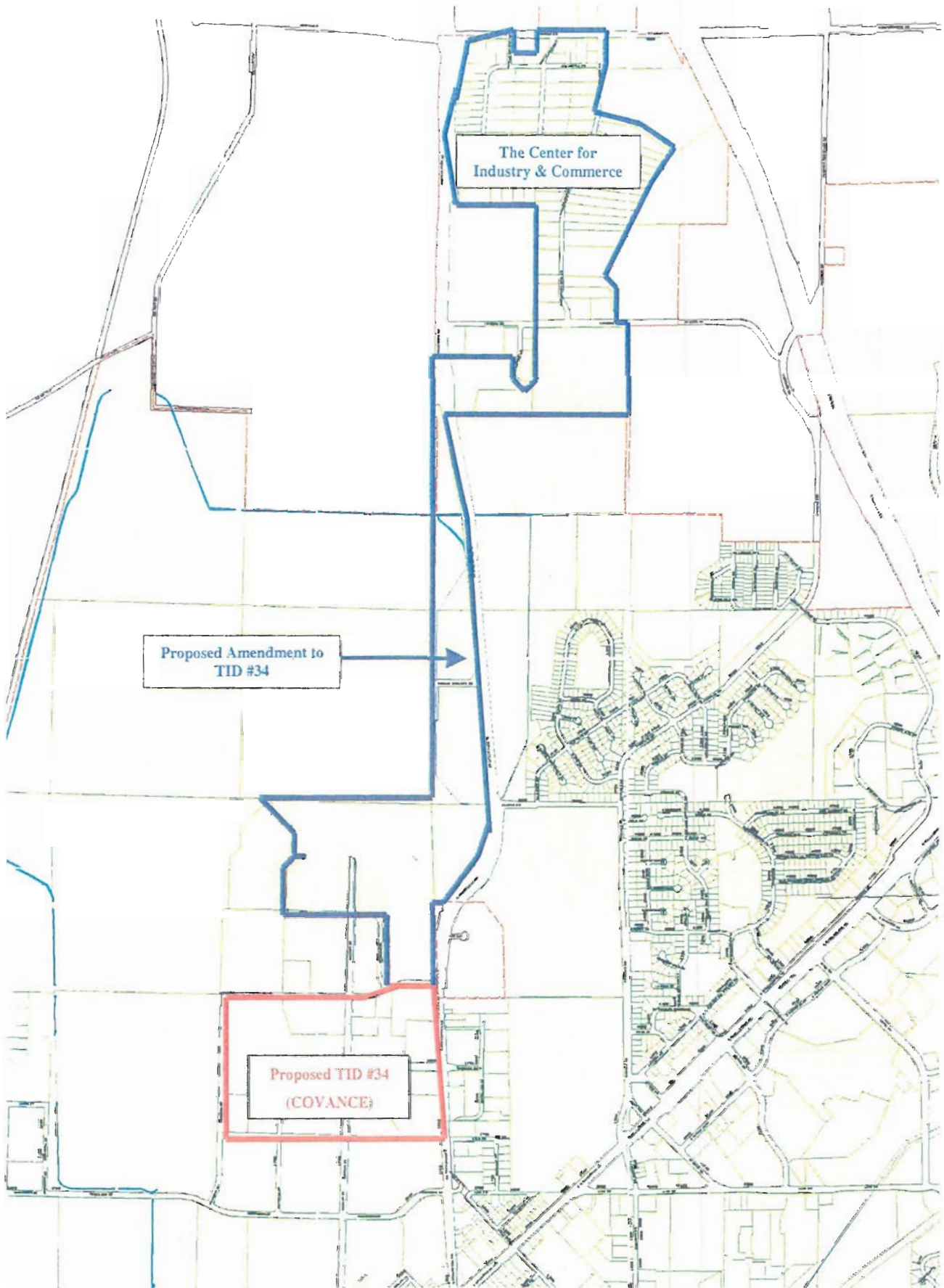


## THE CENTER FOR INDUSTRY & COMMERCE PROPOSED AMENDMENT TO TID #34

- \$108 million value
- 5 year payback
- 5,220 – 7,000 new jobs
- Complies with State Statute and Project Plan for TID #34

# PROPOSED TID #34





# As Proposed TID #34





equalized value of all taxable property in the district. In any year, a tax increment is "positive" if the value increment is positive; it is "negative" if the value increment is negative.

(j) "Tax incremental base" means the aggregate value, as equalized by the department of revenue, of all taxable property located within a tax incremental district on the date as of which the district is created, determined as provided in sub. (5) (b). The base of districts created before October 1, 1980, does not include the value of property exempted under s. 70.111 (17).

(k) "Tax incremental district" means a contiguous geographic area within a city defined and created by resolution of the local legislative body, consisting solely of whole units of property as are assessed for general property tax purposes, other than railroad rights-of-way, rivers or highways. Railroad rights-of-way, rivers or highways may be included in a tax incremental district only if they are continuously bounded on either side, or on both sides, by whole units of property as are assessed for general property tax purposes which are in the tax incremental district. "Tax incremental district" does not include any area identified as a wetland on a map under s. 23.32.

(L) "Taxable property" means all real and personal taxable property located in a tax incremental district.

(m) "Value increment" means the equalized value of all taxable property in a tax incremental district in any year minus the tax incremental base. In any year "value increment" is positive if the tax incremental base is less than the aggregate value of taxable property as equalized by the department of revenue; it is negative if that base exceeds that aggregate value.

(3) POWERS OF CITIES. In addition to any other powers conferred by law, a city may exercise any powers necessary and convenient to carry out the purposes of this section, including the power to:

(a) Create tax incremental districts and define the boundaries of the districts;

(b) Cause project plans to be prepared, approve the plans, and implement the provisions and effectuate the purposes of the plans;

(c) Issue tax incremental bonds and notes;

(d) Deposit moneys into the special fund of any tax incremental district; or

(e) Enter into any contracts or agreements, including agreements with bondholders, determined by the local legislative body to be necessary or convenient to implement the provisions and effectuate the purposes of project plans. The contracts or agreements may include conditions, restrictions, or covenants which either run with the land or which otherwise regulate the use of land.

(f) Designate, by ordinance or resolution, the local housing authority, the local redevelopment authority, or both jointly, or the local community development authority, as agent of the city, to perform all acts, except the development of the master plan of the city, which are otherwise performed by the planning commission under this section and s. 66.1337.

(g) Create a standing joint review board that may remain in existence for the entire time that any tax incremental district exists in the city. All of the provisions that apply to a joint review board that is convened under sub. (4m) (a) apply to a standing joint review board that is created under this paragraph. A city may disband a joint review board that is created under this paragraph at any time.

(4) CREATION OF TAX INCREMENTAL DISTRICTS AND APPROVAL OF PROJECT PLANS. In order to implement the provisions of this section, the following steps and plans are required:

(a) Holding of a public hearing by the planning commission at which interested parties are afforded a reasonable opportunity to express their views on the proposed creation of a tax incremental district and the proposed boundaries of the district. Notice of the hearing shall be published as a class 2 notice, under ch. 985. Before publication, a copy of the notice shall be sent by first class

mail to the chief executive officer or administrator of all local governmental entities having the power to levy taxes on property located within the proposed district and to the school board of any school district which includes property located within the proposed district. For a county with no chief executive officer or administrator, notice shall be sent to the county board chairperson.

(b) Designation by the planning commission of the boundaries of a tax incremental district recommended by it and submission of the recommendation to the local legislative body.

(c) Identification of the specific property to be included under par. (gm) 4, as blighted or in need of rehabilitation or conservation work. Owners of the property identified shall be notified of the proposed finding and the date of the hearing to be held under par. (e) at least 15 days prior to the date of the hearing. In cities with a redevelopment authority under s. 66.1333, the notification required under this paragraph may be provided with the notice required under s. 66.1333 (6) (b) 3., if the notice is transmitted at least 15 days prior to the date of the hearing to be held under par. (e).

(d) Preparation and adoption by the planning commission of a proposed project plan for each tax incremental district.

(e) At least 14 days before adopting a resolution under par. (gm), holding of a public hearing by the planning commission at which interested parties are afforded a reasonable opportunity to express their views on the proposed project plan. The hearing may be held in conjunction with the hearing provided for in par. (a). If the city anticipates that the proposed project plan's project costs may include cash grants made by the city to owners, lessees, or developers of land that is located within the tax incremental district, the hearing notice shall contain a statement to that effect. Notice of the hearing shall be published as a class 2 notice, under ch. 985. The notice shall include a statement advising that a copy of the proposed project plan will be provided on request. Before publication, a copy of the notice shall be sent by 1st class mail to the chief executive officer or administrator of all local governmental entities having the power to levy taxes on property within the district and to the school board of any school district which includes property located within the proposed district. For a county with no chief executive officer or administrator, notice shall be sent to the county board chairperson.

(f) Adoption by the planning commission of a project plan for each tax incremental district and submission of the plan to the local legislative body. The plan shall include a statement listing the kind, number and location of all proposed public works or improvements within the district or, to the extent provided in sub. (2) (f) 1. k., outside the district, an economic feasibility study, a detailed list of estimated project costs, and a description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred. The plan shall also include a map showing existing uses and conditions of real property in the district; a map showing proposed improvements and uses in the district; proposed changes of zoning ordinances, master plan, if any, map, building codes and city ordinances; a list of estimated nonproject costs; and a statement of the proposed method for the relocation of any persons to be displaced. The plan shall indicate how creation of the tax incremental district promotes the orderly development of the city. The city shall include in the plan an opinion of the city attorney or of an attorney retained by the city advising whether the plan is complete and complies with this section.

(g) Approval by the local legislative body of a project plan prior to or concurrent with the adoption of a resolution under par. (gm). The approval shall be by resolution which contains findings that the plan is feasible and in conformity with the master plan, if any, of the city.

(gm) Adoption by the local legislative body of a resolution which:

1. Describes the boundaries, which may, but need not, be the same as those recommended by the planning commission, of a tax



## 66.1105 MUNICIPAL LAW

incremental district with sufficient definiteness to identify with ordinary and reasonable certainty the territory included in the district. The boundaries of the tax incremental district may not include any annexed territory that was not within the boundaries of the city on January 1, 2004, unless at least 3 years have elapsed since the territory was annexed by the city, unless the city enters into a cooperative plan boundary agreement, under s. 66.0307, with the town from which the territory was annexed, or unless the city and town enter into another kind of agreement relating to the annexation except that, notwithstanding these conditions, the city may include territory that was not within the boundaries of the city on January 1, 2004, if the city pledges to pay the town an amount equal to the property taxes levied on the territory by the town at the time of the annexation for each of the next 5 years. If, as the result of a pledge by the city to pay the town an amount equal to the property taxes levied on the territory by the town at the time of the annexation for each of the next 5 years, the city includes territory in a tax incremental district that was not within the boundaries of the city on January 1, 2004, the city's pledge is enforceable by the town from which the territory was annexed. The boundaries shall include only those whole units of property as are assessed for general property tax purposes. Property standing vacant for an entire 7-year period immediately preceding adoption of the resolution creating a tax incremental district may not comprise more than 25% of the area in the tax incremental district, unless the tax incremental district is suitable for industrial sites under subd. 4. a. and the local legislative body implements an approved project plan to promote industrial development within the meaning of s. 66.1101. In this subdivision, "vacant property" includes property where the fair market value or replacement cost value of structural improvements on the parcel is less than the fair market value of the land. In this subdivision, "vacant property" does not include property acquired by the local legislative body under ch. 32, property included within the abandoned Park East freeway corridor or the abandoned Park West freeway corridor in Milwaukee County, or property that is contaminated by environmental pollution, as defined in s. 66.1106 (1) (d).

2. Creates the district as of a date provided in the resolution. If the resolution is adopted during the period between January 2 and September 30, then the date shall be the next preceding January 1. If the resolution is adopted during the period between October 1 and December 31, then the date shall be the next subsequent January 1. If the resolution is adopted on January 1, the district is created on that January 1.

3. Assigns a name to the district for identification purposes. The first district created shall be known as "Tax Incremental District Number One, City of ....". Each subsequently created district shall be assigned the next consecutive number.

4. Contains findings that:

a. Not less than 50%, by area, of the real property within the district is at least one of the following: a blighted area; in need of rehabilitation or conservation work, as defined in s. 66.1337 (2m) (b); suitable for industrial sites within the meaning of s. 66.1101 and has been zoned for industrial use; or suitable for mixed-use development; and

b. The improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the district. It is not necessary to identify the specific parcels meeting the criteria; and

bm. The project costs relate directly to eliminating blight, directly serve to rehabilitate or conserve the area or directly serve to promote industrial development, consistent with the purpose for which the tax incremental district is created under subd. 4. a.; and

c. 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, except if a city subtracts territory from a district under par. (h) 2., the 12 percent limit does not apply to that finding. In determining the equalized value of taxable property under this subd. 4. c., the

department of revenue shall base its calculations on the most recent equalized value of taxable property of the district that is reported under s. 70.57 (1m) before the date on which the resolution under this paragraph is adopted.

5. Confirms that any real property within the district that is found suitable for industrial sites and is zoned for industrial use under subd. 4. a. will remain zoned for industrial use for the life of the tax incremental district.

6. Declares that the district is a blighted area district, a rehabilitation or conservation district, an industrial district, or a mixed-use district based on the identification and classification of the property included within the district under par. (c) and subd. 4. a. If the district is not exclusively blighted, rehabilitation or conservation, industrial, or mixed use, the declaration under this subdivision shall be based on which classification is predominant with regard to the area described in subd. 4. a.

(gs) Review by a joint review board, acting under sub. (4m), that results in its approval of the resolution under par. (gm).

(h) 1. Subject to subs. 2., 4., and 5., the planning commission may, by resolution, adopt an amendment to a project plan. The amendment is subject to approval by the local legislative body and approval requires the same findings as provided in pars. (g) and (gm) 4. c. Any amendment to a project plan is also subject to review by a joint review board, acting under sub. (4m). Adoption of an amendment to a project plan shall be preceded by a public hearing held by the plan commission at which interested parties shall be afforded a reasonable opportunity to express their views on the amendment. Notice of the hearing shall be published as a class 2 notice, under ch. 985. The notice shall include a statement of the purpose and cost of the amendment and shall advise that a copy of the amendment will be provided on request. Before publication, a copy of the notice shall be sent by 1st class mail to the chief executive officer or administrator of all local governmental entities having the power to levy taxes on property within the district and to the school board of any school district which includes property located within the proposed district. For a county with no chief executive officer or administrator, this notice shall be sent to the county board chairperson.

2. Except as provided in subs. 4. and 5., the planning commission may adopt an amendment to a project plan under subd. 1. to modify the district's boundaries, not more than 4 times during the district's existence, by subtracting territory from the district in a way that does not remove contiguity from the district or by adding territory to the district that is contiguous to the district and that is served by public works or improvements that were created as part of the district's project plan.

4. With regard to a village that has a population of less than 10,000, was incorporated in 1914 and is located in a county that has a population of less than 25,000 and that contains a portion of the Yellow River and the Chequamegon Waters Flowage, not more than once during the 11 years after the tax incremental district is created, the planning commission may adopt an amendment to a project plan under subd. 1. to modify the district's boundaries by adding territory to the district that is contiguous to the district and that is to be served by public works or improvements that were created as part of the district's project plan. Expenditures for project costs that are incurred because of an amendment to a project plan to which this subdivision applies may be made for not more than 5 years after the date on which the local legislative body adopts a resolution amending the project plan.

5. With regard to a city that has a population of at least 80,000 that was incorporated in 1850 and that is in a county with a population of less than 175,000 that is adjacent to one of the Great Lakes, the planning commission may adopt an amendment to a project plan under subd. 1. to modify the district's boundaries by adding territory to the district that is contiguous to the district and that is served by public works or improvements that were created as part of the district's project plan not more than once during the expenditure period specified in sub. (6) (am) 1. for a district that is located in a city to which sub. (6) (d) applies, except that in no case

**PROPOSED AMENDMENT TO TID #34  
ACREAGE ZONED M1 VS. ACREAGE NOT ZONED M1**

	<b>M1 PARCELS</b>		<b>NON-M1 PARCELS</b>		
	<u>Acres</u>	<u>%</u>	<u>Acres</u>	<u>%</u>	<u>Total Acres</u>
Current Proposed TID #34	115.76	100%	0	0%	115.76
Proposed Amendment to TID #34	301.80	83%	61.42	17%	363.22
<b>TOTALS</b>	<b>417.56</b>	<b>87%</b>	<b>61.42</b>	<b>13%</b>	<b>478.98</b>



Pearson Street	\$180,000
Pierstorff Street	<u>\$210,000</u>
Total	\$390,000

### Street and Sidewalk Reconstruction

Street reconstruction is conducted on streets in which the pavement and curb and gutter has exceeded its useful life. The work may involve the burial of utilities and installation of pedestrian lighting. Sidewalk reconstruction costs are also included in street reconstruction cost estimates. A portion of the project cost (\$588,900) would be assessed to property owners affected by the improvements. These property owners include, Covance Labs, Dane County, the Wisconsin Department of Military Affairs, the Wisconsin Department of Transportation, and others. The following streets are targeted for reconstruction:

Pearson Street	\$ 390,000
Pierstorff Street	\$ 870,000
Wright Street	<u>\$ 150,750</u>
Total	\$1,410,750

### \* Discretionary Public Improvements \*

The City may also fund other public improvements, including streetscape, non-assessable maintenance and repair of streets, storm and sanitary sewer that are not predictable at this time. The estimated TIF funds that may be available for this purpose is **\$3,278,150.**

### Other Revitalization Activities

Payments may be 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 as provided in Wisconsin State Statute 66.1105 (2)(f)1.i. The following anticipated costs may apply:

#### **COMMUNITY DEVELOPMENT AUTHORITY REVITALIZATION ACTIVITIES**

In accordance with Section 66.1333 of the State Statutes (Redevelopment Law), the CDA may undertake a variety of revitalization activities in the TIF District.

#### Land Acquisition

In order to construct the public improvements and for the revitalization and development of private property, the acquisition of property and relocation of occupants may be necessary in this TIF District. The acquisitions could vary from rights-of-way and air space to entire parcels. Lands acquired by the CDA may be leased or sold at market rate or reduced costs to assist in creating financially feasible, eligible projects.

#### **ORGANIZATIONAL, ADMINISTRATIVE AND PROFESSIONAL COSTS**

**TID Administration:** This category of project costs includes estimates for administrative, professional, organizational and legal costs. Project costs may include salaries, including benefits, of City employees engaged in the planning, engineering, implementing and administering activities in connection with TID #34, supplies and materials, contract and consultant services, and those costs of City departments such as the Comptroller's Office, City Attorney, City Engineer, Parks Division, Planning & Development and the Office of the Mayor.

The total cost of this activity is estimated to be \$ 350,000

**Finance Costs:** This category includes costs relating to City borrowing (primarily interest payments).

The total cost of this activity is estimated to be \$1,483,000

**TOTAL COSTS** \$6,741,000

# THE CENTER FOR INDUSTRY & COMMERCE PROJECT PLAN

Sewer—Lateral (one per lot)	\$49,000
Water—Lateral (one per lot)	\$97,000
Storm Sewer (5,600 lineal feet)	\$309,000
Sanitary Sewer (5,600 lineal feet)	\$645,000
Street (5,600 lineal feet)	\$738,000
Water Main (4,700 lineal feet)	<u>\$162,000</u>
<b>TOTAL:</b>	<b>\$2,000,000</b>





The Center for  
**Industry & Commerce**  
A co-development with the City of Madison



**HIGH CROSSING NEIGHBORHOOD ASSOCIATION**  
**P.O. Box 14574**  
**Madison, WI 53708-4574**

April 18, 2005

Mr. Santiago Rosas  
Alderson, District #17  
3385 Basil Dr.  
Madison, WI 53714

RE: The Center for Industry & Commerce

Dear Mr. Rosas:

The High Crossing Neighborhood Association supports the expansion of proposed Tax Incremental Finance (TIF) district #34 on Madison's east side to include The Center for Industry & Commerce industrial park.

We understand that including The Center for Industry & Commerce in TIF district #34 would allow the park to utilize unused TIF funds to build roads, sewer and water infrastructure which will greatly contribute to the successful development of this east side industrial park.

The successful development of The Center for Industry & Commerce has the potential to bring thousands of high paying industrial and manufacturing jobs to the east side of Madison.

Sincerely,

THE HIGH CROSSING NEIGHBORHOOD ASSOCIATION

Endorsed by:

Katie Colbert, President  
Nicole Hoffmann, Vice President  
Chad Larson, Board of Directors

cc: Joe Gromacki, City of Madison, Real Estate Department



Requirements!  
1. Dev. Agreement  
2. Copy to JTR

b. 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.

c. Real property assembly costs, meaning any deficit incurred resulting from the sale or lease as lessor by the city of real or personal property within a tax incremental district for consideration which is less than its cost to the city.

d. Professional service costs, including, but not limited to, those costs incurred for architectural, planning, engineering, and legal advice and services.

e. Imputed administrative costs, including, but not limited to, reasonable charges for the time spent by city employees in connection with the implementation of a project plan.

f. Relocation costs, including, but not limited to, those relocation payments made following condemnation under ss. 32.19 and 32.195.

g. Organizational costs, including, but not limited to, the costs of conducting environmental impact and other studies and the costs of informing the public with respect to the creation of tax incremental districts and the implementation of project plans.

h. The amount of any contributions made under s. 66.1333 (13) in connection with the implementation of the project plan.

i. Payments made, in 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, including payments made to a town that relate to property taxes levied on territory to be included in a tax incremental district as described in sub. (4) (gm) 1.

NOTE: Subpar. i. is shown as amended eff. 10-1-04 by 2003 Wis. Act 126. Prior to 10-1-04 it reads:

i. Payments made, in 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.

j. 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, 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.

k. 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, water lines, or amenities on streets outside the district if the construction, alteration, rebuilding or expansion is necessitated by the project plan for a district, and if at the time the construction, alteration, rebuilding or expansion begins there are improvements of the kinds named in this subdivision on the land outside the district in respect to which the costs are to be incurred.

l. Costs for the removal, or containment, of lead contamination in buildings or infrastructure if the city declares that such lead contamination is a public health concern.

2. Notwithstanding subd. 1., none of the following may be included as project costs for any tax incremental district for which a project plan is approved on or after July 31, 1981:

a. The cost of constructing or expanding administrative buildings, police and fire buildings, libraries, community and recreational buildings and school buildings, unless the administrative buildings, police and fire buildings, libraries and community and recreational buildings were damaged or destroyed before January 1, 1997, by a natural disaster.

b. The cost of constructing or expanding any facility, if the city generally finances similar facilities only with utility user fees.

c. General government operating expenses, unrelated to the planning or development of a tax incremental district.

d. Cash grants made by the city to owners, lessees, or developers of land that is located within the tax incremental district unless,

the grant recipient has signed a development agreement with the city, a copy of which shall be sent to the appropriate joint review board or, if that joint review board has been dissolved, retained by the city in the official records for that tax incremental district.

NOTE: Subpar. d. is created eff. 10-1-04 by 2003 Wis. Act 126.

3. Notwithstanding subd. 1., project costs may include any expenditures made or estimated to be made or monetary obligations incurred or estimated to be incurred by the city for newly platted residential development only for any tax incremental district for which a project plan is approved before September 30, 1995, or for a mixed-use development tax incremental district to which one of the following applies:

Newly-platted Residential  
Mixed-Use TIDs

a. The density of the residential housing is at least 3 units per acre.

b. The residential housing is located in a conservation subdivision, as defined in s. 66.1027 (1) (a).

c. The residential housing is located in a traditional neighborhood development, as defined in s. 66.1027 (1) (c).

NOTE: Subd. 3. is shown as affected eff. 7-1-04 by 2003 Wis. 126. Prior to 7-1-04, it reads:

3. Notwithstanding subd. 1., project costs may not include any expenditures made or estimated to be made or monetary obligations incurred or estimated to be incurred by the city for newly platted residential development for any tax incremental district for which a project plan is approved after September 30, 1995.

(g) "Project plan" means the properly approved plan for the development or redevelopment of a tax incremental district, including all properly approved amendments thereto.

(h) "Real property" has the meaning prescribed in s. 70.03.

(i) "Tax increment" means that amount obtained by multiplying the total county, city, school and other local general property taxes levied on all taxable property within a tax incremental district in a year by a fraction having as a numerator the value increment for that year in the district and as a denominator that year's equalized value of all taxable property in the district. In any year, a tax increment is "positive" if the value increment is positive; it is "negative" if the value increment is negative.

(j) "Tax incremental base" means the aggregate value, as equalized by the department of revenue, of all taxable property located within a tax incremental district on the date as of which the district is created, determined as provided in sub. (5) (b). The base of districts created before October 1, 1980, does not include the value of property exempted under s. 70.111 (17).

(k) "Tax incremental district" means a contiguous geographic area within a city defined and created by resolution of the local legislative body, consisting solely of whole units of property as are assessed for general property tax purposes, other than railroad rights-of-way, rivers or highways. Railroad rights-of-way, rivers or highways may be included in a tax incremental district only if they are continuously bounded on either side, or on both sides, by whole units of property as are assessed for general property tax purposes which are in the tax incremental district. "Tax incremental district" does not include any area identified as a wetland on a map under s. 23.32.

TID Boundary  
"whole units"  
ROW must be bounded on at least one side by whole units  
No wetlands

(l) "Taxable property" means all real and personal taxable property located in a tax incremental district.

(m) "Value increment" means the equalized value of all taxable property in a tax incremental district in any year minus the tax incremental base. In any year "value increment" is positive if the tax incremental base is less than the aggregate value of taxable property as equalized by the department of revenue; it is negative if that base exceeds that aggregate value.

(3) POWERS OF CITIES. In addition to any other powers conferred by law, a city may exercise any powers necessary and convenient to carry out the purposes of this section, including the power to:

POWERS OF CITIES  
a. Create TIDs  
b. Create and implement project plans

(a) Create tax incremental districts and define the boundaries of the districts;

(b) Cause project plans to be prepared, approve the plans, and implement the provisions and effectuate the purposes of the plans;

Unofficial text from 01-02 Wis. Stats. database. See printed 01-02 Statutes and 2003 Wis. Acts for official text under s. 35.18 (2) stats. Report errors to the Revisor of Statutes at (608) 266-2041, FAX 264-6978, http://www.legis.state.wi.us/tsb/

TIF Loans  
Town Payments

Lead Abatement  
INELIGIBLE COSTS

No City/Public Buildings or Structures

No Public Parking (can't)

No CASH GRANTS  
W/EXCEPTIONS!