

City of Stoughton, Wisconsin

Project Plan

for

Tax Incremental Financing District No. 6

Recommended by the City Plan Commission

Expected: August 10, 2015

Adopted by the Common Council

Expected: August 25, 2015

Adopted by Joint Review Board

Expected: September 9, 2015

Prepared by:

**SPRINGSTED INCORPORATED
380 Jackson Street, Suite 300
St. Paul, MN 55101-2887
(651) 223-3000
*WWW.SPRINGSTED.COM***

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Section I

Project Plan: Estimated Project Costs, Projected Revenues and Economic Feasibility Study

Section A Introductions

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

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

State Statute places certain limitations on the creation of Tax Incremental Financing Districts. Only whole parcels of property that are assessed for general property tax purposes and which are contiguous can be included within a District. In addition, at least fifty percent (50%) of the real property in a District must meet at least one of the following criteria:

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

It also must be found that:

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

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

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

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

The Project Plan for Tax Incremental Financing District No. 6, “the District,” in the City of Stoughton has been prepared in compliance with s. 66.1105(4), Wisconsin Statutes. TID No. 6 is defined by the boundary shown on Map 1 found on Page 12. Pursuant to s. 66.1105(4)(f), the Project Plan shall include:

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

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

The public works and improvement activities located within Tax Incremental Financing District No. 6 are listed on Table I found on page 4, which provides a listing of all District activities; and Map 3 on Page 14, which shows the location of the proposed project costs, public works and improvements. The estimated project costs shall be refined as future development occurs and specific project activities are undertaken. Some public improvements may occur off-site, but are necessary expenditures in terms of benefiting the TIF District. Project costs incurred for territory that is located within a one-half mile radius of the district’s boundaries may also be financed by the district. Any economic incentives granted will be consistent with the TIF statutory requirements.

A. Capital Costs for Development of the TID:

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

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

B. Administrative Costs:

Administrative costs may include, but are not limited to, a portion of City staff time, consultants and others directly involved with planning and administering of the District over the statutory expenditure period. The City is anticipating incurring costs over the term of the District for certain administrative costs associated with the proposed developments.

C. Organization Costs:

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

D. Financing Costs:

Financing costs include interest, finance fees, bond discounts, bond redemption premiums, bond legal opinions, bond fees, ratings, capitalized interest, bond insurance and other expenses related to financing.

The previous activities shall provide necessary facilities and incentives that should enable and encourage development and redevelopment within the District. A detailed list of estimated project costs, including anticipated year of installation, is included in Table I as shown on the following page.

Table I

(as shown on following page)

**TID NUMBER 6 - TABLE I
Proposed Project Costs, Public Works and Improvements**

Estimated Costs for Development	Original Cost Estimate	2015	2016	2017	2018	2019	2020	2021	2022	2023-2034	Total
Land Acquisition											
Initial 37 Acres (\$37,500/acre)	\$0		-								-
Remaining 35 Acres (est. \$37,500/acre)	\$1,312,500	-		1,312,500							1,312,500
Total	\$1,312,500	-	-	1,312,500	-	-	-	-	-	-	1,312,500
Soft Costs											
Engineering/Design	\$150,000				150,000						150,000
Administrative	\$110,000	15,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	110,000
Consulting	\$0										-
Total	\$260,000	15,000	5,000	5,000	155,000	5,000	5,000	5,000	5,000	60,000	260,000
Business Park Expansion											
Sanitary Sewer	\$213,200	94,824			118,376						213,200
Water Main	\$298,000	97,300			200,700						298,000
Storm Sewer	\$343,450	224,500			118,950						343,450
Detention Basins	\$280,000	200,000			80,000						280,000
Site Grading and Street Construction	\$769,200	337,679			431,521						769,200
Shared Use Path Construction	\$255,000				255,000						255,000
Street Lighting	\$30,000				30,000						30,000
Erosion Control and Restoration	\$49,350	30,900			18,450						49,350
Miscellaneous	\$93,500	80,500			13,000						93,500
Monument Sign	\$100,000				100,000						100,000
Utility Extension	\$53,000				53,000						53,000
Subtotal	\$2,484,700	1,065,703	-	-	1,418,997	-	-	-	-	-	2,484,700
Contingency (25%)	\$621,175	266,426	-	-	354,749	-	-	-	-	-	621,175
Total	\$3,105,875	1,332,129	-	-	1,773,746	-	-	-	-	-	3,105,875
Looping Water Main to Marie Drive											
Water Main	\$0										-
Subtotal	\$0	-	-	-	-	-	-	-	-	-	-
Contingency (25%)	\$0	-	-	-	-	-	-	-	-	-	-
Total	\$0	-	-	-	-	-	-	-	-	-	-
Williams Drive Reconstruction											
Sanitary Sewer	\$0										-
Water Main	\$0										-
Storm Sewer	\$0										-
Detention Basin	\$0										-
Site Grading and Street Construction	\$0										-
Street Lighting	\$0										-
Erosion Control	\$0										-
Miscellaneous	\$0										-
Subtotal	\$0	-	-	-	-	-	-	-	-	-	-
Contingency (25%)	\$0	-	-	-	-	-	-	-	-	-	-
Total	\$0	-	-	-	-	-	-	-	-	-	-
Other Costs											
Interest Expense	\$3,200,000			260,000	260,000	200,000	200,000	180,000	170,000	1,930,000	3,200,000
Developer Cash Grants											-
Total	\$3,200,000	-	-	260,000	260,000	200,000	200,000	180,000	170,000	1,930,000	3,200,000
Subtotal Land Acquisition	\$1,312,500	-	-	1,312,500	-	-	-	-	-	-	1,312,500
Subtotal Soft Costs	\$260,000	15,000	5,000	5,000	155,000	5,000	5,000	5,000	5,000	60,000	260,000
Subtotal Infrastructure	\$3,105,875	1,332,129	-	-	1,773,746	-	-	-	-	-	3,105,875
Subtotal Other Costs	\$3,200,000	-	-	260,000	260,000	200,000	200,000	180,000	170,000	1,930,000	3,200,000
Totals	\$7,878,375	1,347,129	5,000	1,577,500	2,188,746	205,000	205,000	185,000	175,000	1,990,000	7,878,375

Subject to change based on final financing plan for individual projects. The City reserves the right to adjust the total amount financed for certain identified eligible projects contained within this Project Plan.

Section C Local Action

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

or concurrent with a public hearing on the proposed Project Plan. The City has chosen to hold the public hearings concurrently. After the public hearing, the City Plan Commission must submit the recommended Tax Incremental Financing District boundaries and Project Plan to the local legislative body for action if it desires to create a District. Before adopting such resolution, the local legislative body may amend both the proposed District boundaries and Project Plan. The Public Hearing for the District has been scheduled for the Plan Commission on August 10 2015. Notice of the Public Hearing shall be published in the Stoughton Courier Hub on July 23, 2015 and July 30, 2015. The resolution approving the District shall be introduced to the Common Council for approval on August 25, 2015.

State Statutes require the City seeking to create a Tax Incremental Financing District convene a Joint Review Board (JRB) to review the proposal. The first meeting of the JRB must be held within fourteen days after the Notice of the above-referenced hearing(s) is published. For any Tax Incremental Financing Districts proposed by the City of Stoughton, the membership of the Joint Review Board shall consist of a representative chosen by the City, a representative chosen by the County, a representative chosen by the Technical College District, a representative chosen by the School District, and one public member. The public member and the chair of the JRB must be selected by a majority vote of the other JRB members. It is the responsibility of the JRB to review the public record, planning documents and the resolution passed by the local legislative body creating the District, and to either approve or not approve such resolution based on certain criteria by a majority vote after receiving the resolution. The first meeting of the JRB is scheduled for August 6, 2015, with the final meeting to act on the Common Council's resolution anticipated to occur on September 9, 2015.

Capacity to Create Tax Incremental Districts

In 2004 the State Legislature amended the Tax Incremental Financing Law to allow up to 12% of the total equalized value of taxable property within the City be included within Tax Incremental Districts. The City of Stoughton's 2014 total equalized value is 1,664,973,700. The City can include up to twelve percent (12%) of the total equalized value of the community in existing and new tax incremental finance districts. 12% of the City's equalized value is \$199,796,844.

The City has 3 outstanding Tax Incremental Districts with \$50,060,900 of equalized value. This district is expected to generate approximately \$21,555,905 of incremental value upon full build out of Phase 1. Therefore, this district can be created within the 12% capacity limit enacted by statute. The Department of Revenue will certify the values in the proposed tax incremental district to confirm compliance with this requirement.

The City should carefully monitor the annual growth within this district and existing districts, as well as the capacity to create additional districts.

Section D General Description of Tax Incremental District Number 6

The purpose of Tax Incremental Financing District Number 6 is to be a public financing tool for development of additional land suitable for industrial and light industrial businesses in the City of Stoughton, including job creation. The first phase of development is anticipated to result in the addition of 80-100 new jobs in the community. Phase 2 is anticipated to create additional jobs over the construction period as development occurs. Within the boundaries of this Tax Incremental District are sites suitable for industrial and business/office development. The area is approximately 70 acres in size. The project boundaries are described in the next section.

The proposed project shall include the development of land for future business expansion and growth. Proposed project costs within the district shall also include future cash grants for reimbursement of construction of business expansion, utility extension, road extension, storm sewer and grading work for individual building constructions, as applicable. Public improvements shall also include the installation new streets to facilitate development within the area.

With the adoption of this Project Plan, the City Common Council is enabled to make TIF-eligible expenditures for development of these areas, as well as off-site expenditures if they are related to the District. The infrastructure improvements will provide services to approximately 70 acres of new developable land.

Section E District Boundary

The boundaries of Tax Incremental Financing District Number 6 are shown on Map 1 on Page 12 and are further described in Appendix A. The District includes the properties with the identification numbers and legal descriptions as found in Appendix A.

Parcel ID	Legal Description
281/0611-324-9175-2 and 281/611-324-9680-2	<p>Parts of the SE ¼ of the SE ¼ and the SW ¼ of the SE ¼ of Section 32, T.6N., R.11E., Town of Pleasant Springs, Dane County, Wisconsin, being more fully described as follows:</p> <p>Commencing at the Southeast corner of Section 32; thence S89°21'30"W, 470.58 feet to the Southwest corner of Dane County Certified Survey Map number 7842 and the point of beginning; thence continue S89°21'30"W along the North line of the plat of Stoughton Business Park North, 1932.45 feet; thence N01°25'30"E, 255.84 feet; thence S89°21'30"W, 262.23 feet to the West line of the SW ¼ of the SE ¼; thence N00°00'18"W along said West line, 487.64 feet; thence N89°21'30"E, 2188.77 feet to the Northwest corner of the aforesaid Certified Survey Map number 7842; thence S00°01'55"W along the West line of said survey, 744.33 feet to the point of beginning. The above described containing 35.823 acres, being subject to a right of way for Williams Drive.</p>

Section F Economic Feasibility Study

Purpose

The purpose of this study is to determine if the projected revenues generated from the District as a result of the proposed developments can finance the costs associated with the implementation of the Project Plan.

General Development Description

This section focuses on the new development projections and corresponding incremental new value. These projections have been prepared based on assumptions provided by the City and proposed developer.

The tax increment revenue projections in this section are based on the potential development of certain buildings and/or sites to accommodate land uses. The development projections are based on information provided by the proposed developer along with an understanding of the general market conditions and feasibility within the area. These projections are summarized in Table II below.

TID NUMBER 6 – TABLE II
Projected Development

Project	Value	Square Feet	Expected Date of Construction
Phase 1 Development	5,500,000		2015
Phase 2 Development			
Parcel 1	\$3,187,652	37,178	2017
Parcel 2	\$3,221,265	37,571	2018
Parcel 3	\$2,117,632	24,699	2020
Parcel 4	\$823,523	9,605	2021
Parcel 5	\$1,630,240	25,352	2022
Parcel 6	\$1,378,141	21,432	2024
Parcel 7	\$1,232,484	19,166	2026
Parcel 8	\$1,232,484	19,166	2028
Parcel 9	\$1,232,484	19,166	2030
TOTAL ESTIMATED VALUE INCREMENT	\$21,555,905		

The City has estimated that the project will create incremental new value of approximately \$21,555,905. Any future projects with private developers may be required to enter into an assessment agreement to guarantee future values. Estimates of incremental new value of the project are based on estimated square footage and business type. The objective of the District creation is to facilitate construction of future phases of industrial, light industrial and business development, including the expansion of existing businesses. Total development of the area has been estimated to create a total of \$21,055,905 in incremental value. We anticipate that prospective businesses may be required to sign individual development agreements prior to any City-incurred development expenditures, specifically any cash grants. The economic feasibility projections are based on the utilization of approximately 20 years of the allowed tax increment collection period, which is the maximum for industrial use TIDs.

The economic feasibility analysis should be considered as a baseline projection that is annually monitored to ensure projected targets are met. The purpose of the annual monitoring is to determine that total incremental value has been achieved rather than whether a specific identified project created those increments. Future public borrowing and/or expenditures should be based on this annual review process. It is the intent of this Project Plan to maximize the potential of Tax Incremental Financing District Number 6 to accomplish the proposed public improvements identified in Table I found on Page 4.

Table II and Map 5 summarize the development assumptions that have been used in the economic feasibility analysis. These projections have been prepared based on information received from the developer and City staff. The projections in Table II include assumptions on square footage and business type that have been proposed in the preliminary site plan. Assumptions of the taxable value by type of use are based on a review of comparable real estate values.

The incremental new value projections included in Table II are not total construction costs estimates, but are factored to equate to the anticipated equalized value to which an annual mill rate will be applied. The actual construction costs may be higher than projected value because construction costs may include soft costs not necessarily assessed by the City. Real estate valuation can also significantly fluctuate from year to year. For that reason, there should be an annual review and evaluation of the stability of the increment value prior to making annual borrowing and/or spending decisions.

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

the identified private development projects. The posture cannot be to expect that private developers will have financially feasible projects without implementation of the public improvement activities identified in this Plan.

The economic feasibility analysis for Tax Incremental District Number 6 is presented in Tables I, II and III. Table III shows the projected tax increments from the District based on the development assumptions made in Table II.

**TID Number 6 – TABLE III
Projected Tax Increment and Estimated Cash Flow**

Projected Tax Increment: Phase 1

Year	Annual Increased Value of New Buildings	Annual Increased Value of New Improvements	Cumulative Value of New Buildings & Improvements	Cumulative Value with Inflation	Due to Personal Property	Total Estimated Taxable Value	Base Value	TID Value Increment	2014 Net Total Tax Rate	Annual Increment Revenue /1000	PV Annual TI Revenue
(1)	(2)	(3)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
12/31/2015	-	-	-	-	-	-	-	-	-	-	-
12/31/2016	5,500,000	-	5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	-	-
12/31/2017			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	123,695
12/31/2018			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	114,966
12/31/2019			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	109,491
12/31/2020			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	104,277
12/31/2021			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	99,312
12/31/2022			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	94,583
12/31/2023			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	90,079
12/31/2024			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	85,789
12/31/2025			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	81,704
12/31/2026			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	77,813
12/31/2027			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	74,108
12/31/2028			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	70,579
12/31/2029			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	67,218
12/31/2030			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	64,017
12/31/2031			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	60,969
12/31/2032			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	58,065
12/31/2033			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	55,300
12/31/2034			5,500,000	5,500,000	-	5,500,000	-	5,500,000	22.490	123,695	52,667
Totals:	\$ 5,500,000	\$ -								\$ 2,226,500	\$1,484,621

Estimated Cash Flow: Phase 1

TID Year	Assessment Year	Incremental Assessed Value (Land and Improvements)	Projected Total Incremental AV	Annual Incremental Tax Revenue	Estimated City TID Admin Costs	Tax Increment Available for Debt Service	Cumulative Tax Increment	City GO Bond Debt Service	Developer Cash Grant	Annual Tax Increment Available After DS	Cumulative Tax Increment Available After Debt Service
0	2014										
1	2015				\$ (15,000)	\$ (15,000)	\$ (15,000)			\$ (15,000)	\$ (15,000)
2	2016	\$ 5,500,000	\$ 5,500,000	\$ -	\$ (5,000)	\$ (5,000)	\$ (20,000)			\$ (5,000)	\$ (20,000)
3	2017	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 98,695	(\$117,440)		\$ 1,255	\$ (18,745)
4	2018	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 217,390	(\$117,440)		\$ 1,255	\$ (17,490)
5	2019	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 336,085	(\$117,440)		\$ 1,255	\$ (16,235)
6	2020	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 454,780	(\$117,440)		\$ 1,255	\$ (14,980)
7	2021	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 573,475	(\$117,440)		\$ 1,255	\$ (13,726)
8	2022	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 692,170	(\$117,440)		\$ 1,255	\$ (12,471)
9	2023	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 810,865	(\$117,440)		\$ 1,255	\$ (11,216)
10	2024	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 929,560	(\$117,440)		\$ 1,255	\$ (9,961)
11	2025	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,048,255	(\$117,440)		\$ 1,255	\$ (8,706)
12	2026	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,166,950	(\$117,440)		\$ 1,255	\$ (7,451)
13	2027	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,285,645	(\$117,440)		\$ 1,255	\$ (6,196)
14	2028	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,404,340	(\$117,440)		\$ 1,255	\$ (4,941)
15	2029	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,523,035	(\$117,440)		\$ 1,255	\$ (3,686)
16	2030	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,641,730	(\$117,440)		\$ 1,255	\$ (2,431)
17	2031	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,760,425	(\$117,440)		\$ 1,255	\$ (1,177)
18	2032	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,879,120	(\$117,440)		\$ 1,255	\$ 78
19	2033	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 1,997,815	(\$117,440)		\$ 1,255	\$ 1,333
20	2034	\$ -	\$ 5,500,000	\$ 123,695	\$ (5,000)	\$ 118,695	\$ 2,116,510	(\$117,440)		\$ 1,255	\$ 2,588
Total		\$ 5,500,000		\$ 2,226,510	\$ (110,000)	\$ 2,116,510		\$ (2,113,921.92)	\$ -	\$ 17,588.08	

Tables I and III show the anticipated project costs and projected tax increment revenues for financing of the proposed public improvement project costs of the District, and the projected cash flow. Phase 1 includes only the first phase of development and project costs. The City anticipates financing the proposed project costs outlined in Table 1 through bond issuance but reserves the right to finance project costs through pay-as-you-go reimbursement and developer cash grants.

Table III indicate that projected tax increments are expected to be sufficient to support the project costs through the maximum term of the district.

The retirement of the District, taking into consideration the assumptions identified in Table I (Proposed Project Costs, Public Works & Improvements) and Table II (Projected Development Assumptions), is based on the property tax collection that was in place at the time of the Public Hearing held on August 10, 2015.

The future development assumptions have been based on a review of market conditions that exist at the time of drafting of the Project Plan and potential future development and redevelopment opportunities. It is expected and recommended that the City annually review the financial condition of Tax Incremental District Number 6. The economic feasibility analysis indicates that the District is feasible, provided the development assumptions have been achieved. The City should not spend at levels projected in Table I without developer agreements that guarantee repayment of expenditures or without a "risk assessment" that defines the maximum financial exposure the City finds acceptable. The City should analyze the fiscal condition of Tax Incremental Financing District Number 6 on the basis of how well the development assumptions are being met. Decisions to continue spending annually should be based on the status of the district. The City will only finance those project costs that are financially feasible and supported by new revenues generated by the project.

Section G Financing

Financing for the proposed project will be done primarily on an upfront or pay-as-you-go basis. The City anticipates using a combination of bonds and internal loans to finance the upfront costs necessary for the project to proceed. With pay-as-you-go financing the developer finances the improvement costs upfront and is reimbursed with future tax increment revenues. TIF borrowing may be done annually or on a project-specific basis and it is not anticipated that the total amount of project costs would be considered for one borrowing. The City may also pursue grant funding to finance a portion of the project costs.

Tables I and III, which is also referenced in the Economic Feasibility Study Section, give a summary of project costs, proposed cash flow schedule, and projected tax increment revenues on an annual basis during the duration of the District. Current projections indicate that all project costs of the district should be financed by tax increment revenue within the twenty year statutorily-required retirement period. The TID Project Plan has been written to enable project costs to be completed in order to encourage new development within the District boundaries. An annual analysis should be made to strategize financing alternatives in consideration of potential shortfalls between tax increments collected and debt service required to pay the bonds. Excess tax increments will be available to cover potential shortfalls with repayment to the City prior to retirement of the District. The City anticipates annually reviewing future expenditures and determining economic feasibility prior to authorizing additional expenditures.

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

Section H Estimated Non-Project Costs

Non-Project costs are public works projects that may only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds. A complete listing of those costs is available in the economic feasibility analysis starting on page 6. There are currently not any estimated non-project costs of the district.

Section I Existing Land Uses and Conditions

Map 2, found on Page 13, has been provided to give a general description of the conditions within the area. Map 4, found on page 15, is a zoning map that generally describes the existing uses within the District. These two maps should be used in combination when studying the Project Plan.

The map shows that more than fifty percent (50%) of the lands within the TIF boundary have been found to be suitable for industrial development. The purpose and intent of this district is to encourage new industrial development.

Section J Proposed Land Use

The land use proposed in Tax Incremental District Number 6 is primarily light industrial and business/office. The proposed TID will promote the orderly development within the City by reducing and/or eliminating under-utilized land uses, while remaining financially feasible for the City to replace such uses with more appropriate uses. Map 5 on Page 16 illustrates the proposed land uses within the district.

Section K Existing and Proposed Zoning

Map 4, found on Page 15, shows the TIF District boundary overlaid onto an existing zoning map.

It is anticipated that many of these zoning districts will remain with their associated parcels unless future proposed uses are in conflict with the existing zoning.

Section L Building Codes and City Ordinances

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

Section M Relocation

If acquisition would occur within Tax Incremental District Number 6 which causes displacements, the City will conform to the requirements as set forth by the Department of Commerce in the State of Wisconsin Relocation Laws. If federal funds are used in the relocation process, the federal relocation process will also be followed.

Section N Statement Indicating How Creation of the TID Promotes the Orderly Development of the City of Stoughton

The purpose of TID No. 6 is to assist with the expansion of business, commerce, and potentially residential growth within the City of Stoughton. The creation of this district should provide a financial resource for the City to promote orderly development by making sites suitable for development that otherwise may not be occurring, by providing new employment opportunities that would not otherwise be available, and, in general, promoting the public health, safety and general welfare. The development stimulated by the use of this TID shall increase the overall tax base of the City, increase employment, increase household income, and generally improve the quality of life in the City.

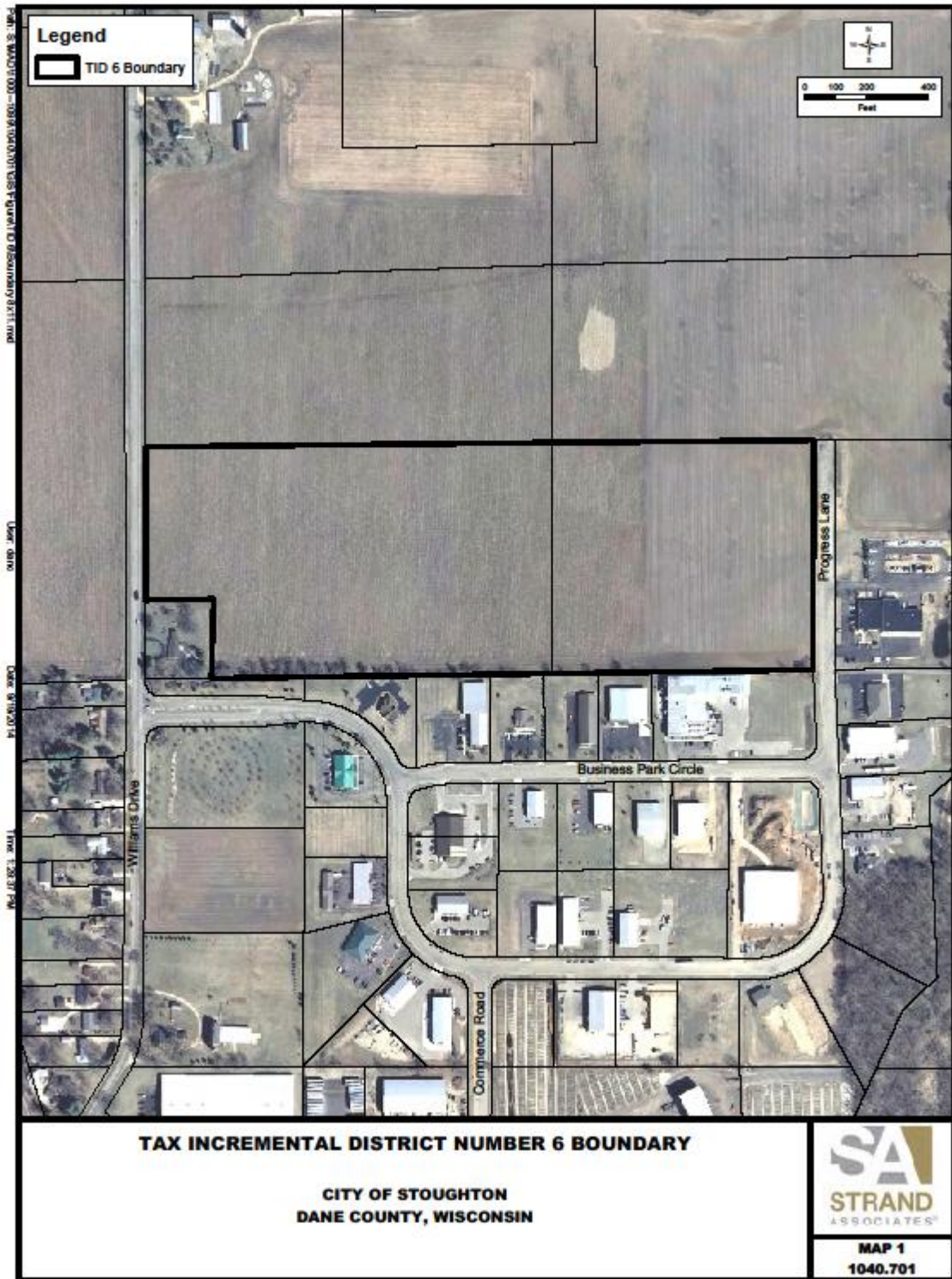
Section O Findings

- A. A minimum of 50% of the area occupied by real property within TID No. 6 is suitable for industrial development.
- B. The improvement of TID No. 6 is likely to significantly enhance the value of substantially all of the other real property in the district.
- C. The project costs relate directly to promoting industrial development, consistent with the purpose for which the district is created.
- D. The equalized value of taxable property of TID No. 6, plus the value increment of all existing districts, does not exceed 12% of the total equalized value of taxable property within the City.

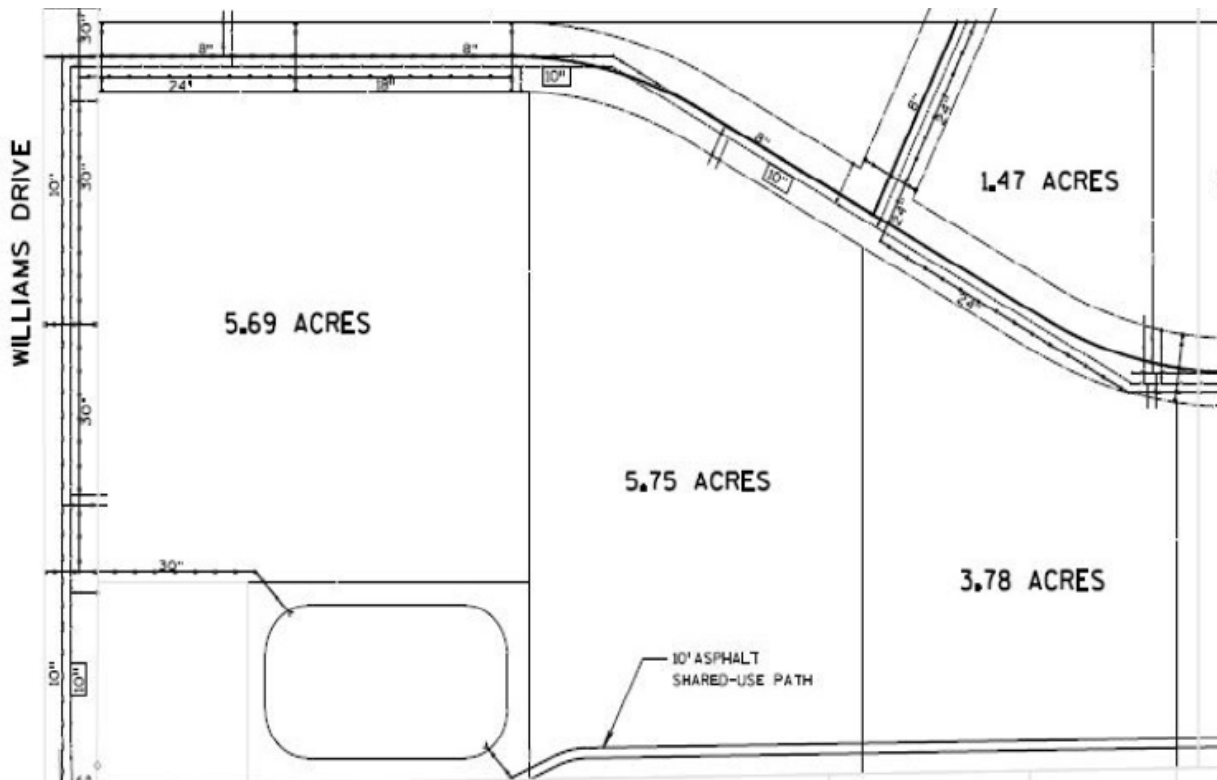
Section P City Attorney Opinion

The City Attorney for the City of Stoughton, Wisconsin has reviewed the Project Plan for Tax Incremental Finance District Number 6, City of Stoughton, Wisconsin, dated _____, and has found that it is complete and complies with Section 66.1105, Wisconsin Statutes. The City Attorney letter is included as Appendix D.

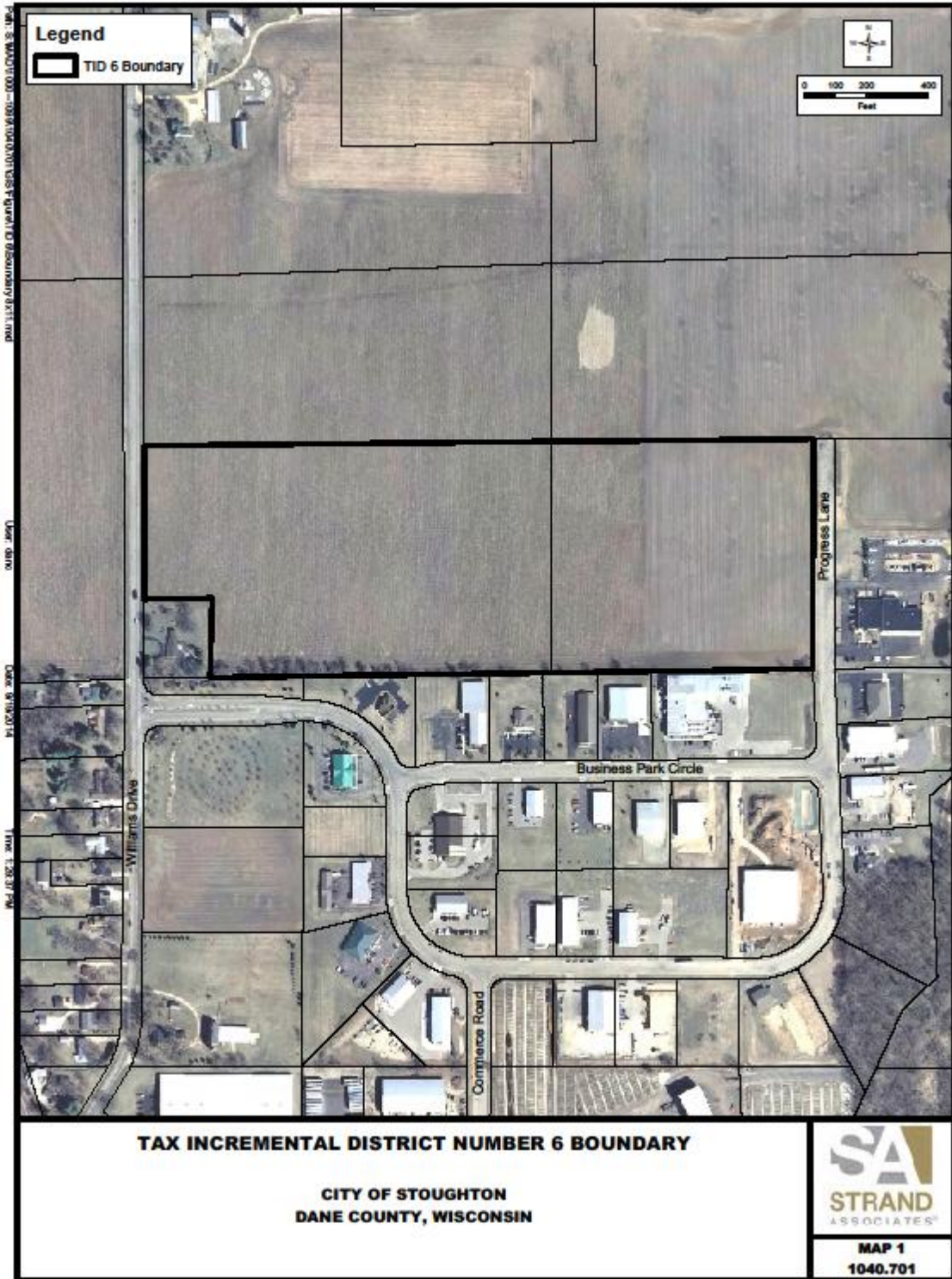
MAP 2 – EXISTING LAND USE & CONDITIONS



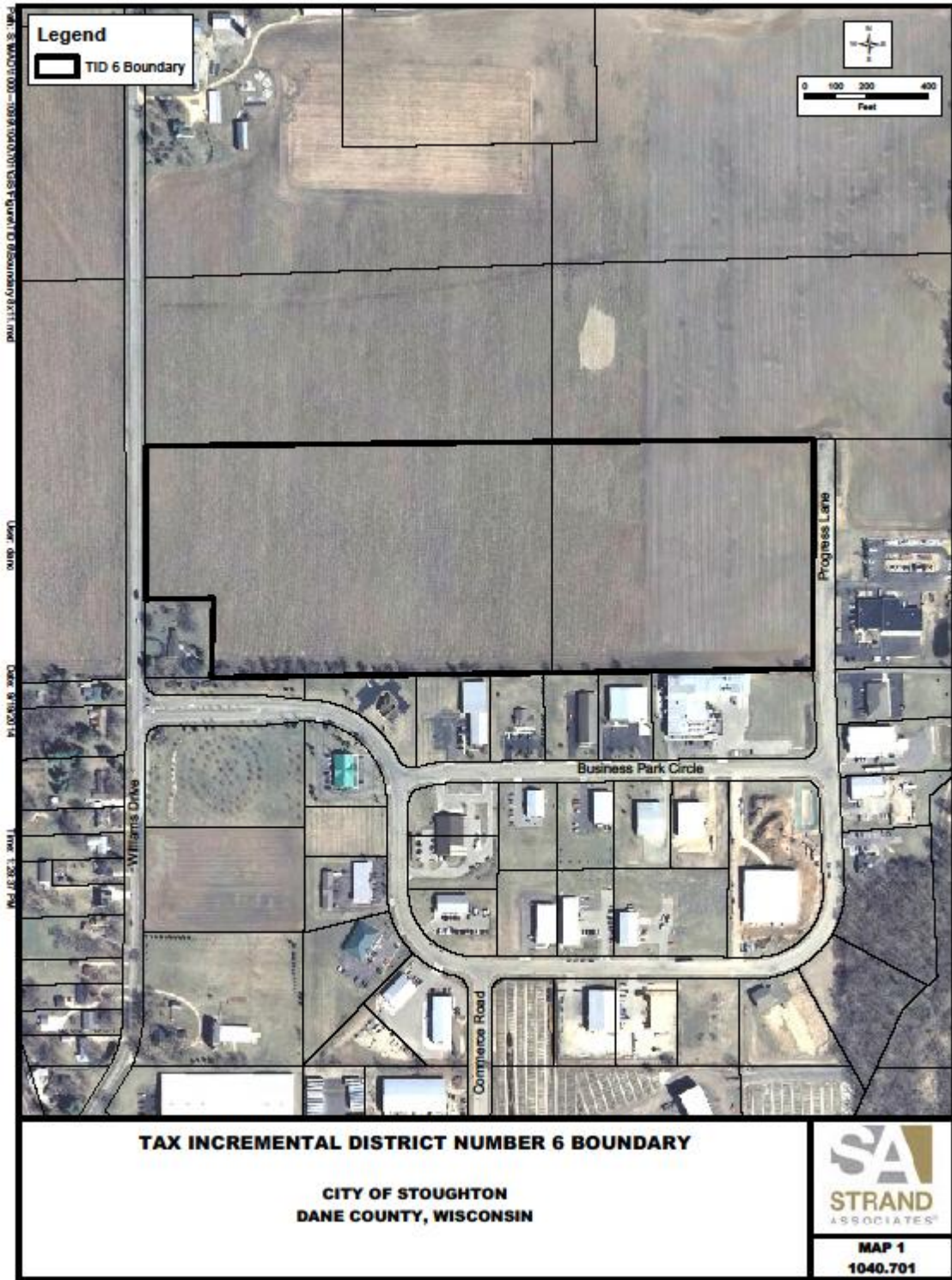
MAP 3 – LOCATION OF PROPOSED PUBLIC IMPROVEMENTS



MAP 4 – EXISTING ZONING



MAP 5 – PROPOSED LAND USE & ZONING



APPENDIX A
PARCEL ID AND DESCRIPTION

The description of the proposed boundaries of the Tax Incremental District being considered is located in the City of Stoughton, Dane County, Wisconsin, generally, more particularly described as follows:

<p>281/0611-324-9175-2 and 281/611-324-9680-2</p>	<p>Parts of the SE ¼ of the SE ¼ and the SW ¼ of the SE ¼ of Section 32, T.6N., R.11E., Town of Pleasant Springs, Dane County, Wisconsin, being more fully described as follows:</p> <p>Commencing at the Southeast corner of Section 32; thence S89°21'30"W, 470.58 feet to the Southwest corner of Dane County Certified Survey Map number 7842 and the point of beginning; thence continue S89°21'30"W along the North line of the plat of Stoughton Business Park North, 1932.45 feet; thence N01°25'30"E, 255.84 feet; thence S89°21'30"W, 262.23 feet to the West line of the SW ¼ of the SE ¼; thence N00°00'18"W along said West line, 487.64 feet; thence N89°21'30"E, 2188.77 feet to the Northwest corner of the aforesaid Certified Survey Map number 7842; thence S00°01'55"W along the West line of said survey, 744.33 feet to the point of beginning. The above described containing 35.823 acres, being subject to a right of way for Williams Drive.</p>
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APPENDIX B
PUBLIC HEARING NOTICE

APPENDIX C
PROOF OF PUBLICATION

(Will be inserted upon receipt from the Stoughton Hub)

APPENDIX D
CITY ATTORNEY REVIEW LETTER