\$66
1996	\$52,598	\$0	\$89,404	1.0927	\$97,694	\$60,888	\$541
1997	\$59,403	\$0	\$96,209	1.1255	\$108,284	\$71,478	\$717
1998	\$60,003	\$1,220	\$95,589	1.1593	\$110,814	\$74,008	\$1,221
1999	\$75,653	\$1,097	\$110,142	1.1941	\$131,516	\$94,710	\$1,501
2000	\$100,353	\$1,186	\$133,656	1.2299	\$164,380	\$127,574	\$1,554
2001	\$124,703	\$0	\$158,006	1.2668	\$200,158	\$163,352	\$1,989
2002	\$139,553	\$0	\$172,856	1.3048	\$225,538	\$188,732	\$2,679
2003	\$152,153	\$0	\$185,456	1.3439	\$249,238	\$212,432	\$3,430
2004	\$163,653	\$0	\$196,956	1.3842	\$272,634	\$235,828	\$3,963
2005	\$172,653	\$0	\$205,956	1.4258	\$293,644	\$256,838	\$4,461
2006	\$182,553	\$0	\$215,856	1.4685	\$316,992	\$280,186	\$4,952
2007	\$191,978	\$0	\$225,281	1.5126	\$340,758	\$303,952	\$5,394
2008	\$201,403	\$0	\$234,706	1.5580	\$365,665	\$328,859	\$5,884
2009	\$210,828	\$0	\$244,131	1.6047	\$391,759	\$354,953	\$6,383
2010	\$219,504	\$0	\$252,807	1.6528	\$417,851	\$381,045	\$6,906
2011	\$219,504	\$0	\$252,807	1.7024	\$430,387	\$393,581	\$7,454
2012	\$219,504	\$0	\$252,807	1.7535	\$443,299	\$406,493	\$8,002
2013	\$219,504	\$0	\$252,807	1.8061	\$456,598	\$419,792	\$8,265
2014	\$219,504	\$0	\$252,807	1.8603	\$470,295	\$433,489	\$8,536
2015	\$219,504	\$0	\$252,807	1.9161	\$484,404	\$447,598	\$8,816
2016	\$219,504	\$0	\$252,807	1.9736	\$498,936	\$462,130	\$9,103
2017	\$219,504	\$0	\$252,807	2.0328	\$513,905	\$477,099	\$9,400
2018	\$219,504	\$0	\$252,807	2.0938	\$529,322	\$492,516	\$9,705
2019	\$219,504	\$0	\$252,807	2.1566	\$545,201	\$508,395	\$10,019
2020	\$219,504	\$0	\$252,807	2.2213	\$561,557	\$524,751	\$10,343

**Note:** All amounts are in \$1,000s  
 12/31/93-97 certified increment by WI DOR  
 1995-1998 tax revenues actual collected

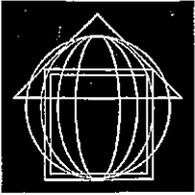
City of Middleton

Amended Table 5 — Expenditure Analysis

Year	Tax revenue	Non-tax revenue	Total revenue	Project costs	Account balance	Debt Service	Account Balance	Annual Amount Borrowed
12/31					nominal \$	01 January	31 December	
<b>Totals</b>	<b>\$141,285</b>	<b>\$2,491</b>	<b>\$143,776</b>	<b>\$54,687</b>				<b>(\$54,806)</b>
1993	\$0	\$0	\$0	\$381	(\$381)	\$27	(\$408)	(\$408)
1994	\$0	\$0	\$0	\$1,124	(\$1,532)	\$107	(\$1,639)	(\$1,231)
1995	\$66	\$0	\$66	\$710	(\$2,283)	\$160	(\$2,443)	(\$804)
1996	\$541	\$0	\$541	\$2,351	(\$4,253)	\$298	(\$4,550)	(\$2,108)
1997	\$717	\$14	\$731	\$2,655	(\$6,474)	\$453	(\$6,927)	(\$2,377)
1998	\$1,221	\$64	\$1,285	\$6,549	(\$12,191)	\$853	(\$13,045)	(\$6,117)
1999	\$1,501	\$72	\$1,573	\$13,180	(\$24,651)	\$1,726	(\$26,377)	(\$13,332)
2000	\$1,554	\$1,014	\$2,568	\$10,985	(\$34,793)	\$2,436	(\$37,229)	(\$10,852)
2001	\$1,989	\$1,014	\$3,003	\$8,552	(\$42,778)	\$2,994	(\$45,772)	(\$8,543)
2002	\$2,679	\$14	\$2,693	\$5,470	(\$48,549)	\$3,398	(\$51,947)	(\$6,175)
2003	\$3,430	\$26	\$3,457	\$2,730	(\$51,220)	\$3,585	(\$54,806)	(\$2,859)
2004	\$3,963	\$26	\$3,990		(\$50,816)	\$3,557	(\$54,373)	\$0
2005	\$4,461	\$26	\$4,487		(\$49,886)	\$3,492	(\$53,378)	\$0
2006	\$4,952	\$26	\$4,979		(\$48,399)	\$3,388	(\$51,787)	\$0
2007	\$5,394	\$26	\$5,420		(\$46,367)	\$3,246	(\$49,613)	\$0
2008	\$5,884	\$26	\$5,910		(\$43,703)	\$3,059	(\$46,762)	\$0
2009	\$6,383	\$26	\$6,409		(\$40,353)	\$2,825	(\$43,177)	\$0
2010	\$6,906	\$26	\$6,932		(\$36,245)	\$2,537	(\$38,782)	\$0
2011	\$7,454	\$26	\$7,480		(\$31,302)	\$2,191	(\$33,493)	\$0
2012	\$8,002	\$12	\$8,014		(\$25,479)	\$1,784	(\$27,262)	\$0
2013	\$8,265	\$12	\$8,277		(\$18,985)	\$1,329	(\$20,314)	\$0
2014	\$8,536	\$12	\$8,548		(\$11,766)	\$824	(\$12,589)	\$0
2015	\$8,816	\$12	\$8,828		(\$3,762)	\$263	(\$4,025)	\$0
2016	\$9,103	\$12	\$9,115		\$5,090	\$0	\$0	\$0
2017	\$9,400	\$0	\$9,400		\$0	\$0	\$0	\$0
2018	\$9,705	\$0	\$9,705		\$0	\$0	\$0	\$0
2019	\$10,019	\$0	\$10,019		\$0	\$0	\$0	\$0
2020	\$10,343	\$0	\$10,343		\$0	\$0	\$0	\$0

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

Non-tax revenue sources from special assessments and land sales revenues



MEMORANDUM

Date: June 10, 1999  
To: Middleton TID #3 Joint Review Board  
From: Susan Hoeft  
Regarding: Joint Review Board meeting

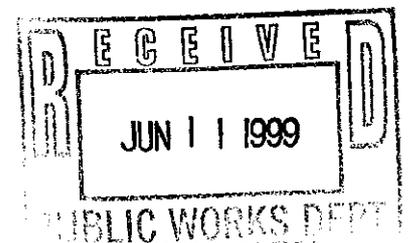
Enclosed please find the agenda for the next Joint Review Board meeting for the City of Middleton TID #3 amendment. The meeting is scheduled for Tuesday, June 22, 1999 at 5:00 p.m. in City Hall.

Also enclosed please find the amended Project Plan for TID #3. We have enclosed all public documents that are available at the time of this mailing. Please carefully read the attachments to the project plan, especially the Joint Review Board information and criteria for the decision. We will be discussing all documents at the above-referenced meeting.

After the Joint Review Board meets, the City Attorney will render an opinion as to whether or not the City complied with the appropriate statutes in the amendment to the district and project plan. In addition, a boundary description will be prepared for submittal to the Department of Revenue.

If you are unable to attend this meeting, please call Marilyn at the City of Middleton (827-1070) immediately or have a representative there in your place. It is important that we have a quorum and would like all members of the Joint Review Board to be able to attend.

Thank you in advance for your review and consideration.



CITY OF MIDDLETON

AMENDED TID #3

JOINT REVIEW BOARD

MEETING

Tuesday, June 22, 1999

5:00 p.m.

City Hall

1. Call to order
2. Review of public documents and record for amended TID #3
3. Discussion and action on Joint Review Board Resolution Amending TID #3
4. Any other business allowed by law
5. Adjourn or disband

CITY OF MIDDLETON

AMENDED TID #3

JOINT REVIEW BOARD

MEETING

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5:00 p.m.

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JOINT REVIEW BOARD  
AMENDED TIF DISTRICT NO. 3  
CITY OF MIDDLETON  
INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Council. 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 Amended Table 1 of the project plan. The total cost of all activities is estimated to be approximately \$54,687,222 which is to be paid with tax increment revenues and other sources of revenues which may include special assessments, donations, grants and State and Federal funding. An estimated total new development increment of \$216,001,000 is anticipated to be generated over the life of the district with an estimated tax base loss of \$3,503,000.

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.*

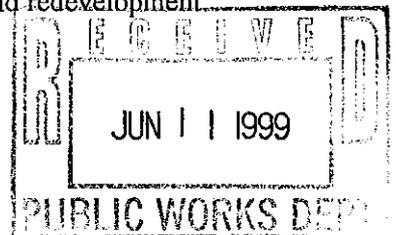
Response:

Allowing for a three (3%) percent real estate inflation factor, the total increment value of the TIF District is estimated to be approximately \$252,800,000 when the district 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 benefits by improvements within the tax incremental district.*

Response:

The costs associated in the amended TID #3 project plan are typical of public improvement costs associated with downtown redevelopment and industrial development activities. The primary areas of public purpose improvement costs are stormwater management, infrastructure and traffic improvements specifically related to industrial development, streetscape and redevelopment funding for new business and real estate development and redevelopment.



TID No. 3 was created in 1993 and amended in 1997. The City has expended significant dollars in infrastructure and stormwater management improvements. Without this public expenditure, much of the tax increments generated to date would not be in place due to the high cost of these improvements needed for development to take place. In addition, these infrastructure and stormwater management improvements made totally undevelopable land available for development. The private sector would not be able to bear the cost of these improvements and yet have a marketable property in the current real estate market. Without cost competitive land available for development, the City would not see the anticipated development increment already in place or anticipated to be built. It is for these reasons that the TID is necessary to accomplish the economic goals of the City.

In addition, the City expended significant funds to acquire, relocate and encourage new redevelopment opportunities in the downtown area. These expenditures eliminated blighted conditions and encouraged high quality, high tax base to be developed. This development has met and continues to meet the goals of the City for 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 approximately 95% of the direct project costs listed in Table 1 associated with the district will be paid by tax increments generated within the district. The statutes require that the City provide the share of the projected tax increments that would be paid by the taxable property owners within amended 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 approximately \$101,818,000. If this were the case, the tax revenues would be divided as follows:

State of Wisconsin	.5%	\$ 509,090
Dane County	5%	5,090,900
Middleton/CP School District	73.8%	75,141,684
Madison Area Technical College	6.2%	6,312,716
City of Middleton	14.5%	14,763,610

(Discrepancies may occur due to rounding)

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 23 year period.

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:

Although no tax increments are expected to be paid by property owners in the overlying taxing jurisdictions, the activities of amended TID No. 3 will benefit property taxpayers by expanding the existing tax base of the City and provide opportunities for new industries to locate to Middleton, thereby creating jobs. Blight elimination through redevelopment will also expand the tax base for the City and provide new retail/commercial/business opportunities which also will provide new jobs and other spin-off development.

JOINT REVIEW BOARD  
AMENDED TIF DISTRICT NO. 3  
CITY OF MIDDLETON  
DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Board 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 TIF District No. 3 on the City of Middleton. The criteria are addressed in turn below.

- A. TIF District No. 3 was created for the purpose of stimulating new development and redevelopment within the district boundaries. At the present time, there has been significant redevelopment in the historic downtown and business district specifically due to the active role the City has played in acquisition and relocation of uses not conducive to the downtown and encouraging business and building expansion. In addition, through the expenditure of TID funds for infrastructure and stormwater management projects, significant new development, both business and industrial, has taken place within the district boundaries. All of this development is due to the successful implementation of TID No. 3. Without these public expenditures, this development would not have happened.
- B. Although there has been a significant amount of new development within the TID which includes increased employment, business and personal income and property value, the debt incurred by the City to construct the infrastructure or stimulate redevelopment would not be retired through these economic benefits and their increases. It is only through the tax increment revenues that this indebtedness can feasibly be retired. Consequently, although the economic benefits are significant, they are insufficient to compensate for the cost of these improvements.

Amendment to TID No. 3 will allow for continued expansion of industrial, business and commercial space within the City. It will provide funds for infrastructure improvements and continued expansion into underutilized properties. Redevelopment funding will also be available to continue with blight elimination and provide redevelopment opportunities for quality development. Without the amendment, the

comprehensive development of the City in the TID would not totally be fulfilled, thereby not allowing the anticipated tax base to be generated. This expanded tax base will benefit the entire region upon the early retirement of the TID.

RESOLUTION APPROVING CITY COUNCIL RESOLUTION  
AMENDING TIF DISTRICT NO. 3

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

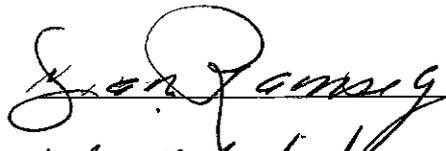
WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the amended project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

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

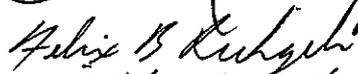
1. The development expected in amended TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;
2. The economic benefits of amended TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income 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 22nd day of June, 1999.

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



Chair



Middleton Cross Plains Area School District

Constance J. Skreiner, County of Dane

Maureen P. O'Brien, Citizen mbr.

Jay Collingwood, Madison Area Technical College