

May 14, 2024

DRAFT PROJECT PLAN

# City of Fitchburg, Wisconsin

## Tax Incremental District No. 18



---

Prepared by:

Ehlers  
N19W24400 Riverwood Drive,  
Suite 100  
Waukesha, WI 53188

---

**BUILDING COMMUNITIES. IT'S WHAT WE DO.**

## KEY DATES

Organizational Joint Review Board Meeting Held:	April 16, 2024
Public Hearing:	April 16, 2024
Consideration by Plan Commission:	April 16, 2024
Consideration by Common Council:	May 14, 2024
Consideration by the Joint Review Board:	May 30, 2024

## TABLE OF CONTENTS

<b>Executive Summary</b> .....	3
<b>Preliminary Map of Proposed District Boundary</b> .....	6
<b>Map Showing Existing Uses and Conditions</b> .....	10
<b>Preliminary Parcel List and Analysis</b> .....	13
<b>Equalized Value Test</b> .....	14
<b>Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District</b> .....	15
<b>Map Showing Proposed Improvements and Uses</b> .....	21
<b>Detailed List of Estimated Project Costs</b> .....	23
<b>Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred</b> .....	25
<b>Annexed Property</b> .....	29
<b>Estimate of Property to Be Devoted to Retail Business</b> .....	29
<b>Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances</b> .....	29
<b>Statement of the Proposed Method for the Relocation of any Persons to be Displaced</b> .....	30
<b>How Creation of the Tax Incremental District Promotes the Orderly Development of the City</b> .....	30
<b>List of Estimated Non-Project Costs</b> .....	31
<b>Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)</b> .....	32
<b>Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions</b> .....	34

# **SECTION 1:**

## **Executive Summary**

---

### **DESCRIPTION OF DISTRICT**

Tax Incremental District (“TID”) No. 18 (“District”) is a proposed In Need of Rehabilitation or Conservation District comprising approximately 119 acres located south of Cottonwood Drive, north of Lacy Road, and is bordered by Verona Road to the west and slightly east of Seminole Highway. The District will be created to pay the costs of street and utility improvements, land acquisition, signage, multi-use trail improvements, allowances for developer incentives, and ongoing administrative and professional services costs of the District.

The public infrastructure or developer incentive costs will be incurred to match the pace of development within the District. The City can finance public infrastructure directly, offer development incentives to reimburse infrastructure costs paid by a developer, or require public infrastructure to be paid entirely by a developer. The City can also use a combination of these approaches. All costs listed in the plan are TID eligible but will require any cost incurred to satisfy the “but for” requirement.

### **AUTHORITY**

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

### **ESTIMATED TOTAL PROJECT COST EXPENDITURES**

The City anticipates making total expenditures of approximately \$37.6 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”).

### **INCREMENTAL VALUATION**

The City projects that new land and improvements value of approximately \$155.8 million will occur within the District. This is an illustration of the full build out potential of the District. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

### **EXPECTED TERMINATION OF DISTRICT**

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs within 22 of its allowable 27 years. This is a projection based on the full development potential of the District. The projected closure is based on the various assumptions noted in this Plan and will vary dependent

on actual Project Costs incurred and the actual amount of tax increments collected.

## SUMMARY OF FINDINGS

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

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:
  - The investment needed to provide public infrastructure and anticipated public-private partnerships needed to promote redevelopment within the District that may necessitate providing developer incentives. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements within its existing Capital Improvement Plan.
2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:
  - That the Developer is likely to purchase goods and services from local suppliers in construction of the Project, and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid “but for” creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is in need of rehabilitation or conservation work as defined by Wis. Stat. § 66.1337(2m)(a).

5. Based on the foregoing findings, the District is designated as a district in need of rehabilitation or conservation.
6. The Project Costs relate directly to the rehabilitation or conservation of property and improvements in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master (Comprehensive) Plan of the City.

## **SECTION 2:**

### **Preliminary Map of Proposed District Boundary**

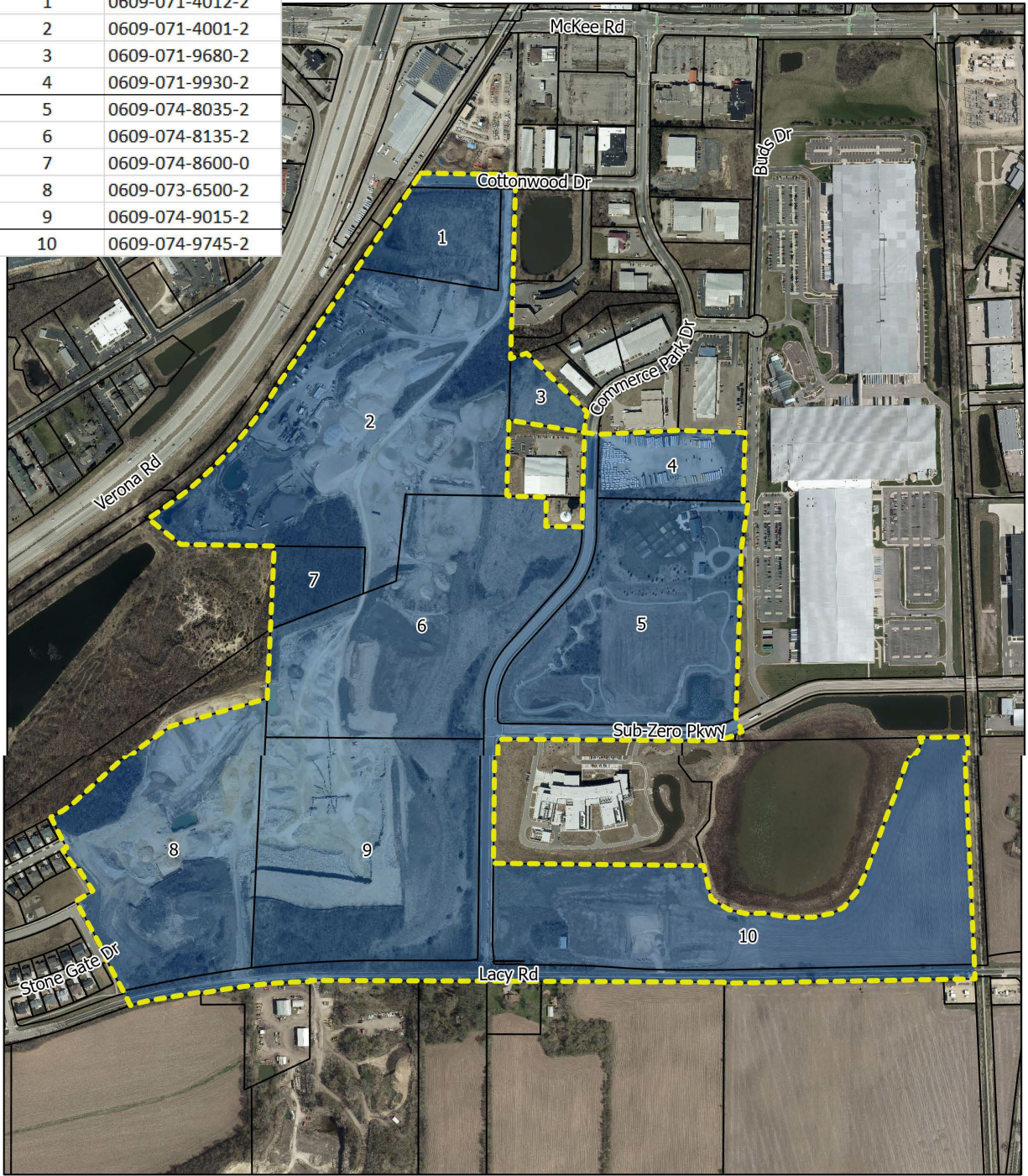
---

Maps Found on Following Page.

1. Boundary map as of 1/1/2024.
2. Map showing parcels combined after 1/1/2024.
3. Overlay map.

To the extent District boundaries include wetlands identified on a map prepared under Wis. Stat. § 23.32, the wetlands are excluded from the District.

1	0609-071-4012-2
2	0609-071-4001-2
3	0609-071-9680-2
4	0609-071-9930-2
5	0609-074-8035-2
6	0609-074-8135-2
7	0609-074-8600-0
8	0609-073-6500-2
9	0609-074-9015-2
10	0609-074-9745-2

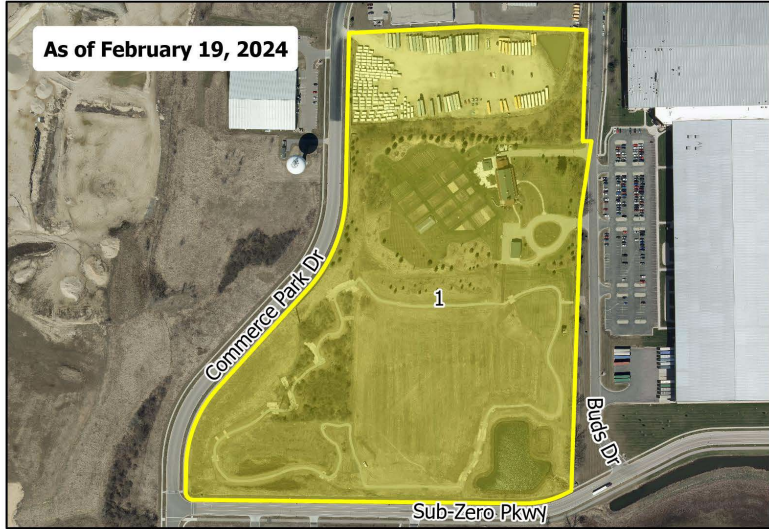


Disclaimer: The City is not liable for any deficiencies in the completeness, accuracy, content or fitness for any particular purpose or use of any public data set, or application utilizing such data set, provided by any third party.

	TID 18 Parcels 2023
	Parcels
	TID 18 Boundary

**Fitchburg TID #18 Tax Parcels**  
 Date: 3/18/2024  
 Source: City of Fitchburg, County of Dane  
 Created By: City of Fitchburg IT Department

0 500 1,000 Feet



Map Number	Parcel Number	Owner	Property Address
1	060907199302	FITCHBURG REAL ESTATE LLC	2840 COMMERCE PARK DR
2	060907480352	SUB-ZERO WOLF INC	2825 BUDS DR

Map Number	Parcel Number	Owner	Property Address
1	060907400012	SUB-ZERO GROUP INC	2825 BUDS DR

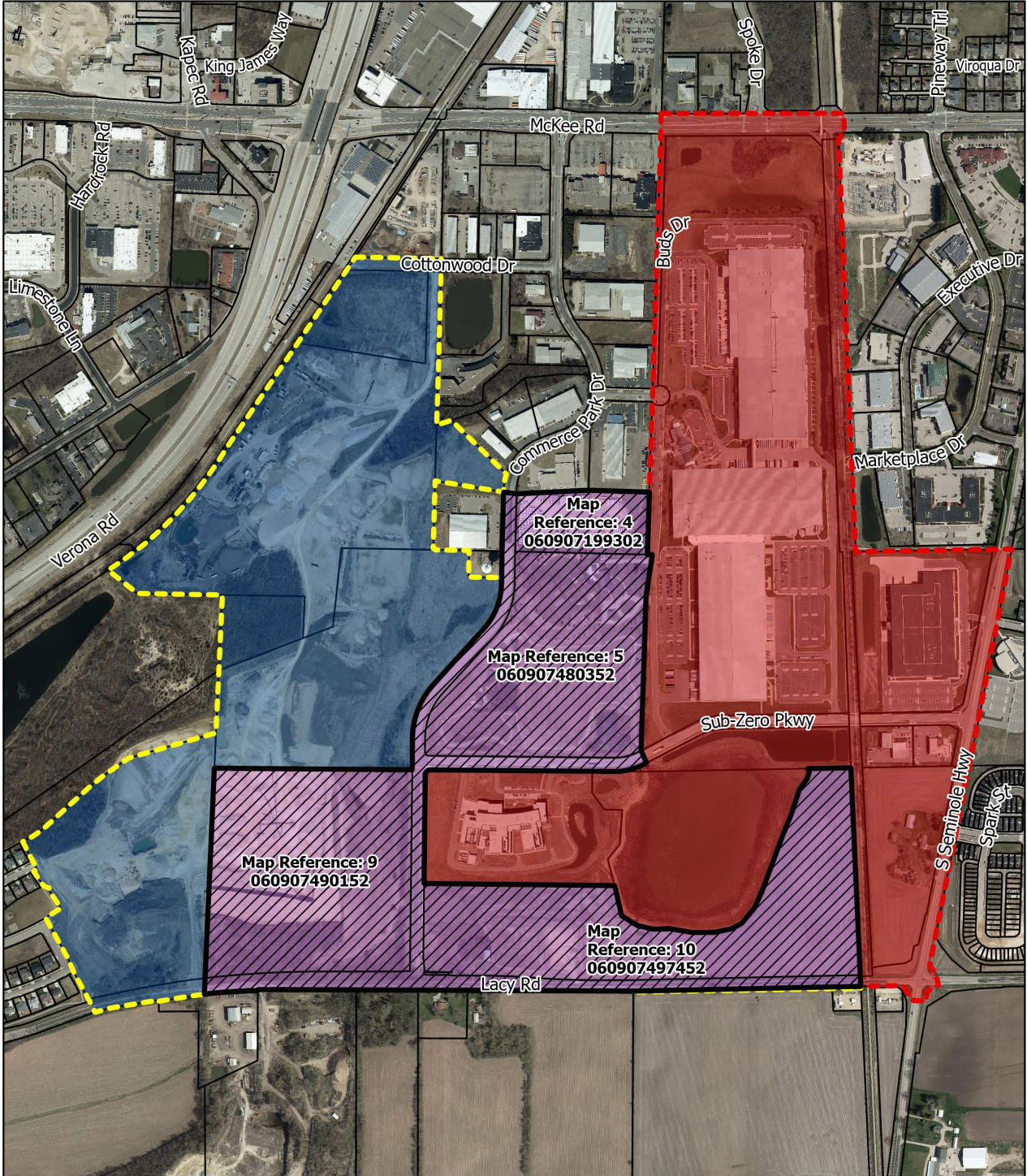


Disclaimer: The City is not liable for any deficiencies in the completeness, accuracy, content or fitness for any particular purpose or use of any public data set, or application utilizing such data set, provided by any third party.

**Fitchburg TID #18 Sub-Zero Parcels**

Date: 3/25/2024  
 Source: City of Fitchburg, County of Dane  
 Created By: City of Fitchburg IT Department

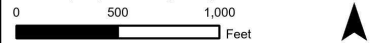
0 250 500 Feet



Disclaimer: The City is not liable for any deficiencies in the completeness, accuracy, content or fitness for any particular purpose or use of any public data set, or application utilizing such data set, provided by any third party.

-  Parcels
-  TID 9 Boundary
-  TID 18 Boundary
-  TID Overlap

Fitchburg TID #18  
 Overlay Map  
 Date: 3/19/2024  
 Source: City of Fitchburg, County of Dane  
 Created By: City of Fitchburg IT Department

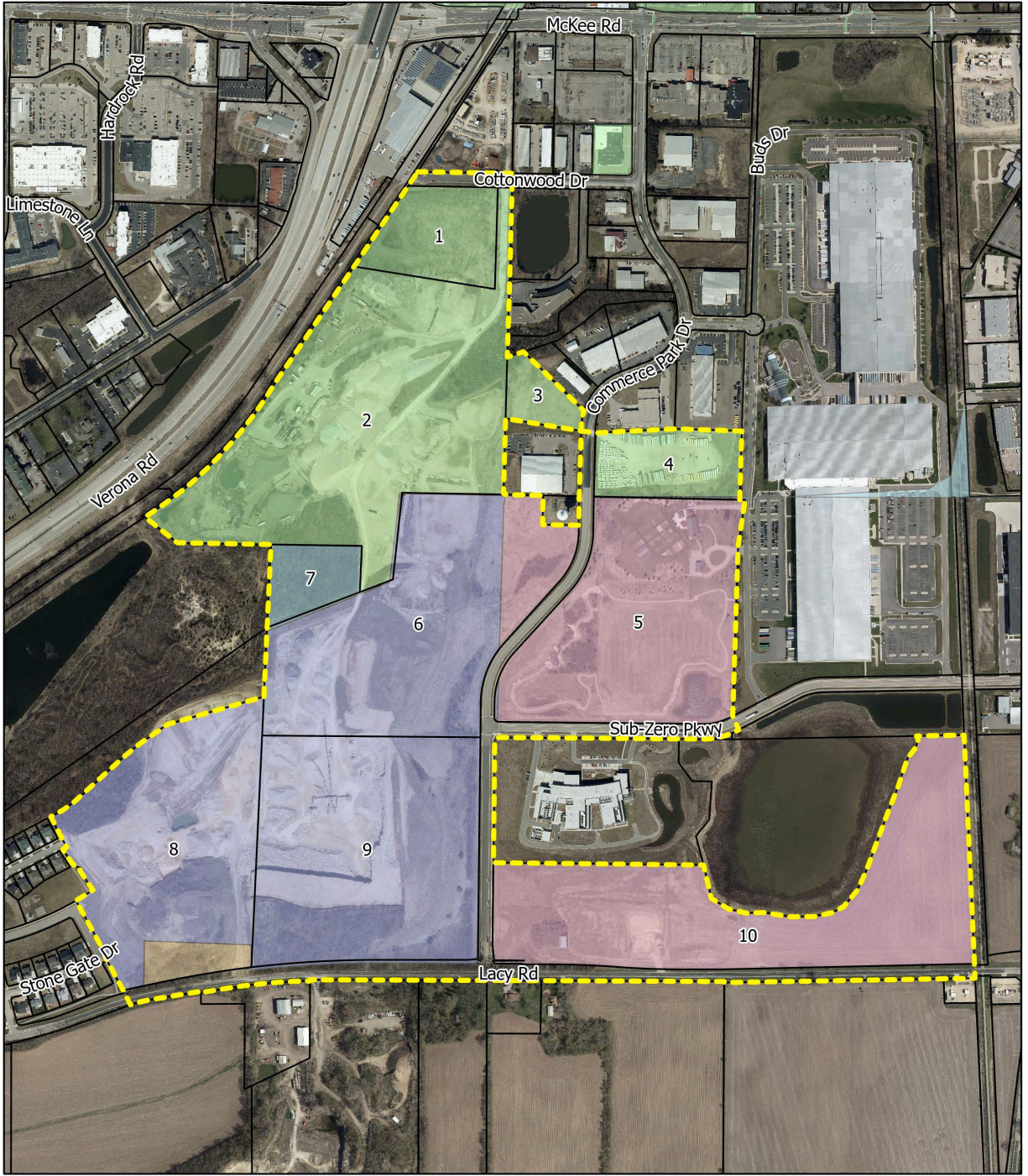


## **SECTION 3:**

### **Map Showing Existing Uses and Conditions**

---

Map Found on Following Page.



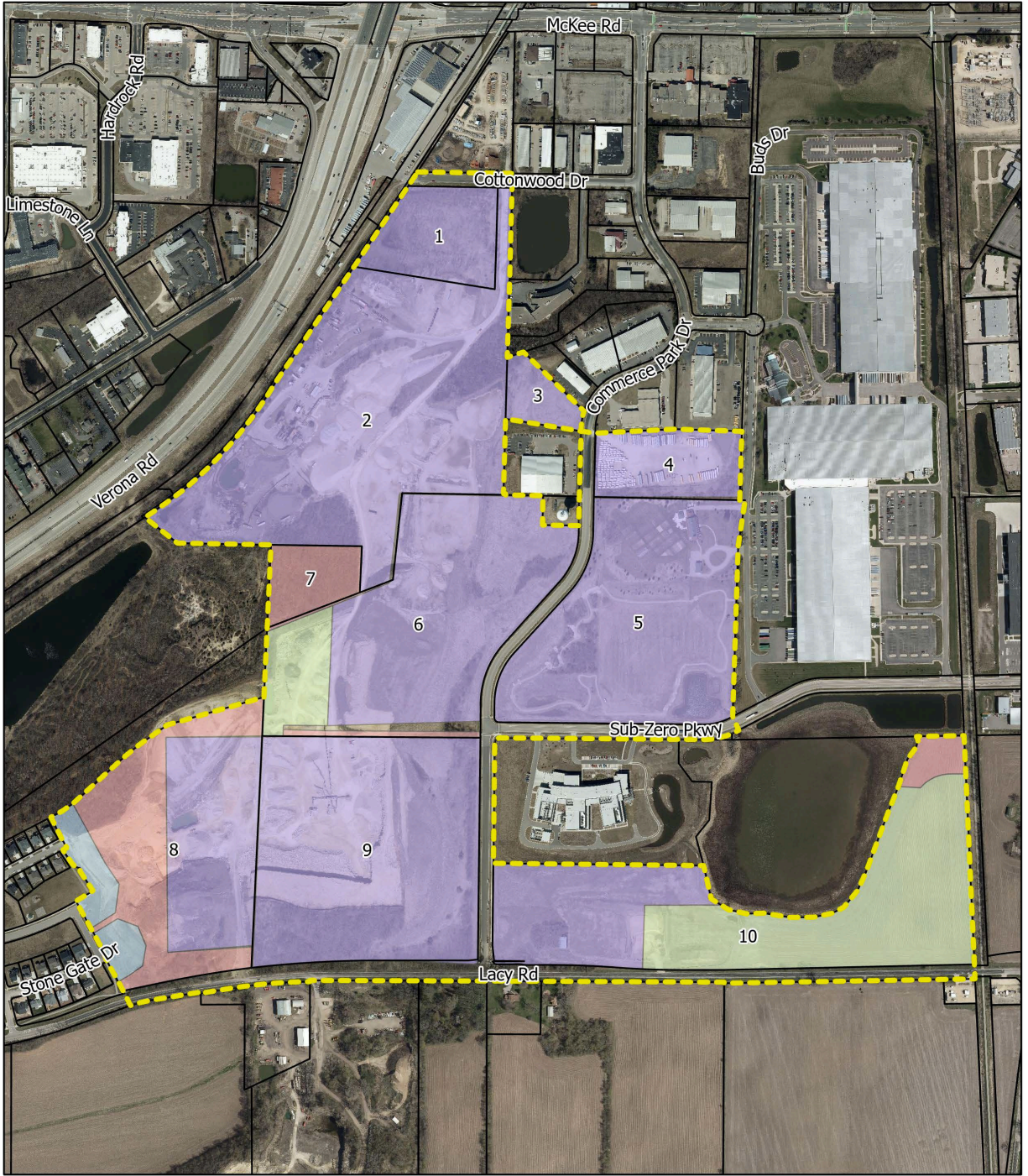
Disclaimer: The City is not liable for any deficiencies in the completeness, accuracy, content or fitness for any particular purpose or use of any public data set, or application utilizing such data set, provided by any third party.

- AGRICULTURE & OPEN SPACE
- INDUSTRIAL-GENERAL
- PARK & OPEN SPACE
- RESIDENTIAL
- RURAL DEVELOPMENT
- Parcels
- TID 18 Boundary

**Fitchburg TID #18**  
**Existing Uses & Conditions**  
 Date: 3/18/2024  
 Source: City of Fitchburg, County of Dane  
 Created By: City of Fitchburg IT Department

0 500 1,000 Feet

N



Disclaimer: The City is not liable for any deficiencies in the completeness, accuracy, content or fitness for any particular purpose or use of any public data set, or application utilizing such data set, provided by any third party.

**Future Landuse**

- INDUSTRIAL-COMMERCIAL
- INDUSTRIAL-GENERAL
- PARK & OPEN SPACE
- RESIDENTIAL
- RURAL RESIDENTIAL

**Legend:**

- TID 18 Boundary
- TID 18 Parcels 2023
- Parcels

**Fitchburg TID #18 Future Landuse**

Date: 3/18/2024  
 Source: City of Fitchburg, County of Dane  
 Created By: City of Fitchburg IT Department

0 500 1,000 Feet

N

# SECTION 4: Preliminary Parcel List and Analysis

## Parcel Data

Map Reference Number	Parcel Number	Address	Owner	Acres	Acres		Rehab/Conservation Condition
					Rehab/Conservation		
1	0609-071-4012-2	6157 Cottonwood Drive	W-M Investments LLC	7.50	7.50		Condition 3
2	0609-071-4001-2	6145 Cottonwood Drive	Payne & Dolan Inc	45.54	45.54		Condition 3
3	0609-071-9680-2	Commerce Park Drive	Kalena Ventures LLC	2.69			
4	0609-071-9930-2	2840 Commerce Parkway Drive	Fitchburg Real Estate LLC	6.90			
5	0609-074-8035-2	2825 Buds Drive	Sub-Zero Wolf Inc	29.44			
6	0609-074-8135-2	Commerce Park Drive	Sub-Zero Wolf Inc	33.87	33.87		Condition 3
7	0609-074-8600-0	No Street Access	City of Fitchburg	4.09			
8	0609-073-6500-2	Lacy Road	Hamm Fam Land LLC	29.91	29.91		Condition 3
9	0609-074-9015-2	Lacy Road	Lacy Road	35.68	35.68		Condition 3
10	0609-074-9745-2	Lacy Road	Lacy Road	36.29			
<b>TOTALS</b>				<b>231.91</b>	<b>152.50</b>		

Percentage of TID Area Designated as in Need of Rehabilitation or Conservation (at least 50%) 65.76%

Percentage of TID Area Not Designated as in Need of Rehabilitation or Conservation 34.24%

Total Area 100%

### Rehabilitation Conditions:

- Condition 1 Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements.
- Condition 2 Acquisition of real property and demolition, removal or rehabilitation of buildings and improvements on the property where necessary to eliminate unhealthful, unsanitary or unsafe conditions, lessen density, reduce traffic hazards, eliminate obsolete or other uses detrimental to the public welfare, to otherwise remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.
- Condition 3 Installation, construction or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the objectives of the Urban Renewal Project\*.
- Condition 4 The disposition, for uses in accordance with the objectives of the Urban Renewal Project\*, of any property acquired in the area of the project. The disposition shall be in the manner prescribed in this section for the disposition of property in a redevelopment project area.

\*Urban Renewal Project includes undertakings and activities for the elimination and for the prevention of the development or spread of slums or blighted, deteriorated or deteriorating areas and may involve any work or undertaking for this purpose constituting a redevelopment project or any rehabilitation or conservation work, or any combination of the undertaking or work.

### Calculation of Estimated Base Value<sup>1</sup>

Parcel <sup>3</sup>	Assessed Value			Equalized Value <sup>2</sup>			Overlapping TID
	Land	Improvement	Total	Land	Improvement	Total	
0609-071-4012-2	1,500,200	0	1,500,200	1,734,800	0	1,734,800	
0609-071-4001-2	738,000	195,600	933,600	853,400	226,200	1,079,600	
0609-071-9680-2	538,800	0	538,800	623,100	0	623,100	
0609-071-9930-2	1,380,400	0	1,380,400	1,596,200	0	1,596,200	TID #9
0609-074-8035-2	2,005,000	3,507,000	5,512,000	2,318,500	4,055,400	6,373,900	TID #9
0609-074-8135-2	2,487,100	0	2,487,100	2,876,000	0	2,876,000	
0609-074-8600-0	0	0	0	0	0	0	
0609-073-6500-2	163,600	900	164,500	189,200	1,000	190,200	
0609-074-9015-2	164,000	0	164,000	189,600	0	189,600	TID #9
0609-074-9745-2	49,200	5,000	54,200	56,900	5,800	62,700	TID #9
<b>TOTALS</b>	<b>9,026,300</b>	<b>3,708,500</b>	<b>12,734,800</b>	<b>10,437,700</b>	<b>4,288,400</b>	<b>14,726,100</b>	

1) Estimated based on values as of January 1, 2023. Actual base value will be as of January 1, 2024.

2) Calculation based on aggregate assessment ratio of 86.48%.

3) Parcel 0609-71-9930-2 and parcel 0609-074-8035-2 were combined 2/19/24 into parcel #0609-074-0001-2

Parcels 1, 2, 6, 8 and 9 are part of a former quarry site. Installation of streets, utilities, and other improvements are necessary to remediate deteriorating conditions and facilitate redevelopment projects.

**SECTION 5:  
Equalized Value Test**

---

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City. The value of those parcels located within Tax Incremental District No. 18 that will be overlapped are not included in the base value of the District as that value is reflected within the total of existing incremental value.

Calculation of City Equalized Value Limit

City TID IN Equalized Value (Jan. 1, 2023)	\$	5,733,042,400
TID Valuation Limit @ 12% of Above Value	\$	687,965,088

Calculation of Value Subject to Limit

Estimated Base Value of Territory to be Included in District	\$	14,726,100
Incremental Value of Existing Districts (Jan. 1, 2023)	\$	320,164,900
Less: Value of Underlying TID Parcels	\$	(8,222,400)
<b>Total Value Subject to 12% Valuation Limit</b>	<b>\$</b>	<b>326,668,600</b>
<b>Total Percentage of TID IN Equalized Value</b>		<b>5.70%</b>
<b>Residual Value Capacity of TID IN Equalized Value</b>	<b>\$</b>	<b>361,296,488</b>

## **SECTION 6: Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District**

---

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

With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

### **Property, Right-of-Way and Easement Acquisition**

#### ***Property Acquisition for Development***

To promote and facilitate development, the City or developer may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be

considered “real property assembly costs” as defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

### **Property Acquisition for Conservancy**

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

### **Acquisition of Rights-of-Way**

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

### **Acquisition of Easements**

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

### **Relocation Costs**

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

## **Site Preparation Activities**

### **Environmental Audits and Remediation**

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

### **Demolition**

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

### **Site Grading**

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

### **Utilities**

#### **Sanitary Sewer System Improvements**

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

#### **Water System Improvements**

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

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

### **Stormwater Management System Improvements**

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

### **Electric Service**

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

### **Gas Service**

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

### **Communications Infrastructure**

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

### **Streets and Streetscape**

#### **Street Improvements**

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

#### **Streetscaping and Landscaping**

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

### **Community Development**

#### **Cash Grants (Development Incentives)**

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

## **Miscellaneous**

### **Projects Outside the Tax Increment District**

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

- Basswood Closure: \$365,000
- Bus Shelters: \$50,000
- Commerce Park Signs (Update existing and new sign): \$100,000
- Military Ridge Trail Grading and Stormwater: \$40,000

### **Professional Service and Organizational Costs**

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

### **Administrative Costs**

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

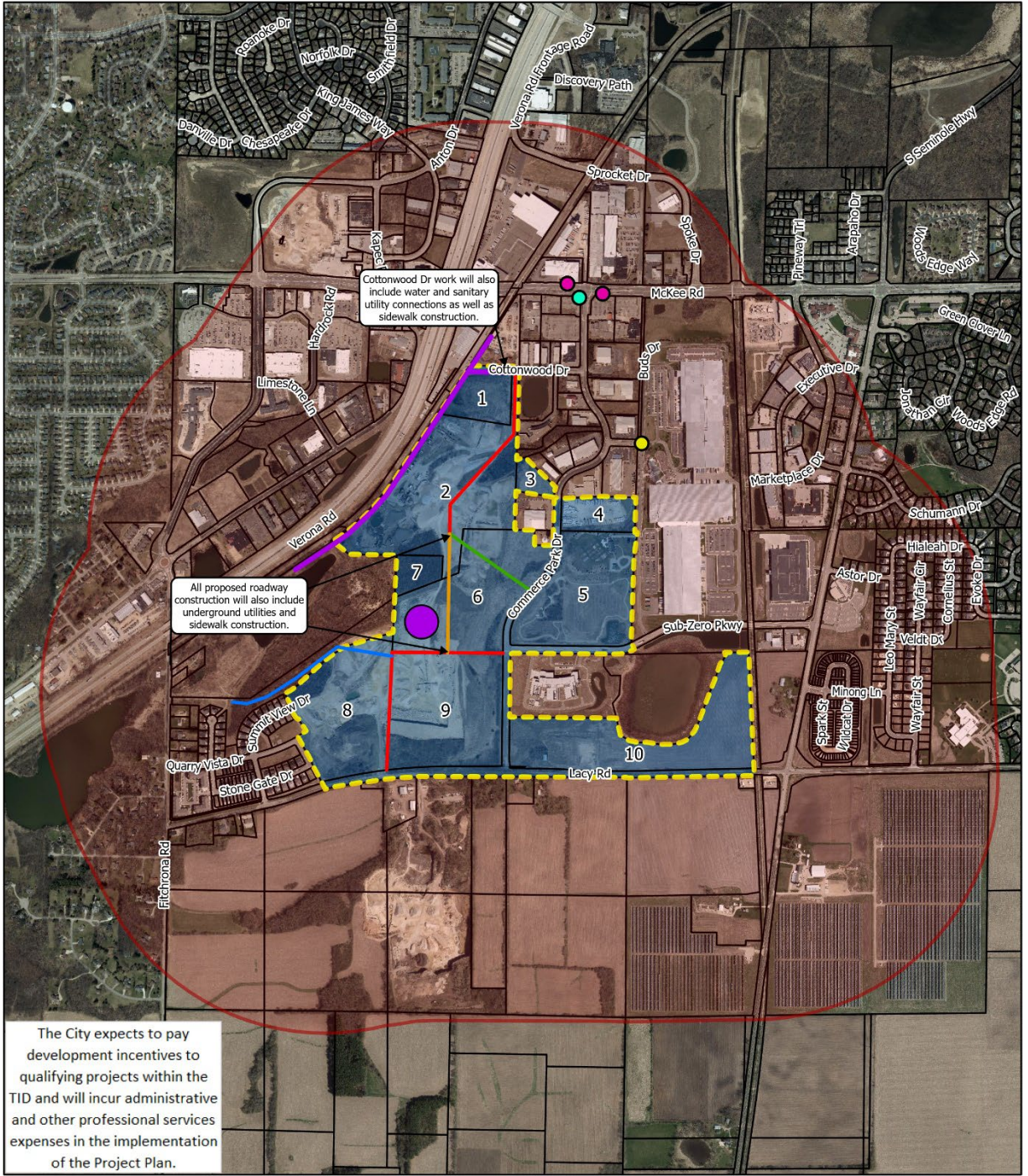
### **Financing Costs**

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

## **SECTION 7: Map Showing Proposed Improvements and Uses**

---

Maps Found on Following Pages.



Disclaimer: The City is not liable for any deficiencies in the completeness, accuracy, content or fitness for any particular purpose or use of any public data set, or application utilizing such data set, provided by any third party.

Parcels	Proposed Multi-Use Path (B)	Proposed Storm Water Improvements (H/I)
TID 18 Boundary	Proposed Roadway (A)	Proposed Regional Detention/Infiltration Basin (F/G)
Half Mile Boundary	Proposed Roadway (A, Alt. A)	Proposed Roadway (A, Alt. B)
Basswood Closure (K)	Commerce Park Sign (M)	
Bus Shelter (L)		

**Fitchburg TID #18**  
**Half Mile Boundary and Improvements**

Date: 3/21/2024  
 Source: City of Fitchburg, County of Dane  
 Created By: City of Fitchburg IT Department

0 1,250 2,500 Feet

## **SECTION 8:**

### **Detailed List of Estimated Project Costs**

---

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

The public infrastructure costs will be incurred to match the pace of development within the District. The City could finance public infrastructure directly, offer development incentives to reimburse infrastructure costs paid by a developer, or require public infrastructure to be paid entirely by a developer. The City could also use a combination of these approaches. All costs listed in the plan are TID eligible but will require any cost incurred to satisfy the “but for” requirement. Project costs are TID eligible to the extent sufficient increment is available to support these projects.

Any developer incentive provided will be subject to a TIF deposit for a developer proforma review, “but for” analysis, and require a development agreement approved by the Common Council.

While the City can reallocate costs between projects as necessary, all expenditures will require separate approval by the Common Council. The City’s ongoing practice is to review planned TID expenditures and projected increment within the District prior to approving capital expenditures or developer incentives to determine if it is feasible for the District to support the proposed costs.

**Detailed List of Estimated Project Costs**

<u>Project ID</u>	<u>Project Name/Type</u>	<u>Est. Cost</u>		<u>Totals</u>	<u>1/2 Mile</u>	<u>Non-Project Costs</u>
		<u>Project Cost</u>	<u>Ongoing</u>			
A	Road, Curb, Sidewalks, Paths	2,880,000		<b>2,880,000</b>		
B	Off Street path	126,700		<b>126,700</b>		
C	Water	1,227,060		<b>1,227,060</b>		
D	Sewer	1,230,740		<b>1,230,740</b>		
E	Storm Water	739,500		<b>739,500</b>		
F	Regional Retention Basin	1,200,000		<b>1,200,000</b>		
G	Regional Infiltration Basin	840,000		<b>840,000</b>		
H	Military Ridge Trail (regrading & storm sewer installation to correct drainage)	80,000		<b>80,000</b>	40,000	
I	Cottonwood storm sewer	104,400		<b>104,400</b>		
J	Land	787,500		<b>787,500</b>		
K	Basswood Closure			<b>0</b>	365,000	
L	Bus Shelters Commerce and McKee (2)			<b>0</b>	50,000	
M	Commerce Park Sign (update and new)			<b>0</b>	100,000	
	Development Incentives	13,500,000		<b>13,500,000</b>		
	Interest on Long Term Debt and MRO	13,242,400		<b>13,242,400</b>		
	Financing Costs	295,913		<b>295,913</b>		
	Ongoing Planning & Administrative Costs		750,000	<b>750,000</b>		
<b>Total Projects</b>		<b><u>36,254,213</u></b>	<b><u>750,000</u></b>	<b><u>37,004,213</u></b>	<b><u>555,000</u></b>	<b><u>0</u></b>

**Notes:**

1. Infrastructure projects can be funded by the City, developer, or through a PAYGO developer incentive.

## **SECTION 9:**

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

---

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

#### **Key Assumptions**

The Project Costs the City plans to make are expected to create \$155,800,000 of incremental value within the District. Estimated valuations and timing for construction of projects throughout the entire District are included in **Table 1**. This is an illustration of the full development potential within the District. Assuming an equalized TID Interim tax rate of \$19.50 per thousand of equalized value declining by -1.50% annually, and economic appreciation of 0.50%, the District would generate approximately \$48.3 million in incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

#### **Financing and Implementation**

Based on the Project Cost expenditures included within the cash flow exhibit (**Table 3**), the District is projected to accumulate sufficient funds by the year 2046 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected

**Table 1 - Development Assumptions**

Development Assumptions										
Construction Year	Promega (Parcel 10) Total Value	Sub-Zero (parcel 4 &5) Total Value	General Beverage (Parcel 1) Total Value	Sub-Zero (Parcel #6) Total Value	Payne & Dolan (parcel #2) Total Value	Hamm Family (Parcel 8) Total Value	Kalena Ventures (parcel 3) Total Value	Payne & Dolan (Parcel 8) Total Value	Annual Total	Construction Year
1 2024									0	2024 1
2 2025		5,400,000							5,400,000	2025 2
3 2026		5,400,000				9,000,000			14,400,000	2026 3
4 2027								10,000,000	10,000,000	2027 4
5 2028			5,250,000						5,250,000	2028 5
6 2029			5,250,000	9,000,000		5,000,000	2,000,000		21,250,000	2029 6
7 2030	14,000,000			9,000,000				10,000,000	33,000,000	2030 7
8 2031	14,000,000					7,500,000			21,500,000	2031 8
9 2032									0	2032 9
10 2033									0	2033 10
11 2034									0	2034 11
12 2035					10,000,000			10,000,000	20,000,000	2035 12
13 2036									0	2036 13
14 2037									0	2037 14
15 2038									0	2038 15
16 2039								5,000,000	5,000,000	2039 16
17 2040					20,000,000				20,000,000	2040 17
18 2041									0	2041 18
19 2042									0	2042 19
20 2043									0	2043 20
21 2044									0	2044 21
22 2045									0	2045 22
23 2046									0	2046 23
24 2047									0	2047 24
25 2048									0	2048 25
26 2049									0	2049 26
27 2050									0	2050 27
<b>Totals</b>	<b>28,000,000</b>	<b>10,800,000</b>	<b>10,500,000</b>	<b>18,000,000</b>	<b>30,000,000</b>	<b>21,500,000</b>	<b>2,000,000</b>	<b>35,000,000</b>	<b>155,800,000</b>	

**Table 2 – Tax Increment Projection Worksheet**

Tax Increment Projection Worksheet										
Type of District	Rehabilitation		Base Value	14,726,100		Economic Change Factor	0.50%		Apply to Base Value	
District Creation Date	May 14, 2024		Base Tax Rate	\$19.50		Rate Adjustment Factor	-1.50%			
Valuation Date	Jan 1,	2024								
Max Life (Years)	27									
Expenditure Period/Termination	22	5/14/2046								
Revenue Periods/Final Year	27	2052								
Extension Eligibility/Years	Yes	3								
Eligible Recipient District	Yes									
Construction Year	Value Added	Valuation Year	Economic Change	Total Increment	Revenue Year	Tax Rate	Tax Increment			
1 2024	0	2025	0	0	2026	\$19.21	0			
2 2025	5,400,000	2026	0	5,400,000	2027	\$18.92	102,165			
3 2026	14,400,000	2027	27,000	19,827,000	2028	\$18.64	369,488			
4 2027	10,000,000	2028	99,135	29,926,135	2029	\$18.36	549,326			
5 2028	5,250,000	2029	149,631	35,325,766	2030	\$18.08	638,715			
6 2029	21,250,000	2030	176,629	56,752,395	2031	\$17.81	1,010,732			
7 2030	33,000,000	2031	283,762	90,036,156	2032	\$17.54	1,579,447			
8 2031	21,500,000	2032	450,181	111,986,337	2033	\$17.28	1,935,038			
9 2032	0	2033	559,932	112,546,269	2034	\$17.02	1,915,542			
10 2033	0	2034	562,731	113,109,000	2035	\$16.76	1,896,243			
11 2034	0	2035	565,545	113,674,545	2036	\$16.51	1,877,139			
12 2035	20,000,000	2036	568,373	134,242,918	2037	\$16.27	2,183,538			
13 2036	0	2037	671,215	134,914,133	2038	\$16.02	2,161,539			
14 2037	0	2038	674,571	135,588,703	2039	\$15.78	2,139,761			
15 2038	0	2039	677,944	136,266,647	2040	\$15.54	2,118,203			
16 2039	5,000,000	2040	681,333	141,947,980	2041	\$15.31	2,173,419			
17 2040	20,000,000	2041	709,740	162,657,720	2042	\$15.08	2,453,156			
18 2041	0	2042	813,289	163,471,009	2043	\$14.86	2,428,441			
19 2042	0	2043	817,355	164,288,364	2044	\$14.63	2,403,974			
20 2043	0	2044	821,442	165,109,805	2045	\$14.41	2,379,754			
21 2044	0	2045	825,549	165,935,354	2046	\$14.20	2,355,778			
22 2045	0	2046	829,677	166,765,031	2047	\$13.98	2,332,044			
23 2046	0	2047	833,825	167,598,856	2048	\$13.77	2,308,548			
24 2047	0	2048	837,994	168,436,851	2049	\$13.57	2,285,290			
25 2048	0	2049	842,184	169,279,035	2050	\$13.36	2,262,265			
26 2049	0	2050	846,395	170,125,430	2051	\$13.16	2,239,473			
27 2050	0	2051	850,627	170,976,057	2052	\$12.97	2,216,910			
<b>Totals</b>	<b>155,800,000</b>		<b>15,176,057</b>		<b>Future Value of Increment</b>		<b>48,315,931</b>			

**Table 3 - Cash Flow**

Cash Flow Projection															
Year	Projected Revenues			Total Revenues	Projected Expenditures						Balances			Year	
	Tax Increments	Capitalized interest	Other Revenue		2026 G.O. Promissory Note \$3,585,000 Issue Total	2028 G.O. Promissory Note \$5,430,000 Issue Total	MRO \$6,000,000 Issue Total	MRO \$6,000,000 Issue Total	Cash Funded Capital Outlay	Ongoing Planning & Administration	Total Expenditures	Annual	Cumulative		Liabilities Outstanding
2024				0	4.50%	5.00%	6.00%	6.00%		50,000	50,000	(50,000)	(50,000)	0	2024
2025				0						25,000	25,000	(25,000)	(75,000)	0	2025
2026	0			0						25,000	25,000	(25,000)	(100,000)	3,585,000	2026
2027	102,165	241,988		344,152	241,988	0	0	0		25,000	266,988	77,165	(22,835)	3,585,000	2027
2028	369,488			369,488	161,325	0	0	0		25,000	186,325	183,163	160,328	9,015,000	2028
2029	549,326			549,326	259,075	0	0	0	150,000	25,000	434,075	115,251	275,579	8,915,000	2029
2030	638,715			638,715	254,575	407,250	0	0		25,000	686,825	(48,110)	227,469	14,815,000	2030
2031	1,010,732			1,010,732	250,075	271,500	610,000	0		25,000	1,156,575	(145,843)	81,626	14,265,000	2031
2032	1,579,447			1,579,447	343,325	466,500	595,000	0		25,000	1,429,825	149,622	231,249	13,490,000	2032
2033	1,935,038			1,935,038	334,325	578,375	605,000	0	126,700	25,000	1,669,400	265,638	496,887	18,690,000	2033
2034	1,915,542			1,915,542	325,325	562,125	588,500	460,000		25,000	1,960,950	(45,408)	451,479	17,790,000	2034
2035	1,896,243			1,896,243	316,325	545,875	572,000	454,000		25,000	1,913,200	(16,957)	434,523	16,890,000	2035
2036	1,877,139			1,877,139	307,325	529,625	555,500	448,000		25,000	1,865,450	11,689	446,211	15,990,000	2036
2037	2,183,538			2,183,538	298,325	513,375	539,000	692,000		25,000	2,067,700	115,838	562,049	14,840,000	2037
2038	2,161,539			2,161,539	289,325	497,125	522,500	671,000		25,000	2,004,950	156,589	718,638	13,690,000	2038
2039	2,139,761			2,139,761	314,538	480,875	506,000	650,000		25,000	1,976,413	163,349	881,987	12,505,000	2039
2040	2,118,203			2,118,203	303,963	464,625	489,500	629,000		25,000	1,912,088	206,116	1,088,103	11,320,000	2040
2041	2,173,419			2,173,419	293,388	448,375	473,000	608,000	787,500	25,000	2,635,263	(461,843)	626,260	10,135,000	2041
2042	2,453,156			2,453,156	282,813	432,125	456,500	587,000		25,000	1,783,438	669,719	1,295,979	8,950,000	2042
2043	2,428,441			2,428,441	272,238	415,875	440,000	566,000		25,000	1,719,113	709,328	2,005,307	7,760,000	2043
2044	2,403,974			2,403,974	261,663	404,500	423,500	545,000		25,000	1,659,663	744,312	2,749,618	6,570,000	2044
2045	2,379,754			2,379,754	251,088	388,000	407,000	524,000		25,000	1,595,088	784,667	3,534,285	5,380,000	2045
2046	2,355,778			2,355,778	245,400	371,500	390,500	503,000		25,000	1,535,400	820,378	4,354,663	4,185,000	2046
2047	2,332,044			2,332,044	0	355,000	374,000	482,000		25,000	1,236,000	1,096,044	5,450,707	3,225,000	2047
2048	2,308,548			2,308,548	0	343,375	357,500	461,000		25,000	1,186,875	1,121,673	6,572,380	2,600,000	2048
2049	2,285,290			2,285,290	0	0	341,000	465,000		25,000	831,000	1,454,290	8,026,670	1,950,000	2049
2050	2,262,265			2,262,265	0	0	324,500	442,500		25,000	792,000	1,470,265	9,496,935	1,300,000	2050
2051	2,239,473			2,239,473	0	0	308,000	420,000		25,000	753,000	1,486,473	10,983,408	650,000	2051
2052	2,216,910			2,216,910	0	0	291,500	397,500		25,000	714,000	1,502,910	12,486,318	0	2052
<b>Totals (2024- 2052)</b>	<b>48,315,931</b>	<b>241,988</b>	<b>0</b>	<b>48,557,918</b>	<b>5,606,400</b>	<b>8,476,000</b>	<b>10,170,000</b>	<b>10,005,000</b>	<b>1,064,200</b>	<b>750,000</b>	<b>36,071,600</b>				<b>Totals (2024- 2052)</b>

Notes:

PROJECTED CLOSURE YEAR

**LEGEND:**  
 END OF EXP. PERIOD

## **SECTION 10: Annexed Property**

---

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

## **SECTION 11: Estimate of Property to Be Devoted to Retail Business**

---

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

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

---

### **Zoning Ordinances**

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

### **Master (Comprehensive) Plan and Map**

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for redevelopment to encourage business, industrial/commercial, and mixed-use development.

### **Building Codes and Ordinances**

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

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

---

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

## **SECTION 14: How Creation of the Tax Incremental District Promotes the Orderly Development of the City**

---

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by rehabilitating and redeveloping areas, especially areas part of a former quarry site. Through the use of tax incremental financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community.

## **SECTION 15:**

### **List of Estimated Non-Project Costs**

---

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

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

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

**SECTION 16:**  
**Legal Opinion Advising Whether the Plan is Complete  
and Complies with Wis. Stat. § 66.1105(4)(f)**

---

Legal Opinion Found on Following Page.



**Valerie Zisman | City Attorney**  
City Hall, 5520 Lacy Road, Fitchburg, Wisconsin 53711  
Ph: 608.270.4214 | Fx: 608.270.4212 | [www.fitchburgwi.gov](http://www.fitchburgwi.gov)

March 26, 2024

**RE: Project Plan for Tax Incremental District No. 18**

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105.

As City Attorney for the City of Fitchburg, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan for the City of Fitchburg Tax Incremental District No. 18 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Valerie Zisman', with a long horizontal flourish extending to the right.

Valerie Zisman  
City Attorney

## SECTION 17: Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

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

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.						
Revenue Year	Dane County	City	Verona School District	Technical College	Total	Revenue Year
2026	0	0	0	0	0	2026
2027	14,646	30,893	53,108	3,517	102,165	2027
2028	52,968	111,728	192,071	12,721	369,488	2028
2029	78,749	166,109	285,556	18,912	549,326	2029
2030	91,563	193,139	332,023	21,990	638,715	2030
2031	144,894	305,632	525,409	34,797	1,010,732	2031
2032	226,422	477,604	821,044	54,377	1,579,447	2032
2033	277,397	585,130	1,005,891	66,619	1,935,038	2033
2034	274,603	579,235	995,757	65,948	1,915,542	2034
2035	271,836	573,399	985,724	65,283	1,896,243	2035
2036	269,097	567,622	975,793	64,626	1,877,139	2036
2037	313,021	660,274	1,135,069	75,174	2,183,538	2037
2038	309,867	653,621	1,123,633	74,417	2,161,539	2038
2039	306,745	647,036	1,112,312	73,667	2,139,761	2039
2040	303,655	640,517	1,101,106	72,925	2,118,203	2040
2041	311,571	657,214	1,129,809	74,826	2,173,419	2041
2042	351,672	741,803	1,275,225	84,457	2,453,156	2042
2043	348,129	734,329	1,262,377	83,606	2,428,441	2043
2044	344,622	726,931	1,249,658	82,764	2,403,974	2044
2045	341,150	719,607	1,237,068	81,930	2,379,754	2045
2046	337,713	712,357	1,224,604	81,104	2,355,778	2046
2047	334,310	705,180	1,212,267	80,287	2,332,044	2047
2048	330,942	698,075	1,200,053	79,478	2,308,548	2048
2049	327,608	691,042	1,187,962	78,677	2,285,290	2049
2050	324,307	684,080	1,175,994	77,885	2,262,265	2050
2051	321,040	677,188	1,164,146	77,100	2,239,473	2051
2052	317,805	670,365	1,152,417	76,323	2,216,910	2052
<b>Totals</b>	<b>6,926,330</b>	<b>14,610,113</b>	<b>25,116,077</b>	<b>1,663,411</b>	<b>48,315,931</b>	