TID #8 PROJECT PLAN (Draft)

5/9/2018

Project Plan 1st Draft

TID #8 is being created to finance redevelopment activities for the riverfront area of Stoughton between Fourth St. and Eighth St. This area had previously been in TID #5, but the parcels were subtracted in 2018 and placed in this new TID.

ACKNOWLEDGEMENTS

Stoughton Redevelopment Authority	Stoughton Common Council	Stoughton Joint Review Board
Roger Springman, Chair,	Timothy Swadley, Mayor	Derek Spellman, Superintendent, Stoughton Area School District
Brian Girgen, Citizen Member	Tom Majewski, Council President	Charles Hicklin Chief Financial Officer and Controller, Dane County
Carl Chenowith, Citizen Member	Sid Boersma, Alderperson	Dr. Tim Casper VP Institutional Learning & Effectiveness Madison College
Regina Hirsch, Alderperson	Regina Hirsch, Alderperson	At-Large Member
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TID #8 Project Plan

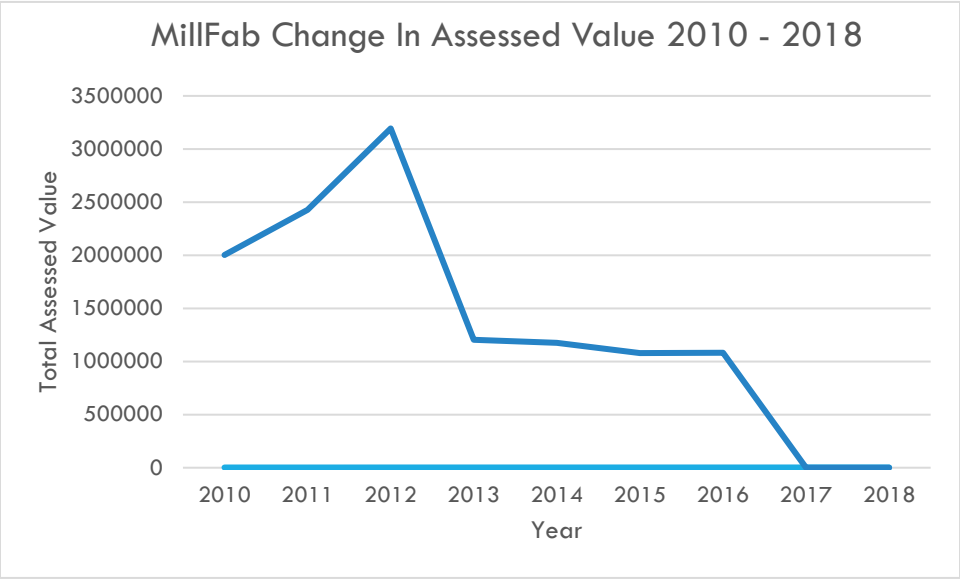
INTRODUCTION

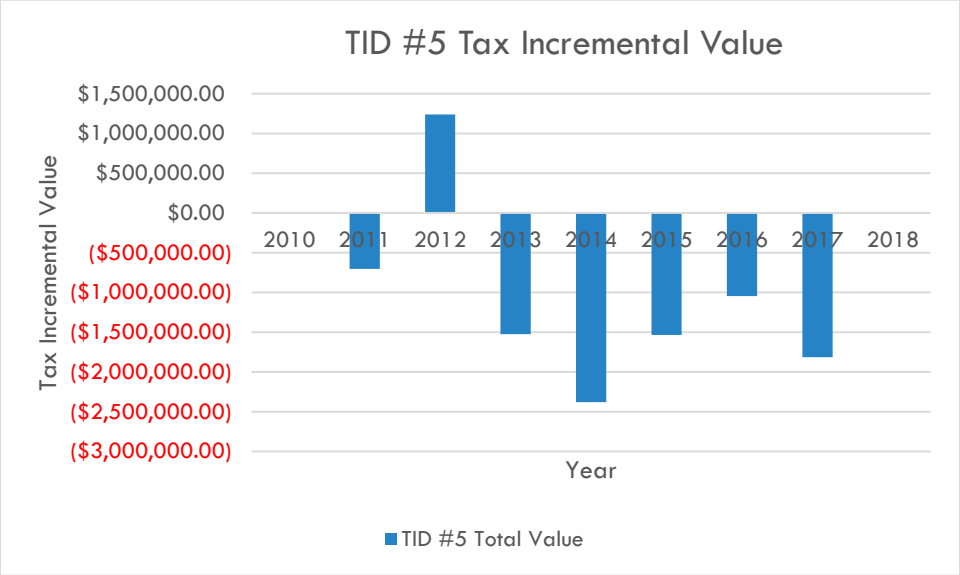
The City of Stoughton has been actively working on redeveloping the blighted riverfront area south of Main Street between Fourth St. and Eighth St. for over ten years. It has been a lengthy process to acquire property as it becomes available, conduct site investigations, demolish buildings and address environmental contamination. As the City began incurring expenses, it established a blight-elimination Tax Increment District (TID) #5 in 2010 which covered a long narrow strip of downtown Stoughton from the Yahara River on the north to the Yahara River on the south. This area had been established as Redevelopment Area #1 by the Redevelopment Authority of the City of Stoughton (RDA) in March 2008. TID #5 was created to provide a funding mechanism for redevelopment of this blighted area.

The initial focus of targeted redevelopment had been the southern portion of the district. This is the area of TID #5 in greatest need of redevelopment due to the extent and concentration of blighted properties. In the months following approval of TID #5, an agreement was negotiated with Movin' Out, a non-profit developer of workforce housing, to redevelop a former Stoughton Trailer storage site along the Yahara River. This project resulted in the construction of a 33-unit multi-family residential development which opened in November 2011.

A key strategy for encouraging redevelopment of this area of the TID is the assembly of parcels, demolition of existing buildings and offering the site to a master developer. The first parcel to be acquired was the former Highway Trailer Building – owned by Stoughton Trailers. Closing occurred on this parcel in April 2010, although a deal was negotiated that allowed the City to pay for the property when it was ready to be redeveloped or until 2020, whichever came first.

Shortly after the TID was created, MillFab, one of the largest property owners in the southern part of the TID and targeted for redevelopment, challenged their personal property tax assessment. This, combined with a declining operation, resulted in a $2 million loss of value for this single property. The loss in value was enough to wipe out the increment created by the Movin' Out development and push TID #5 into a decrement position.





In the fall of 2014, MillFab (Holley Molding) permanently ceased operations and went into receivership. The Stoughton RDA negotiated the acquisition of the property, which transaction eventually closed at the end of 2016.

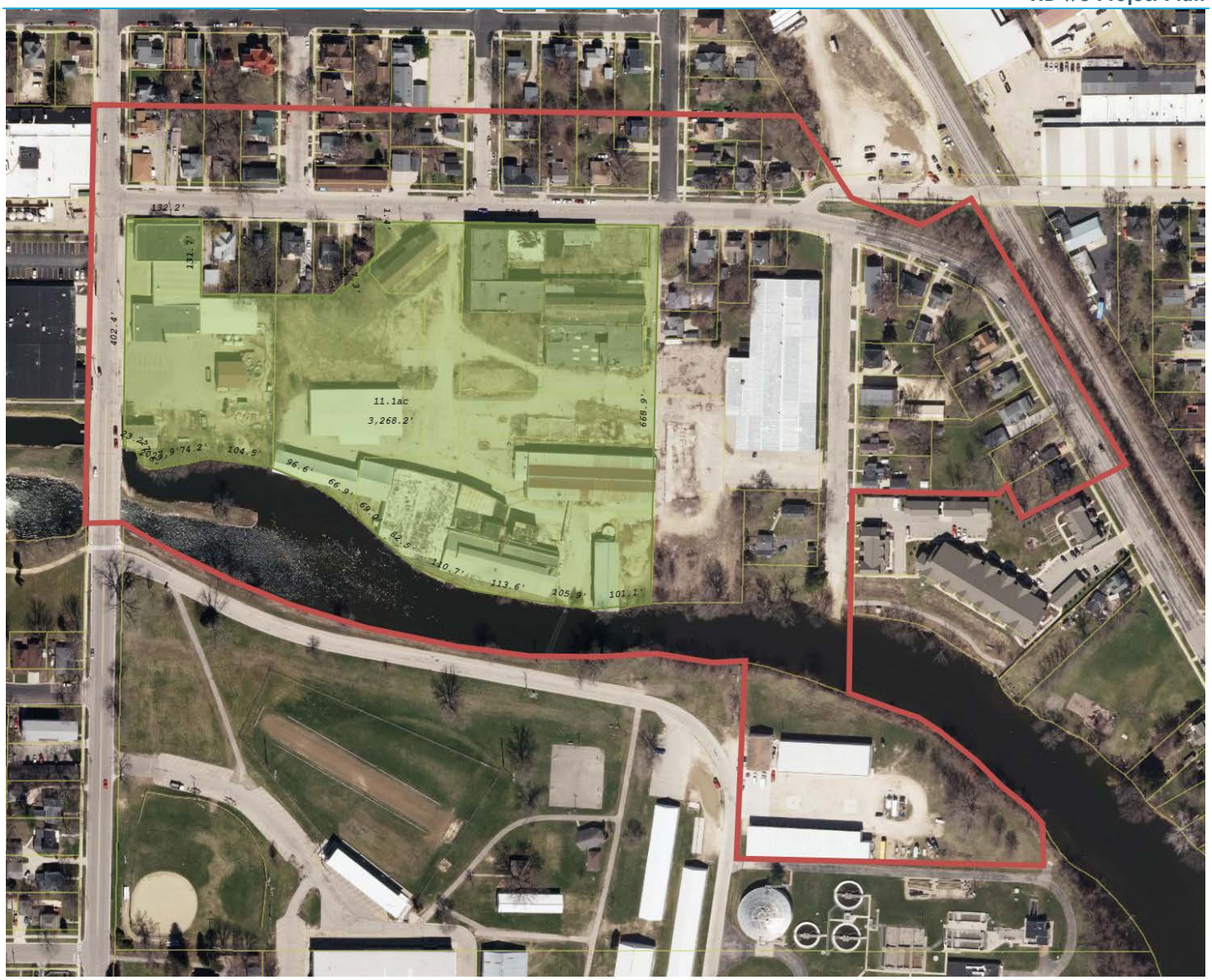
The RDA issued a solicitation of proposals from developers interested in being the master developer for the riverfront redevelopment area. In December 2016 three proposals were received – one proposal to be the master developer, a proposal for the redevelopment of two parcels on the east side of the riverfront redevelopment area and a proposal to rehabilitate the Highway Trailer Building. The RDA selected two of the proposals and declined the Highway Trailer Building renovation proposal. The RDA then passed a motion to begin planning for the demolition of the Highway Trailer Building.

A community design charrette was planned with the selected master developer and their design team to jointly, with the community, prepare a conceptual master plan for the riverfront redevelopment area. The charrette, held in June 2017, brought together many voices from the community. A significant outcome of the charrette was the realization that the City Council and the RDA differed in how they perceived development occurring, particularly regarding the future of the Highway Trailer Building, the construction of additional workforce housing units in the area, the tenure of new housing constructed on the site and the role of retail in the redevelopment. At this point the master developer decided this was not a situation they were willing to move forward with and the City Council rejected the workforce housing proposal.

With development plans now on hold, no developers in hand, significant issues needing to be resolved, the TID in an on-going decrement position and the TID clock ticking, the Stoughton City Council decided in December 2017 to begin planning to subtract the parcels comprising the riverfront redevelopment area from TID #5 and to create a new TID #8 for the area being subtracted. The effect of this strategy is to remove the non-performing property from TID #5, leaving that TID with a positive increment balance, re-set the base value of the new TID to the current lower property values and re-set the TIF clock to provide sufficient time for the expected scope of development to occur.

This document is the project plan for TID #8. It describes the types of improvements that will be allowed to be financed with tax incremental financing (TIF). TIF is a financing tool available to Wisconsin municipalities to help them accomplish community goals related to elimination of blight, conservation of neighborhoods, mixed-use development and industrial development. The project plan not only describes the improvements expected to occur, but also the budget, the expected new development, the expected new tax revenue and the timeframe for each. The project plan is a guide. The activities described in the plan are allowed to be financed with TIF, but they are not required to occur. TIF is a flexible tool that can be modified from time to time in response to changing circumstances and opportunities. The project plan may be modified any number of times during the life of the TID. The boundary of the district may be amended up to four times during its life. The life of the

district may be extended if needed to benefit cash flow. The TID may even be extended by a year at the end of its life so that the collected tax increment can be invested into a community-wide affordable housing stock improvement program.

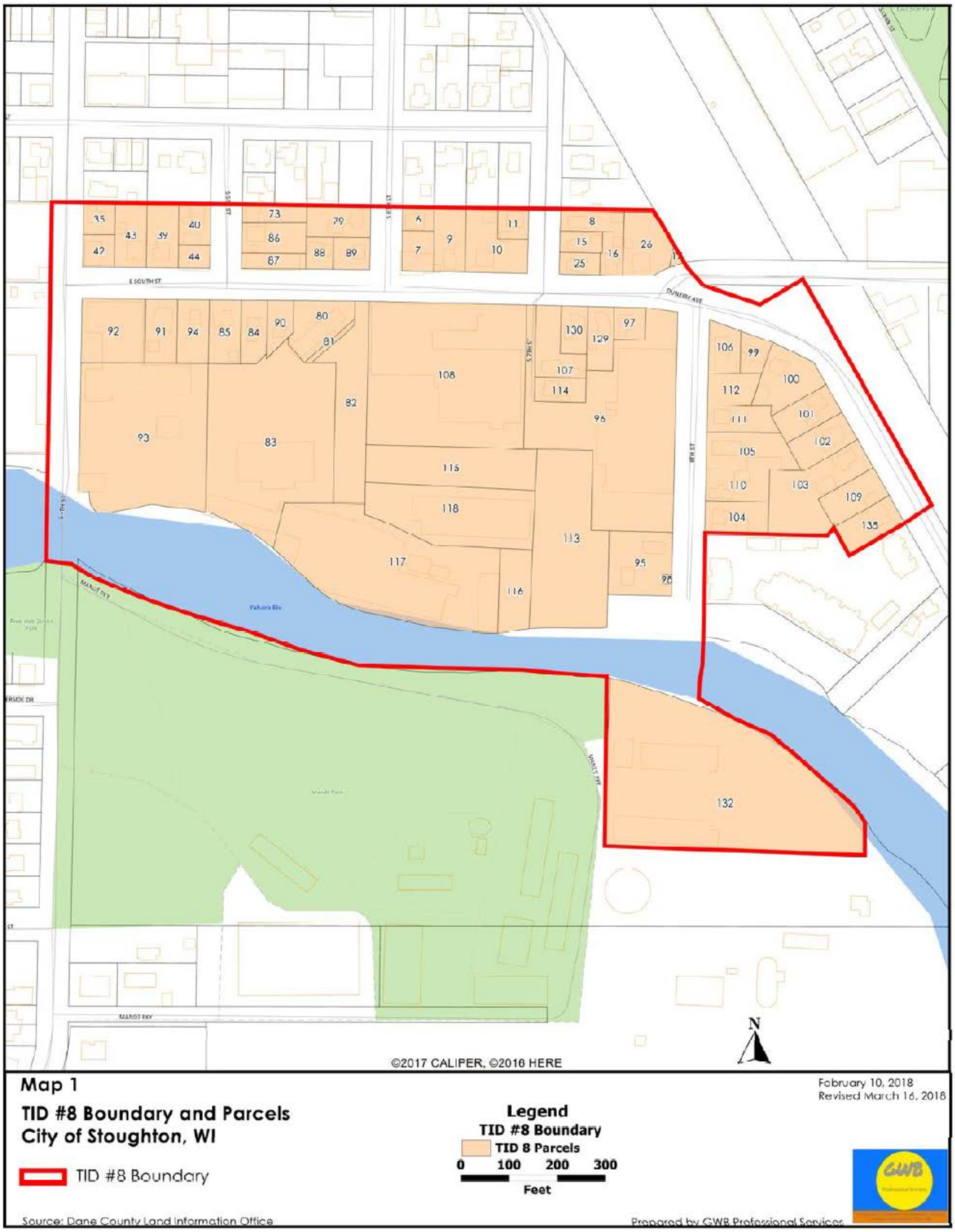


11.1 acres of TID #8 is comprised of parcels owned by either the City of Stoughton or the Stoughton RDA – shaded in green above.

TID CREATION PROCESS

The RDA discussed the status of and issues associated with TID #5. At its meeting on November 8, 2017 the RDA passed a motion requesting the City Council initiate a process to amend the TID #5 boundary and begin planning for the creation of TID #8. The City Council considered the request at its December 12, 2017 meeting and passed a resolution to initiate the TID #5 boundary amendment process and the TID #8 creation process. The overlying taxing jurisdictions were notified of the City's intent on xxxxx. The RDA reviewed a draft TID #8 project plan at its meeting on xxxxx, 2018 and set the date for the public hearing. The Joint Review Board (JRB) met for its first meeting on xxxx, 2018. A public hearing was held on xxxxx, 2018. The City Council considered a resolution creating TID #8 at its xxxxx, 2018 meeting. The JRB met on xxxxx, 2018 to consider the City Council's resolution and approve the proposed amendment.

DISTRICT BOUNDARY AND MAP OF TID #8



Prior to considering the specific area to include within the TID, the Redevelopment Authority established criteria to act as guidelines in their work. The boundary criteria are as follows:

1. 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.
2. A minimum of 50 percent of the TID must be a blighted area, in need of rehabilitation or conservation or suitable and zoned for industrial use.
3. All lands within the TID are contiguous.

City of Stoughton
TID No. 8 Boundary Description

Located in part of the NW ¼ of the NE ¼, part of the NE ¼ of the NE ¼, part of the SE ¼ of the NE ¼ , and also part of the SW ¼ of the NE ¼, of Section 8, being in T. 5 N., R. 11 E., City of Stoughton, Dane County, Wisconsin, described as follows:

Beginning at the southwest corner of Lot 7, Block 2 of Peterson's Addition to the City of Stoughton; northerly 215 feet, more or less, along the east right-of-way of 8th Street to the southwest corner of Lot 9, Block 2 of Peterson's Addition to the City of Stoughton; thence East 253 feet, more or less, along the southern line of Lot 9, Block 2 of Peterson's Addition to the southeast corner of said Lot 9 at the intersection with the southeast boundary line of the Peterson's Addition; thence northeast N 55 ˚ E along the southeast boundary of Peterson's Addition 22 feet more or less to the southeast corner of Lot 6, Block 2, Peterson's Addition; thence southeast S 64 ˚ 5' E 66 feet more or less to the northern boundary of Lot 1, CSM 13030 CS 83/173 & 176; thence northeasterly N 27 ˚ 50' 132 feet, more or less, along the north boundary of Lot 1, CSM 13030 CS 83/173 & 176 to the northeast corner of Lot 1, CSM 13030 CS 83/173 & 176 and the westerly right-of-way of Dunkirk Ave.; thence continuing along the extension of the north boundary 66 feet to the easterly right-of-way of Dunkirk Ave. and the former C. M. St. P & P. Railroad (now owned by the WI DOT); thence northwesterly, along the former C. M. St. P & P. Railroad (now owned by the WI DOT) right-of-way, 528 feet, more or less, to the southern right-of-way of East South St.; thence westerly 27 feet, more or less, along the southern right-of-way of East South St.; thence southwest S 27 ˚ W 80 feet, more or less, to the northern right-of-way of Dunkirk Ave.; thence northwesterly N 25 ˚W 130 feet, more or less to the intersection with the southerly right-of-way of East South St.; thence northwesterly N 44 ˚ 45' W 27 feet, more or less, to the southeast corner of Lot 6, Block 44 of Original Plat; thence along the easterly boundary of the Original Plat 153 feet, more or less, to the northeast corner of Lot 6, Block 44 of the Original Plat; thence westerly 195 feet, more or less, along the north lot lines of Lot 5 and Lot 4, Block 44 of the Original Plat to the easterly right-of-way of South Seventh St.; thence westerly 66 feet, more or less, to the westerly right-of-way of South Seventh St. and the northeast corner of Lot 8, Block 43 of the Original Plat; thence westerly along the north boundary line of Lot 8, Lot 7, Lot 6, and Lot 5, Block 43 of the Original Plat; thence 265 feet, more or less to the northwest corner of Lot 5, Block 43 of the Original Plat and the easterly right-of-way of South Sixth St.; thence westerly 66 feet, more or less, to the westerly right-of-way of South Sixth St. and the northeast corner of Lot 8, Block 42 of the Original Plat; thence westerly 265 feet, more or less, to the northwest corner of Lot 5, Block 42 of the Original Plat and the easterly right-of-way of South Fifth St.; thence westerly 66 feet, more or less, to the westerly right-of-way of South Fifth St. and the northeast corner of Lot 8, Block 36 of the Original Plat; thence westerly 265 feet, more or less, to the northwest corner of Lot 5, Block 36 of the Original Plat and the easterly right-of-way of South Fourth St.; thence westerly 66 feet, more or less, to the westerly right-of-way of South Fourth St. thence South, along the west right-of-way of Fourth Street, 557 feet, more or less, to the intersection with the northeasterly ordinary

high water mark of the Yahara River; thence South across the Yahara River to the southern ordinary high water mark and the westerly right-of-way of Fourth St.; thence East, 66 feet to the intersection with the east right-of-way of said Fourth Street; thence Easterly, along the southerly ordinary high water mark of the Yahara River, to the northwest corner of the property described in Volume 746 of Deeds, Page 42 of the Dane County Register of Deeds; thence S 2˚05' W, 365 feet, more or less to the southwest corner of the property described in Volume 746 of Deeds, Page 42 of the Dane County Register of Deeds; thence S 87˚55' E, 542.4 feet, more or less, to the southeast corner of the property described in Volume 746 of Deeds, Page 42 of the Dane County Register of Deeds; thence N 2˚05' E, 85 feet, more or less, to the northeast corner of the property described in Volume 746 of Deeds, Page 42 of the Dane County Register of Deeds and the intersection with the southwesterly ordinary high water mark of the Yahara River,; thence Northwesterly along the said southwesterly ordinary high water mark of the Yahara River 425 feet, more or less to the intersection of an extension of the easterly right-of-way of Eighth St.; thence northerly 158 feet, more or less, across the Yahara River to the intersection with the southwesterly ordinary high water mark of the Yahara River and the easterly right-of-way of Eighth St. and the point of beginning.

All distances are per documents of record.

EXCLUDING all wetlands from the above described lands.

PARCELS INCLUDED IN TID #8

Parcels in TID #8:

PIN	PARCELNO	OWNERS	PROPERTYADDRESS	Acres	Land Value	Improvement Value	Total Value	Land Value per Acre	Improvement Value per Acre	Blight
6	051108110455	KYLE L ERICKSON	421 S SIXTH ST	0.08	$13,900	$109,800	$123,700	$173,750	$1,372,500	
7	051108110553	L B PROPERTY MANAGEMENT LLC	425 S SIXTH ST	0.12	$24,300	$360,400	$384,700	$195,968	$2,906,452	
9	051108110660	DIANE C SPROUL	516 E SOUTH ST	0.20	$34,800	$115,800	$150,600	$174,000	$579,000	
10	051108110777	RUBY M CREWS	526 E SOUTH ST	0.30	$43,400	$126,300	$169,700	$144,667	$421,000	
11	051108110884	LARRY R FRANKLIN & AMY L FRANKLIN	418 S SEVENTH ST	0.10	$17,400	$105,000	$122,400	$174,000	$1,050,000	
8	051108111347	STEVEN L DICKSON & JULIE F DICKSON	415 S SEVENTH ST	0.13	$22,700	$84,800	$107,500	$174,615	$652,308	
15	051108111445	JASON S BROWN & GAYLE WALHELM-BROWN	419 S SEVENTH ST	0.09	$15,700	$112,800	$128,500	$174,444	$1,253,333	
25	051108111543	NICOLE E EHR	425 S SEVENTH ST	0.09	$13,900	$106,700	$120,600	$173,750	$1,333,750	
16	051108111650	TERESA L SEAMONSON	616 E SOUTH ST	0.09	$15,700	$104,000	$119,700	$174,444	$1,155,556	
17	051108111767	Current Owner	416 S ACADEMY ST	0.02	$600	$0	$600	$40,000	$0	
26	051108111865	EMILY BAHR	624 E SOUTH ST	0.27	$29,600	$108,600	$138,200	$174,118	$638,824	
35	051108129650	STEVE DICKSON & JULIANA DICKSON	417 S FOURTH ST	0.10	$17,400	$106,900	$124,300	$174,000	$1,069,000	
42	051108129758	STEVE DICKSON & JULIANA DICKSON	425 S FOURTH ST	0.10	$19,600	$80,600	$100,200	$196,000	$806,000	Y
43	051108129865	RICHARD L STIRR & GAIL M STIRR	308 E SOUTH ST	0.20	$34,800	$113,800	$148,600	$174,000	$569,000	
39	051108129972	TYSON G POOCH	316 E SOUTH ST	0.20	$34,800	$104,300	$139,100	$174,000	$521,500	
44	051108130086	Current Owner	424 S FIFTH ST	0.07	$13,600	$21,000	$34,600	$194,286	$300,000	Y
40	051108130184	RANEY E REEVES III	418 S FIFTH ST	0.13	$22,700	$107,400	$130,100	$174,615	$826,154	
73	051108139354	JEFFREY JUMP & CONNIE JUMP	415 S FIFTH ST	0.12	$20,900	$138,300	$159,200	$174,167	$1,152,500	
86	051108139416	CARRIE M BERGMAN	421 S FIFTH ST	0.19	$33,100	$89,100	$122,200	$174,211	$468,947	
87	051108139461	JUDITH A HUBERD	425 S FIFTH ST	0.10	$19,000	$79,800	$98,800	$195,876	$822,680	Y
88	051108139602	Current Owner	416 E SOUTH ST	0.09	$14,800	$50,100	$64,900	$174,118	$589,412	
89	051108139622	Current Owner	424 S SIXTH ST	0.12	$20,000	$94,500	$114,500	$173,913	$821,739	
79	051108139685	CATHY L DICKINSON	418 S SIXTH ST	0.20	$34,800	$113,500	$148,300	$174,000	$567,500	
80	051108143081	ASSOCIATED BANK NA	425 E SOUTH ST	0.26	$43,900	$130,400	$174,300	$60,972	$181,111	

PIN	PARCELNO	OWNERS	PROPERTYADDRESS	Acres	Land Value	Improvement Value	Total Value	Land Value per Acre	Improvement Value per Acre	Blight
81	051108143116	ASSOCIATED BANK NA	425 E SOUTH ST	0.03	$400	$0	$400	$13,333	$0	
82	051108143198	STOUGHTON REDEVELOPMENT AUTHORITY	433 E SOUTH ST	0.60	$0	$0	$0	$0	$0	Y
83	051108143287	STOUGHTON REDEVELOPMENT AUTHORITY	433 E SOUTH ST	1.99	$0	$0	$0	$0	$0	Y
90	051108143894	CAPITAL INVESTMENTS 415 E SOUTH ST LLC	415 E SOUTH ST	0.12	$19,200	$89,900	$109,100	$174,545	$817,273	
84	051108144008	VS OF MADISON LLP	409 E SOUTH ST	0.16	$33,100	$92,200	$125,300	$174,211	$485,263	
85	051108144115	MASON PARKS	401 E SOUTH ST	0.20	$34,800	$97,500	$132,300	$174,000	$487,500	
94	051108144222	WILLIAM S DUTER	325 E SOUTH ST	0.20	$34,800	$50,600	$85,400	$174,000	$253,000	
91	051108144339	JOHN ROBERT SCOTT & ANGELA MARIE UECKER	317 E SOUTH ST	0.20	$34,800	$137,100	$171,900	$174,000	$685,500	
92	051108144446	STOUGHTON, CITY OF	501 S FOURTH ST	0.40	$0	$0	$0	$0	$0	
93	051108144624	STOUGHTON, CITY OF	515 S FOURTH ST	1.80	$0	$0	$0	$0	$0	
96	051108161016	STOUGHTON TRAILERS INC	524 EIGHTH ST	2.02	$82,200	$469,800	$552,000	$40,614	$232,121	Y
97	051108161721	W RICHARD GORDON III	621 E SOUTH ST	0.10	$17,400	$93,600	$111,000	$174,000	$936,000	
95	051108161883	Current Owner	616 EIGHTH ST	0.39	$42,400	$103,700	$146,100	$151,429	$370,357	
98	051108162097	STOUGHTON, CITY OF	624 EIGHTH ST	0.01	$0	$0	$0	$0	$0	
99	051108162319	JUAN OLVEDA & LISA OLVEDA	508 DUNKIRK AVE	0.10	$15,700	$88,200	$103,900	$174,444	$980,000	
100	051108162435	TIMOTHY G FRANK	516 DUNKIRK AVE	0.29	$33,100	$126,200	$159,300	$174,211	$664,211	
101	051108162533	JIMMY B YOST & ROSE A YOST	532 DUNKIRK AVE	0.20	$34,800	$100,800	$135,600	$174,000	$504,000	
102	051108162640	RICHARD H BJORDAHL & NANCEE L BJORDAHL	540 DUNKIRK AVE	0.20	$34,800	$102,500	$137,300	$174,000	$512,500	
103	051108162757	JOHN R STOKSTAD & SHEILA B STOKSTAD	600 DUNKIRK AVE	0.52	$52,000	$145,200	$197,200	$108,333	$302,500	
109	051108162864	GORDON A JOHNSON & SHERRY L JOHNSON	616 DUNKIRK AVE	0.20	$0	$0	$0		Values w/ PIN 135	
104	051108163292	SIGMUND A OLSON & CAROLYN M OLSON	609 EIGHTH ST	0.20	$34,800	$124,200	$159,000	$174,000	$621,000	
110	051108163407	JOSEPH G BAWULSKI	601 EIGHTH ST	0.20	$34,800	$79,100	$113,900	$174,000	$395,500	
105	051108163514	SHEIL PROPERTIES LLC	525 EIGHTH ST	0.31	$58,000	$217,400	$275,400	$195,286	$731,987	
111	051108163621	LARRY B HAWKINS & BRENT A HAWKINS	517 EIGHTH ST	0.18	$29,600	$95,700	$125,300	$174,118	$562,941	
112	051108163747	TERRY RIGDON & SHEILA M RIGDON	500 DUNKIRK AVE	0.15	$13,100	$0	$13,100	$87,333	$0	
106	051108163845	TERRY J RIGDON & SHEILA M RIGDON	500 DUNKIRK AVE	0.15	$24,400	$150,800	$175,200	$174,286	$1,077,143	

PIN	PARCELNO	OWNERS	PROPERTYADDRESS	Acres	Land Value	Improvement Value	Total Value	Land Value per Acre	Improvement Value per Acre	Blight
107	051108165012	TIMOTHY D THOMAS & CAROL L THOMAS	509 S SEVENTH ST	0.24	$32,600	$122,300	$154,900	$148,182	$555,909	
113	051108165138	STOUGHTON TRAILERS INC	524 EIGHTH ST	1.18	$54,100	$1,200	$55,300	$45,742	$1,015	Y
108	051108165227	CITY OF STOUGHTON REDEVELOPMENT AUTHORITY	501 E SOUTH ST	2.23	$0	$0	$0	$0	$0	Y
114	051108165316	GREEN ANGEL LLC	517 S SEVENTH ST	0.12	$19,200	$78,700	$97,900	$174,545	$715,455	
115	051108165629	STOUGHTON REDEVELOPMENT AUTHORITY	433 E SOUTH ST	0.66	$0	$0	$0	$0	$0	Y
116	051108166646	STOUGHTON REDEVELOPMENT AUTHORITY	433 E SOUTH ST	0.26	$0	$0	$0	$0	$0	Y
117	051108167136	STOUGHTON REDEVELOPMENT AUTHORITY	433 E SOUTH ST	1.88	$0	$0	$0	$0	$0	Y
118	051108167672	STOUGHTON REDEVELOPMENT AUTHORITY	433 E SOUTH ST	0.89	$0	$0	$0	$0	$0	Y
129	051108195703	PEARL G KITTLESON	617 E SOUTH ST	0.17	$26,100	$125,300	$151,400	$174,000	$835,333	
130	051108195801	JENNIFER HARRIS	609 E SOUTH ST	0.12	$19,200	$124,100	$143,300	$174,545	$1,128,182	
132	051108197952	STOUGHTON PUBLIC SCHOOLS JT SCHOOL DIST NO 3	600 MANDT PKWY	3.08	$0	$0	$0	$0	$0	Y
135	051108199709	GORDON A JOHNSON & SHERRY L JOHNSON	616 DUNKIRK AVE	0.20	$34,800	$138,700	$173,500	$174,000	$693,500	
			Total	**25.3**	**$1,411,600**	**$5,518,700**	**$6,930,300**		**Acres Blighted**	**15.1**
									% of Area	**59.5%**

Source: 2017 Parcel Data, Dane County Land Information Office; GWB Professional Services

STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS

TID #8 is a blight-elimination district. A blight study was prepared in 2009. The property found to be blighted by the Stoughton City Council at that time has not been substantially improved and in many cases has experienced further deterioration.

Costs directly or indirectly related to achieving the objectives of blight elimination and redevelopment are considered project costs and eligible to be paid from tax increments of this district. Public investment in the riverfront redevelopment area will consist of the assembly of blighted property, demolition of structures, remediation of environmental contamination, financial assistance to developers, improving streets, sidewalks, electric, sewer, water; creating a Riverwalk trail and park, establishing a whitewater park and otherwise promoting the orderly development of blighted and underutilized property.

Listed below are major public improvement categories, which are necessary and standard improvements for eliminating blight and promoting redevelopment of blighted areas. Table #2 summarizes total costs by category. Appendix B contains financial attachments which show the estimated timing and financing for proposed public works and TID expenditures.

All costs listed are based on 2018 preliminary estimates. Contingency costs are included for most cost categories The City reserves the right to revise these cost estimates to reflect unforeseen circumstances between 2018 and the time of construction or implementation, such as a higher than anticipated inflation rate or financing costs that vary from projections due to market conditions at the time of a bond issuance. The City should pursue grant programs to help share project costs included in this project plan, as appropriate.

The City may fund specific project cost items shown below in greater or lesser amounts in response to opportunities that will help the City accomplish the purposes of TID #8. The City will generally use overall benefit to the City and economic feasibility (i.e. the availability of future revenue to support additional project costs) in determining the actual budget for project cost items over the course of the TID's expenditure period.

Table #2: City of Stoughton TID #8 Planned Project Costs

Proposed Improvements	Total Cost	Others' Share	TID Share
A. Capital Costs	$6,977,048	$1,998,356	$4,978,692
B. Property Assembly Costs	$2,500,000	$0	$2,500,000
C. Cash Grants	$7,500,000	$0	$7,500,000
D. Professional Services	$600,000	$0	$600,000
E. Discretionary Payments	$250,000	$0	$250,000
G. Administration Costs	$100,000	$0	$100,000
H. TIF Organizational Costs	$33,500	$0	$33,500
Inflation	$132,000	$0	$132,000
Subtotal	$18,092,548	$1,998,356	$16,094,191
K. Financing Costs *(less Capitalized Interest)*			$4,593,106
Capitalized Interest			$657,261
Total TID Expenditure			**$22,386,437**

A. Capital Costs

Including, but not limited to, the actual costs of construction and improvement of public works, new buildings, structures, and fixtures; the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures and fixtures other than the demolition of listed historic properties, environmental remediation, the clearing of land and the acquisition of equipment to service the district.

Site development activities required to make sites suitable for development including, but not limited to, environmental studies and remediation, stripping topsoil, grading, compacted granular fill, topsoil replacement, access drives, parking areas, landscaping, storm water detention areas, demolition of existing structures, relocating utility lines and other infrastructure, utilities, signs, fencing, and related activities. Site development activities to serve the property such as installation of sanitary sewer, water, storm sewer, natural gas, electric, telecommunications and other utility connections. Funding is included to assist with mitigation of odors from the Uniroyal plant on the eastern boundary of the TID. These odors can be obnoxious and will likely impact redevelopment of the site unless mitigated.

Also included as capital costs are that portion of costs related to the construction or alteration of sewerage treatment plants, water treatment plants or other environmental protection devices, storm or sanitary sewer lines, storm water management facilities, water lines, or amenities on streets or the rebuilding or expansion of streets the construction, alteration, rebuilding or expansion of which is necessitated by the project plan and is within the district. Capital costs may also be installed outside of the district, if required to implement the project plan, but only the portion which directly benefits the district is an eligible cost.

$5 million is budgeted for capital costs which are expected to be located throughout the district. Some capital costs such as the whitewater park and most of the internal roads and storm water facilities are expected to be paid by the developer or other non-TID source. Applications will be made for grant funds. It is unknown at this time which grants will be successful and specifically what expenditures they will cover.

A. Property Assembly Costs

This may include but is not limited to fee title, easements, appraisals, environmental evaluations, consultant and broker fees, closing costs, surveying and mapping, and the deficit caused by the lease and/or the sale of property at below market price to encourage or make feasible a redevelopment project. This could also include the cost to relocate existing businesses or residents to allow redevelopment.

$2.5 million is budgeted for property assembly costs for this TID.

B. Cash Grants

The City may provide cash grant incentives to developers and businesses to promote and stimulate new development and housing rehabilitation within TID #8. The City may enter into agreements with property owners, businesses, developers or non-profit organizations for sharing costs to encourage the desired types of improvements. In such cases, the City will execute development agreements with property owners, developers and/or businesses, which will identify the type and amount of assistance to be provided.

The City may provide funds either directly or through the Redevelopment Authority to make capital available to property owners, business and developers to stimulate or enable economic and housing development projects within TID #8. Funds may be provided in the form of a cash grant, forgivable loan, direct loan or loan guarantee. Such funds may be provided at terms appropriate to, and as demonstrated to be required by the proposed economic development and or housing project and shall be set forth in a development agreement.

$7.5 million is budgeted for cash grants. Examples of types of expenditures cash grants may be used toward include: enhanced storm water management, environmental cleanup/remediation, building demolition and site preparation, remediation of poor soils, infrastructure, structured parking, development of public space and enhanced design and landscaping.

C. Professional Services

Including, but not limited to, those costs incurred for architectural, planning, engineering, accounting, consulting, sales and legal advice related to implementing the project plan, negotiating with property owners and developers, and planning for the redevelopment of the area.

$600,000 is budgeted for professional services.

D. Discretionary Payments

Payments made, at the discretion of the local legislative body, which are found to be necessary or convenient to the creation of tax incremental districts or the implementation of project plans. This could include expenditures to fund RDA programs to eliminate blight, improve housing stock, remove social obstacles to development, provide labor force training, or neighborhood improvements to improve the quality of life or safety of the residents, workers, or visitors and other payments which are necessary or convenient to the implementation of this project plan.

$250,000 is budgeted for discretionary payments expected to be dedicated to RDA funding for redevelopment services to the TID. RDA funds may be used by the RDA for any of the discretionary items described above, or other items such as TID administration and professional services, as described elsewhere in this list of proposed public works.

E. Administration Costs

Administrative costs including, but not limited to, a reasonable portion of the salaries of the City Administrator, Building Inspector, Attorney, Finance Director, Auditor, Assessor, Public Works employees, City Engineer, RDA staff, consultants and others directly involved with planning and administering the projects and the overall District on behalf of the City or RDA.

Approximately $100,000 is budgeted for TID administration costs.

F. TIF Organizational Costs

Organization costs including, but not limited to, the fees of the financial consultant, attorney, engineers, planners, community development consultants, surveyors, map makers, environmental consultants, appraisers and other contracted services related to the planning and creation of the TID. This shall include

the preparation of feasibility studies, project plans, engineering to determine project costs and prepare plans, maps, legal services, environmental investigations, grant applications, regulatory approvals and other payments made which are necessary or convenient to the creation of this tax incremental district. Also included as an eligible administrative cost is the $1,000 Certification Fee charged by the Wisconsin Department of Revenue.

$33,500 is budgeted for this item.

G. Financing Costs

Including, but not limited to, all interest paid to holders of evidences of indebtedness issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations prior to maturity.

Approximately $5.6 million is budgeted for financing costs, including capitalized interest costs. The actual amount of financing costs will be determined by the timing of bond issuances and market conditions at the time of issuance.

The projects listed above will provide necessary facilities and support to enable and encourage the development of TID #8. These projects may be implemented in varying degrees in response to development needs. Project costs may be expended up to one-half mile outside the TID #8 boundaries provided that the expenditures benefit the TID. The cost estimates above may be adjusted for inflation at the time they are incurred. Map #5 in Appendix A shows the location of public works that are planned as part of this TID.

Former Carpet Warehouse building.

ECONOMIC FEASIBILITY STUDY

To evaluate the economic feasibility of the TID, it is necessary to project the amount of tax incremental revenue that can reasonably be generated from the district. The ability of the municipality to finance proposed projects must also be determined. TID #8 is economically feasible if the tax incremental revenue projected to be generated over the life of the TID is sufficient to pay all project and financing costs incurred during the TID's expenditure period. The components of such an analysis include:

A. The expected increase in property valuation due to inflation and the impact of general economic conditions on the TID.
B. The expected increase in property valuation due to new development encouraged by the TID.
C. Any change that may take place in the full value tax rate.
D. The expected TID revenues.
E. The expected TID cash flow (the *timing* of the revenue).

Following is a discussion of these components. Financing issues are discussed in the next section.

A. Inflation

Throughout the past ten years, the annual rate of inflation in the construction industry has averaged 1.3 percent (source: Engineering News-Record *Construction Cost Index History* - http://enr.construction.com/cost/costcci.asp). Appreciation of land values in the proposed TID area have been nominal due in part to the number of blighted parcels in the area. The property appreciation rate, for making projections of equalized value, will be 0.5 percent. Inflation for purposes of projecting future project costs is assumed to be 1.3 percent. Most of the infrastructure and site development work is expected to occur within five years. $132,000 has been budgeted for inflation in construction costs over the next five years.

B. Increase in Property Value

The proposed plan for TID #8 includes the redevelopment or rehabilitation of parcels within the TID (Table #1). The formation of TID #8 will enable the City to make improvements in public works and provide developer incentives that will stimulate redevelopment in the area. This new investment will create increased property valuation. The value of anticipated redevelopment is shown in Attachment #7 in Appendix B. Redevelopment values were estimated using redevelopment scenarios developed in a community design charrette in July 2017.

C. Full Value Tax Rate

The third variable to consider in projecting TID revenues is the full value tax rate (Table #3). The full value tax rate is adjusted annually based on property valuation and the amount of funds required by all taxing jurisdictions to support their adopted annual budgets. The following chart summarizes the historic full value tax rate in the City between 2007 and 2017.

Table #3: Full Value Effective Tax Rate

Year	Mill Rate/ $1,000	Percent Change
2007	0.01714	
2008	0.01718	0.23%
2009	0.01844	7.33%
2010	0.01976	7.16%
2011	0.02098	6.17%
2012	0.02294	9.34%
2013	0.02345	2.22%
2014	0.02247	-4.18%
2015	0.02242	-0.22%
2016	0.02213	-1.29%

Source: Wisconsin Department of Revenue, Town, Village and City Taxes.

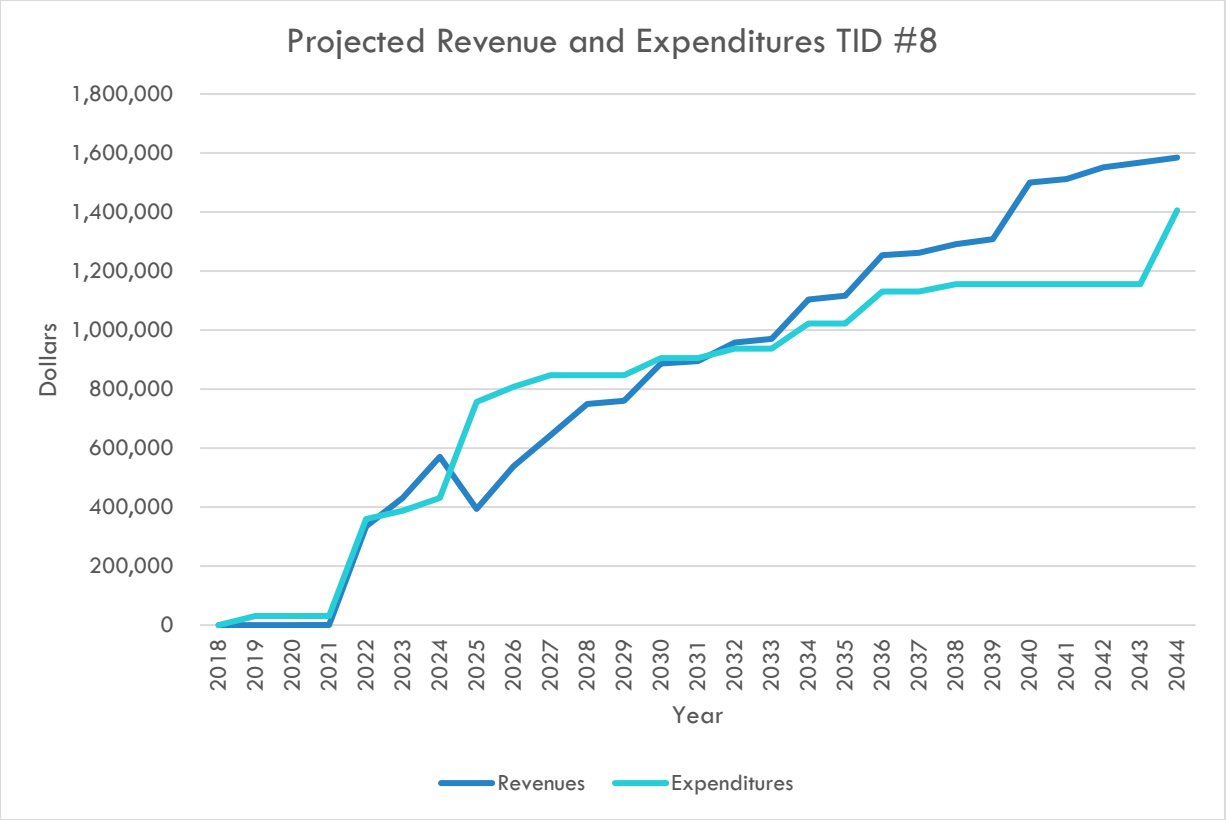
The full value rate has dropped between 2013 and 2016. For our purposes, the 2016 tax rate of $22.13 per $1,000 with a 0% change will be used in this project plan to project TID revenues. This mill rate considers property tax levies from the School District, City, County, and Technical College. The 0% change will provide a conservative estimate since an increase in the full value tax rate would result in an increase in tax increment for the District.

D. TIF Revenues

A projected construction increments of approximately $60 million (not including property appreciation) is expected over the life of TID #8. The projected TIF Revenue from TID #8 will be as shown in the Tax Increment Proforma in Attachment #4 of Appendix B. The tax increment will generate approximately $23 million in tax incremental revenue over the life of the district. The total tax increment revenue is sufficient to pay all TID related costs of approximately $22 million for the projects and amounts shown in the Planned Project Costs in Attachment #1 of Appendix B.

E. Cash Flow

Another consideration regarding the adequacy of TID revenues toward paying TID project costs is the relative timing of revenue and expenditures, or cash flow. There are sufficient TID revenues over the life of the TID to pay all costs. However, in some years there will be insufficient TID revenues to pay all costs. The City may structure its borrowing to match debt service payments in any given year to the revenue generated by the TID, or it may use cash reserves to loan general revenue funds to the TID or it may borrow additional funds to pay interest expense on borrowings (capitalized interest) to bridge temporary cash flow gaps caused by the two year lag in collecting tax revenue on new increment. The Tax Increment Cash Flow Worksheet shown on Attachment #5 summarizes the assumed cash flow.



DETAILED LIST OF PROJECT COSTS

	Type of Expenditure	Amount	% Paid By TID	% Paid By Other	Allocated to Project
A	***Capital Cost - Infrastructure***				
	Riverwalk 1,450 feet x 12' wide, paved	$320,000	100%	0%	$320,000
	Pedestrian Bridge	$382,000	100%	0%	$382,000
	Riverbank Restoration	$224,398	100%	0%	$224,398
	Whitewater Park[1]	$704,475	25%	-75%	$176,119
	ADA Fishing Pier/Facility	$30,000	100%	0%	$30,000
	Lift Station	$250,000	100%	0%	$250,000
	Bury Electric Power Lines, E. South St.	$400,000	100%	0%	$400,000
	Internal Roads (1,300')[2]	$520,000	0%	-100%	$0
	Storm Water Management Facilities[2]	$500,000	0%	-100%	$0
	E. South St. Improvements	$200,000	100%	0%	$200,000
	4th St. Improvements	$200,000	100%	0%	$200,000
	Contingency/Unknown Infrastructure	$746,175	100%	0%	$746,175
	Total Infrastructure	**$4,477,048**	**65%**	**35%**	**$2,928,692**
B.	***Capital Cost - Site Development***				
	Highway Trailer Demolition	*$900,000*	*100%*	*0%*	*$900,000*
	Stoughton Trailer Demolition	*$50,000*	*100%*	*0%*	*$50,000*
	Residential Demolition	*$20,000*	*100%*	*0%*	*$20,000*
	Public Works Garage Demolition	$200,000	100%	0%	$200,000
	Public Works Environmental Testing/Remediation	$100,000	100%	0%	$100,000
	Demolition of Carpet Warehouse	$60,000	100%	0%	$60,000
	Mitigation of Uniroyal Odors	500,000	10%	-90%	$50,000
	Contingency	$640,000	100%	0%	$640,000
	Total Site Development	**$2,500,000**	**82%**	**18%**	**$2,050,000**
C.	***Property Assembly Costs***				
	Highway Trailer Site	$150,000	100%	0%	$150,000
	Sale of Highway Trailer Site to Developer	-$1	100%	0%	($1)
	MillFab	$750,531	100%	0%	$750,531
	Sale of MillFab Site to Developer	-$1	100%	0%	($1)
	Carpet Warehouse/Roberts Auto	$150,000	100%	0%	$150,000
	Sale of Carpet Warehouse to Developer	-$1	100%	0%	($1)
	Public Works Garage	$0	100%	0%	$0
	Sale of PW Garage Site to Developer	-$1	100%	0%	($1)
	Stoughton Trailer Warehouse & Lot	*$950,000*	*100%*	*0%*	*$950,000*
	Sale of ST Warehouse & Lot to Developer	*-$1*	*100%*	*0%*	*($1)*
	8th St. Single-Family Property	*$170,000*	*100%*	*0%*	*$170,000*
	Sale of 8th St. Single-Family Property to Developer	*-$1*	*100%*	*0%*	*-$1*
	Contingency	*$329,475*	*100%*	*0%*	*$329,475*
	Total Property Assembly	**$2,500,000**	**100%**	**0%**	**$2,500,000**
D.	***Cash Grants***				
	Developer TIF Incentives (PAYGO)	$7,500,000	100%	0%	$7,500,000
		$0	100%	0%	$0
	Total Cash Grants	**$7,500,000**	**100%**	**0%**	**$7,500,000**
			% Paid By		**Allocated**

	Type of Expenditure	Amount	TID	Other	to Project
E.	***Professional Services***				
	Planning - Future Costs	$450,000	100%	0%	$450,000
	Attorney - Future Costs	$80,000	100%	0%	$80,000
	Auditor - Future Costs	$40,500	100%	0%	$40,500
	Contingency	$14,500	100%	0%	$14,500
	Total Professional Services	**$600,000**	**100%**	**0%**	**$600,000**
F.	***Discretionary Payments***				
	RDA Funds	$250,000	100%	0%	$250,000
		$0	100%	0%	$0
	Total Discretionary Payments	**$250,000**	**100%**	**0%**	**$250,000**
G	***Administration Costs***				
	City Staff	$100,000	100%	0%	$100,000
	Total Administration Costs	**$100,000**	**100%**	**0%**	**$100,000**
H	***Organizational Costs***				
	Department of Revenue Submittal Fee	$1,000	100%	0%	$1,000
	Professional Fees	$30,000	100%	0%	$30,000
	City Staff & Publishing	$2,500	100%	0%	$2,500
	Total Organization Costs	**$33,500**	**100%**	**0%**	**$33,500**
	Inflation	**$132,000**	**100%**	**0%**	**$132,000**
	Total Project Costs	***$18,092,548***	***89%***	***11%***	***$16,094,191***
I	***Financing Costs***				
	Interest, Fin. Fees, Less Cap. Interest				$4,953,106
	Plus Capitalized Interest				$657,261
	Total Financing Costs				***$5,610,368***
TOTAL TID EXPENDITURE					***$21,704,559***

[1]This is a Stoughton Parks Department project that shares the need to restore and enhance the Yahara riverbank. The TID costs are the estimated portion of the improvements attributed to the areas outside the TID. The Parks Department will be responsible for securing the remaining funds.
[2] The developer will be responsible for the cost of internal streets and storm water facilities.

FINANCIAL PROJECTIONS

Base Value	$6,930,300	
Tax Rate	0.02213	For County, City, Technical College, and School District
Property Appreciation Rate	0.50%	For Existing Construction
Annual Change in Tax Rate	0.00%	
Construction Inflation Rate	1.30%	For New Construction After 2018

Year	Previous Valuation	Inflation Increment	TIF Increment Construction	TIF Increment Land	Total Valuation	Cumulative Increment	TIF Tax Rate		TIF Revenue
2018	$6,930,300	$0	$0	$0	$6,930,300	$0	0.022130		$0
2019	$6,930,300	$34,652	$0	$0	$6,964,952	$34,652	0.022130		$0
2020	$6,964,952	$34,825	$4,050,000	$202,500	$7,202,276	$271,976	0.022130		$0
2021	$7,202,276	$36,011	$5,894,017	$294,701	$11,582,988	$4,652,688	0.022130		$767
2022	$11,582,988	$57,915	$6,397,114	$319,856	$17,854,776	$10,924,476	0.022130		$6,019
2023	$17,854,776	$89,274	$6,221,065	$311,053	$24,652,217	$17,721,917	0.022130		$102,964
2024	$24,652,217	$123,261	$4,619,477	$230,974	$31,227,517	$24,297,217	0.022130		$241,759
2025	$31,227,517	$156,138	$0	$0	$36,003,131	$29,072,831	0.022130		$392,186
2026	$36,003,131	$180,016	$0	$0	$40,802,624	$33,872,324	0.022130		$537,697
2027	$40,802,624	$204,013	$5,499,541	$274,977	$41,281,614	$34,351,314	0.022130		$643,382
2028	$41,281,614	$206,408	$0	$0	$46,987,563	$40,057,263	0.022130		$749,595
2029	$46,987,563	$234,938	$2,624,623	$131,231	$47,353,732	$40,423,432	0.022130		$760,195
2030	$47,353,732	$236,769	$0	$0	$50,215,123	$43,284,823	0.022130		$886,467
2031	$50,215,123	$251,076	$5,797,352	$289,868	$50,756,067	$43,825,767	0.022130		$894,571
2032	$50,756,067	$253,780	$0	$0	$56,807,199	$49,876,899	0.022130		$957,893
2033	$56,807,199	$284,036	$5,898,994	$294,950	$57,386,184	$50,455,884	0.022130		$969,864
2034	$57,386,184	$286,931	$0	$0	$63,572,109	$56,641,809	0.022130		$1,103,776
2035	$63,572,109	$317,861	$1,023,467	$51,173	$63,941,143	$57,010,843	0.022130		$1,116,589
2036	$63,941,143	$319,706	$0	$0	$65,284,316	$58,354,016	0.022130		$1,253,483
2037	$65,284,316	$326,422	$8,351,387	$417,569	$66,028,307	$59,098,007	0.022130		$1,261,650
2038	$66,028,307	$330,142	$0	$0	$74,709,835	$67,779,535	0.022130		$1,291,374
2039	$74,709,835	$373,549	$1,077,734	$53,887	$75,137,271	$68,206,971	0.022130		$1,307,839
2040	$75,137,271	$375,686	$0	$0	$76,590,691	$69,660,391	0.022130		$1,499,961
2041	$76,590,691	$382,953	$0	$0	$76,973,645	$70,043,345	0.022130		$1,509,420
2042	$76,973,645	$384,868	$0	$0	$77,358,513	$70,428,213	0.022130		$1,541,584
2043	$77,358,513	$386,793	$0	$0	$77,745,305	$70,815,005	0.022130		$1,550,059
2044	$77,745,305	$388,727	$0	$0	$78,134,032	$71,203,732	0.022130		$1,558,576
Total		**$6,256,747**	**$57,454,770**	**$2,872,738**					**$22,137,670**

Year	Beginning Balance	Revenues					Expenses			Annual Surplus (Deficit)	Balance
		Capital Interest & Debt Reserve	TIF Revenues	Interest Income	Other	Total Revenues	Debt Service	Developer Payments 15%	Cash Payments		
2018	0	0	0	0	0	0	0	0	$0	0	0
2019	0	0	0	0	0	0	0	0	$30,712	(30,712)	(30,712)
2020	(30,712)	0	0	0	0	0	0	0	$30,712	(30,712)	(61,423)
2021	(61,423)	0	767	0	0	767	0	0	$30,712	(29,945)	(91,368)
2022	(91,368)	328,631	6,019	0	0	334,650	328,631	0	$30,712	(24,693)	(116,060)
2023	(116,060)	328,631	102,964	0	0	431,595	328,631	28,354	$30,712	43,899	(72,162)
2024	(72,162)	328,631	241,759	0	0	570,389	328,631	71,681	$30,712	139,367	67,205
2025	67,205	0	392,186	1,344	0	393,530	604,531	121,181	$30,712	(362,893)	(295,688)
2026	(295,688)	0	537,697	0	0	537,697	604,531	171,993	$30,712	(269,537)	(565,225)
2027	(565,225)	0	643,382	0	0	643,382	604,531	211,943	$30,712	(203,803)	(769,028)
2028	(769,028)	0	749,595	0	0	749,595	604,531	211,943	$30,712	(97,590)	(866,619)
2029	(866,619)	0	760,195	0	0	760,195	604,531	211,943	$30,712	(86,990)	(953,609)
2030	(953,609)	0	886,467	0	0	886,467	604,531	269,696	$30,712	(18,471)	(972,080)
2031	(972,080)	0	894,571	0	0	894,571	604,531	269,696	$30,712	(10,367)	(982,447)
2032	(982,447)	0	957,893	0	0	957,893	604,531	301,852	$30,712	20,799	(961,647)
2033	(961,647)	0	969,864	0	0	969,864	604,531	301,852	$30,712	32,771	(928,877)
2034	(928,877)	0	1,103,776	0	0	1,103,776	604,531	387,084	$30,712	81,450	(847,427)
2035	(847,427)	0	1,116,589	0	0	1,116,589	604,531	387,084	$30,712	94,263	(753,165)
2036	(753,165)	0	1,253,483	0	0	1,253,483	604,531	495,492	$30,712	122,749	(630,416)
2037	(630,416)	0	1,261,650	0	0	1,261,650	604,531	495,492	$30,712	130,916	(499,500)
2038	(499,500)	0	1,291,374	0	0	1,291,374	604,531	520,571	$30,712	135,562	(363,938)
2039	(363,938)	0	1,307,839	0	0	1,307,839	604,531	520,571	$30,712	152,026	(211,912)
2040	(211,912)	0	1,499,961	0	0	1,499,961	604,531	520,571	$30,712	344,148	132,236
2041	132,236	0	1,509,420	2,645	0	1,512,065	604,531	520,571	$30,712	356,252	488,489
2042	488,489	0	1,541,584	9,770	0	1,551,354	604,531	520,571	$30,712	395,542	884,030
2043	884,030	0	1,550,059	17,681	0	1,567,740	604,531	520,571	$30,712	411,927	1,295,957
2044	1,295,957	0	1,558,576	25,919	0	1,584,495	604,531	520,571	$280,712	178,683	1,474,640
Total		**985,892**	**22,137,670**	**57,358**	**0**	**23,180,921**	**13,076,505**	**7,581,276**	**1,048,500**	**1,474,640**	

DESCRIPTION OF FINANCING METHODS AND TIMEFRAME

B. Financing Methods

An important aspect to consider in assessing the economic feasibility of TID #8 is the ability of the City to finance desired projects to encourage development. Financial resources available to the City include general obligation notes and bonds, revenue bonds, special assessments, and federal and state community development programs.

General obligations of the City are limited by state law to five percent of the equalized property value. As of December 31, 2017, the City's equalized property value was $1,065,541,100. Five percent of this value yields approximately $53.2 million debt capacity. The City of Stoughton has an outstanding debt of $29,257,922. The remaining debt capacity is about $24 million. There is approximately $17 million in anticipated project costs within the TID. Not all anticipated project costs will need to be borrowed. For example, TID administration costs can be paid out of City operating funds and reimbursed from the TID when funds are available. Cash grants to developers may be paid on a pay-as-you-go (PAYGO) basis. Other expenses can be paid out of TID cash flow as projects are constructed, assessed, and begin paying property taxes. Approximately $9 million of new debt will be required to implement the project plan for TID #8 – well within the City's debt capacity.

The City's borrowing capacity means it can finance project costs through direct debt or bond instruments, utilizing the general revenue capacity of the City to secure those instruments. There are other mechanisms available to pay for some project costs that would not count against the City's constitutional debt capacity. "Developer-Financed TIF" is one of these options, where the developer borrows funds that the City would have borrowed under a traditional TIF and is then reimbursed by the City as the taxes from the development are paid (PAYGO). Another option is to use the Redevelopment Authority's ability to issue bonds rather than the City.

The City may also utilize revenue bonds repaid from fees for services charged by the City. Common examples of such revenue are charges for sewer and water usage. There is no statutory limit on the amount of revenue bonds that can be issued; however, the City must demonstrate the ability to repay the debt from anticipated revenues. A factor that could limit revenues is that utility rates are regulated.

Some project costs can potentially be paid through special assessments levied on properties directly benefiting from the improvements. Costs of streets, curbs, gutters, and sewer and water extensions are commonly paid through special assessments. The City can issue special assessment bonds, pledging revenues from the special assessments on individual properties to repay the debt. Property owners are generally permitted to pay the special assessments in installments. These bonds are not counted against the City's constitutional debt limit.

A financing method for energy systems is the Property-Assessed Clean Energy (PACE) program. This program is authorized by state statute and implemented on a county-by-county basis. Dane County has chosen to implement the program. The program allows energy systems to be financed by a lender, who is then able to place the debt-service payments on the property tax bill. This mechanism allows lenders to offer longer-term financing, reducing annual debt service payments and improving cash flow. The City of Stoughton will consider partnering with developers and lenders to offer PACE financing for energy systems installed within TID #8.

C. Timetable

The maximum life of the TID is twenty-seven years; a three-year extension may be requested. The City of Stoughton has a maximum of twenty-two years, until 2037 to incur TIF expenses for the projects outlined in this plan. The City Council and RDA are not mandated to make the improvements defined in this plan; each project will require case-by-case review and approval. The decision to proceed with a project will be based on the economic conditions and budgetary constraints at the time a project is scheduled for consideration. Actual implementation of the projects may be accelerated or deferred, depending on conditions existing at the time.

Timing for each of the planned redevelopment projects is shown in the TID Pro Forma (Attachment #4 in Appendix B) and TID Cash Flow (Attachment #5 in Appendix B) worksheets.

D. Financing Methods and Costs to be Incurred

Financing for the projects shown above will be done as shown in the Financing Summary and the Debt Service plans for the borrowing shown in Attachments #2 and #3 in Appendix B. The actual number, timing, and amounts of debt issues will be determined by the City at its convenience and as dictated by the nature of the projects as they are implemented. All monetary obligations will be incurred within the twenty-two-year expenditure period, unless relocation requires extending beyond the given period.

E. 12% Test

Wis. Stats. §66.1105(4)(gm)4.c states that the equalized value of taxable property of the new TID plus the value increments of all existing districts cannot exceed 12 percent of the total equalized value of the taxable property within the municipality. The charts below use values contained in the Wisconsin Department of Revenue's 2017 TIF Value Limitation Report.

Table 4: TID Capacity

Equalized Value	%	Maximum TID Capacity*
$1,065,541,100	x 12%	$127,864,920

* New TIDs cannot be created or properties added to existing TIDs if this level is exceeded.

Table 5: Existing & Proposed TID Equalized Values

Active & Proposed TIDs	Increment
TID #3	$20,599,100
TID #4	$7,644,300
TID #5	($1,815,400)
TID #6	($10,000)
TID #7	$17,426,500
Subtotal	**$43,844,500**
Base Value TID #8	$6,930,300
Grand Total	**$50,774,800**
TID %	**4.8%**

The City follows the statutory equalized value test for TID creation.

PROPOSED CHANGES IN ZONING ORDINANCES, MASTER PLAN, BUILDING CODES, MAP AND CITY ORDINANCES

The City's zoning ordinance and other City ordinances are required to implement this project plan. This project plan is feasible with no zoning changes. However, it is expected that a master developer will request rezoning the riverfront redevelopment area from the current MR-24 (high density multi-family residential) to planned development zoning. Individual redevelopment proposals may require changes in zoning designation consistent with the intent of this Plan. Zoning is shown on Map #6 in Appendix A. There are multiple zoning districts used within the TID boundary. Redevelopment proposals will have to go through the appropriate procedure to receive the proper zoning for their project. No changes are proposed in the Comprehensive (Master) Plan, Official Map, or Building Codes as part of this Plan.

LIST OF NON-PROJECT COSTS

Certain types of projects that may need to be incurred may not be eligible project costs. Such costs include:

- The construction or expansion of municipal administrative buildings, police and fire buildings, libraries, community and recreational buildings and school buildings;
- General government operating expenses unrelated to the TID development;
- Cash grants to developers without a signed development agreement.

The public works garage for the City of Stoughton is in the TID and is scheduled to be replaced by a new facility at a different location. This site is part of the riverfront redevelopment area expected to be made available to a master developer. No TID expenditures may be made that would benefit the new public works garage.

Additionally, some projects may be built that benefit some property in the TID and some property outside of the TID. In such cases, an allocation of costs would need to be made proportionate to the relative benefit inside and outside the TID. Examples of such projects include:
An interceptor sewer serving property both in and out of the TID – although the interceptor may be located entirely within the TID, it serves the entire city or portion of the city, therefore the cost charged to the TID should be the proportionate share that the TID has of the flow through the interceptor.
Costs paid other funds – for example, special assessments levied against property owners or user fees or impact fees.

The City of Stoughton is planning a whitewater park in the Yahara River within TID #8. This park will benefit the entire City. Additionally, park impact fees may be used to pay some of the costs. TID #8 cannot pay the entire cost of the whitewater park. However, the bank of the Yahara River bordering the redevelopment area needs to be restored and improved which is a direct benefit to the TID. That is also a need of the whitewater park. The City estimates that approximately 25% of the cost of the whitewater park directly benefits TID #8.

No other non-project costs are expected to be incurred by the City in relation to the TID development.

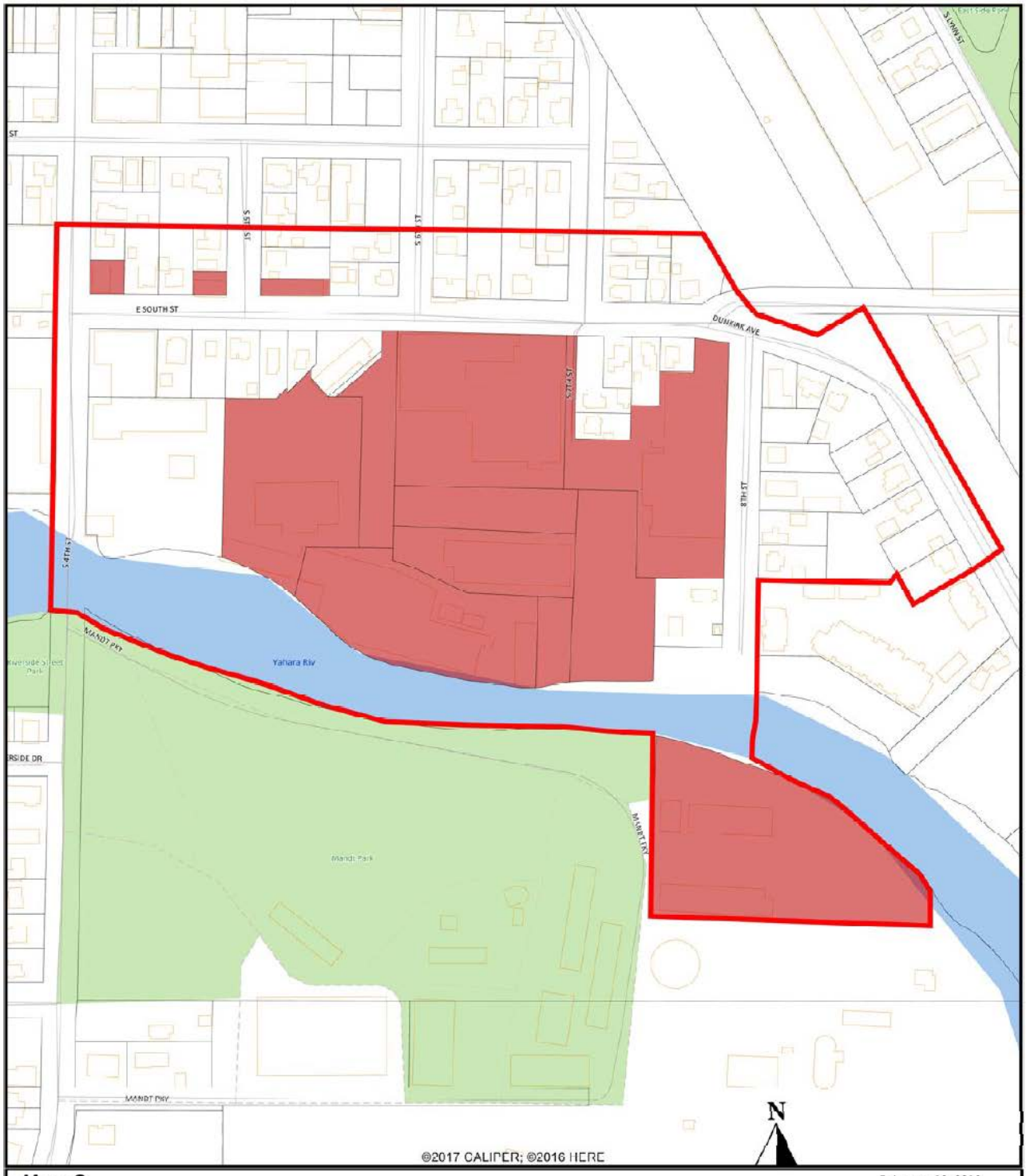
PROPOSED PLAN FOR RELOCATING ANY DISPLACED PERSONS OR BUSINESSES

Although relocation is currently not anticipated, it is possible that it will be necessary to implement projects proposed during the life of TID #8. If relocation were to become necessary, the City or Redevelopment Authority would follow Wisconsin state statues covering displacement or relocation as the result of public projects. Before negotiations begin for the acquisition of property or easements, all property owners will be contacted to determine if there will be displaced persons as defined by Wisconsin Statues and Administrative Rules. If it appears there will be displaced persons, all property owners and prospective displaced persons will be provided an informational pamphlet prepared by the Wisconsin Department of Administration (WDOA). If any person is to be displaced because of the acquisition they will be given a pamphlet on "Relocation Benefits" as prepared by the WDOA. The City will file a relocation plan with the WDOA and shall keep records as required in Wisconsin Statutes 32.27. The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project and a list of neighboring landowners to whom offers are being made as required by law.

HOW THE TID PROMOTES THE ORDERLY DEVELOPMENT OF THE MUNICIPALITY

This TID promotes the orderly development of the City of Stoughton because it will eliminate blight, improve contaminated property and place unproductive property – all located in the heart of the City - back on the City tax rolls. The development of TID #8 will result in approximately 250 new housing units located within three blocks of the downtown retail district. This boost in available discretionary income will increase sales to downtown businesses and help to stabilize downtown as a retail center in the City. The development density of TID #8 will be higher than typical new development in the City and little new infrastructure or service capacity will need to be built, thereby allowing existing infrastructure to serve even more residents, thus making the delivery of public services more efficient. The development of TID #8 will create a residential neighborhood and offer housing types not generally found in the rest of the City. The increase in diversity of housing stock will make Stoughton an option as a place of residence for new households as well as for existing households in the City looking for something different. This will help to stimulate improvements in the city's overall rental housing stock.

MAPS OF EXISTING USES AND CONDITIONS OF PROPERTY



Map 2
TID #8 Condition of Property
City of Stoughton, WI

February 10, 2018
Revised March 16, 2018

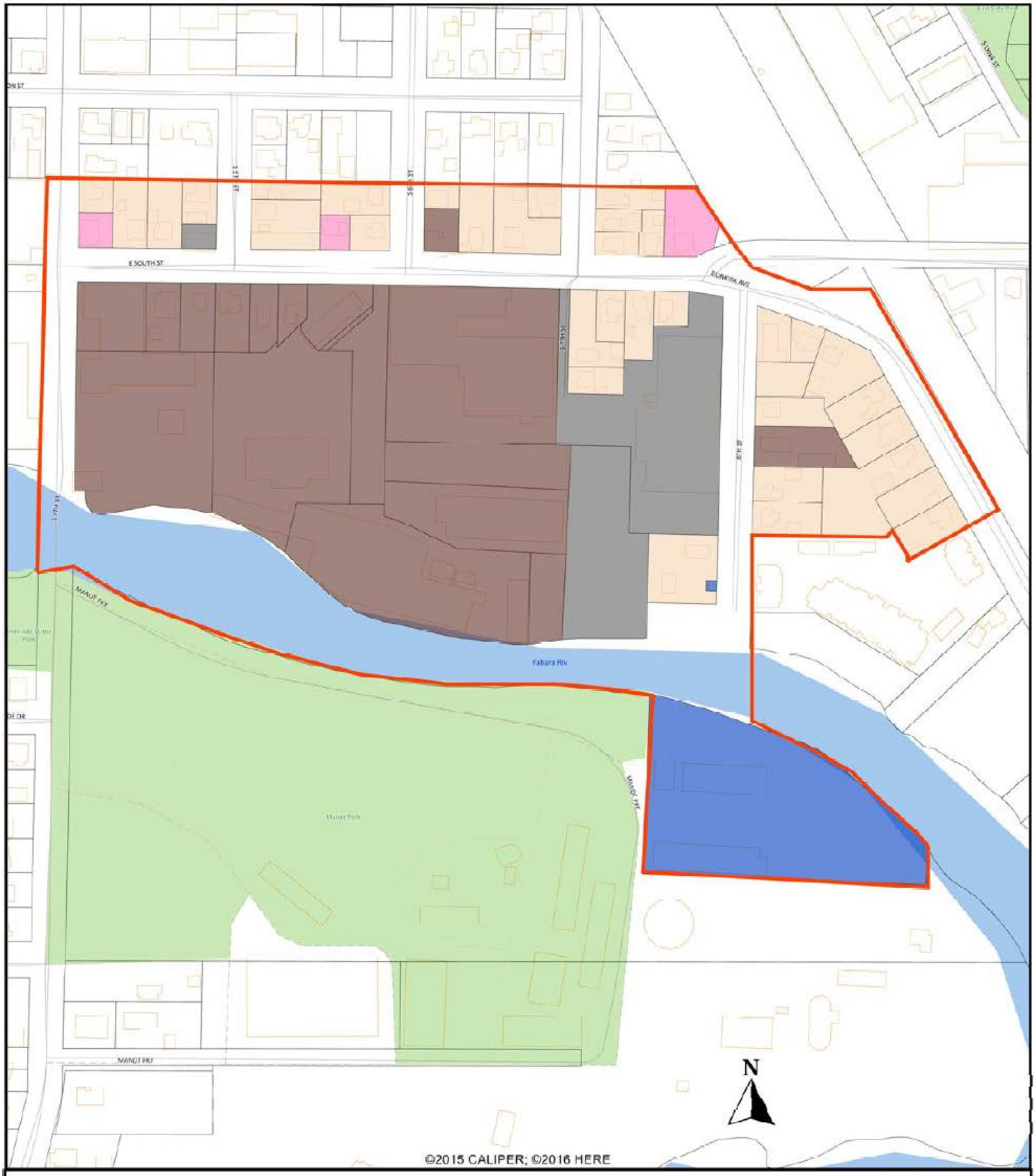
TID #8 Boundary

LEGEND
Condition of Property
TID 8 Blighted Parcels

100 0 100 200 300 400
Feet

Source: Dane County Land Information Office

Prepared by GWB Professional Services



Map 3
TID #8 Current Zoning
City of Stoughton, WI

TID #8 Boundary

LEGEND
Current Zoning

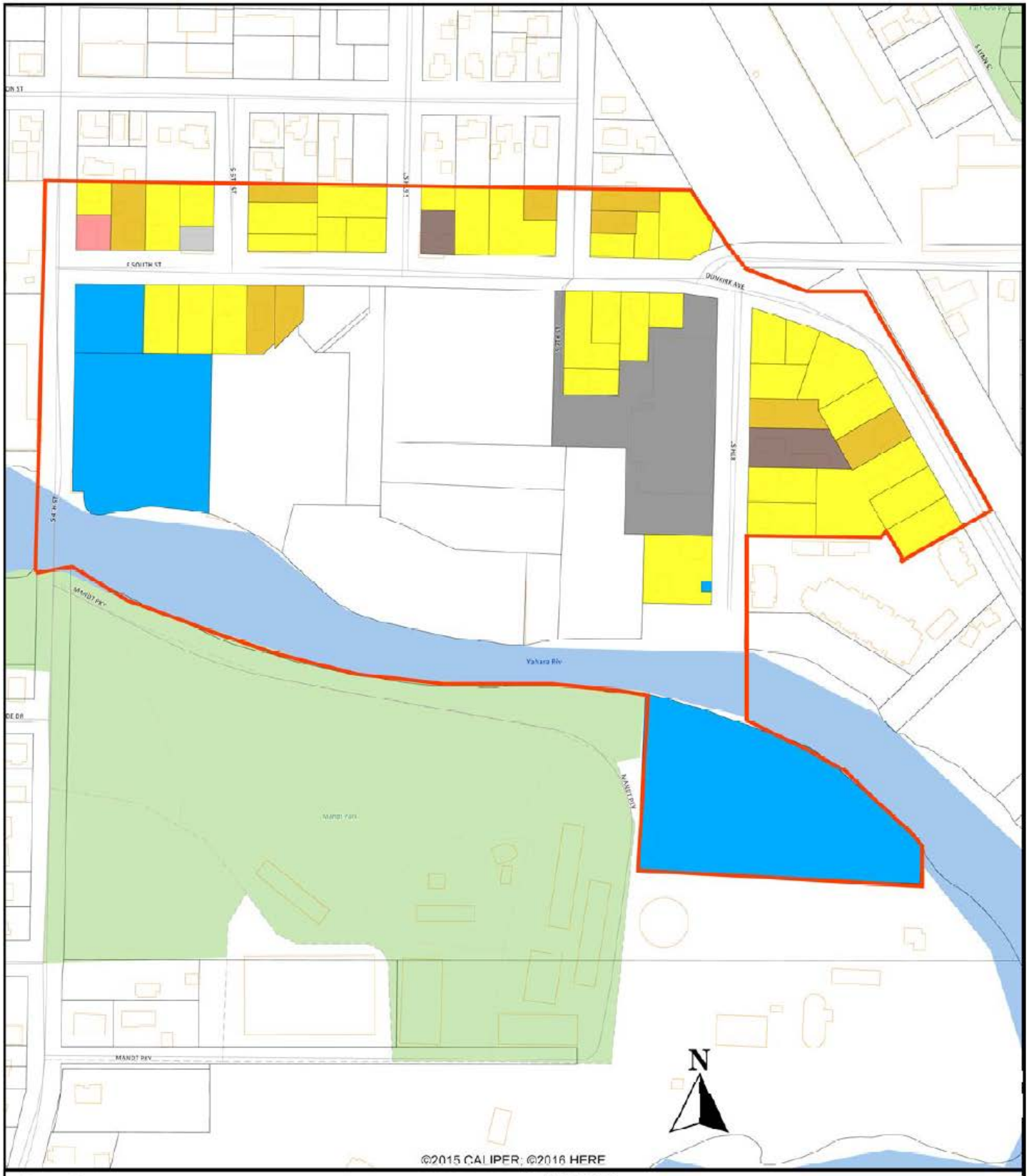
- MR-24 Zoning
- SR-6 Zoning
- Institutional Zoning:1
- Heavy Industrial Zoning:1
- Neighborhood Business Zoning

100 0 100 200 300 400
Feet

February 27, 2018
Revised March 16, 2018

Source: Dane County Land Information Office, City of Stoughton Zoning Map

Prepared by GWB Professional Services



Map 4

TID #8 Current Land Use

City of Stoughton, WI

TID #8 Boundary

LEGEND

Current Land Use

- Single-Family Residential Lan
- Multi-Family Residential:1
- Neighborhood Business Land Us
- Heavy Industrial Land Use
- Two-Family Residential:1
- Institutional Land Use:1
- General Industrial Land Use:1
- Vacant Land Uses:1

100 0 100 200 300 400

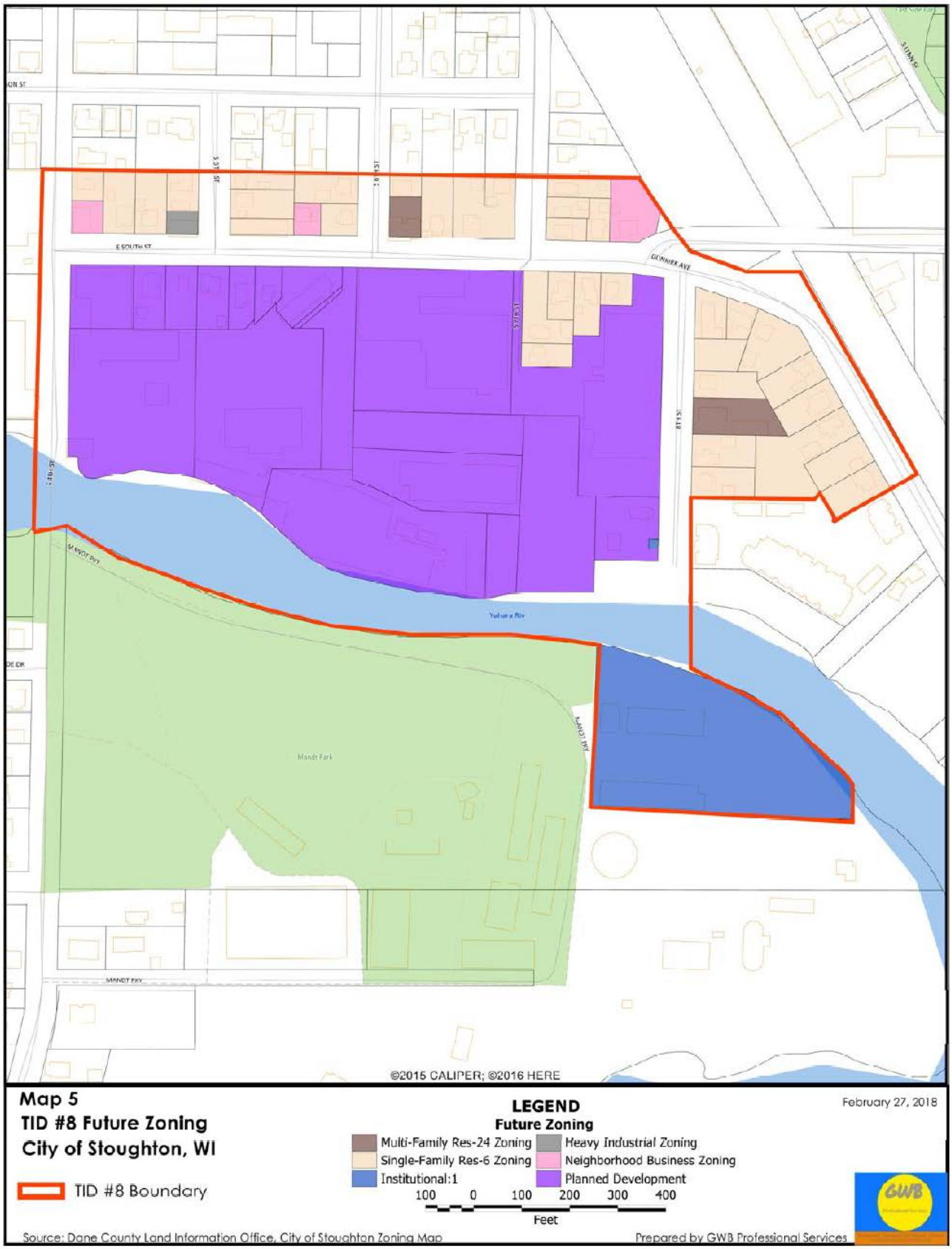
Feet

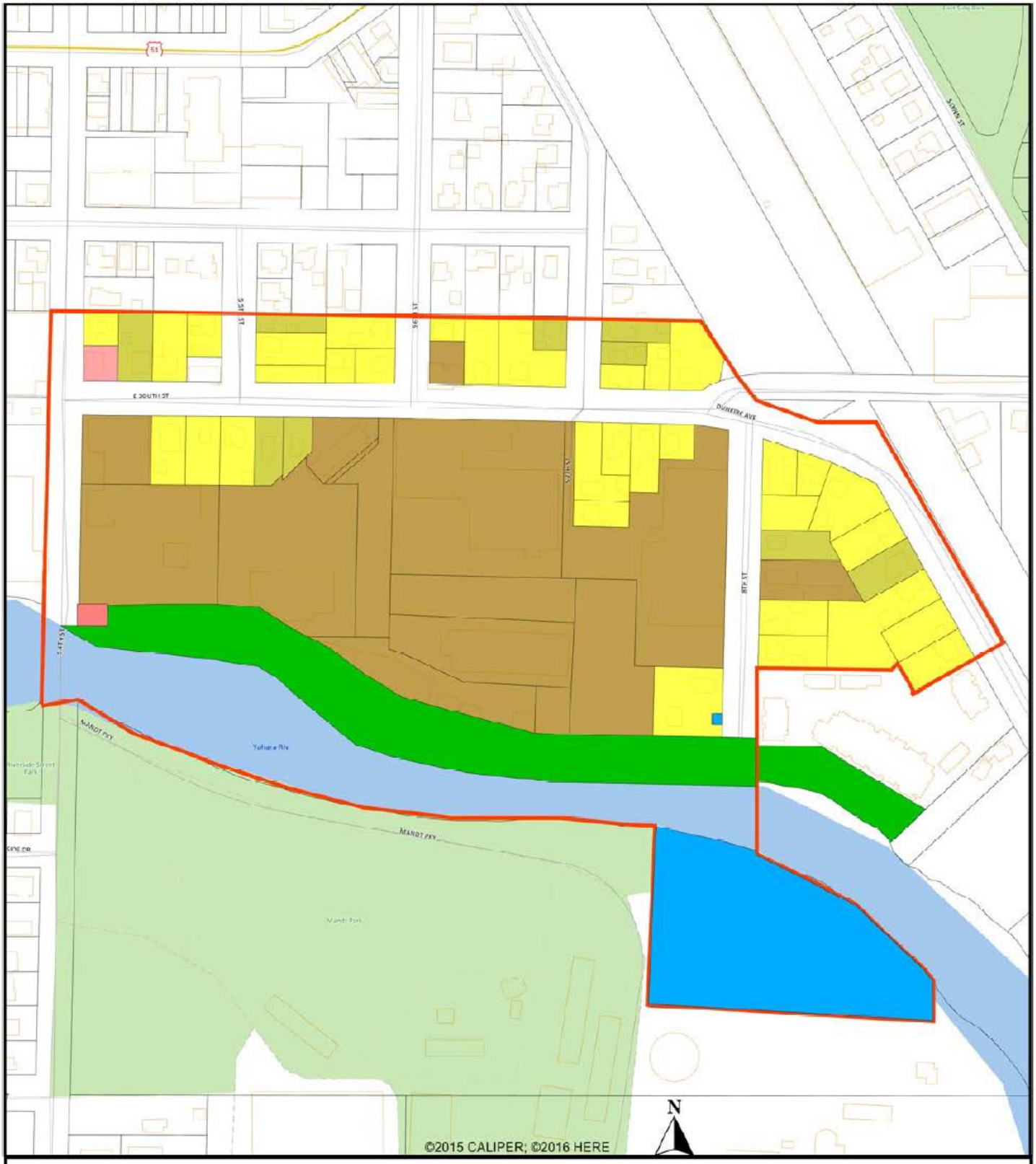
February 27, 2018

Source: Dane County Land Information Office, City of Stoughton Land Use Map

Prepared by GWB Professional Services

MAPS SHOWING PROPOSED USES AND IMPROVEMENTS IN THE DISTRICT





Map 6

TID #8 Future Land Use
City of Stoughton, WI

March 12, 2018

TID #8 Boundary

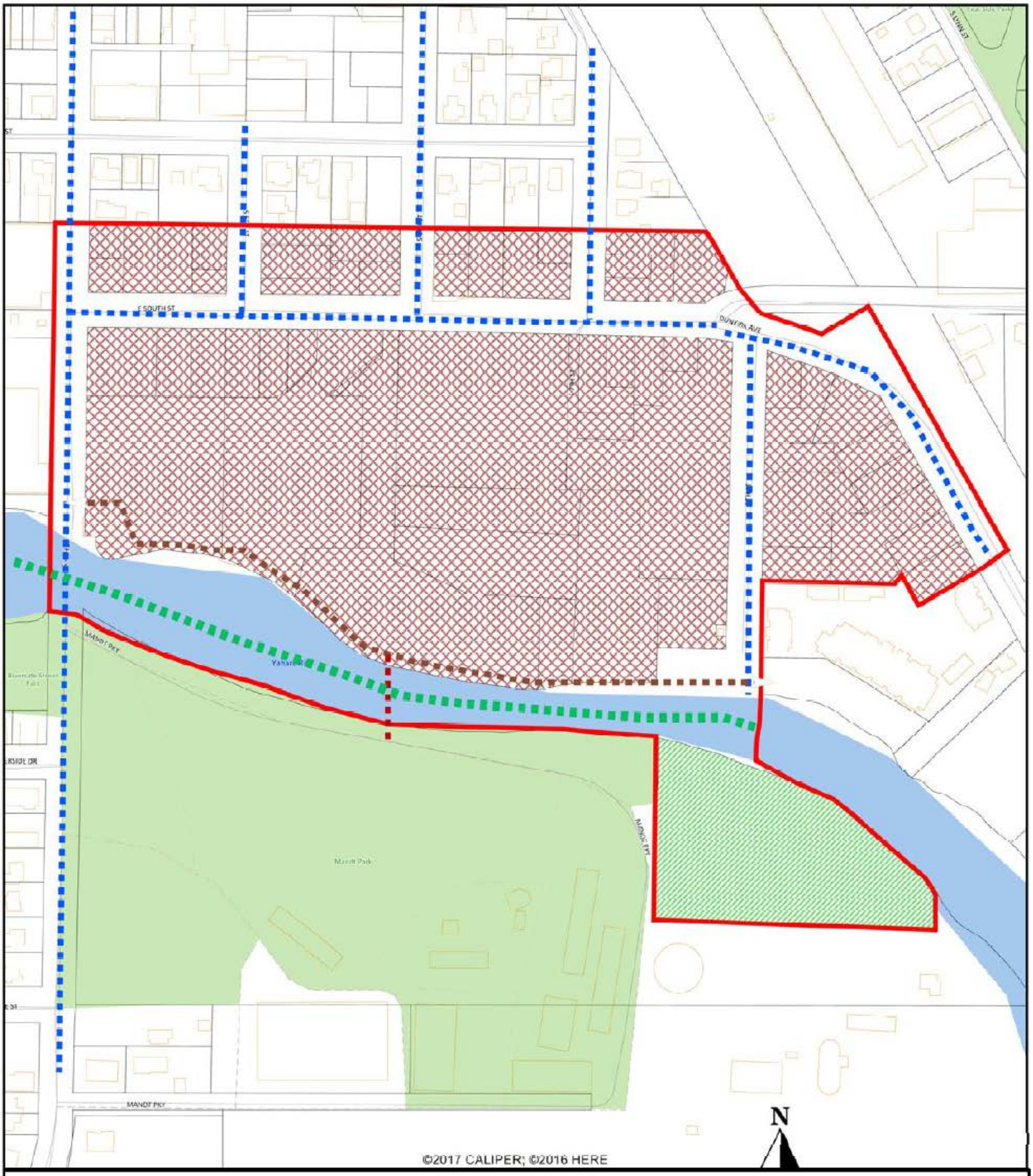
LEGEND
Future Land Use

- Single-Family Residential
- Two-Family Residential
- Multi-Family Residential
- Neighborhood Business
- Recreational
- Institutional

150 0 150 300 450 600
Feet

Source: Dane County Land Information Office, City of Stoughton Comprehensive Plan

Prepared by GWB Professional Services



Map 7
TID #8 Proposed Improvements
City of Stoughton, WI

TID #8 Boundary

LEGEND
Proposed Improvements
Redevelopment Assistance
Landscaping Improvements

100 0 100 200 300 400
Feet

General Street & Utilities Improvements
Riverwalk Trail Corridor Improvements
Whitewater Park Improvements

March 12, 2018

Source: Dane County Land Information Office

Prepared by GWB Professional Services

ATTORNEY'S OPINION LETTER

APPENDIX

Blight Study 2009

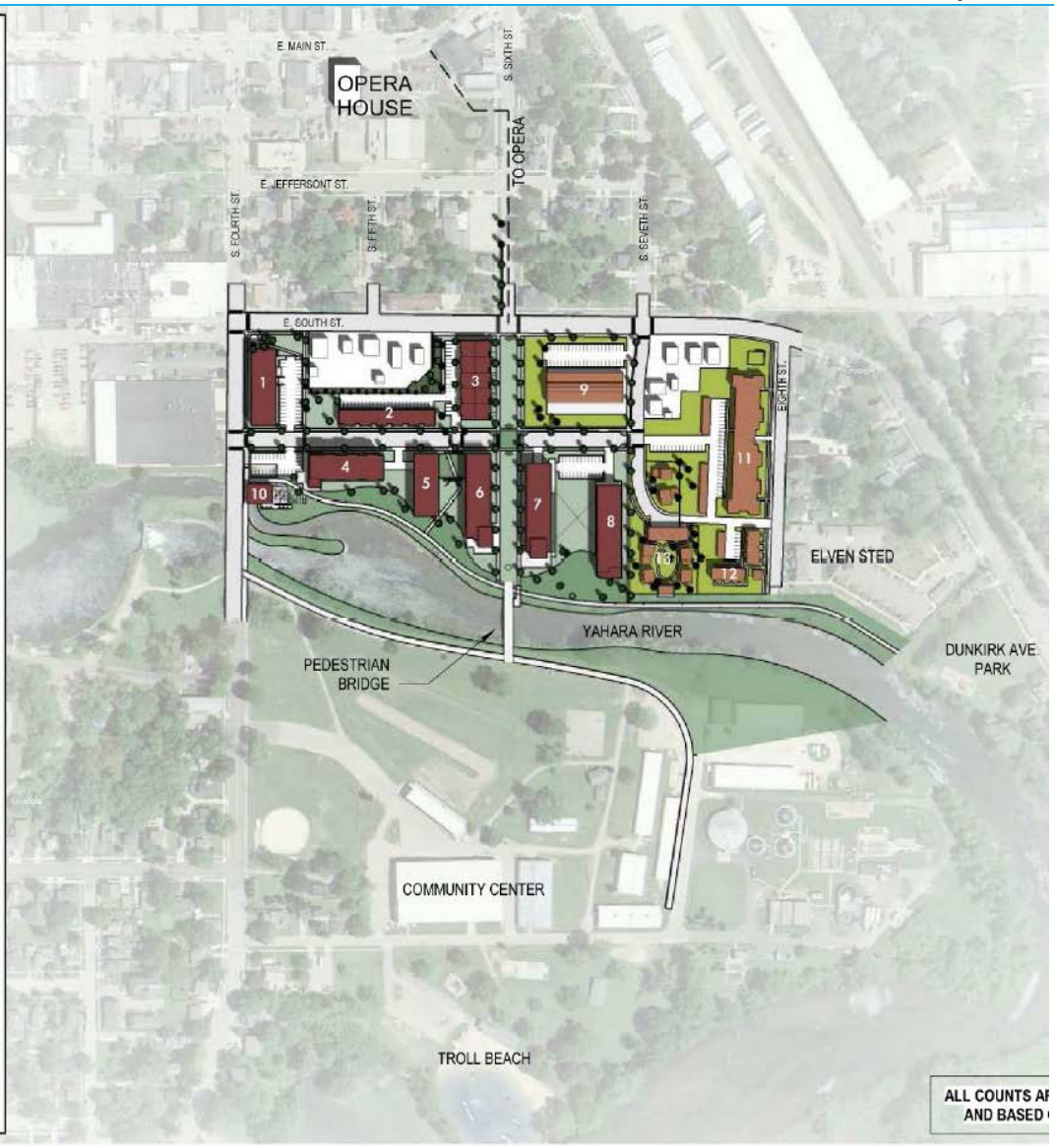
Development Projections

Community design charrette development scenario "B" prepared by Engberg Anderson:

BUILDING KEY NOTES:

1. 3 STORY BUILDING: MILLENNIAL UNITS
   - 32 UNITS
   - 32 PARKING STALLS AT LOWER LEVEL
   - 30 PARKING STALLS AT GRADE
2. 2 STORY STACKED FLAT BUILDING
   - 12 TO 14 TOTAL UNITS
   - 25 PARKING STALLS AT GRADE
3. 2 STORY STACKED FLAT BUILDING
   - 15 TOTAL UNITS
   - 36 PARKING STALLS AT GRADE
4. 3.5 STORY BUILDING:
   - POTENTIAL RETAIL AT GROUND FLOOR (APPROX. 9,000 SF)
   - 19 UNITS
   - 32 PARKING STALLS AT LOWER LEVEL
5. 3.5 STORY BUILDING
   - 21 UNITS
   - 72 PARKING STALLS AT LOWER LEVEL SHARED WITH BUILDING 6
6. 3.5 STORY BUILDING
   - 32 UNITS,
   - 72 PARKING STALLS AT LOWER LEVEL SHARED WITH BUILDING 5
7. 3.5 STORY BUILDING:
   - 32 UNITS
   - 42 PARKING STALLS AT LOWER LEVEL
   - 24 STALLS AT GRADE SHARED WITH BLDG 7
8. 3.5 STORY BUILDING
   - 33 UNITS
   - 35 PARKING STALLS AT LOWER LEVEL
   - 24 STALLS AT GRADE SHARED WITH BLDG 7
9. BLACKSMITH BUILDING
   - DEVELOPMENT BY OTHERS
10. POTENTIAL COFFEE SHOP
    - 25 PARKING SPOTS SHARED WITH POTENTIAL RETAIL IN BUILDING 4
11. 42 UNIT 2 STORY BUILDING
12. 2 TOWNHOME BUILDINGS - 8 TOTAL UNITS
13. LIMITED SIZE DETACHED UNITS
    - 6-10 UNITS
    - 16 TOTAL GARAGE / STREET PARKING STALLS

APPROXIMATELY 60 STREET STALLS



Engberg Anderson's Concept Plan B - By The Numbers

		Dimensions										
Building #	# Units	Width ft.	Length ft.	Footprint S.F.	Floors	Gross Square Feet Bldg	Net Square Feet Bldg	S.F. per Unit	Surface Parking Stalls	Under-Building Parking Stalls	Net Square Feet Surface Parking	Estimate of Assessed Value
1	32	60	180	10,800	3	32,400	24,300	759	30	32	11,400	$ 4,860,000
2	13	230	33	7,590	2	15,180	11,385	876	25	0	9,500	$ 2,277,000
3	15	75	190	14,250	2	28,500	21,375	1,425	36	0	13,680	$ 4,275,000
4 Res	19	150	66	9,900	3	29,700	22,275	1,172	32	0	12,160	$ 4,455,000
4 Retail	1	85	35	2,975	1	2,975	2,231	2,231	shared w/ PP	0	-	$ 446,250
5	21	60	150	9,000	3	27,000	20,250	964	0	28	-	$ 4,050,000
6	32	60	210	12,600	3	37,800	28,350	886	0	44	-	$ 5,670,000
7	32	60	225	13,500	3	40,500	30,375	949	12	42	4,560	$ 6,075,000
8	33	60	216	12,960	3	38,880	29,160	884	12	35	4,560	$ 5,832,000
9	24	192	85	16,320	2	32,640	24,480	1,020	42	0	15,960	$ 4,896,000
10	PP			-		-	-	-			-	$ -
11	42	66	330	21,780	2	43,560	32,670	778	55	0	20,900	$ 6,534,000
12	8	33	166	5,478	1	5,478	4,109	514	11	0	4,180	$ 821,700
13	8	33	166	5,478	1	5,478	4,109	514	11	0	4,180	$ 821,700
Total	**280**			**142,631**		**340,091**	**255,068**		**266**	**181**	**101,080**	**$ 51,013,650**

Parking Lot Sizing (per stall)	380 s.f.
Apartment Efficiency	75%
Assessed Value per S.F.	$ 150
Assessed Value per Unit	$190,000

Summary of Land Uses

Buildings	142,631						
Surface Parking	101,080						
Street ROW	85,800	66' wide, 1,300'					
Riverfront Path	66,000	60' x 1,100'					
Promenade	41,580	66' x 630'					
Area in Use	437,091	10.03 acres	63.9% of Total Area	Total Area	683,892	15.70	acres

Cost Estimates

Letters to overlying taxing jurisdictions

Notification of initiation of TID plan amendment process

Joint Review Board Meetings

JRB MEETING #1 MEETING NOTICE PROOF OF PUBLICATION

JRB MEETING #1 MEETING MINUTES

JRB MEETING #2 MEETING NOTICE PROOF OF PUBLICATION

JRB MEETING #2 MEETING MINUTES

Public Hearing

RDA Public Hearing Notice

Joint Review Board Public Hearing Notice

The following public hearing notice was sent to the chief executive officer of each of the overlying taxing jurisdictions by first class mail.

Property Owners Public Hearing Notice

The following public hearing notice letter was sent to all property owners within TID #4.

RDA Minutes of Public Hearing

Resolutions

RDA Resolution Approving Amendment

City Council Resolution Approving Amendment

JRB Resolution Approving Amendment