

September 12, 2023

PROJECT PLAN AMENDMENT

City of Mauston, Wisconsin

Tax Incremental District No. 4



Prepared by:

Ehlers
3060 Centre Pointe Driv21
Roseville, MN 55113

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	August 28, 2023
Public Hearing Held:	August 28, 2023
Approval by Plan Commission:	August 28, 2023
Adoption by Common Council:	September 12, 2023
Approval by the Joint Review Board:	September 28, 2023

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SECTION 1: Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 4 (“District”) is a 40-acre blighted area district and was created on September 29, 2022. The District was created to:

- promote redevelopment of downtown Mauston
- redevelop blighted properties

Purpose of Amendment

The purpose of this amendment, referred to hereafter as the Plan, the Amendment, or the Plan Amendment, is to:

- Add territory to the District as permitted under Wis. Stat. § 66.1105(4)(h)2. This is the first of four permitted territory amendments available to the District.
- Amend the categories, locations or costs of project costs to be made as permitted under Wis. Stat. § 66.1105(4)(h)1. (“Project”).

Estimated Total Project Cost Expenditures

The Amendment includes new costs for Development Incentives required to develop a multi-family residential apartment building. The amount of the incentives is estimated to be approximately \$1,500,000. Projects included in the original project plan include Building Improvement Grants, Site Demolition and Reconstruction Projects, Parking Facilities, Downtown Public Space Enhancements. The total cost of expenditures in the Plan is approximately \$3,800,000.

Incremental Valuation

The City projects that new land and improvements value of approximately \$13,195,500, including \$4,500,000 from the proposed apartment project, will be created due to the proposed Project Costs. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

Expected Termination of District

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs within its allowable 27 years.

Summary of Findings

As required by Wis. Stat. § 66.1105, and as documented in this Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:

- The Developer’s representation that the Project is not economically viable without public participation based on extraordinary costs associated with demolition of structures and redevelopment of existing sites.
- The substantial investment needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements.

2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:

As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.

4. Not less than 50% by area of the real property within the District, as amended, is a blighted area within the meaning of Wisconsin Statutes Section 66.1105(2)(ae)1.

5. Based on the foregoing finding, the District remains designated as a blighted area district.

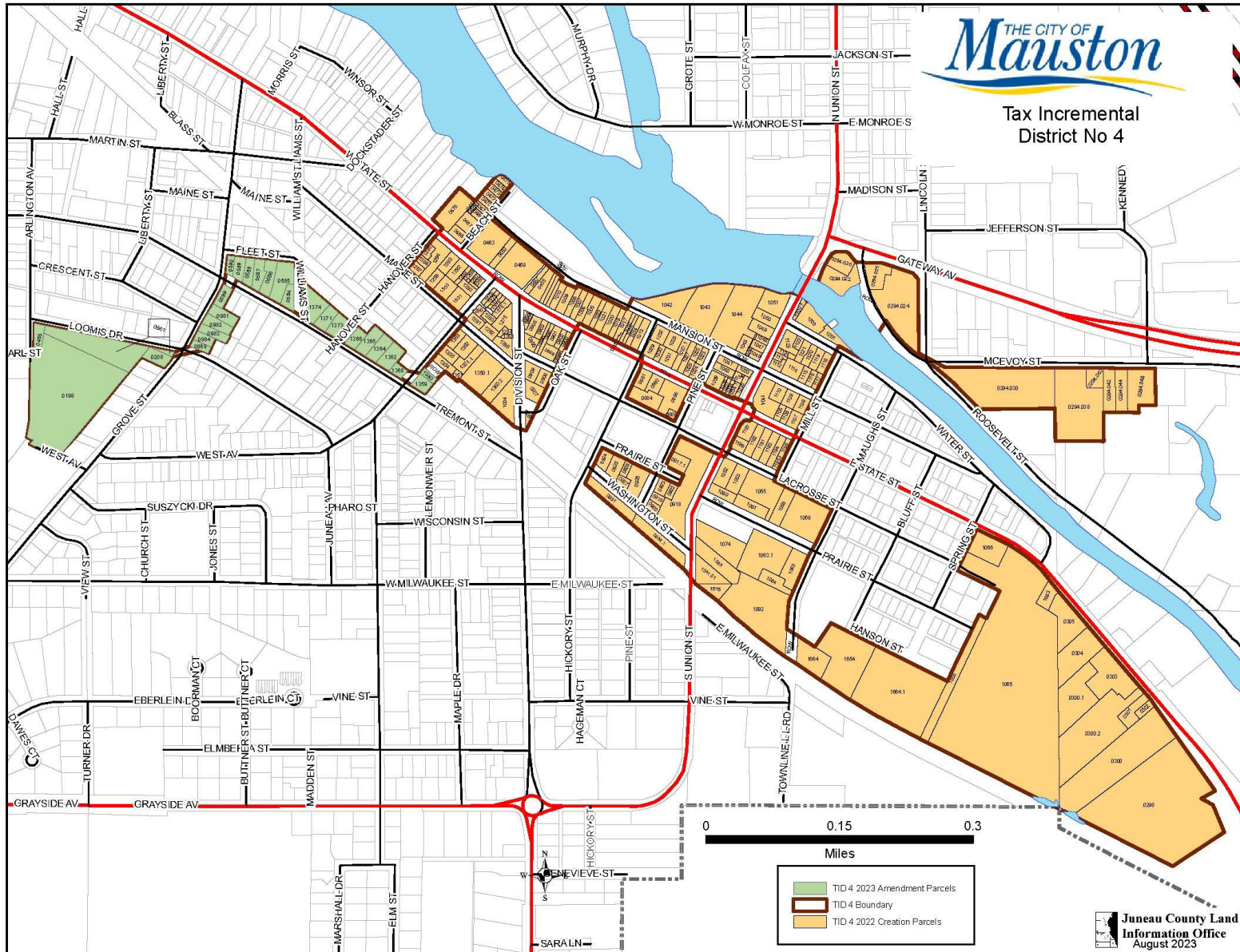
6. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District is created.

7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.

8. The equalized value of taxable property within the territory to be added to the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The Plan for the District is feasible and is in conformity with the Master Plan of the City.
10. The City estimates that less than 35% the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
11. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.

SECTION 2: Preliminary Map of Original District Boundary and Territory to be Added

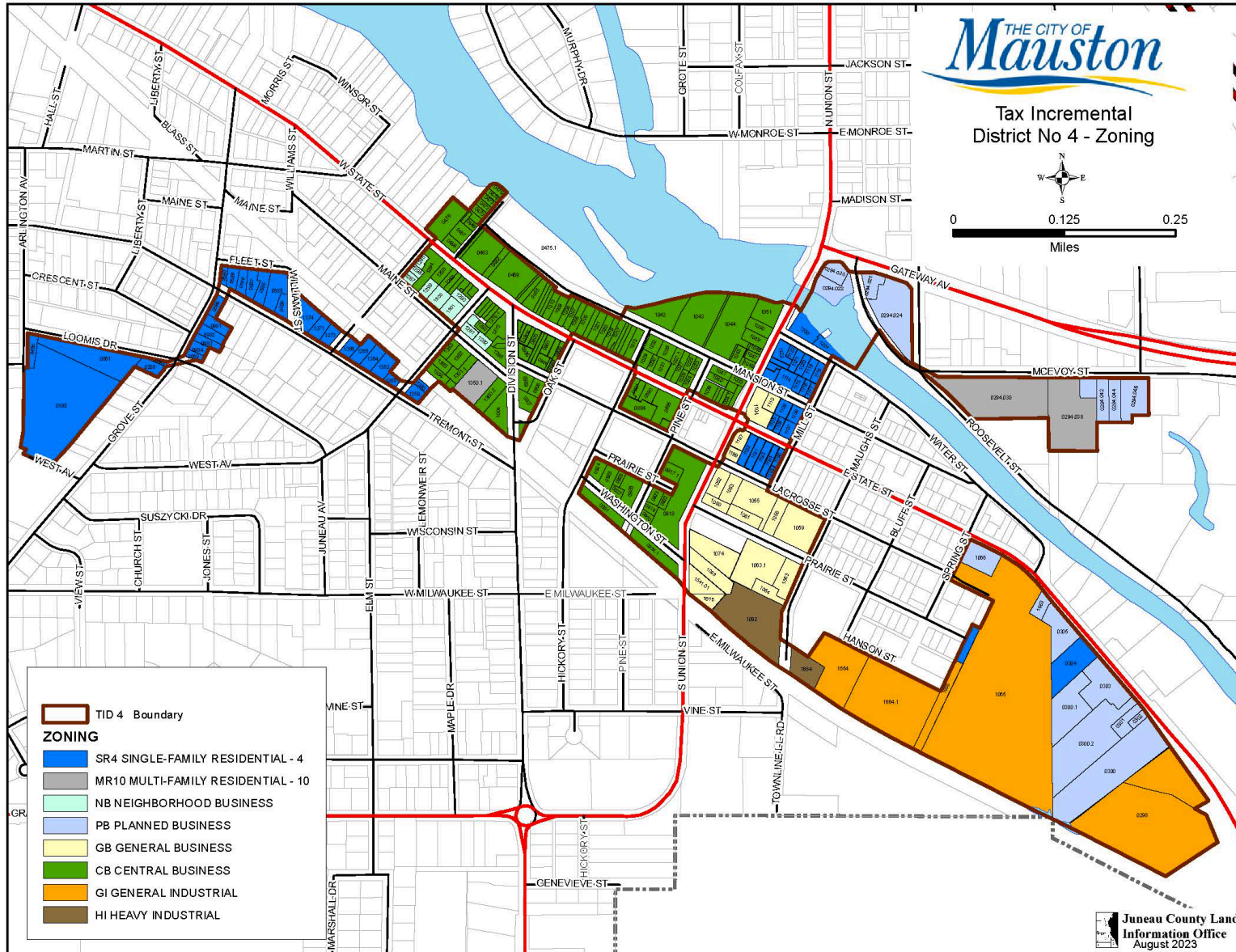
Map Found on Following Page.



SECTION 3:

Map Showing Existing Uses and Conditions Within the Territory to be Added

Map Found on Following Page.



SECTION 4: Preliminary Identification of Parcels to be Added

City of Mauston, WI																
Tax Incremental District No. 4																
Base Property Information																
Property Information				Assessment Information				Equalized Value				District Classification				
Parcel Number	Street Address	Owner	Acreeage	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Blighted	Rehab/ Conservation	Vacant	
292511360	300 ELM ST	BARNES, TRAVIS B	0.09	5,300	95,600	-	100,900	92.65%	5,720	103,184	-	108,904				
292511359	304 ELM ST	DAY, ANDREW P	0.18	10,400	105,300	-	115,700	92.65%	11,225	113,654	-	124,879			0.00	
292511368	309 ELM ST	SCHMIDT, CHRISTOPHER	0.12	6,900	154,100	-	161,000	92.65%	7,447	166,325	-	173,772			0.00	
292511362	307 TREMONT ST	LEESEBERG, KACERA A	0.31	15,800	69,200	-	85,000	92.65%	17,053	74,690	-	91,743			0.00	
292511364	319 TREMONT ST	PURVIS, LAWRENCE J	0.29	7,600	14,300	-	21,900	92.65%	8,203	15,434	-	23,637			0.00	
292511365	319 TREMONT ST	PURVIS, LAWRENCE J	0.30	15,300	102,200	-	117,500	92.65%	16,514	110,308	-	126,821			0.00	
292511366	325 TREMONT ST	CURRAN, PAUL S	0.19	10,900	-	-	10,900	92.65%	11,765	-	-	11,765			0.19	
292511373	401 TREMONT ST	BERKES, SHEILA C	0.22	12,700	89,000	-	101,700	92.65%	13,708	96,060	-	109,768			0.00	
292511371	411 TREMONT ST	STRONG, CARLA E	0.26	14,100	117,900	-	132,000	92.65%	15,219	127,253	-	142,472			0.00	
292511374	417 TREMONT ST	VIETH, TRACY M	0.45	19,900	79,400	-	99,300	92.65%	21,479	85,699	-	107,178			0.00	
292510584	513 TREMONT ST	HARRISON, BENJAMIN CHARLES	0.20	11,600	145,300	-	156,900	92.65%	12,520	156,827	-	169,347			0.00	
292510585	513 TREMONT ST	HARRISON, BENJAMIN CHARLES	0.51	21,300	-	-	21,300	92.65%	22,990	-	-	22,990			0.51	
292510586	523 TREMONT ST	MDG PROPERTIES	0.31	15,600	112,400	-	128,000	92.65%	16,838	121,317	-	138,154			0.00	
292510587	3801 S 45TH ST	ROIKO, NESTOR	0.26	14,000	113,100	-	127,100	92.65%	15,111	122,072	-	137,183			0.00	
292510588	527 TREMONT ST	KONSITZKE, JOSHUA E	0.21	11,800	10,600	-	22,400	92.65%	12,736	11,441	-	24,177			0.21	
292510589	535 TREMONT ST	HAYES, LAURA L	0.20	11,700	86,800	-	98,500	92.65%	12,628	93,686	-	106,314			0.00	
292510590	537 TREMONT ST	SMITH, STACY A	0.11	3,900	78,300	-	82,200	92.65%	4,209	84,512	-	88,721			0.00	
292510599	604 GROVE ST	NICHOLSON, DARLA	0.18	10,500	151,000	-	161,500	92.65%	11,333	162,979	-	174,312			0.00	
292510981	514 GROVE ST	SANDERS, MARSHA L	0.26	14,000	62,900	-	76,900	92.65%	15,111	67,890	-	83,001			0.00	
292510982	516 GROVE ST	RADCLIFF, CASEY R	0.23	13,300	106,300	-	119,600	92.65%	14,355	114,733	-	129,088			0.00	
292510983	600 GROVE ST	SETZKE, JASON B	0.20	11,300	104,400	-	115,700	92.65%	12,196	112,682	-	124,879			0.00	
292510984	604 GROVE ST	ALLABY, JAMES L	0.15	8,700	93,400	-	102,100	92.65%	9,390	100,809	-	110,200			0.00	
292510869	509 LOOMIS DR	SYVERSON, ELWOOD B	0.11	6,600	114,100	-	120,700	92.65%	7,124	123,152	-	130,275			0.00	
292510861	708 LOOMIS DR	SCHOOL DISTRICT 1 JOINT MAUS	1.55	-	-	-	-	92.65%	-	-	-	0	1.55			
292510208	609 GROVE ST	ROGERS, COURTNEY	0.26	14,000	111,100	-	125,100	92.65%	15,111	119,914	-	135,024			0.00	
292510198	800 GRAYSIDE AVE	SCHOOL DISTRICT 1 JOINT MAUS	5.46	-	-	-	-	92.65%	-	-	-	0	5.46			
292510485	508 GRAYSIDE AVE	SCHOOL DISTRICT OF MAUSTON	0.23	-	-	-	-	92.65%	-	-	-	0	0.23			
			Total Acreage	12.84	\$287,200	\$2,116,700	\$0	\$2,403,900		\$309,984	\$2,284,620	\$0		7.24	0	0.907
												56.40%	0.00%	7.07%		
												Estimated Base Value		\$2,594,603		

The above values are as of January 1, 2022. Actual base value certification of the territory will be based on January 1, 2023 assessed values.

SECTION 5: Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property proposed to be added to the District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the value of the territory proposed to be added to the District, totals \$8,899,703. This value is less than the maximum of \$37,543,524 in equalized value that is permitted for the City.

City of Mauston, WI	
Tax Incremental District No. 4	
Valuation Test Compliance Calculation	
District Creation Date	9/29/2022
	Valuation Data
	Currently Available
	2023
Total EV (TID In)	312,862,700
12% Test	37,543,524
Increment of Existing TIDs	
TID #4	3,765,200
TID #5	2,539,900
Total Existing Increment	\$6,305,100
Projected Base of New or Amended District	2,594,603
Less Value of Any Underlying TID Parcels	0
Total Value Subject to 12% Test	\$8,899,703
Compliance	PASS

SECTION 6:

Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

The “Statement of Kind, Number and Location of Proposed Public Works and Other Projects” set forth in the original District Project Plan approved on September 29, 2022 is amended to add the following Project Costs that the City has made, expects to make, or may need to make, in conjunction with the implementation of the District’s Plan or this Plan Amendment.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

To promote and facilitate development the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered “real property assembly costs” as defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

To promote the objectives of this Plan, the City may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

Site Preparation Activities

Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Water System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs

corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the City may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Electric Service

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

Gas Service

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

Communications Infrastructure

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

To allow development to occur, the City may need to construct or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping and Landscaping

To attract development consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

Community Development

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

Contribution to Community Development Authority (CDA) or Redevelopment Authority (RDA)

As provided for in Wis. Stat. § 66.1105(2)(f)1.h and Wis. Stat. § 66.1333(13), the City may provide funds to its CDA (RDA) to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA (RDA) for this purpose are eligible Project Costs.

Revolving Loan/Grant Program (Development Incentives)

To encourage private development consistent with the objectives of this Plan, the City, through its CDA (RDA), may provide loans or grants to eligible property owners in the District. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA (RDA) in the program manual. Any funds returned to the CDA (RDA) from the repayment of loans made are not considered revenues to the District and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA (RDA) for purposes of implementing this program are considered eligible Project Costs.

Miscellaneous

Projects Outside the Tax Increment District

Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural; environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

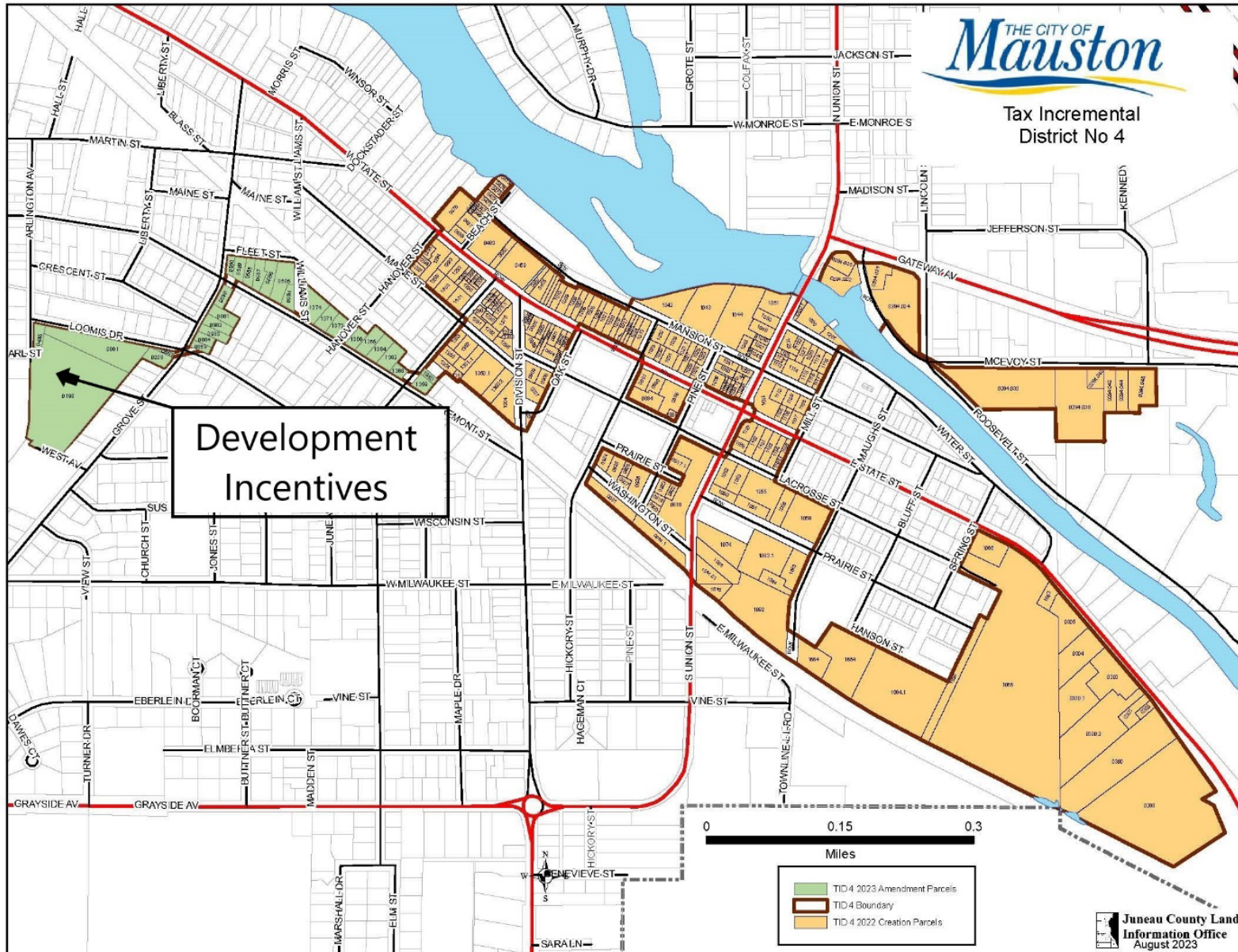
The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees relating to the implementation of the Plan.

Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

SECTION 7: Map Showing Proposed Improvements and Uses Within the Territory to be Added

Map Found on Following Page.



SECTION 8: Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City has made, expects to make, or may need to make in conjunction with the implementation of the District’s Plan or this Plan Amendment. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan Amendment. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

City of Mauston, WI								
Tax Incremental District No. 4								
Estimated Project List								
Project ID	Project Name/Type	Phase I 2024	Phase II 2026	Phase III 2029	Phase IV 2032	Phase V 2035	Throughout	Total (Note 1)
1	Building Improvement Grants (Note 2)	250,000	145,000	155,000	130,000	155,000		835,000
2	Site Demolition and Reconstruction Projects (Note 2)	350,000	275,000	100,000	100,000	25,000		850,000
3	Parking Facilities (Note 2)	125,000	25,000	50,000				200,000
4	Downtown Public Space Enhancements (Note 2)	215,000	95,000	70,000	30,000	5,000		415,000
5	Development Incentives						1,500,000	1,500,000
Total Projects		<u>\$940,000</u>	<u>\$540,000</u>	<u>\$375,000</u>	<u>\$260,000</u>	<u>\$185,000</u>	<u>\$1,500,000</u>	<u>\$3,800,000</u>
Notes:								
Note 1 Project costs are estimates and are subject to modification								
Note 2 These projects were included in the 2022 Creation Project Plan								

SECTION 9:
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes an updated forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how remaining Project Costs would be financed, and a projected cash flow demonstrating that the District remains economically feasible.

Key Assumptions

The City projects that new land and improvements value of approximately \$4,500,000 will result from the apartment building that is being proposed with this Amendment. New value of \$3,765,200 has been created since the District was created in 2022, and additional value of \$9,430,300 is expected to be created throughout the life of the District. The total increment value expected to be created is \$13,195,500 by 2032.

Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming the City’s current equalized TID Interim tax rate of \$23.61 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$7,531,088 in incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

Table 1 – Development Assumptions

<p style="text-align: center;">City of Mauston, WI Tax Incremental District No. 4 Development Assumptions</p>						
Construction Year		Actual	Downtown	Annual Total	Construction Year	
1	2022	3,765,200		3,765,200	2022	1
2	2023			-	2023	2
3	2024		4,500,000	4,500,000	2024	3
4	2025		430,300	430,300	2025	4
5	2026		2,500,000	2,500,000	2026	5
6	2027			-	2027	6
7	2028			-	2028	7
8	2029		1,000,000	1,000,000	2029	8
9	2030			-	2030	9
10	2031			-	2031	10
11	2032		1,000,000	1,000,000	2032	11
12	2033			-	2033	12
13	2034			-	2034	13
14	2035			-	2035	14
15	2036			-	2036	15
16	2037			-	2037	16
17	2038			-	2038	17
18	2039			-	2039	18
19	2040			-	2040	19
20	2041			-	2041	20
21	2042			-	2042	21
22	2043			-	2043	22
23	2044			-	2044	23
24	2045			-	2045	24
25	2046			-	2046	25
26	2047			-	2047	26
27	2048			-	2048	27
Totals		<u>\$3,765,200</u>	<u>\$9,430,300</u>	<u>\$13,195,500</u>		

Table 2 – Tax Increment Projection Worksheet

City of Mauston, WI							
Tax Incremental District No. 4							
Tax Increment Projection Worksheet							
Type of District	Blighted Area			Base Value	2,594,603		
District Creation Date	September 29, 2022			Appreciation Factor	0.00%		
Valuation Date	Jan 1,	2022		Base Tax Rate	\$23.61		
Max Life (Years)	27			Rate Adjustment Factor			
Expenditure Period/Termination	22	9/29/2044		Tax Exempt Discount Rate			
Revenue Periods/Final Year	27	2050		Taxable Discount Rate	1.50%		
Extension Eligibility/Years	Yes	3					
Eligible Recipient District	Yes						
Construction	Valuation	Inflation	Total	Revenue	Tax		
Year	Value Added	Year	Increment	Year	Tax Rate	Increment	
1 2022	3,765,200	2023	-	2024	\$23.61	88,894	
2 2023	-	2024	-	2025	\$23.61	88,894	
3 2024	4,500,000	2025	-	2026	\$23.61	195,136	
4 2025	430,300	2026	-	2027	\$23.61	205,295	
5 2026	2,500,000	2027	-	2028	\$23.61	264,318	
6 2027	-	2028	-	2029	\$23.61	264,318	
7 2028	-	2029	-	2030	\$23.61	264,318	
8 2029	1,000,000	2030	-	2031	\$23.61	287,928	
9 2030	-	2031	-	2032	\$23.61	287,928	
10 2031	-	2032	-	2033	\$23.61	287,928	
11 2032	1,000,000	2033	-	2034	\$23.61	311,537	
12 2033	-	2034	-	2035	\$23.61	311,537	
13 2034	-	2035	-	2036	\$23.61	311,537	
14 2035	-	2036	-	2037	\$23.61	311,537	
15 2036	-	2037	-	2038	\$23.61	311,537	
16 2037	-	2038	-	2039	\$23.61	311,537	
17 2038	-	2039	-	2040	\$23.61	311,537	
18 2039	-	2040	-	2041	\$23.61	311,537	
19 2040	-	2041	-	2042	\$23.61	311,537	
20 2041	-	2042	-	2043	\$23.61	311,537	
21 2042	-	2043	-	2044	\$23.61	311,537	
22 2043	-	2044	-	2045	\$23.61	311,537	
23 2044	-	2045	-	2046	\$23.61	311,537	
24 2045	-	2046	-	2047	\$23.61	311,537	
25 2046	-	2047	-	2048	\$23.61	311,537	
26 2047	-	2048	-	2049	\$23.61	311,537	
27 2048	-	2049	-	2050	\$23.61	311,537	
Totals	\$13,195,500		\$0	Future Value of Increment		\$7,531,088	
Notes:							
Actual results will vary depending on development, inflation of overall tax rates.							
NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).							

Financing and Implementation

The proposed Development Incentives are anticipated to be financed with on a pay-as-you-go basis with cash as available. The structure and timing of the incentive payments is subject to final approval of a developer’s agreement by the City Council.

Building Improvement Grants, Site Demolition and Reconstruction Projects, Parking Facilities, and Downtown Public Space Enhancements will be implemented in separate phases throughout the life of the District. These projects will be financed with State Trust Fund Loans from the Wisconsin Board of Commissioners of Public Lands. Loans will be taken out in 2024, 2026, 2029, 2032, and 2035. These loans will have total sizings of \$947,000, \$547,000, \$382,000, \$267,000, and \$192,000, respectively. **Table 3** provides a summary of the District’s financing plan.

Based on the Project Cost expenditures as included within the cash flow exhibit (**Table 4**), the District is projected to accumulate sufficient funds by the year 2043 to pay off all Project Cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 3 – Financing Plan

City of Mauston, Wisconsin						
Tax Increment District #4						
Estimated Financing Plan						
	State Trust Fund Loan 2024	State Trust Fund Loan 2026	State Trust Fund Loan 2029	State Trust Fund Loan 2032	State Trust Fund Loan 2035	Totals
Projects						
Phase I	940,000					940,000
Phase II		540,000				540,000
Phase III			375,000			375,000
Phase IV				260,000		260,000
Phase V					185,000	185,000
Total Project Funds	<u>940,000</u>	<u>540,000</u>	<u>375,000</u>	<u>260,000</u>	<u>185,000</u>	<u>\$2,300,000</u>
Estimated Finance Related Expenses						
Municipal Advisor	7,000	7,000	7,000	7,000	7,000	
Total Financing Required	\$947,000	\$547,000	\$382,000	\$267,000	\$192,000	

City of Mauston, WI

Tax Incremental District No. 4

Cash Flow Projection - Apartments Only

Year	Projected Revenues	Expenditures	Balances		Year
	Tax Increments	Development Incentives	Annual	Cumulative	
2022					2022
2023					2023
2024					2024
2025					2025
2026	106,242	100,000	6,242	6,242	2026
2027	106,242	100,000	6,242	12,484	2027
2028	106,242	100,000	6,242	18,726	2028
2029	106,242	100,000	6,242	24,968	2029
2030	106,242	100,000	6,242	31,210	2030
2031	106,242	100,000	6,242	37,452	2031
2032	106,242	100,000	6,242	43,694	2032
2033	106,242	100,000	6,242	49,936	2033
2034	106,242	100,000	6,242	56,178	2034
2035	106,242	100,000	6,242	62,421	2035
2036	106,242	100,000	6,242	68,663	2036
2037	106,242	100,000	6,242	74,905	2037
2038	106,242	100,000	6,242	81,147	2038
2039	106,242	100,000	6,242	87,389	2039
2040	106,242	100,000	6,242	93,631	2040
2041	106,242		106,242	199,873	2041
2042	106,242		106,242	306,115	2042
2043	106,242		106,242	412,357	2043
2044	106,242		106,242	518,599	2044
2045	106,242		106,242	624,841	2045
2046	106,242		106,242	731,083	2046
2047	106,242		106,242	837,325	2047
2048	106,242		106,242	943,567	2048
2049	106,242		106,242	1,049,809	2049
2050	106,242		106,242	1,156,051	2050
Total	\$2,656,051	\$1,500,000			

SECTION 10: Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the territory proposed to be added to the District was annexed during the past three years.

SECTION 11: Estimate of Property to be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan Amendment is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan Amendment is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for residential development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan Amendment conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13: Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should the continued implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14: How Amendment of the Tax Incremental District Promotes the Orderly Development of the City

This Plan Amendment promotes the orderly development of the City by eliminating blighted areas, providing necessary public infrastructure improvements, and providing appropriate financial incentives for private development projects. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as increased employment opportunities, and commercial and residential development.

SECTION 15: List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

SECTION 16:

Legal Opinion Advising Whether the Plan is Complete and
Complies with Wis. Stat. § 66.1105(4)(f)



RICHARDS-BRIA
law office

August 21, 2023

Mayor
City of Mauston
303 Mansion St
Mauston, Wisconsin 53948-1329

RE: Project Plan Amendment for Tax Incremental District No. 4

Dear Mayor:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105. As City Attorney for the City of Mauston, I have been asked to review the above-referenced project plan amendment for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the amended Project Plan for the City of Mauston Tax Incremental District No. 4 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

Rebecca M. Richards-Bria
City Attorney

RRB/kr

225 East State Street, Mauston, WI 53948
(608) 847-1900^{phone} (608) 847-1901^{fax}
www.rblo.law mail@rblo.law

SECTION 17:

Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

City of Mauston, WI							
Tax Incremental District No. 4							
Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.							
Statement of Taxes Data Year:		2022					
						Percentage	
Juneau County			1,687,562			25.24%	
Special District						0.00%	
Municipality			2,415,747			36.14%	
School District			2,264,541			33.88%	
Technical College			316,907			4.74%	
Total			\$6,684,756				
Revenue Year	Juneau County	Special District	Municipality	School District	Technical College	Total	Revenue Year
2024	22,441	-	32,125	30,114	4,214	88,894	2024
2025	22,441	-	32,125	30,114	4,214	88,894	2025
2026	49,262	-	70,519	66,105	9,251	195,136	2026
2027	51,827	-	74,190	69,546	9,733	205,295	2027
2028	66,727	-	95,520	89,541	12,531	264,318	2028
2029	66,727	-	95,520	89,541	12,531	264,318	2029
2030	66,727	-	95,520	89,541	12,531	264,318	2030
2031	72,687	-	104,052	97,539	13,650	287,928	2031
2032	72,687	-	104,052	97,539	13,650	287,928	2032
2033	72,687	-	104,052	97,539	13,650	287,928	2033
2034	78,647	-	112,584	105,537	14,769	311,537	2034
2035	78,647	-	112,584	105,537	14,769	311,537	2035
2036	78,647	-	112,584	105,537	14,769	311,537	2036
2037	78,647	-	112,584	105,537	14,769	311,537	2037
2038	78,647	-	112,584	105,537	14,769	311,537	2038
2039	78,647	-	112,584	105,537	14,769	311,537	2039
2040	78,647	-	112,584	105,537	14,769	311,537	2040
2041	78,647	-	112,584	105,537	14,769	311,537	2041
2042	78,647	-	112,584	105,537	14,769	311,537	2042
2043	78,647	-	112,584	105,537	14,769	311,537	2043
2044	78,647	-	112,584	105,537	14,769	311,537	2044
2045	78,647	-	112,584	105,537	14,769	311,537	2045
2046	78,647	-	112,584	105,537	14,769	311,537	2046
2047	78,647	-	112,584	105,537	14,769	311,537	2047
2048	78,647	-	112,584	105,537	14,769	311,537	2048
2049	78,647	-	112,584	105,537	14,769	311,537	2049
2050	78,647	-	112,584	105,537	14,769	311,537	2050
	\$1,901,218	\$0	\$2,721,595	\$2,551,246	\$357,029	\$7,531,088	

Notes:
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.