

**Redevelopment Area #2
Tax Increment District #4
Amendment #2
City of Stoughton, WI**

Prepared For:

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Redevelopment Authority
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- Tax Increment District #4 Created: October 2002 •
- Amendment #1: September 26, 2006 • Amendment #2 Adopted:  •

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1 Introduction

This is an amendment to the City of Stoughton's Tax Increment District (TID) #4 Project Plan and boundaries. This TID amendment shall also serve as a Comprehensive Plan of Redevelopment under §66.1333(6).

TID #4 was created by resolution of the Stoughton City Council in March of 1999. The TID must be closed in 2026, with 2021 being the final year for expenditures. The City of Stoughton's Redevelopment Authority (RDA) has considered and recommended that the City of Stoughton amend the TID #4 boundary to include area contiguous to the existing TID #4 district and to include additional eligible project costs not specified in the original TID #4 Project Plan. Tax increments generated by the amended TID #4 shall be used to pay for respective project costs until all remaining project costs are repaid.

As authorized in Wisconsin Statutes 66.1105, Tax Increment District #4 was created to eliminate blight in Downtown Stoughton by upgrading public infrastructure and provide grants to businesses and property owners to improve their buildings, among other things. This amendment will continue implementing the objectives contained in the original TID #4 project plan by expanding the TID boundary to include four properties along Main Street, three of which are part of gas station operations that have a history of environmental contamination. One of the gas stations is currently vacant and delinquent on its property tax bill. The City intends to promote orderly development by encouraging higher-intensity development on a site that is currently underutilized, increase the availability of employment and services to City residents, broaden the tax base of the City and, in general, promote the public health, safety and welfare.

The amended project plan for Tax Incremental District #4 in the City of Stoughton has been prepared in compliance with Wisconsin Statutes Chapter 66.105(4)(h). The TID #4 Project Plan Amendment shall be attached to the City of Stoughton TID #4 Project Plan, and become part of the original project plan adopted by resolution of the Stoughton City Council.

The City Council and Plan Commission are not mandated to make public expenditures described in this Amendment; however, they are limited to implementing only those projects identified in the original Plan and its amendments.

As required by Wisconsin Statutes Chapter 66.1105(5)(b), a copy of the Amendment will be submitted to the Wisconsin Department of Revenue and used as the basis for the certification of the Amendment of Tax Incremental District #4.

Approval Process

The Amendment to TID #4 was introduced at the Stoughton Redevelopment Authority meeting on November 11, 2009, when a public hearing was scheduled for December 10, 2009. Public Hearing notices were published on November 28, 2009 and December 3, 2009. The initial meeting of the Joint Review Board was held on December 7, 2009, where [REDACTED] was confirmed as the at-large board member and [REDACTED] was confirmed as board chair. The Public Hearing for the TID #4 Project Plan Amendment was held on December 10, 2009. After the public hearing, the Redevelopment Authority approved the TID #4 Project Plan Amendment and recommended it to the City Council for adoption. This Project Plan Amendment was adopted by resolution of the City Council on [REDACTED]. The TID #4 Project Plan, as amended, is to be used as the official Plan for the district.

The TID #4 Project Plan and Boundary Amendment has been reviewed and approved by a Joint Review Board as required by Wisconsin Statutes. The final meeting of the JRB was held on _____. The JRB approved the City's Amendment of TID #4.

2 Plan of Redevelopment

The City of Stoughton formed a Redevelopment Authority in 2007, seven years after the creation of TID #4, to assist in blight elimination and redevelopment projects. Since 2007 the RDA created Redevelopment Area #1 just south of Downtown and prepared a neighborhood plan for the revitalization of that area.

This TID #4 Amendment constitutes a Redevelopment Plan for Redevelopment Area #2. The RDA designated the boundary for Redevelopment Area #2 on October 14, 2009 to facilitate the ability to carry out a program of redevelopment within the amendment area. The RDA may also plan and implement a program of redevelopment within TID #4 and an area within on-half mile of the boundary of TID #4 as allowed by Wisconsin statutes.

The City of Stoughton Redevelopment Authority intends to use the powers granted to it under §66.1333 to promote the redevelopment of parcels within the Redevelopment Area #2 boundary. Funds generated by TID #4, as amended, will assist in redevelopment of the site. Currently, the RDA anticipates using funds to perform phase I and phase II environmental assessments on parcel #2 (see Appendix A for maps), potentially acquire property, and take the necessary steps to prepare the site for redevelopment. Site preparation would likely include demolition of existing structures and environmental remediation. Should further redevelopment assistance prove necessary, the RDA may provide funds for that as well.

Maps illustrating existing and proposed conditions within the TID #4 amendment and Redevelopment Area #2 boundary are included in Appendix A. Though there were no detailed redevelopment proposals created prior to this TID amendment, the RDA envisions the site being redeveloped as a commercial use.

3 Project Costs

This TID amendment will encourage development to supply greater employment opportunities, broaden the City's tax base, remediate environmentally contaminated land, and encourage the efficient and economical use of land and public improvements. The amendment of TID #4 will continue to promote the goals as outlined in the original TID #4 Project Plan by providing further opportunities for development, which will create more jobs and tax base and eliminate blighting conditions. Map #3 in Appendix A shows existing land use, Map #4 shows proposed land use, and Maps #6 and #7 show existing and proposed zoning, respectively.

The original TID #4 Project Plan included costs directly or indirectly related to the development of infrastructure, rehabilitation and redevelopment of properties, promotion of the Downtown, and other activities directly serving to benefit Downtown Stoughton. This amendment adds project costs that were not included in the original Project Plan. Any cost that is directly or indirectly related to achieving the objectives stated in the TID #4 Project Plan and its amendments is considered a "project cost" and eligible to be paid from tax increments of this amended tax increment district, including but not limited to the list below. The costs of planning, engineering, design, surveying, legal and other consultant fees, testing, environmental studies, permits necessary for the public work, easements, judgments or claims for damages, and other expenses for all projects are included as project costs.

The City of Stoughton is amending TID #4 to assist in environmental cleanup and redevelopment of an abandoned gas station. This amendment provides funding to accomplish those goals, plus funds for TID administration, and TID amendment costs (see Table #1 on page 4 for estimated project costs by category).

Additionally, changes to TIF statutes now allow a municipality to incur project costs within one-half mile of the boundary of a district. This amendment authorizes the City of Stoughton to incur eligible project costs within a half-mile of the boundary of TID #4.

General Project Cost Categories

A. Capital Costs

Including, but not limited to, the actual costs of the construction of public works or improvements, 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), and the acquisition of equipment to service the district.

B. Infrastructure

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, stormwater 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 for a district and is within the district. Infrastructure can also be installed outside of the district, if required to carry out project plans, but only the portion which directly benefits the district is an eligible cost.

C. Site Development Costs

- i. 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.
- ii. Site development activities to serve the property such as installation of sanitary sewer, water, storm sewer, natural gas, electric, telecommunications and other utility connections.

D. Land Acquisition & Assembly

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

E. Development Incentives

The City may use TID #4 funds to provide incentives to developers and businesses to promote and stimulate new development. The City may enter into agreements with property owners, businesses, developers or non-profit organizations for the purpose of sharing costs to encourage the desired kinds of improvements. In such cases, the City will execute development agreements with the 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 an organization authorized by Wisconsin Statutes (such as a Redevelopment Authority, Public Housing Authority, development organizations or other appropriate organizations) for the purpose of making capital available to business and or developers to stimulate or enable economic and housing development projects within TID #4. 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.

F. Professional Services

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

G. 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 remove social obstacles to development, provide labor force training, day care services, 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.

H. 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, consultants and others directly involved with planning and

administering the projects and overall District. Payments to the RDA for services related to the planning and implementation of a program of redevelopment within the TID #4 and including an area within a half-mile of the boundary of TID #4.

I. 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 Wis. Department of Revenue Certification fee.

J. 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.

The projects listed above will provide necessary facilities and support to enable and encourage the development of TID #4. These projects may be implemented in varying degrees in response to development needs.

Detailed Project Costs

Table #1 describes the detailed project costs for project categories anticipated to be implemented during the expenditure period of TID #4. This format follows Department of Revenue guidance on detailed project costs, which states "this list should show estimated expenditures expected for each major category of public improvements."

All costs listed are based on 2009 prices and are preliminary estimates. The City reserves the right to revise these cost estimates to reflect change in project scope, inflation and other unforeseen circumstances between 2009 and the time of construction or implementation. The City should pursue grant programs to help share project costs included in this project plan, as appropriate. Planned project costs are listed in the table below. Planned project costs are also included as part of the Financial Attachments.

The City may fund specific project cost items shown below in significantly greater or lesser amounts in response to opportunities that will help the City accomplish the purposes of TID #4. 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. The costs shown in Table #1 are for this amendment only. The original TID #4 Project Plan identified approximately \$1.7 million of TID expenditures, including financing costs. Due to higher than anticipated costs on items included in the original project plan (primarily Main Street reconstruction), approximately \$2.6 million of project costs have been incurred (including financing).

Table #1: City of Stoughton TID #4 Amendment Planned Project Costs

Proposed Improvements	Original TID #4 Project Plan Budget*^	TID #4, Amendment #2	Total
A. Capital Costs	\$0	\$0	\$0
B. Infrastructure	\$775,000	\$100,000	\$875,000
C. Site Development Costs	\$0	\$125,000	\$125,000
D. Land Acquisition & Assembly	\$0	\$0	\$0
E. Development Incentives	\$50,000	\$100,000	\$150,000
F. Professional Services	\$30,000	\$10,000	\$40,000
G. Discretionary Payments	\$70,000	\$0	\$70,000
H. Administration Costs	\$25,000	\$291,800	\$316,800
I. TIF Organizational Costs	\$20,000	\$7,000	\$27,000
Inflation	\$56,593	\$12,551	\$69,144
Subtotal	\$1,026,593	\$646,351	\$1,672,944
J. Financing Costs (<i>less Cap. Interest</i>)	\$585,138	\$147,734	\$732,872
Capitalized Interest	\$105,236	\$11,647	\$116,883
Total TID Expenditure^			\$2,522,699

*Original TID #4 plan did not have the exact same improvement categories; dollar amounts have been assigned to the most appropriate category.

^ Due to higher than anticipated costs on items included in the original project plan (primarily Main Street reconstruction), approximately \$2.6 million of project costs have been incurred (including financing).

If anticipated amendment expenditures are added to existing TID #4 expenditures through the end of 2008, then the TID budget is approximately \$3.4 million.

There are no project costs planned for the TID #4 amendment which would directly benefit property outside the TID, therefore there are no "non-project" costs.

4

"12% Test"

§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.

Table 2: TID Capacity

Equalized Value	%	Maximum TID Capacity*
\$982,161,800	x 12%	\$117,859,416

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

**Table 3: Existing & Proposed TID
Equalized Values**

Active & Proposed TIDs	Increment
TID #3	\$12,071,800
TID #4	\$6,352,300
Subtotal	\$18,424,100
TID #4 Amendment, proposed	\$573,018
Grand Total	\$18,997,118

** Value shown is base year value. District is pending DOR certification and approval.*

The equalized value of existing City of Stoughton TID value increment is \$18,424,100, or 1.88% of the total 2009 equalized value. Approximately \$573,018 of equalized value is being added as part of this TID #4 Amendment. Overall, this adds up to approximately \$18,997,118 or 1.93%. Therefore, the City is in compliance with the statutory equalized value test for this TID Amendment.

5 Economic Feasibility & Financing

Economic Feasibility

The original TID #4 project plan discussed the five factors considered in evaluating the economic feasibility of the TID. This amendment summarizes those five factors and discusses what assumptions remain the same, and what assumptions have changed since original TID #4 project plan was created.

Inflation

The original project plan anticipated an inflation rate of 3.0%. This amendment assumes an inflation rate of 3.0% for new construction, while assuming a 2.0% inflation rate for existing property.

Increase in Property Value

The redevelopment projects in the TID amendment area is anticipated to result in a net increase in property and improvement value of approximately \$1.5 million. The original TID project plan did not anticipate any redevelopment projects after 2003.

Full Value Tax Rate

The assumption of a 0.75% decrease in the full value tax rate per year is used in this TID amendment analysis. The original TID #4 Project Plan anticipated a 0.02093 mill rate with a 0% change. The mill rate has dropped to 0.01856 in 2009, an approximately 11% decrease over 10 years.

TIF Revenues

The original TID #4 project plan estimated a cumulative increment of about \$5.4 million for 2009; about \$6.4 million of increment has been created. TIF revenue was projected at \$99,086 for 2008; actual revenue from increment was \$96,441. The higher than anticipated increment offset the lower than anticipated tax rate to arrive at a revenue amount that was close to what was anticipated.

This amendment anticipates TIF revenues to rise from approximately \$100,000 in 2010 to \$235,000 in 2027 (the year the TID closes) due to new redevelopment projects and further inflation of property values.

Cash Flow

As of year-end 2008, TID #4 had a \$254,362 deficit in its fund balance. However, income did outpace expenditures in 2008. It is anticipated that a large balloon payment due in 2011 will be refinanced. This assumption is integrated into the financial projections in Attachment #5 in Appendix B. With the remaining years of previously authorized donations from TID #3, plus anticipated redevelopment, the TID is expected to run an annual surplus in every year except 2013. It is assumed that administrative costs incurred by the City and RDA will be recovered from the cash flow of the TID.

Financing

The financing methods discussed in the original TID #4 project plan remain the same. The estimated timing of new bond issuances is shown as part of Attachments #2 and #3 in Appendix B. The City Council and Redevelopment Authority are not mandated to make the improvements defined in this amendment; each project will require case-by-case review and approval. The decision to proceed with a particular project will be based on the economic

conditions and budgetary constraints at the time a project is scheduled for consideration. 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 TID #4's remaining expenditure period, unless relocation requires extending beyond the given period.

6 Overlying Taxing Jurisdictions

Taxing Districts overlying TID #4 in the City of Stoughton include Dane County, the Stoughton Area School District, Madison Area Technical College, and the State of Wisconsin. The Amendment of TID #4 is expected to add approximately \$1.5 million in new construction value to the District. This Amendment will allow for the creation of additional tax base in the area that is being added to the District, increasing the income from property taxes when TID #4 closes. New expenditures proposed as part of this amendment are offset by anticipated redevelopment increment. This amendment is not anticipated to delay the closing of TID #4, and may accelerate the closing of the TID. All taxing jurisdictions will benefit from the increased property values and enhanced community vitality which will result from the projects planned in TID #4, as amended.

7

Changes to Maps, Plans, Ordinances

No changes are proposed in the Master Plan, Official Map, or Building Codes. The City's Zoning Ordinance and other City Ordinances are required to implement this project plan. As noted on the existing and future zoning maps (maps #6 and #7), the City recently adopted a new zoning code that will likely become effective in late 2009. The new zoning code will be used to implement the TID #4 Project Plan and its amendments. Development proposals may require changes in zoning designation consistent with the intent of this Plan. Maps #3 and #4 (in Appendix A) show existing and proposed land use, respectively.

8 Relocation

No persons are expected to be displaced or relocated as a result of proposed projects in this TID amendment; however, if relocation were to become necessary in the future, the following is the method proposed by the City for displacement or relocation. 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 Statutes 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 Commerce (DOC). If any person is to be displaced as a result of the acquisition they will be given a pamphlet on "Relocation Benefits" as prepared by the DOC. The City will file a relocation plan with the DOC 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.

9 District Boundaries

This amendment was made based on §66.1105 (6)(e), which provides for amendment of TID Project Plans. The City of Stoughton TID #4 boundary is hereby amended to include as follows:

____Insert TID Amendment Boundary Description____

Excluding all wetlands.

A Parcel List & Maps

Appendix A

Parcel List

Map #1: Boundary Amendment Area

Map #2: Property Condition

Map #3: Existing Land Use

Map #4: Proposed Land Use

Map #5: Proposed Improvements

Map #6: Existing Zoning

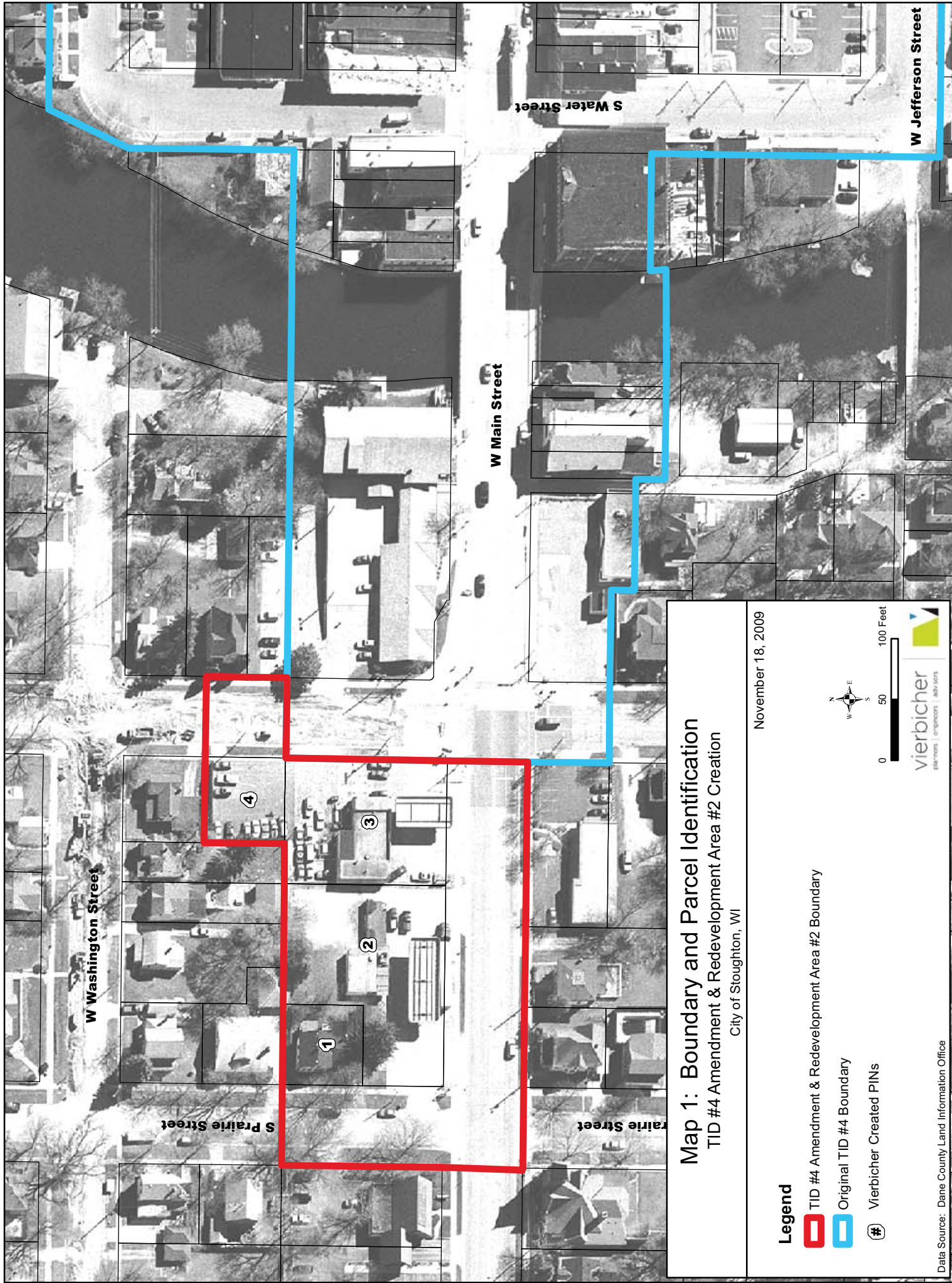
Map #7: Future Zoning

City of Stoughton: Redevelopment Area #2 and Tax Increment District #4 Amendment

PIN	Parcel #	Acres	Owner	Property Address	Mailing Address	Land Value	Imp. Value	Blighted?
1	051108206950	0.10	Michael Zweep & Lucille Zweep	217 S Prairie St.	934 County Highway N	\$17,400	\$114,900	
2	051108207066	0.40	ABP Properties LLC	314 W. Main St.	6621 39th Ave.	\$116,900	\$70,100	Y
3	051108207280	0.31	Dennis Yivisaker & Linda Yivisaker	304 W. Main St.	208 N Madison St.	\$87,700	\$127,800	Y
4	051108206316	0.11	Dennis Yivisaker & Linda Yivisaker	208 S. Page St.	304 W. Main St.	\$17,400	\$0	
		0.92				\$239,400	\$312,800	

Blighted Area 77.5%
 Vacant Area 43.6%
 ROW area 0.81
 ROW % 46.6%
 Equalized Value: \$573,018

Note: Parcel #2 is considered vacant by TIF law because the land value is greater than the improvement value. However, the parcel has environmental contamination, and therefore does not count against the TID vacant property limit.

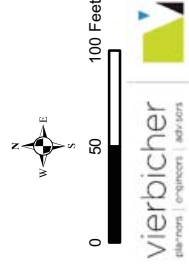


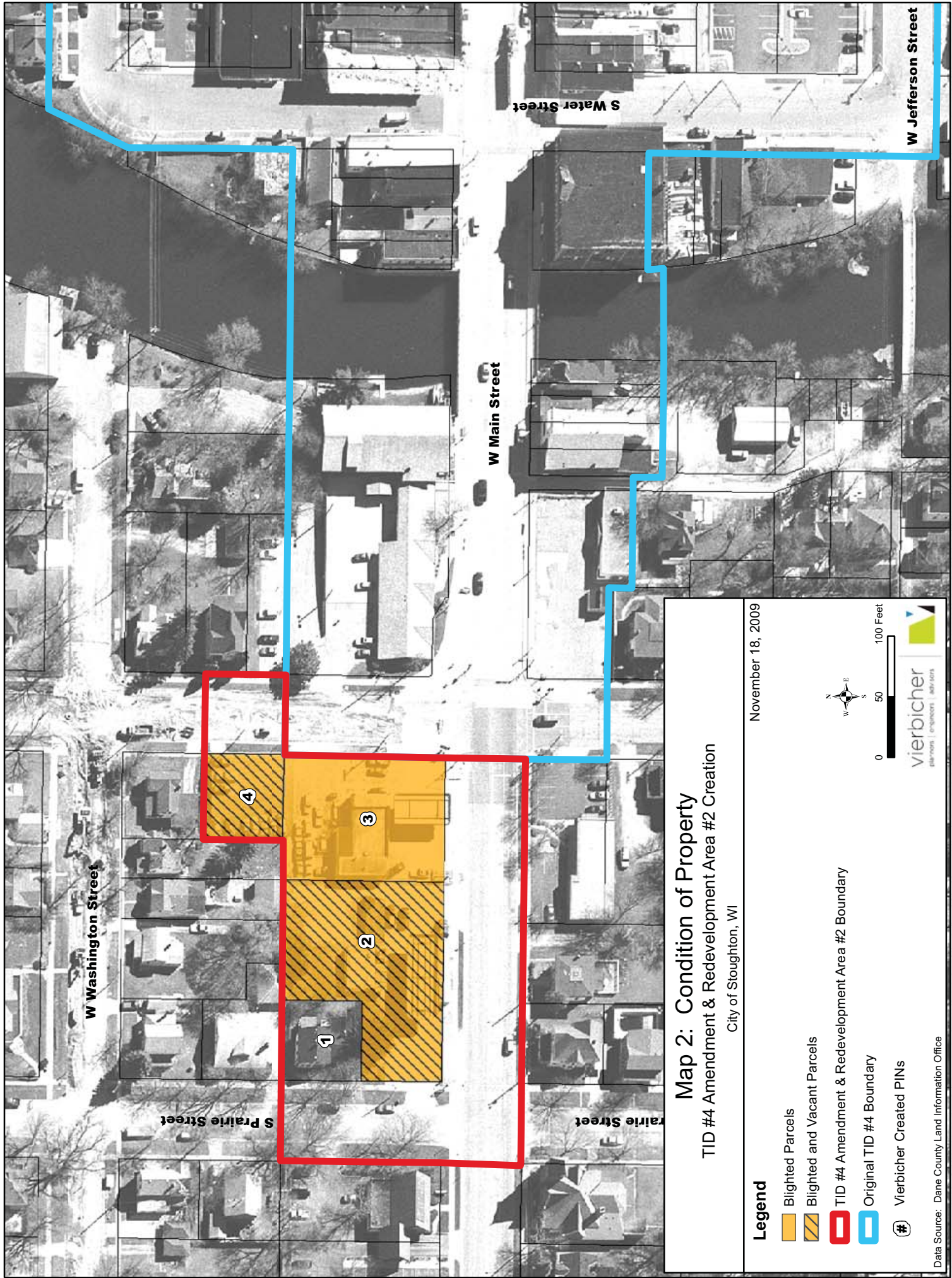
Map 1: Boundary and Parcel Identification
TID #4 Amendment & Redevelopment Area #2 Creation

City of Stoughton, WI

November 18, 2009

- Legend**
- TID #4 Amendment & Redevelopment Area #2 Boundary
 - Original TID #4 Boundary
 - Vierbicher Created PINs





Map 2: Condition of Property
TID #4 Amendment & Redevelopment Area #2 Creation
City of Stoughton, WI

Legend

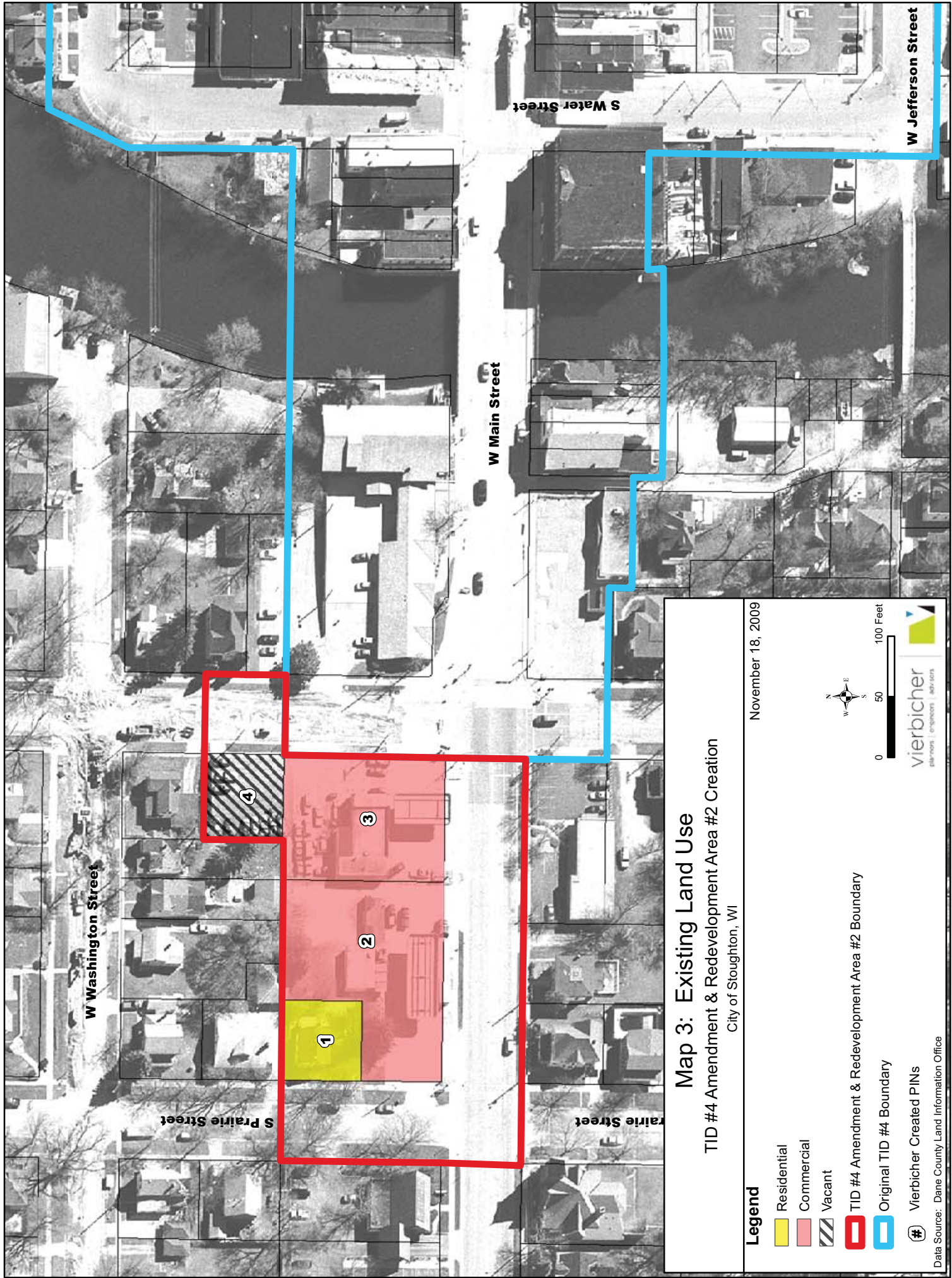
- Blighted Parcels
- Blighted and Vacant Parcels
- TID #4 Amendment & Redevelopment Area #2 Boundary
- Original TID #4 Boundary
- Vierbicher Created PINs

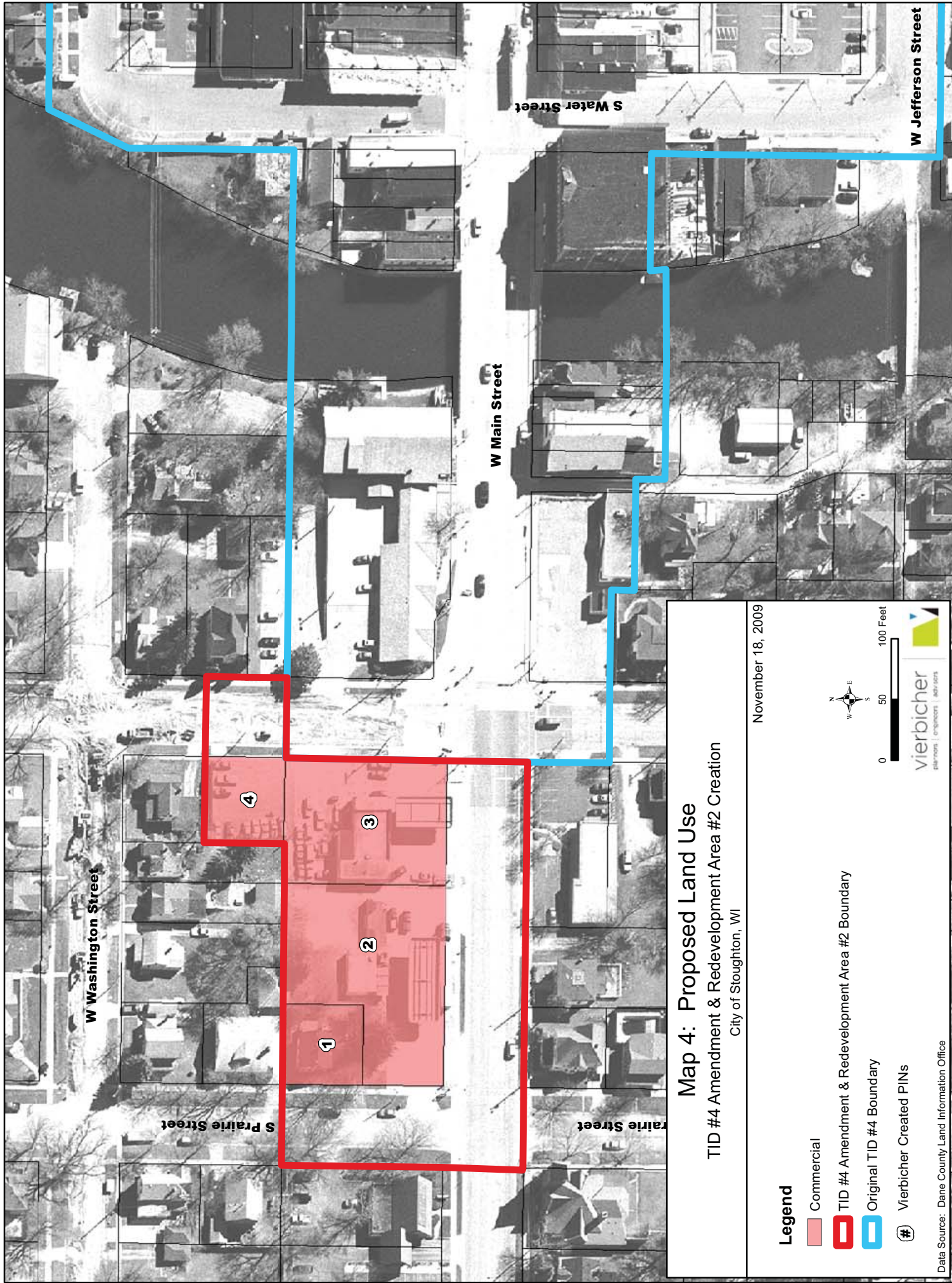
November 18, 2009

0 50 100 Feet

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Data Source: Dane County Land Information Office





Map 4: Proposed Land Use
TID #4 Amendment & Redevelopment Area #2 Creation
City of Stoughton, WI

November 18, 2009

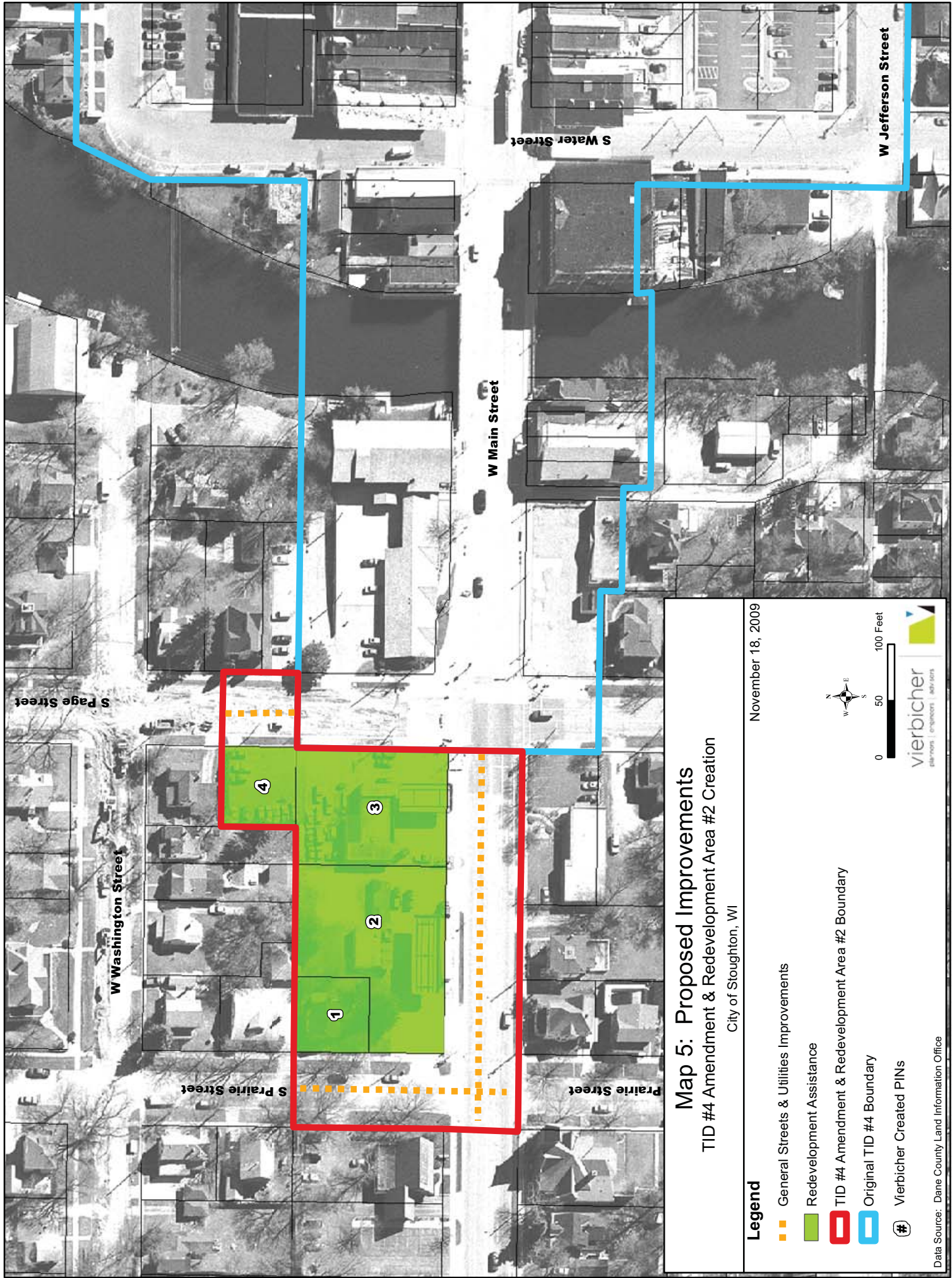
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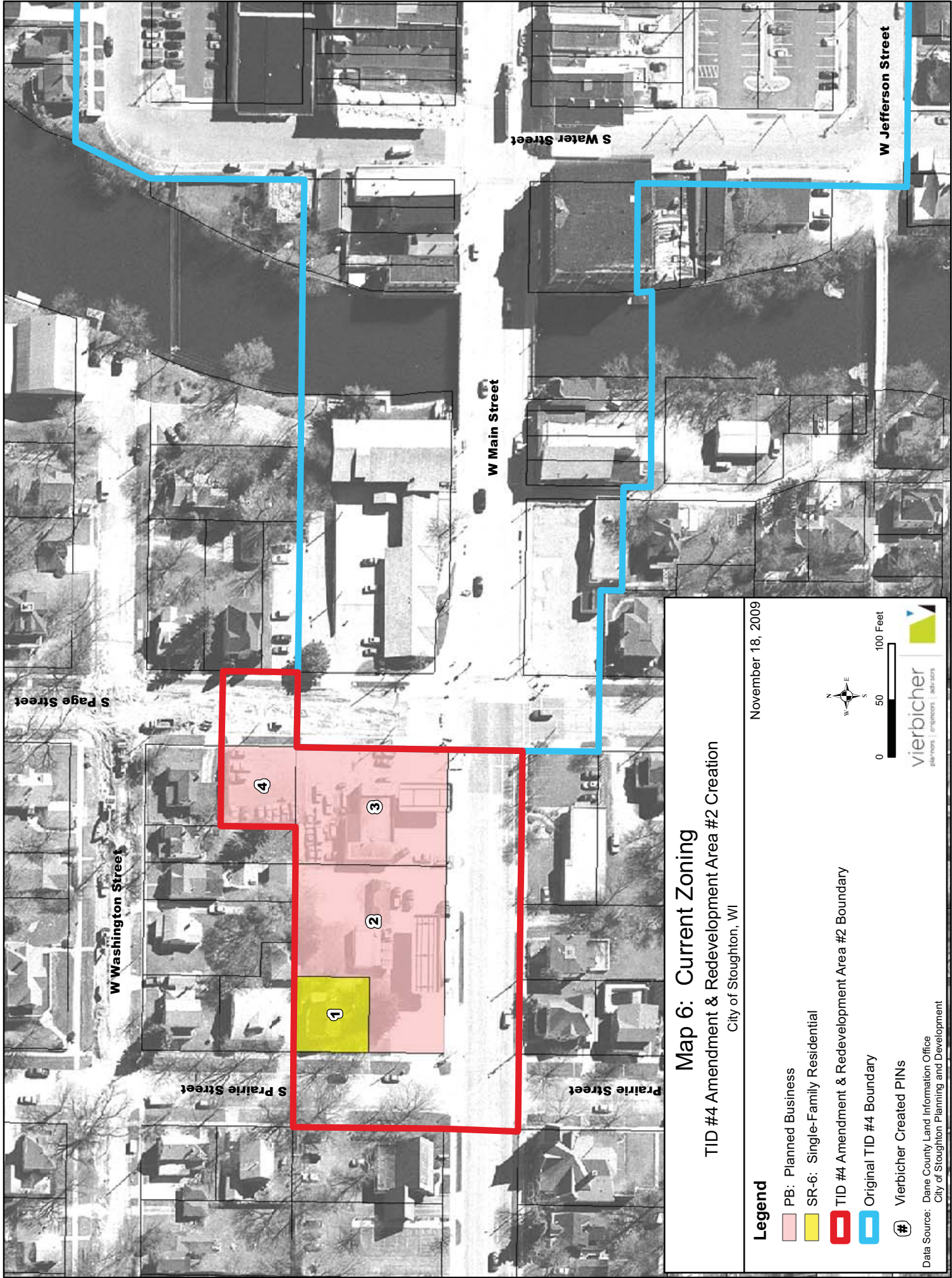
- Commercial
- TID #4 Amendment & Redevelopment Area #2 Boundary
- Original TID #4 Boundary
- (#) Vierbicher Created PINs

0 50 100 Feet

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Data Source: Dane County Land Information Office





Map 6: Current Zoning
TID #4 Amendment & Redevelopment Area #2 Creation
City of Stoughton, WI

Legend

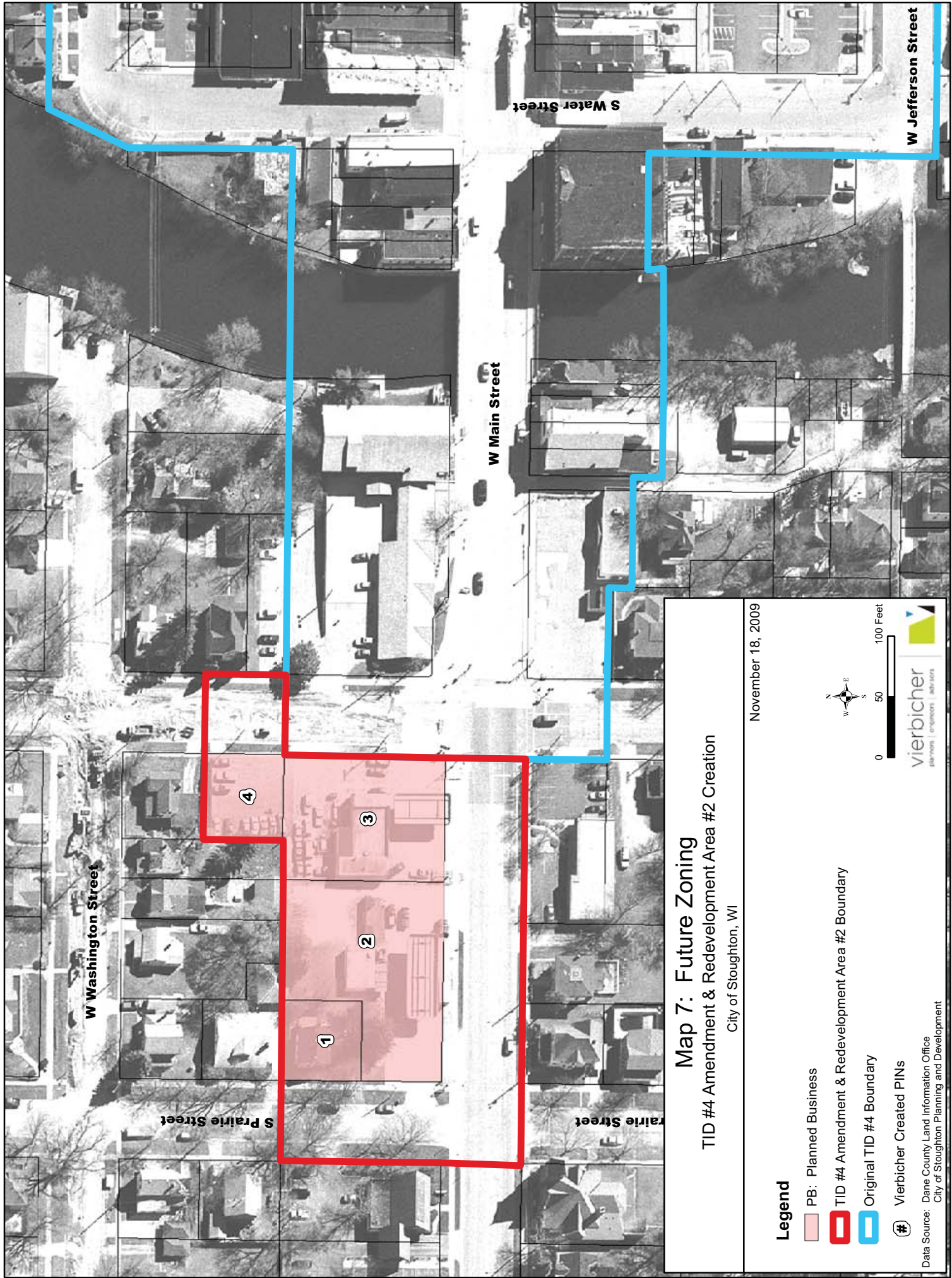
- PB: Planned Business
- SR-6: Single-Family Residential
- TID #4 Amendment & Redevelopment Area #2 Boundary
- Original TID #4 Boundary
- # Vierbicher Created PINs

Data Source: Dane County Land Information Office
City of Stoughton Planning and Development

November 18, 2009



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Map 7: Future Zoning
TID #4 Amendment & Redevelopment Area #2 Creation
City of Stoughton, WI

November 18, 2009

Legend

- PB: Planned Business
- TID #4 Amendment & Redevelopment Area #2 Boundary
- Original TID #4 Boundary
- Vierbicher Created PINs

Data Source: Dane County Land Information Office
City of Stoughton Planning and Development



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B Financials

Appendix B

Attachment #1: Planned Project Costs
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Attachment #3: Debt Service Plan
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Attachment #5: Tax Increment Cash Flow
Attachment #6: Analysis of Overlying Taxing Jurisdictions

Attachment #1 - Planned Project Costs
City of Stoughton
TID No. 4 Amendment: Scenario #1 - Commercial
DRAFT: 11/6/09

Type of Expenditure	Amount	% Paid By		Costs Allocated to Project
		Project	Other	
A. Capital Costs				
	\$0	100%	0%	\$0
B. Infrastructure				
General Street, Sidewalk & Utility Upgrades	\$100,000	100%	0%	\$100,000
Total Infrastructure	\$100,000	100%	0%	\$100,000
C. Site Development Costs				
Site Cleanup & Demolition Costs*	\$250,000	50%	50%	\$125,000
	\$250,000	50%	50%	\$125,000
D. Land Acquisition & Assembly				
	\$0	100%	0%	\$0
E. Development Incentives				
Land Write-Down	\$100,000	100%	0%	\$100,000
	\$100,000	100%	0%	\$100,000
F. Professional Services*				
	\$50,000	20%	80%	\$10,000
G. Discretionary Payments				
	\$0	100%	0%	\$0
H. Administration Costs				
City Staff	\$100,000	100%	0%	\$100,000
RDA Funds	\$150,000	100%	0%	\$150,000
Payments to DOR	\$1,800	100%	0%	\$1,800
Audits	\$40,000	100%	0%	\$40,000
Total Administration Costs	\$291,800	100%	0%	\$291,800
I. Organizational Costs				
Department of Revenue Submittal Fee	\$1,000	100%	0%	\$1,000
Professional Fees	\$5,000	100%	0%	\$5,000
City Staff & Publishing	\$1,000	100%	0%	\$1,000
Total Organization Costs	\$7,000	100%	0%	\$7,000
Inflation	\$12,551	100%	0%	\$12,551
Total Project Costs	\$811,351	80%	20%	\$646,351
J. Financing Costs				
Interest, Fin. Fees, Less Cap. Interest				\$147,734
Plus Capitalized Interest				\$11,647
Total Financing Costs				\$159,381
TOTAL TID EXPENDITURE				\$805,732

* Assume portion paid by grants

Attachment #2 - Financing Summary
City of Stoughton
TID No. 4 Amendment: Scenario #1 - Commercial
DRAFT: 11/6/09

TID Activities	Loan #1 4/1/2010	Loan #2 4/1/2014	Loan #3 --	Total
A. Capital Costs	\$0	\$0	\$0	\$0
B. Infrastructure	\$0	\$100,000	\$0	\$100,000
C. Site Development Costs	\$125,000	\$0	\$0	\$125,000
D. Land Acquisition & Assembly	\$0	\$0	\$0	\$0
E. Development Incentives	\$100,000	\$0	\$0	\$100,000
F. Professional Services*	\$10,000	\$0	\$0	\$10,000
G. Discretionary Payments	\$0	\$0	\$0	\$0
H. Administration Costs	\$0	\$0	\$0	\$0
I. Organizational Costs	\$7,000	\$0	\$0	\$7,000
Subtotal	\$242,000	\$100,000	\$0	\$342,000
Inflation Factor Cost Adj. @ 3% per year	\$0	\$12,551	\$0	\$12,551
Grants	\$0	\$0	\$0	\$0
Reduction for Land Sale Revenue	\$0	\$0	\$0	\$0
Total Cost For Borrowing	\$242,000	\$112,551	\$0	\$354,551
Capitalized Interest	\$11,647	\$0	\$0	\$11,647
Financing Fees (2%)	\$5,176	\$2,297	\$0	\$7,473
Debt Reserve	\$0	\$0	\$0	\$0
Subtotal	\$258,824	\$114,848	\$0	\$373,671
Less Interest Earned	\$0	\$0	\$0	\$0
BORROWING REQUIRED	\$258,824	\$114,848	\$0	\$373,671

Attachment #3a - Debt Service Plan
City of Stoughton
TID No. 4 Amendment: Scenario #1 - Commercial
Bond Issue*

Principal:		\$258,824	Project Cost:		\$242,000	
Interest Rate:		4.50%	Finance Fees:		\$5,176	
Term (Years):		17	Interest Earned:		\$0	
# of Principal Payments:		16	Capitalized Interest:		\$11,647	
Date of Issue:		4/1/2010	Total TID Cost of Loan:		\$253,432	
Year	Principal Payment #	Unpaid Principal	Principal Payment	Interest Payment	Total Payment	Apply Surplus to Principal
2010	0	\$258,824	\$0	\$0	\$0	\$0
2011	0	\$258,824	\$0	\$11,647	\$11,647	\$0
2012	1	\$258,824	\$11,392	\$11,647	\$23,039	\$0
2013	2	\$247,431	\$11,905	\$11,134	\$23,039	\$0
2014	3	\$235,526	\$12,441	\$10,599	\$23,039	\$0
2015	4	\$223,086	\$13,000	\$10,039	\$23,039	\$0
2016	5	\$210,085	\$13,585	\$9,454	\$23,039	\$0
2017	6	\$196,500	\$14,197	\$8,843	\$23,039	\$0
2018	7	\$182,303	\$14,836	\$8,204	\$23,039	\$0
2019	8	\$167,468	\$15,503	\$7,536	\$23,039	\$0
2020	9	\$151,964	\$16,201	\$6,838	\$23,039	\$0
2021	10	\$135,764	\$16,930	\$6,109	\$23,039	\$0
2022	11	\$118,834	\$17,692	\$5,348	\$23,039	\$0
2023	12	\$101,142	\$18,488	\$4,551	\$23,039	\$0
2024	13	\$82,654	\$19,320	\$3,719	\$23,039	\$0
2025	14	\$63,334	\$20,189	\$2,850	\$23,039	\$0
2026	15	\$43,145	\$21,098	\$1,942	\$23,039	\$0
2027	16	\$22,047	\$22,047	\$992	\$23,039	\$0
Total			\$157,682	\$107,397	\$265,079	\$0

* Interest rate represents a blend of taxable and tax-exempt bond issuances.

Attachment #3b - Debt Service Plan
City of Stoughton
TID No. 4 Amendment: Scenario #1 - Commercial
Bond Issue*

Principal:		\$114,848		Project Cost:		\$112,551
Interest Rate*:		4.60%		Finance Fees:		\$2,297
Term (Years):		13		Interest Earned:		\$0
# of Principal Payments:		13		Capitalized Interest:		
Date of Issue:		4/1/2014		Total TID Cost of Loan:		\$95,468
Year	Principal Payment #	Unpaid Principal	Principal Payment	Interest Payment	Total Payment	Apply Surplus to Principal
2010	0	\$0	\$0	\$0	\$0	\$0
2011	0	\$0	\$0	\$0	\$0	\$0
2012	0	\$0	\$0	\$0	\$0	\$0
2013	0	\$0	\$0	\$0	\$0	\$0
2014	0	\$114,848	\$0	\$0	\$0	\$0
2015	1	\$114,848	\$6,651	\$5,283	\$11,934	\$0
2016	2	\$108,197	\$6,956	\$4,977	\$11,934	\$0
2017	3	\$101,241	\$7,276	\$4,657	\$11,934	\$0
2018	4	\$93,964	\$7,611	\$4,322	\$11,934	\$0
2019	5	\$86,353	\$7,961	\$3,972	\$11,934	\$0
2020	6	\$78,392	\$8,328	\$3,606	\$11,934	\$0
2021	7	\$70,064	\$8,711	\$3,223	\$11,934	\$0
2022	8	\$61,354	\$9,111	\$2,822	\$11,934	\$0
2023	9	\$52,242	\$9,530	\$2,403	\$11,934	\$0
2024	10	\$42,712	\$9,969	\$1,965	\$11,934	\$0
2025	11	\$32,743	\$10,427	\$1,506	\$11,934	\$0
2026	12	\$22,316	\$10,907	\$1,027	\$11,934	\$0
2027	13	\$11,409	\$11,409	\$525	\$11,934	\$0
Total			\$62,605	\$32,863	\$95,468	\$0

* Interest rate represents a blend of taxable and tax-exempt bond issuances.

Attachment #4 - Tax Increment ProForma
City of Stoughton
TID No. 4 Amendment: Scenario #1 - Commercial
DRAFT: 11/6/09

Assumptions			
Original Base Value	\$9,123,700	Plus	\$573,018 in this amendment.
Tax Rate	0.01856	For County, City Technical College, and School District	
Property Appreciation Rate	2.00%	For Existing Construction	
Annual Change in Tax Rate	-0.75%		
Construction Inflation Rate	3.00%	For New Construction After 2011	

Year	Previous Valuation	Inflation Increment	TIF Increment		Total Valuation	Cumulative Increment	TIF Tax Rate	TIF Revenue
			Construction	Land				
2010	\$16,049,018	\$400,000	\$200,000	\$0	\$16,649,018	\$6,952,300	0.018560	\$100,000
2011	\$16,649,018	\$332,980	\$600,000	\$0	\$17,581,998	\$7,885,280	0.018421	\$108,000
2012	\$17,581,998	\$351,640	\$0	\$0	\$17,933,638	\$8,236,920	0.018283	\$128,067
2013	\$17,933,638	\$358,673	\$0	\$0	\$18,292,311	\$8,595,593	0.018146	\$144,164
2014	\$18,292,311	\$365,846	\$0	\$0	\$18,658,157	\$8,961,439	0.018009	\$149,463
2015	\$18,658,157	\$373,163	\$753,528	\$0	\$19,784,849	\$10,088,131	0.017874	\$154,802
2016	\$19,784,849	\$395,697	\$0	\$0	\$20,180,546	\$10,483,828	0.017740	\$160,180
2017	\$20,180,546	\$403,611	\$0	\$0	\$20,584,156	\$10,887,438	0.017607	\$178,967
2018	\$20,584,156	\$411,683	\$0	\$0	\$20,995,840	\$11,299,122	0.017475	\$184,591
2019	\$20,995,840	\$419,917	\$0	\$0	\$21,415,756	\$11,719,038	0.017344	\$190,260
2020	\$21,415,756	\$428,315	\$0	\$0	\$21,844,072	\$12,147,354	0.017214	\$195,973
2021	\$21,844,072	\$436,881	\$0	\$0	\$22,280,953	\$12,584,235	0.017085	\$201,732
2022	\$22,280,953	\$445,619	\$0	\$0	\$22,726,572	\$13,029,854	0.016957	\$207,537
2023	\$22,726,572	\$454,531	\$0	\$0	\$23,181,103	\$13,484,385	0.016830	\$213,388
2024	\$23,181,103	\$463,622	\$0	\$0	\$23,644,726	\$13,948,008	0.016703	\$219,288
2025	\$23,644,726	\$472,895	\$0	\$0	\$24,117,620	\$14,420,902	0.016578	\$225,235
2026	\$24,117,620	\$482,352	\$0	\$0	\$24,599,972	\$14,903,254	0.016454	\$231,232
2027	\$24,599,972	\$491,999	\$0	\$0	\$25,091,972	\$15,395,254	0.016330	\$237,279
Total		\$7,489,426	\$1,553,528	\$0				\$3,230,158

Attachment #5 - Tax Increment Cash Flow
City of Stoughton
TID No. 4 Amendment: Scenario #1 - Commercial
DRAFT: 11/6/09

Year	Beginning Balance	Revenues					Expenses		Annual Surplus (Deficit)	Balance After Surplus to Principal
		Capital Interest & Debt Reserve	TIF Revenues	Interest Income	TID #3 Donations	Total Revenues	Debt Service	Other Expenses		
2010	(250,000)	0	100,000	0	160,000	260,000	195,659	0	64,341	(185,659)
2011	(185,659)	11,647	108,000	0	170,000	289,647	195,957	0	93,690	(91,969)
2012	(91,969)	0	128,067	0	180,000	308,067	178,559	0	129,508	37,539
2013	37,539	0	144,164	938	0	145,102	180,159	0	(35,057)	2,482
2014	2,482	0	149,463	62	0	149,525	144,119	0	5,406	7,888
2015	7,888	0	154,802	197	0	154,999	129,973	25,000	26	7,914
2016	7,914	0	160,180	198	0	160,378	129,973	25,000	5,405	13,319
2017	13,319	0	178,967	333	0	179,299	129,973	25,000	24,327	37,645
2018	37,645	0	184,591	941	0	185,533	129,973	40,000	15,560	53,205
2019	53,205	0	190,260	1,330	0	191,590	129,973	40,000	21,617	74,823
2020	74,823	0	195,973	1,871	0	197,844	129,973	40,000	27,871	102,694
2021	102,694	0	201,732	2,567	0	204,299	129,973	40,000	34,327	137,020
2022	137,020	0	207,537	3,426	0	210,962	34,973	56,800	119,190	256,210
2023	256,210	0	207,537	6,405	0	213,942	34,973	0	178,969	435,179
2024	435,179	0	207,537	10,879	0	218,416	34,973	0	183,444	618,623
2025	618,623	0	207,537	15,466	0	223,002	34,973	0	188,030	806,652
2026	806,652	0	207,537	20,166	0	227,703	34,973	0	192,730	999,383
2027	999,383	0	207,537	24,985	0	232,521	34,973	0	197,549	1,196,932
Total		11,647	3,141,421	89,764	510,000	3,752,832	2,014,101	291,800		

Note: It is assumed that a 10-year note with a balloon payment due in 2011 would be refinanced for another 10 years. \$700,000 at 4.5% was assumed and added in to the debt service column.

Other Expenses = Administrative Costs

2.50% = Assumed Investment Rate For Interest Income

**Attachment #6 - Analysis of Impact on Overlying Jurisdictions
Over Maximum Life of TID
City of Stoughton
TID No. 4 Amendment: Scenario #1 - Commercial
DRAFT: 11/6/09**

Taxing Jurisdiction	% of Mill Rate by Jurisdiction	Annual Taxes Collected on Base Value Distributed to Taxing Jurisdictions	Total Taxes Captured by TID Not Distributed to Jurisdictions	Annual Taxes Collected After TID	Increase in Annual Tax Collections After TID
School District	42.6%	\$72,219	\$1,422,944	\$166,384	\$94,165
Tech. College	6.4%	\$10,798	\$212,748	\$24,876	\$14,079
County	12.5%	\$21,099	\$415,720	\$48,610	\$27,511
Local	35.3%	\$59,825	\$1,178,747	\$137,830	\$78,005
Other*	3.2%	\$5,395	\$0	\$12,429	\$7,034
Total	100.0%	\$169,336	\$3,230,158	\$390,129	\$220,794

* "Other" includes primarily State taxes, which do not go to TID.

C Resolutions, Notices, Minutes

Appendix C

Attachment #1: Timetable

Attachment #2 Public Hearing Notice to Taxing Jurisdictions

Attachment #3: Public Hearing Minutes

Attachment #4: Plan Commission Resolution

Attachment #5: City Council Resolution

Attachment #6: Joint Review Board Approval Resolution

Attachment #7: Proof of Publication

Attachment #8: Attorney Opinion Letter