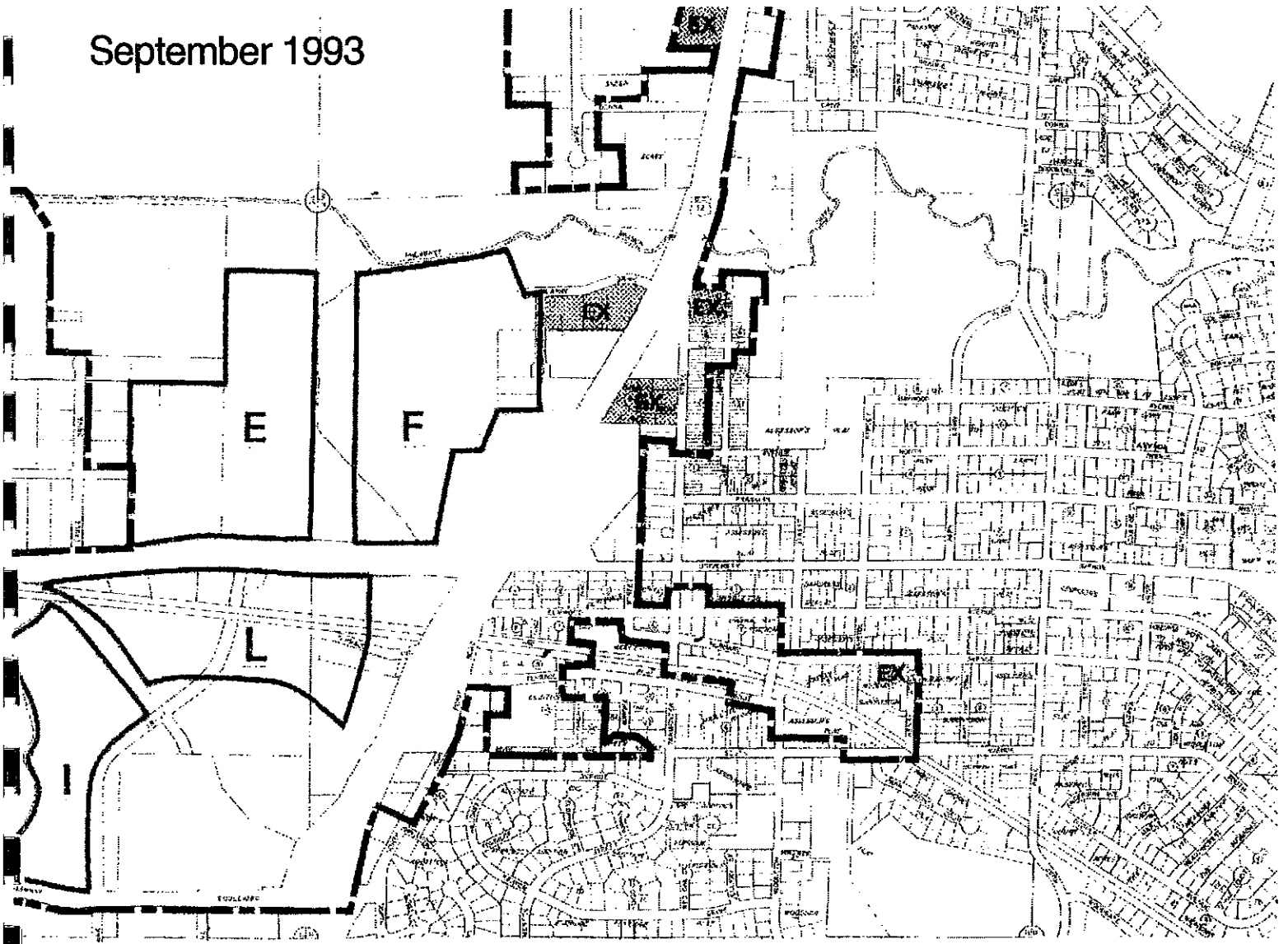
TIF District #3

City of Middleton, Wisconsin

Project Plan & Boundary Description

September 1993



Prepared by the:
City of Middleton, Wisconsin, Plan Commission

Assisted by:
Vandewalle & Associates, Madison, Wisconsin

CITY OF MIDDLETON

TIF DISTRICT NO. 3

PROJECT PLAN AND

BOUNDARY DESCRIPTION

September, 1993

Prepared by:

THE CITY OF MIDDLETON PLAN COMMISSION

Assisted by:

VANDEWALLE & ASSOCIATES

Madison, Wisconsin

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SECTION I. INTRODUCTION

The City of Middleton has monitored growth within the City corporate limits through the use of master plans and long-range strategic goals. These land use plans and strategic goals have encouraged economic development and planned growth within the City aimed to benefit the entire community. The project plan for Tax Increment Financing District #3 in the City of Middleton, Wisconsin has several goals. The overriding goal is to provide the necessary public infrastructure to stimulate economic development of jobs and new tax base within planned areas of the City.

The majority of the land within TIF District No. 3 is zoned for industrial development. The full development of the lands in TIF District No. 3 represents the creation of one of the largest "job parks" in the Madison metropolitan area. Without the use of tax incremental financing for comprehensive infrastructure development, the highest and best use of the lands within TIF District No. 3 will not likely be achieved during the next twenty (20) years. Without TIF, the development pattern would be sporadic and disconnected because of the large land area encompassed by this "job park" district.

A closely-related goal is the elimination of economic blight created by a regional stormwater need centered in the TIF District. Upstream development along the Pheasant Branch Creek has created the need for a very expensive regional stormwater solution in order for lands to be developed under existing City and State stormwater management codes. The basic stormwater problem has been created by actual and proposed development outside of the City of Middleton's corporate limits. This has

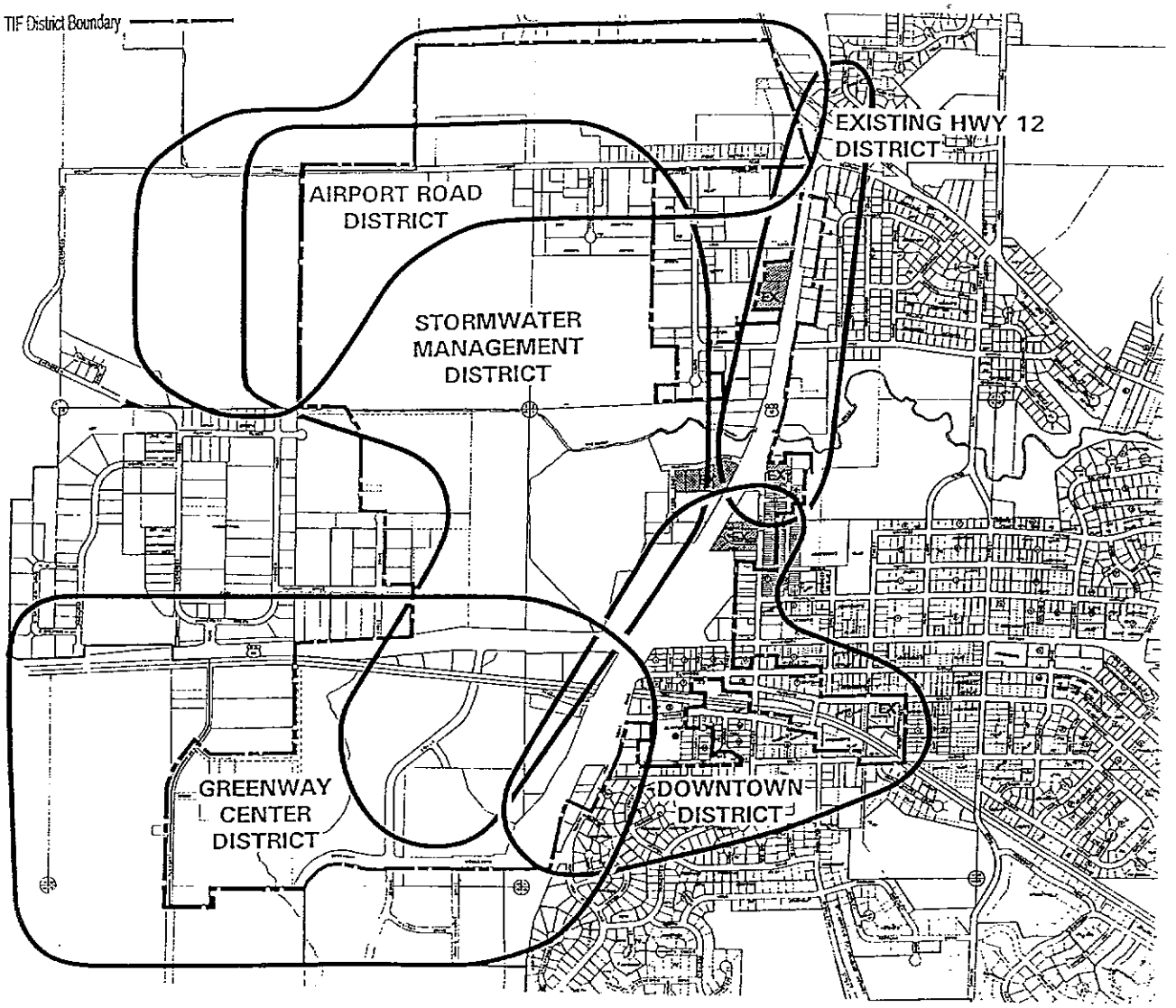
limited the City's ability to properly assess private property for the cost of resolving the problem because the City has no jurisdiction beyond its borders. Without the creation of TIF District No. 3, a significant portion of land within the proposed district would not be developable under normal, private sector market conditions. Because of this, the property has been determined to be "economically blighted". Without a regional stormwater infrastructure improvement, the highest and best use of these City growth areas would not be achieved.

A final goal of this TIF District is to complete the revitalization of the historic Downtown which began in TIF District No. 1 in 1980. In 1980, the Downtown was designated as a redevelopment district in compliance with Wisconsin Statutes. TIF District No. 1 has since been retired. The adoption of TIF District No. 3 proposes to carry forward with that same designation.

The map, on the following page, identifies the five (5) districts that are the primary project activities areas within this proposed TIF District. These five districts are:

- Stormwater Management District
- Greenway Center District
- Downtown District
- Airport Road District
- Existing Highway 12 District

The project activities within each of these districts will be separately described in Section V, Proposed Public Works and Estimated Costs with accompanying aerial photos identifying the location of the proposed public works improvements.



The project plan for Tax Increment Financing District #3 (TIF District No. 3) has been prepared in compliance with Sec. 66.46(4)(f), Wis. Stats. The project plan establishes the need for the project, lists the proposed improvements within the district,

provides an estimated time schedule for completion of the project and an estimated budget. This project plan is to be adopted by resolution of the City Council on the recommendation of the City Plan Commission to be the official plan and guide for public and private sector development within the boundaries of TIF District No. 3.

Implementation of the project plan and construction of the proposed improvements listed will still require a case-by-case authorization by the City Council. Public expenditures for projects listed in the project plan should and will be based on market conditions and the status of development at the time a project is scheduled for construction. The City Council is not mandated to make the public expenditures described in this plan, but is limited to spending no more than the total estimated cost herein projected. Changes in the proposed project, requiring increased budget expenditures exceeding the total estimated cost in Table 1, will require a formal amendment to the project plan with public review and City Council approval. Redistribution of project costs within the total budget estimate will not require amendments to the plan, provided that the projects meet the purpose and intent of the district.

As required by Sec. 66.46(4)(f), Wis. Stats., a copy of the project plan will be submitted to the Department of Revenue and used as a basis of their certification of TIF District No. 3 in the City of Middleton.

SECTION II. DESCRIPTION OF HOW TAX INCREMENT DISTRICT NO. 3 WILL PROMOTE THE ORDERLY DEVELOPMENT OF THE CITY OF MIDDLETON

In 1988, the City of Middleton Plan Commission undertook the task of updating of the City's long-range Master Plan in a decision to study the City in quadrants. The City Plan Commission completed what is referred to as the "Southwest Quadrant Study" (see Appendix A) in October, 1988 after a year-long study and public input process. In January, 1990, the City Plan Commission completed the "Northwest Quadrant Study" (see Appendix B). These two quadrant land use plans encompass the geographic area of the proposed Tax Increment Financing District. Both of these plans were adopted by the Plan Commission and City Council as the land use and growth management guide for the next twenty (20) years. These plans were adopted by the City Council under Chapter 236, Wis. Stats. as elements of the City Master Plan intended to promote the orderly development of the City of Middleton.

The creation of TIF District No. 3 is a recommended implementation strategy of both of these adopted quadrant land use plans. The City of Middleton, over the past decade, has effectively used tax incremental financing to revitalize its downtown and to create industrial parks. The project plan for TIF District No. 3 has been prepared to continue this process of implementing plans that promote economic development through:

- the elimination of blight;
- the reconstruction of the historic downtown area; and
- the development of infrastructure targeting toward the creation of new tax base and jobs.

All of these past activities would not have been able to be achieved without the use of tax incremental financing. The purpose and intent of TIF District No. 3 is the same as the previous two TIF districts.

The boundary for TIF District No. 3 was delineated to encompass the historic downtown and the industrial economic development districts previously identified in the City's master plans. The historic downtown is included in TIF District No. 3 so that Phase 2 of implementation of the Downtown revitalization plans could be achieved. This portion of TIF District No. 3 is aimed at making infrastructure improvements, such as public parking and traffic circulation and pedestrian improvements, that would stimulate private reinvestment and redevelopment. Project activities for this area also include acquisition and relocation activities aimed at eliminating blight and achieving the "highest and best" use within the City's downtown historic core.

The balance of TIF District No. 3 is targeted toward infrastructure improvement necessary to create industrial development sites and to eliminate an economic blight condition created by a regional stormwater management problem. A solution for this problem has been identified and is referred to as a "regional stormwater channelization project". Because the solutions to solving this regional stormwater problem are very expensive and are not affordable as an assessment, the properties affected by it are not able to be developed under the existing private sector market conditions. This has created an economic condition that makes implementation of the City's adopted Master Plan infeasible without the use of a financial stimulus tool such as tax incremental financing. The use of tax incremental financing will resolve the economic blight and

construct the infrastructure improvements that should make it feasible for development to proceed in a manner anticipated by the City's adopted Master Plan which reflects the highest and best use of the planning area.

Additionally, there are a number of regional water quality issues that need to be addressed as part of this plan. The development areas within TIF District No. 3 will produce stormwater drainage in the Pheasant Branch Nature Conservancy Area and, ultimately, Lake Mendota. The need to address these sensitive environmental issues has placed additional constraints on the lands within this proposed TIF District. The TIF District project activities include resolving these environmental constraints that are currently restricting economic development of these quadrants in the City of Middleton.

All of the lands within the proposed TIF District No. 3 are within the City's planned twenty-year growth area. The proposed land uses within the tax incremental financing district are within the adopted local and regional plans.

SECTION III. TAX INCREMENT DISTRICT BOUNDARY DESCRIPTION AND EQUALIZED VALUES

The boundaries of TIF District No. 3 are officially designated on Map 1 on the following page. The northern TIF District boundary is bordered by the City corporate limits, north of Airport Road. The eastern boundary takes in properties abutting the existing Highway 12 corridor, south of Hardee's to Benson's. The TIF boundary then runs along USH 12 to the intersection of Parmenter and USH 12. Several properties in the Clark/Lee/Parmenter area are included in the district. The historic downtown is included in this proposed TIF District along Hubbard and Henry Streets, including properties between South Avenue and Elmwood. The district also includes properties at the USHs 12 and 14 interchange. Quarry Park and abutting properties to the north are also included in this TIF District. The District takes in part of Greenway Center to the north of Greenway Boulevard directly north to Airport Road. The Middleton Business Park, Phases 1 and 2, have been excluded from this district with the exception of the northeast corner properties, as shown on Map 1.

The southern boundary of the district generally follows the City's corporate limits to Pleasant View Road. The western boundary follows Pleasant View Road north. The district boundary also moves west of the existing Middleton Business Park which joins the remainder of the district north of the Business Park. The TIF District boundary, as proposed, may include wetlands. If wetlands are included within the district, the City will not develop these wetland areas in any way.

City of Middleton, Wisconsin

Proposed TIF District #3

Map 1

TIF Boundary

TIF District Boundary

N

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TIF District No. 3 has a base value of approximately $33,374,770 including personal property. The City's January 1, 1993 total equalized value is $727,500,000. The City's capacity to create TIF Districts is 7% of the total equalized value or $50,925,000.

1993 Total Equalized Value of City	$727,500,000
City Capacity to Create TIF District (7% Value Increment Calculation)	$ 50,925,000
TID #1	Retired
TID #2	$ 13,904,400
Proposed TID #3 (estimate)	$ 33,374,770
Total within TIF Districts (existing & proposed)	$ 47,279,170

City's Estimated Capacity to Create Additional TIF Districts = $3,645,830 or .5%

With the creation of TIF District No. 3, the City has little capacity remaining to create any additional TIF districts. Retirement of TIF District No. 2 is anticipated to take place in 1995 or 1996. The City should carefully monitor development within the existing TIFs to plan for potential districts.

SECTION IV. EXISTING USES AND CONDITIONS OF REAL PROPERTY

The City of Middleton has already created two tax increment financing districts, one for downtown redevelopment and revitalization and the other for industrial development. The original downtown district was created as a result of a "blight" determination which was made to allow the district to be formed and comply with the Wisconsin Statutes. The proposed TIF District No. 3 contains a reconfiguration of the original blight determination of the downtown and is notated as the Downtown District in this project plan. The proposed projects in the Downtown District are a completion of the projects started by the original downtown TIF District which were not completed within the statutory five-year spending period that was applicable at that time.

Map 2, on the following page, is an aerial photo designating the different existing uses within the proposed TIF District boundary. The aerial photograph is included in this plan to designate the general land use areas by identifying the land use patterns presently in existence. The majority of the vacant land shown on the map will be suitable and zoned for "Industrial" uses to comply with the requirements of Section 66.46, Wis. Stats.

The existing conditions of the real property within the proposed TIF District include economic blight due to a stormwater infrastructure problem. Most of the newly-zoned industrial property west of the existing Highway 12 bypass is within a proposed Stormwater Management District. Because of the lack of stormwater management control in this district, property owners are unable to improve their properties by constructing stormwater management infrastructure. This type of infrastructure is very

expensive and is financially infeasible to the individual property owners. Consequently, these properties are economically blighted and will remain so until stormwater management controls are implemented.

The Wisconsin Department of Transportation is proposing a realignment of the USH 12 beltline. With the rerouting of a significant traffic volume onto the newly-aligned beltline, the existing Highway 12 corridor commercial district will experience a decline in traffic circulation and potentially a decline in "stop-by" consumers. This change in transportation patterns will likely cause a change in land use. There will be a need to provide transportation and pedestrian infrastructure to ensure that this transition will not lead to business decline.

The remainder of the district includes areas that are tagged as economic development industrial improvements which will expand the City's existing tax base, create new jobs and contribute to the overall growth of the City. The industrial uses anticipated within the industrially-zoned areas can be termed as "contemporary industrial economic development" which includes office, research and industrial uses.

Map 3, on page 14, shows the land use rights per the zoning that is or will be in place at the time of creation of the proposed TIF District. As stated above, over 50% of all the lands within Tax Increment Financing District #3 is or will be zoned Industrial -- "I" or Planned Development District -- "PDD" as of the date of creation of this TIF District. The land use and zoning within TIF District No. 3 meet the requirements of Section 66.46(4)(f), Wis. Stats. Areas zoned in the Business zoning classification are

City of Middleton, Wisconsin

Proposed TIF District #3

Map 3

Zoning

North

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Madison & Milwaukee, Wisconsin

Proposed TIF Boundary

MIDDLETON

OF

OWN

A
I
B3
R1
R2
R3A
B1
B2
B4
CO-L
PDD
PDD-1
HAZELTON RD.
CAPITOL CT.
PINEHURST
FAIRWAY PLACE
EVERGREEN DR.
HANSEN RD.
MURPHY DRIVE
EAGLE
U.S.H. 14
SOO LINE R.R. CO.
CROSS PLAINS
ROAD
CREEK
FORK
SOUTH BRANCH
VIEW
PLEASANT
GREENWAY BLVD.
HAMMONS DRIVE
DEMING WAY
HOLIDAY AVE.
ESSER POND
MURPHY DR.
ELLERSON CT.
FIREMEN'S PARK
PARISI PARK
TIEDEMAN'S POND
WOODSIDE HEIGHTS
STRICKER'S POND
PARKWAY
ROAD
PHEASANT

also included in the district. Much of this area was included in the City's first TIF District and is ready for redevelopment.

The proposed TIF District No. 3 project plan is written to provide funding for infrastructure improvements aimed at stimulating and enhancing economic development opportunities within the City of Middleton. It is also written as a comprehensive approach designed to reduce and avoid potential economic blighted conditions.

SECTION V. PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

This section of the project plan delineates the proposed public works projects and their estimated costs. These are referred to as "project activities". Table 1 allocates the projects and their respective costs over a proposed seven-year spending period. These project activities and costs are estimates and may be adjusted and refined. The adjustments and refinements may include reallocating the year in which the project activity is undertaken and reallocating the cost of specific projects within the limitation of the total estimated project costs. Adjustments to the proposed project plan will be made as a recommendation from the City Plan Commission with final adoption by the City Council.

The project plan for the proposed TIF District No. 3 should be considered as a local enabling tool that allows the City Plan Commission and Council to implement the projects described herein. Each project activity and expenditure will require specific action by the City Council even though it is included in this overall project plan. The City Plan Commission will be charged with the management of this project plan for the statutory seven-year spending period. Project management by the Plan Commission will include:

- conduct more detailed planning and engineering studies;
- develop more refined land use and circulation plans for implementation;
- develop environmental standards for which development within the district will need to conform to; and
- general advisement and referral of actions to other City Committees and to the City Council.

To better describe the proposed public works activities within TIF District No. 3, the district has been broken into five (5) project districts:

- Stormwater Management District
- Greenway Center District
- Downtown District
- Airport Road District
- Existing Highway 12 District

The proposed improvements within this TIF District have been comprehensively planned and prioritized. The year-by-year prioritization, included in Table 1, has been established on the basis of providing public works improvements that have the greatest chance of stimulating immediate economic development. Scheduling of project activities will be monitored to ensure that the projected economic stimulation is occurring prior to proceeding with other project activities. This monitoring will be done on an annual basis. If economic conditions are not altered by the proposed project, other project activities may be delayed and/or dropped from the projected schedule.

There are several comprehensive "themes" to the proposed project activities. The first of those themes is to improve transportation circulation by providing key street and roadway improvements. The second comprehensive theme is to provide a pedestrian and employee recreation network within, potentially, the largest employment center in the Madison metropolitan area. By providing this network of pedestrian/bikeway employee recreation, this large employment center "job park" will be tied together with a marketing theme that promotes employee health maintenance and environmental education.

The third theme is the integration of economic development and environmental protection. This is also a marketing theme that will be used to market business and industry as a "responsible" approach to industrial development. The fourth theme is the redevelopment and revitalization of the historic downtown area.

The principal direction of the proposed project activities is toward providing the infrastructure around which these marketing themes can successfully promote new private sector development.

The following maps and general project descriptions are used to identify the location of the proposed improvements and activities. Each project activity is numbered and keyed to Table 1 (p. 33). Table 1 should be referred to determine the program year and estimated project cost for each activity. A more detailed description of each proposed project accompanies its mapping description.

There are properties within the proposed TIF boundary that may be located within potential wetlands or floodplain. It is the intent that these wetlands and/or floodplain properties will not be developed by the City at any point in time during the life of the TIF district.

There are no anticipated non-project costs at this time.

STORMWATER MANAGEMENT DISTRICT

The Stormwater Management District encompasses property presently within the floodplain and periphery of the Pheasant Branch Creek. The District ranges from Airport Road on the north to the City's southern corporate limits and is centrally located the entire length of the district. The primary goals are to minimize stormwater impact and promote water quality while increasing developable land for economic development purposes.

Projects and Activities Key

1 Design and construction of stormwater management system
Comprehensive channelization project for stormwater management to increase water quality and developable area.

2 Comprehensive environmental design -- TIF District #3
A comprehensive environmental plan for the entire TIF District to tie into and complement other City environmental corridors.

3 Comprehensive environmental design -- channelization contract area
A detailed environmental plan for the channelization area with the link into the overall TIF environmental plan.

4 Comprehensive recreation design development -- TIF District #3
A comprehensive recreation system to promote economic development-related activities. The recreation system will tie into the City-wide recreation/bike trail system.

5 Comprehensive recreation design development -- channelization contract area
A detailed recreation system complementing the overall recreation system.

6 Land use/neighborhood plan for abutting channelization project
Identification of the highest and best uses, traffic circulation and pedestrian/vehicular access for uses complementary to the channelization project.

42 Murphy Drive extension
Design and construction of the extension of Murphy Drive to include roadway and bridge construction. Historically, this road has been completed by the individual landowners. Other funding sources may be sought to complete the extension.

NOTE: See Table 1 for project activities timetable for expenditures and cost estimates.

City of Middleton, Wisconsin

Proposed TIF District #3

Map 4

Proposed Public Improvements
Stormwater Management District

TIF District Boundary

North

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Excluded From District

Excluded From District

Excluded from District

Murphy Dr.

U.S.H. 12

U.S.H. 14

Airport Rd.

Deming Way

Greenway Blvd.

Corporate Limit Boundary

GREENWAY CENTER DISTRICT

Greenway Center is the strongest emerging markets for commercial and residential development in the City of Madison metropolitan area. High quality office and commercial uses are being built. The extension of Greenway Boulevard will open up a geographic area that will be serviced by both USH 12 beltline and Pleasant View Road.

Projects and Activities Key

Projects 7, 8 & 9 were deleted from the Project Plan at the Council meeting on September 29, 1993.

10 Mineral extraction reclamation and reuse planning -- design and construction of related infrastructure

Construction of related infrastructure for development after individual property owner reclamation completed -- east of Pleasant View Road.

11 Terrace Avenue improvements

Construction of road and utilities (including underground power) to service existing Terrace Avenue.

12 USH 14 corridor land use and appearance -- implementation

Planning, design and implementation for designation of land use and appearance standards.

13 Pleasant View Road -- design and construction

Upgrading of Pleasant View Road to provide safer vehicular and pedestrian access to promote redevelopment and new development opportunities.

14 Comprehensive trail system -- Esser Pond trail system

Construction of comprehensive passive trail system around Esser Pond to be linked to overall recreation system.

15 Comprehensive trail system -- Linkage to western greenspace

Construction of trail system linkage to greenspace in the west portion of the TIF District as part of overall recreation system.

16 Comprehensive trail system -- Linkage to USH 14 underpass

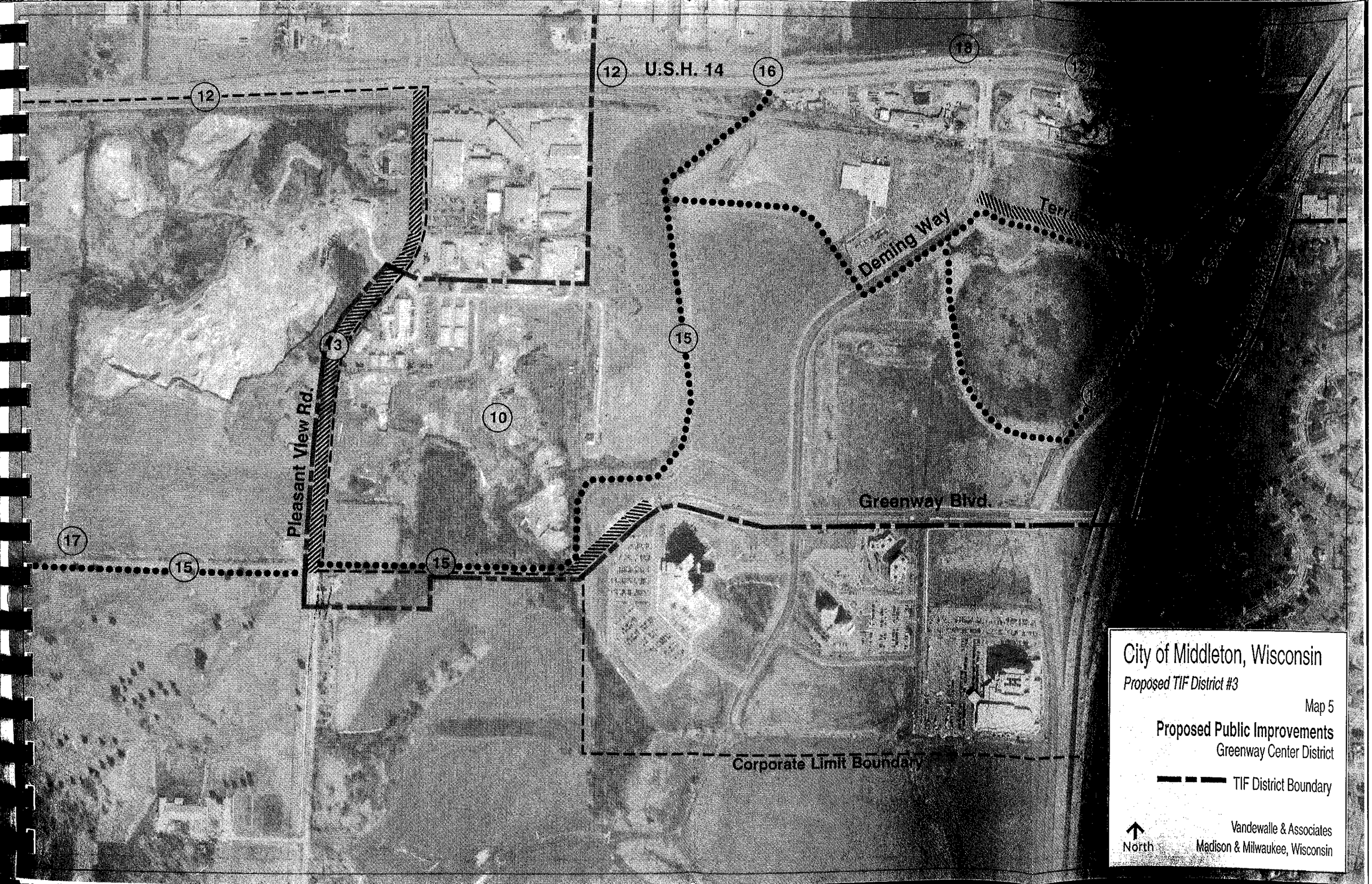
Continuation of overall recreation system to link to the trail system north of USH 14 through the construction of an underpass for safety.

GREENWAY CENTER DISTRICT
(Continued)

17 Water system upgrading design and construction
Design and construction of the water system upgrading. The TIF costs shall be prorated based on the percentage of upgrading needed by improvements within the TIF District.

18 Sanitary sewer overall system design and construction
Design and construction of the overall sanitary sewer system necessitated through TIF District development. To be prorated similar to the water system upgrading.

NOTE: See Table 1 for project activities timetable for expenditures and cost estimates.


12
U.S.H. 14
16
18
12
Deming Way
Terr
13
15
10
Pleasant View Rd.
17
15
15
Greenway Blvd.
Corporate Limit Boundary
City of Middleton, Wisconsin
Proposed TIF District #3
Map 5
Proposed Public Improvements
Greenway Center District
TIF District Boundary
North
Vandewalle & Associates
Madison & Milwaukee, Wisconsin

DOWNTOWN DISTRICT

The Downtown District encompasses an area from the Beltline through the historic downtown. The former TIF District Plan concentrated on revitalization efforts of the downtown. These projects continue that emphasis by completing the proposed projects and also incorporate new projects that have come forth. The primary emphasis is on redevelopment, access to USH 12, streetscape and parking improvements.

Projects and Activities Key

19 Downtown redevelopment project area implementation -- former Gruber Furniture
Stimulate the reuse and revitalization of these historic buildings which are currently underutilized.

20 Downtown redevelopment project area implementation -- East rail corridor
Promote the redevelopment of this area for downtown housing.

21 Downtown redevelopment project area implementation -- Senior citizen/downtown housing.

22 Downtown redevelopment project area implementation -- Redevelopment interests in USHs 12/14 area
Work with private landowners to determine expansion and/or redevelopment opportunities.

23 Downtown redevelopment project area implementation -- Fire station/EMS surplus land
Work with WisDOT to find a future use for this area as a potential abandoned right-of-way.

24 Master planning and implementation of Quarry Park reuse
Complete the development of Quarry Park as a Downtown urban amenity.

25 Implementation of Phase 2 parking plan
Expand needed Downtown parking and make pedestrian safety improvements.

26 Streetscape improvements (Hubbard Ave. to Henry Street)
Provide streetscape improvements that enhance redevelopment activities and make pedestrian safety improvements.

27 Pedestrian linkage -- Esser Pond
Develop a walkway/bikeway link between the historic Downtown retail and the "job park".

28 Pedestrian linkage -- Quarry Park
Establish sidewalk linkage between businesses and urban park.

29 Pedestrian link at rail crossing by Library
Provide pedestrian link across railroad.

30 Parmenter/USH 12 redevelopment planning/implementation
Promote infill and revitalization of Parmenter Street as a commercial corridor which is part of the Downtown area.

31 Clark/Lee commercial redevelopment planning/implementation
Eliminate blighted properties and incompatible land use.

NOTE: See Table 1 for project activities timetable for expenditures and cost estimates.

Proposed TIF #3

	1993 1	1993 2	1993 3	1993 4	1994 1	1994 2	1994 3	1994 4	1995 1	1995 2	1995 3	1995 4	1996 1	1996 2	1996 3	1996 4	1997 1	1997 2	1997 3	1997 4	1998 1	1998 2	1998 3	1998 4	1999 1	1999 2	1999 3	1999 4	Totals
Stormwater Management District	$170	$70	$180	$0	$2,735	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$380	$0	$0	$0	$380	$0	$0	$0	$0	$0	$0	$0	$3,915
• Design of stormwater management system																													
– Project management	$80																												
– Preliminary design		$65																											
– Final design / permit			$175																										
* – Construction					$2,700																								
• Comprehensive environmental design development																													
– TIF #3 District	$20				$25																								
– Channelization contract area	$15																												
• Comprehensive recreation design development																													
– TIF #3 District	$30																												
– Channelization contract area	$15																												
• Land use/neighborhood plan for areas abutting channelization project	$10																												
• Murphy Drive extension – road & bridge construction																	$380				$380								
• Economic development strategies related to channelization			$5		$5																								
• Identification of funding sources/application process		$5			$5																								
Greenway Center District	$0	$10	$5	$60	$0	$380	$80	$0	$0	$1,050	$0	$0	$0	$150	$0	$0	$0	$0	$0	$0	$1,125	$0	$0	$0	$0	$640	$0	$0	$3,500
• Extend Greenway Boulevard																													
* – Economic Development Fund										$750																			
• Mineral-extraction reclamation and re-use planning				$5																									
– Design and construction of related infrastructure (east only)										$200																			
• Terrace Avenue extension to west																													
– Planning and design				$50																									
– Construction					$330																								
• USH 14 corridor land use and appearance																													
– Planning			$5																										
– Implementation (subject to state and federal funding)					$50				$50				$50																
• Pleasant View Road																													
– Planning				$5																									
– Design and construction																									$640				
• Comprehensive trail system																													
– Planning		$10																											
– Esser Pond trail system							$80																						
– Linkage to western greenspace (P.V. Golf/Blackhawk Ski)														$100															
– Linkage to USH 12 underpass										$50																			
• Infrastructure design																					$1,000								
– Water system upgrading design & construction (prorated to TIF area)																					$125								
– Sanitary sewer overall system design & construction (prorated to to TIF area)																													

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City of Middleton, Wisconsin

Proposed TIF District #3

Map 6a

Proposed Public Improvements
Downtown District

TIF District Boundary

North

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U.S.H. 12

U.S.H. 14

Parmenter St.

University Ave.

Bristol St.

N. Highpoint Rd.

23

22

25

26

19

29

25

28

24

21

20


City of Middleton, Wisconsin
Proposed TIF District #3
Map 6b
Proposed Public Improvements
Downtown District
TIF District Boundary
North
Vandewalle & Associates
Madison & Milwaukee, Wisconsin
Excluded From District
Excluded From District
Excluded From District
30
31
23
U.S.H. 12
Parmenter St.
University Ave.
S.H. 14

AIRPORT ROAD DISTRICT

The Airport Road District encompasses the area along Airport Road from the intersection of CTH M and USH 12 west to the western corporate limits. The District takes in businesses north of Airport Road along USH 12 as well as residences and businesses along Airport Road. The proposed USH 12 realignment may potentially fall within the Airport Road District. Industrial park expansion (Quisling property) also falls within this district.

Projects and Activities Key

Projects 36 & 37 were deleted from the Project Plan because the property was not properly annexed at time of creation of the TIF district.

32 ROW design and appearance plans
Planning and design of right-of-way streetscape improvements along with design standards for new construction.

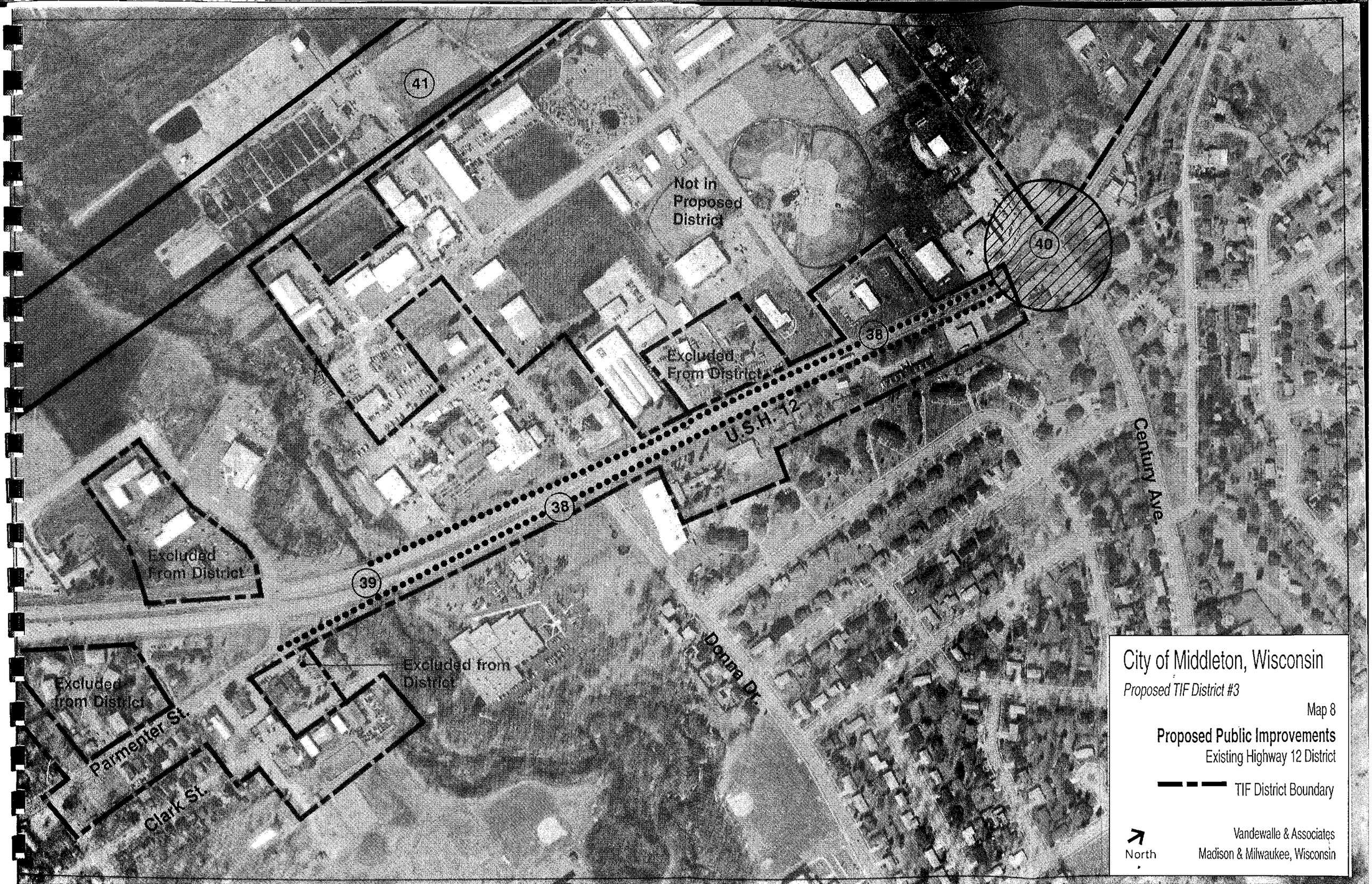
33 Land use plan refinements and integration
Study and recommendations for land use plan refinements with ultimate integration into the proposed USH 12 realignment and Airport Road improvements.

34 Airport Road improvements
Reconstruction of infrastructure and roadway to accommodate heavier traffic flow.

35 Integration of USH 12 bypass
Planning and design for positive integration of USH 12 bypass into overall abutting land uses.

NOTE: See Table 1 for project activities timetable for expenditures and cost estimates.


Morey Airport
Airport Rd.
Proposed
U.S.H. 12
Realignment
Evergreen Rd.
35
34
32
33
40
City of Middleton, Wisconsin
Proposed TIF District #3
Map 7
Proposed Public Improvements
Airport Road District
TIF District Boundary
North
Vandewalle & Associates
Madison & Milwaukee, Wisconsin


41
Not in
Proposed
District
40
38
Excluded
From District
U.S.H. 12
Century Ave.
39
Excluded
from District
Excluded from
District
Excluded
from District
Parmenter St.
Clark St.
Donna Dr.
City of Middleton, Wisconsin
Proposed TIF District #3
Map 8
Proposed Public Improvements
Existing Highway 12 District
TIF District Boundary
North
Vandewalle & Associates
Madison & Milwaukee, Wisconsin

EXISTING HIGHWAY 12 DISTRICT

The Existing Highway 12 District encompasses properties along USH Business 12 between Parmenter and the CTH M/USH 12 intersection. The businesses located within this district that have been included in the TIF boundary are primarily retail and service oriented.

Projects and Activities Key

38 Pedestrian/bikeway linkages -- design and construction
Design and construction of linkages to connect existing pedestrian/bikeway trails with the employment center on the west side of USH 12.

39 Pheasant Branch Nature Preserve recreation corridor crossing (USH 12 underpass) 20% funding match
Construction of underpass for safe pedestrian/bike crossing.

40 CTH M/USH 12 intersection improvements
Design and construction of intersection improvements for improved traffic circulation and safety.

41 Proposed west beltline extension integration (matching funds)
Potential local match, if needed, for USH 12 realignment project.

NOTE: See Table 1 for project activities timetable for expenditures and cost estimates.

City of Middleton, Wisconsin

Table 1 – Projects and Activities

Vandewalle & Associates/ Madison & Milwaukee, Wisconsin

Proposed TIF #3

	1993				1994				1995				1996				1997				1998				1999				Totals
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
Downtown District	$0	$150	$170	$10	$200	$0	$0	$0	$520	$0	$0	$0	$175	$0	$0	$0	$225	$0	$0	$0	$300	$0	$0	$0	$0	$0	$0	$0	$1,750
• Phase two redevelopment plan				$10																									
– Comprehensive acquisition/relocation planning				$10																									
– Downtown redevelopment project area implementation													$50																
• Gruber Furniture									$100																				
• East rail corridor									$100																				
• Senior citizen/downtown housing																	$100												
• Redevelopment interests in USH12/USH14 area																					$50								
• Fire station/EMS surplus land																													
• Master planning and implementation of Quarry Park re-use			$150						$150																				
• Implementation of phase two parking plan																													
• Streetscape improvements (Hubbard) and Elmwood		$150																											
– Hubbard & Henry Streets reconstruction and streetscape		$150																											
– Elmwood					$200																								
• Pedestrian Linkage									$25																				
– Esser Pond									$25																				
– Quarry Park									$20																				
• Pedestrian link at rail crossing by library																													
• North Parmenter land use and appearance planning			$20						$100																				
– Parmenter @ USH 12 redevelopment planning/ implementation													$125				$125				$250								
– Clark/Lee commercial redevelopment																													
Airport Road District	$0	$0	$20	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,110	$0	$0	$0	$1,000	$0	$0	$0	$2,130
• ROW design and appearance plans			$15																										
• Land use plan refinements and integration			$5																		$1,110								
• Airport Road improvements																									$1,000				
• Integration of USH 12 bypass																													
Existing US Highway 12 District	$0	$0	$0	$0	$0	$100	$0	$25	$250	$0	$0	$50	$0	$0	$0	$0	$0	$0	$0	$0	$450	$0	$0	$0	$500	$0	$0	$0	$1,375
• Future land use and circulation plan								$15																					
• Roadway design and appearance planning												$50									$450								
• Pedestrian/bikeway linkages – design and construction								$10																					
• New development design standards						$100																							
• Pheasant Branch Nature Preserve recreation corridor crossing (USH 12 underpass) – 20% funding match									$250																				
• CTH M/USH 12 intersection																									$500				
• Proposed west beltline extension integration (matching funds)																													
General	$160	$100	$0	$0	$215	$0	$0	$0	$210	$0	$0	$5	$210	$0	$0	$0	$210	$0	$0	$5	$210	$0	$0	$0	$210	$0	$0	$0	$1,535
• Refinement of TIF project plan (includes LUP)					$20				$20				$20				$20				$20				$20				
• Administration/ project management team	$100				$100				$100				$100				$100				$100				$100				
• GIS mapping		$100																											
• Legal opinion	$20				$20				$20				$20				$20				$20				$20				
• Develop matching funding strategies	$5				$5							$5								$5									

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Table 1 – Projects and Activities

Proposed TIF #3

	1993				1994				1995				1996				1997				1998				1999				Totals
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
• Economic development strategies related to all projects	$10				$20				$20				$20				$20				$20				$20				
• Relocation plan preparation	$25																												
• Discretionary fund for acquisition/relocation, proj's not yet identified					$50				$50				$50				$50				$50				$50				
Special Project Costs	$0	$0	$0	$0	$0	$0	$0	$0	$520	$0	$0	$0	$20	$0	$0	$0	$520	$0	$0	$0	$20	$0	$0	$0	$520	$0	$0	$0	$1,600
• Economic development fund									$500								$500								$500				
• Redevelopment marketing									$20				$20				$20				$20				$20				
Project Totals ...by quarter	$330	$330	$375	$70	$3,150	$480	$80	$25	$1,500	$1,050	$0	$55	$405	$150	$0	$0	$1,335	$0	$0	$5	$3,595	$0	$0	$0	$2,230	$640	$0	$0	$15,805
...by year				$1,105				$3,735				$2,605				$555				$1,340				$3,595				$2,870	

Notes

* ...includes construction administration

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SECTION VI. NON-TAX REVENUES

The proposed project plan for TIF District No. 3 is written with no non-tax revenues anticipated to offset TIF project costs. Non-tax revenues are defined as revenues from sources other than tax increments. The City of Middleton Plan Commission has identified potential funding sources (see Table 2) for individual projects within the TIF project plan. It will be the City Plan Commission's responsibility to annually submit application(s) for the identified funding sources and to develop any special assessment formulas as part of a funding strategy as each specific project is implemented. Funding strategies will be recommended to the appropriate board or commission with final action to be taken by the City Council. However, until the time that application is made, the availability of funding is not known. Consequently, the economic feasibility of the TIF project plan is based only on TIF funding.

The total scope of activities are estimated within the project cost estimates in Table 1. Any non-tax revenues received will reduce the applicable TIF project expenditure which, in turn, will reduce the total amount of TIF project costs. This reduction will allow the City Council more flexibility in determining the timeframe for other project expenditures.

Table 2 – Potential Funding Sources

Proposed TIF #3	total projects	TIF	CIP	Assessment district	DNR grants	Special legislation	Other
Stormwater Management District	$3,915						
• Design of stormwater management system		S		S	Waterquality		
– Project management					Dane County Lakes Commission		
– Preliminary design							
– Final design / permit							
* – Construction							
• Comprehensive environmental design development		S					
– TIF #3 District							
– Channelization contract area							
• Comprehensive recreation design development		S					Dane County bicycle program
– TIF #3 District							
– Channelization contract area							
• Land use/neighborhood plan for areas abutting channelization project		S					
• Murphy Drive extension – road & bridge construction		S					WisDOT TEA Grant
• Economic development strategies related to channelization		S					
• Identification of funding sources/application process		S					
Greenway Center District	$3,500						
• Extend Greenway Boulevard							
* – Economic Development Fund		S	S	S			
• Mineral-extraction reclamation and re-use planning		S					
– Design and construction of related infrastructure (east only)		S	S	S			
• Terrace Avenue extension to west		S	S	S			
– Planning and design							
– Construction							
• USH 14 corridor land use and appearance		S	S				ISTEA – 80%
– Planning							
– Implementation (subject to state and federal funding)							
• Pleasant View Road		S	S	S			County funds
– Planning							
– Design and construction							
• Comprehensive trail system		S	S		Stewardship – 50%		ISTEA – 80%
– Planning					LAWCON – 50%		
– Esser Pond trail system					ADLP – 50%		
– Linkage to western greenspace (P.V. Golf/Blackhawk Ski)							
– Linkage to USH 12 underpass							
• Infrastructure design		S		S			Utility district
– Water system upgrading design & construction (prorated to TIF area)							
– Sanitary sewer overall system design & construction (prorated to to TIF area)							

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Table 2 – Potential Funding Sources

Proposed TIF #3	total projects	TIF	CIP	Assessment district	DNR grants	Special legislation	Other
Downtown District	$1,750						
• Phase two redevelopment plan		S					
– Comprehensive acquisition/relocation planning							
– Downtown redevelopment project area implementation							
• Gruber Furniture							
• East rail corridor							
• Senior citizen/downtown housing							
• Redevelopment interests in USH12/USH14 area							
• Fire station/EMS surplus land							
• Master planning and implementation of Quarry Park re-use		S					
• Implementation of phase two parking plan		S		S			
• Streetscape improvements (Hubbard) and Elmwood		S	S				
– Hubbard & Henry Streets reconstruction and streetscape							
– Elmwood							
• Pedestrian Linkage		S			Stewardship – 50%		ISTEA – 80%
– Esser Pond					LAWCON – 50%		
– Quarry Park					ADLP – 50%		
• Pedestrian link at rail crossing by library		S					ISTEA – 80%
• North Parmenter land use and appearance planning		S	S				Private fundraising
– Parmenter @ USH 12 redevelopment planning/ implementation							
– Clark/Lee commercial redevelopment							
Airport Road District	$2,130						
• ROW design and appearance plans		S	S	S			
• Land use plan refinements and integration		S	S	S			
• Airport Road improvements		S	S	S			WisDOT – USH 12 related
• Integration of USH 12 bypass		S					WisDOT – USH 12 related
Existing US Highway 12 District	$1,375						
• Future land use and circulation plan		S		S			
• Roadway design and appearance planning		S					
• Pedestrian/bikeway linkages – design and construction		S			S/L/A – @50%		ISTEA – 80%
• New development design standards		S					
• Pheasant Branch Nature Preserve recreation corridor crossing (USH 12 underpass) – 20% funding match		S			S/L/A – @50%		ISTEA – 80%
• CTH M/USH 12 intersection		S					WisDOT – USH 12 related
• Proposed west beltline extension integration (matching funds)		S					WisDOT – USH 12 related
General	$1,535						
• Refinement of TIF project plan (includes LUP)							
• Administration/ project management team							
• GIS mapping		S					Wisconsin Land Information progam
• Legal opinion							
• Develop matching funding strategies							

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City of Middleton, Wisconsin

Table 2 – Potential Funding Sources

Proposed TIF #3	total projects	TIF	CIP	Assessment district	DNR grants	Special legislation	Other	
• Economic development strategies related to all projects								
• Relocation plan preparation								
• Discretionary fund for acquisition/relocation, proj's not yet identific								
Special Project Costs	$1,600							
• Economic development fund								
• Redevelopment marketing								
Project Totals ...by quarter	$15,805							
...by year								
Notes								

* ...includes construction administration

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SECTION VII. ECONOMIC FEASIBILITY ANALYSIS

Table 3 lists the development assumptions for new increment developed within the proposed TIF District No. 3. The economic feasibility analysis for TIF District No. 3 is presented in the revenue projections in Table 4 and the expenditure analysis in Table 5.

The revenue projections in Table 4 are based upon market assumptions of the development increment that will likely occur if TIF District No. 3 is aggressively marketed. The development increments assumed in Table 4 are considered realistic and conservative. The projections assume that there will be no development in 1993, $5,200,000 in 1994, $8,600,000 in 1995, $5,966,000 in 1996, $6,966,000 in 1997, $6,968,000 in 1998, $3,200,000 in 1999, $2,400,000 in 2000 and $1,400,000 in years 2001 through 2004. It is assumed that the maximum development increment in TIF District No. 3 could potentially be approximately $44,900,000.

The total development increment of $44,900,000 is based on the assumptions presented by category and value in Table 3. These development assumption values are conservative and are based on development presently taking place within the region. Conservative estimates have been made and are considered realistic for purposes of the economic feasibility analysis.

The assumptions on when development will occur, or "the rate of absorption", is based on a review of market conditions that currently exist in 1993. If the state or national economy takes a downswing, these projections on absorption will have to be

modified. It is expected and recommended that the City Plan Commission and City Council annually review the financial condition of TIF District No. 3.

As described earlier in the Project Plan, there are no non-tax revenues used to determine economic feasibility of the TIF District at this time. This means that the TIF District, if developed on the anticipated development schedule and if project costs are expended per Table 1, is feasible without any non-tax revenues (i.e., land sales, grants, assessments, etc.).

The expenditure analysis presented in Table 5 essentially takes the project costs projections, outlined in Table 1, and the development increment projections, resulting from Table 3, and analyzes when project pay-back would occur. The expenditure analysis assumes that the TIF district will be responsible for the cost of interest repayment conservatively calculated at 8 percent.

Based upon the assumptions used in Tables 1 and 3, TIF District No. 3 is feasible and retires in the twenty-first year or 2014.

The preliminary economic feasibility analysis projects that TIF District No. 3 is feasible. The City should, however, be cautious at spending at levels projected in Table 1. The City should analyze the fiscal condition of TIF District No. 3 and how well the development assumptions are being reached. This analysis should be done annually. Decisions to continue spending annually should be based on the "state of the district".

Financing for the proposed project will be done primarily as General Obligation Bonds, revenue bonds or loans. The amount of borrowing or the strategy of financing is yet to be determined. The accounting for TIF District No. 3 will be done as a

separate fund. The City will make its final decision on where and how to borrow funds on a case-by-case basis and with the advice of the City's financial consultant.

Table 3 – Development Assumptions

Vandewalle & Associates/ Madison & Milwaukee, Wisconsin

City of Middleton, Wisconsin
TIF #3

...all amounts in $1,000s

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Totals
Stormwater Management District	$0	$0	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$1,400	$0	$0	$14,000
Area E: Industrial			$600	$600	$600	$600	$600	$600	$600	$600	$600	$600			$6,000
• 30 acres															
• 3.0 acres per year (ac/yr) @ $200,000 per acre															
Area F: Industrial			$800	$800	$800	$800	$800	$800	$800	$800	$800	$800			$8,000
• 40 acres															
• 4.0 acres per year (ac/yr) @ $200,000 per acre															
Greenway Center District	$0	$4,200	$4,800	$3,166	$3,166	$3,168	$1,000	$1,000	$0	$0	$0	$0	$0	$0	$20,500
Area H: Mixed use commercial				$1,333	$1,333	$1,334									$4,000
• –															
• –															
Area L: Terrace Avenue extension															$10,500
• Harrop/Greenway properties			$2,000												
• USH frontage				$500	$500	$500									
• Other		$4,200	$2,800												
Area I: Mixed use commercial				$1,333	$1,333	$1,334	$1,000	$1,000							$6,000
• –															
• –															
Downtown District	$0	$0	$600	$600	$600	$600	$0	$0	$0	$0	$0	$0	$0	$0	$2,400
Senior housing			$600	$600	$600	$600									$2,400
• 100 units															
• 12 units per year (unit/yr) @ $50,000 per unit															
Airport Road District	$0	$0	$800	$800	$800	$800	$800	$0	$0	$0	$0	$0	$0	$0	$4,000
Areas A:			$800	$800	$800	$800	$800								$4,000
• 20 acres															
• 4.0 acres per year (ac/yr) @ $200,000 per acre															
															$0

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Table 3 – Development Assumptions

Vandewalle & Associates/ Madison & Milwaukee, Wisconsin

City of Middleton, Wisconsin
TIF #3

...all amounts in $1,000s

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Totals
Existing Highway 12 District	$0	$1,000	$1,000	$0	$1,000	$1,000	$0	$0	$0	$0	$0	$0	$0	$0	$4,000
Area G: Mixed use commercial		$1,000	$1,000		$1,000	$1,000									$4,000
• –															
• –															
General	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Special Projects	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Project Totals	$0	$5,200	$8,600	$5,966	$6,966	$6,968	$3,200	$2,400	$1,400	$1,400	$1,400	$1,400	$0	$0	$44,900

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Revised / BPN / 6 Jun 1994

City of Middleton, Wisconsin

Proposed TIF District #3

Map 9

Development Assumptions

TIF District Boundary

N

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City of Middleton, Wisconsin

Table 4 — Revenue Analysis

Base value year	1993	Rate of inflation	3.00 %
Base value amount	$34,125 ...in $1,000s	Interest rate	8.00 %
Net value tax rate	0.0298		

Year	Development increment base	Tax base loss	Total value	Inflation factor	Total current value	Total increment value	Tax revenue
Totals							$40,044
1993	$0	$0	$34,125	1.0000	$34,125	$0	$0
1994	$5,200	$0	$39,325	1.0300	$40,505	$6,380	$0
1995	$13,800	$0	$47,925	1.0609	$50,844	$16,719	$0
1996	$19,766	$0	$53,891	1.0927	$58,888	$24,763	$190
1997	$26,732	$0	$60,857	1.1255	$68,495	$34,370	$499
1998	$33,700	$0	$67,825	1.1593	$78,628	$44,503	$739
1999	$36,900	$0	$71,025	1.1941	$84,808	$50,683	$1,025
2000	$39,300	$0	$73,425	1.2299	$90,303	$56,178	$1,327
2001	$40,700	$0	$74,825	1.2668	$94,786	$60,661	$1,512
2002	$42,100	$0	$76,225	1.3048	$99,456	$65,331	$1,676
2003	$43,500	$0	$77,625	1.3439	$104,322	$70,197	$1,809
2004	$44,900	$0	$79,025	1.3842	$109,389	$75,264	$1,949
2005	$44,900	$0	$79,025	1.4258	$112,671	$78,546	$2,094
2006	$44,900	$0	$79,025	1.4685	$116,051	$81,926	$2,245
2007	$44,900	$0	$79,025	1.5126	$119,532	$85,407	$2,343
2008	$44,900	$0	$79,025	1.5580	$123,118	$88,993	$2,444
2009	$44,900	$0	$79,025	1.6047	$126,812	$92,687	$2,547
2010	$44,900	$0	$79,025	1.6528	$130,616	$96,491	$2,654
2011	$44,900	$0	$79,025	1.7024	$134,535	$100,410	$2,765
2012	$44,900	$0	$79,025	1.7535	$138,571	$104,446	$2,878
2013	$44,900	$0	$79,025	1.8061	$142,728	$108,603	$2,995
2014	$44,900	$0	$79,025	1.8603	$147,010	$112,885	$3,115
2015	$44,900	$0	$79,025	1.9161	$151,420	$117,295	$3,239

Note: All amounts are in $1,000s

City of Middleton, Wisconsin

Table 5 — Expenditure Analysis

Year	Tax revenue	Non-tax revenue	Total revenue	Project costs **nominal $**	Account balance **01 January**	Debt service	Account balance **31 December**	Annual $ borrowed
Totals	$40,044	$0	$40,044	$15,805				($18,577)
1993	$0	$0	$0	$1,105	($1,105)	$88	($1,193)	($1,193)
1994	$0	$0	$0	$3,735	($4,928)	$394	($5,323)	($4,129)
1995	$0	$0	$0	$2,605	($7,928)	$634	($8,562)	($3,239)
1996	$190	$0	$190	$555	($8,927)	$714	($9,641)	($1,079)
1997	$499	$0	$499	$1,340	($10,482)	$839	($11,321)	($1,680)
1998	$739	$0	$739	$3,595	($14,177)	$1,134	($15,311)	($3,991)
1999	$1,025	$0	$1,025	$2,870	($17,156)	$1,372	($18,529)	($3,217)
2000	$1,327	$0	$1,327		($17,201)	$1,376	($18,577)	($49)
2001	$1,512	$0	$1,512		($17,066)	$1,365	($18,431)	$0
2002	$1,676	$0	$1,676		($16,755)	$1,340	($18,096)	$0
2003	$1,809	$0	$1,809		($16,286)	$1,303	($17,589)	$0
2004	$1,949	$0	$1,949		($15,641)	$1,251	($16,892)	$0
2005	$2,094	$0	$2,094		($14,798)	$1,184	($15,982)	$0
2006	$2,245	$0	$2,245		($13,737)	$1,099	($14,836)	$0
2007	$2,343	$0	$2,343		($12,493)	$999	($13,493)	$0
2008	$2,444	$0	$2,444		($11,049)	$884	($11,933)	$0
2009	$2,547	$0	$2,547		($9,386)	$751	($10,137)	$0
2010	$2,654	$0	$2,654		($7,482)	$599	($8,081)	$0
2011	$2,765	$0	$2,765		($5,316)	$425	($5,742)	$0
2012	$2,878	$0	$2,878		($2,864)	$229	($3,093)	$0
2013	$2,995	$0	$2,995		($98)	$8	($106)	$0
2014	$3,115	$0	$3,115		$3,009	$0	$0	$0
2015	$3,239	$0	$3,239		$0	$0	$0	$0

Note: All amounts are in $1,000s

SECTION VIII. CONSISTENCY OF ACTIVITIES WITHIN TAX INCREMENT DISTRICT NO. 3 WITH THE CITY ZONING ORDINANCE, MASTER PLAN AND OTHER DEVELOPMENT ORDINANCES

All of the land in TIF District No. 3 is currently in the City of Middleton. Over 50% of the land within the proposed TIF District is zoned Industrial and is suitable for "industrial" sites within the meaning of Section 66.46, Wis. Stats. It is further the intent of the City that this land will remain zoned for industrial use for the life of the tax increment district as required by statutes.

The development of TIF District No. 3 is consistent with local plans. The City has local zoning in place and is in the process of rezoning part of the land. The TIF project plan provides the funding mechanism for implementation of the Quadrant Land Use Studies and other City plans and is consistent with those findings and recommendations.

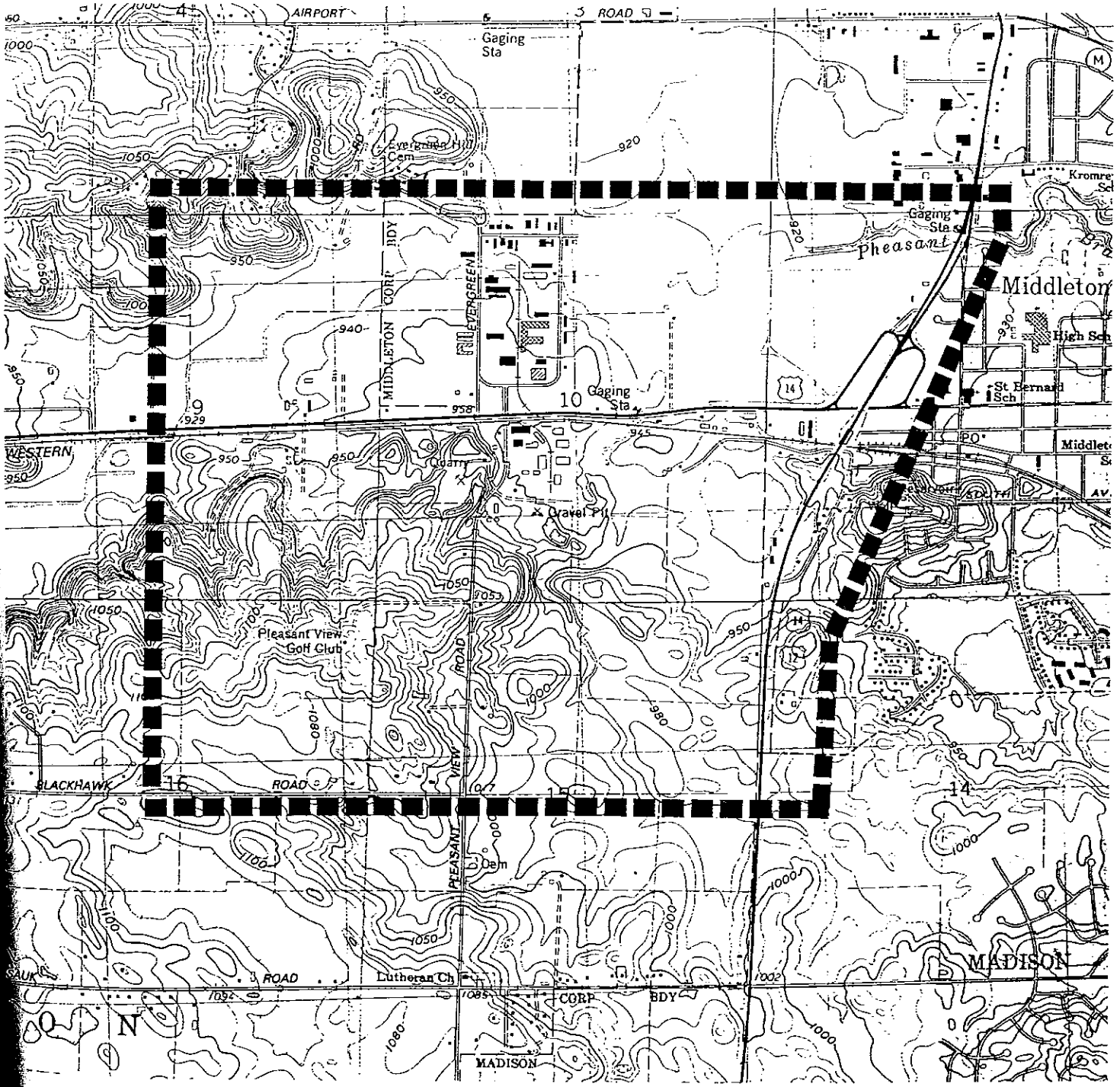
SECTION IX. STATEMENT ON RELOCATION

It is anticipated that acquisition may occur in the Downtown district which may cause displacements. If such displacements occur due to implementation of these specific Downtown projects, the City will conform to the requirements as set forth by the Department of Industry, Labor and Human Relations in the State of Wisconsin Relocation Laws.

APPENDIX A

EXCERPTS FROM THE SOUTHWEST QUADRANT STUDY

SOUTHWEST AREA STUDY
MIDDLETON, WISCONSIN



Planning Design & Development Consultants

VANDEWALLE & ASSOCIATES

Madison, Wisconsin

SOUTHWEST AREA STUDY

October, 1988

I. INTRODUCTION

The Southwest Area Study is a planning report prepared for the Southwest planning area in the City of Middleton, Wisconsin. The study area boundary is delineated on the cover to this report.

This planning report was prepared as a Master Plan element to ultimately be adopted as an amendment to the City's Comprehensive Master Plan. This report is also to be used as the supporting documentation for preparation of zoning district amendments and a request to amend the City of Middleton Urban Service area boundary.

II. STUDY AREA BACKGROUND

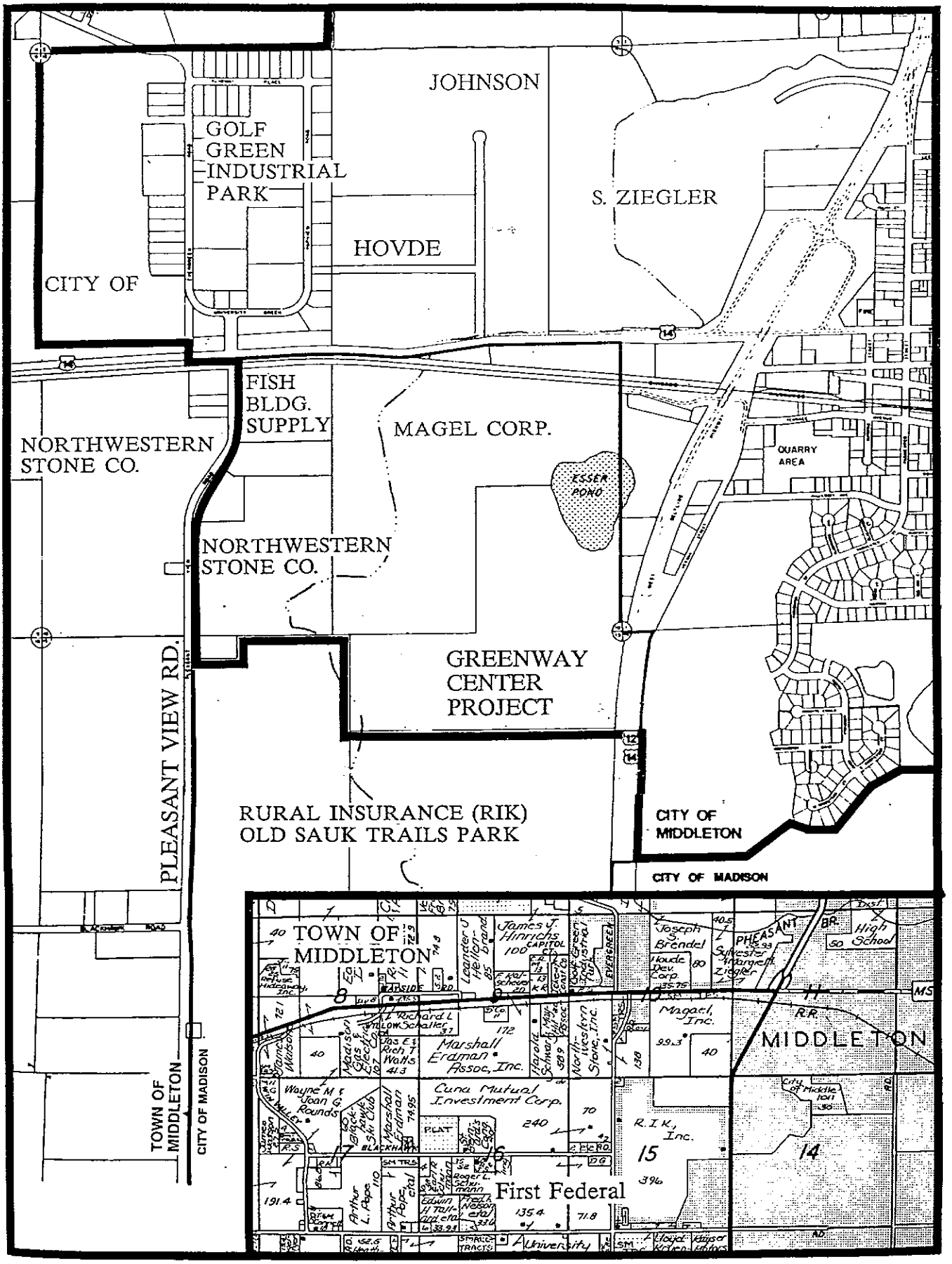
The planning area for the Southwest Area Study is delineated on the cover map and is further refined in the plan maps contained in this report. This report focuses on the study area within the limits of the City of Middleton and the Town of Middleton. The primary purpose of the study is to prepare land use and transportation circulation recommendations for the area envisioned to be within the future city limits of the City of Middleton. This study area is viewed as being within the extraterritorial limits of the City of Middleton. A portion of this area overlaps with the City of Madison extraterritorial limits. The overlapping jurisdiction between the cities of

Middleton and Madison and the Town of Middleton underscore the need for cooperative planning of this part of the study area.

The Southwest Planning Area will likely be the most important development area in the City of Middleton during the next decade. The Southwest part of the metropolitan area is one of the strongest emerging markets for commercial and residential development in the City of Madison metropolitan area. The study area also contains the Old Sauk Trails Office Park, which is rapidly becoming one of the largest white-collar employment centers in Dane County.

The proposed redevelopment of the Pleasant View Golf Course, west of Pleasant View Road, presents the need to expand the Urban Service area limits of both the cities of Madison and Middleton. Since the City of Madison's annexation and development of the Old Sauk Trails Office Park, the Pleasant View Golf Course has become a development area in the path of urban expansion. Development of the Pleasant View Golf Course represents contiguous City growth that is consistent with the planning policies of the City of Middleton.

Since 1970, the City of Middleton has adopted long-range Master Plans identifying the City's future growth pattern extending to Old Sauk Road and including the Pleasant View Golf Course. In the most recent update of that Master Plan which was adopted in 1980, the City of Middleton was still planning for the annexation and development of the lands south to Old Sauk Road. These lands were originally planned for residential growth which rounded out and balanced the Southwest Planning Area of the City of Middleton. In 1985, the 400+ acres of land making



Southwest Area Study
Middleton, Wisconsin

BACKGROUND INFORMATION

up the Old Sauk Trails Office Park was annexed to the City of Madison and rezoned for an office park. With this action, the City of Middleton's plan for a residential neighborhood in the Southwest Study Area was drastically altered. The plan anticipated a residential neighborhood with a density range of three to five units per acre. This plan anticipated a neighborhood of approximately 2,000 homes. With the rezoning and ultimate office park development, the City of Middleton has lost the opportunity of developing a new residential neighborhood within the Urban Service Area. The development of the Old Sauk Trails Office Park has required the changes represented in this Southwest Area Study. This conversion has changed the land use pattern from residential to commercial and office.

The loss of the potential to create a residential neighborhood in the City of Middleton around the Middleton Business Park has increased the City's interest in developing a residential neighborhood in the area of the Pleasant View Golf Course. The City of Middleton's urban service area was originally calculated on the basis that the Southwest Area would be residential. Now that conversion has been made, the City is looking for the expansion of the Southwest Quadrant to extend west of Pleasant View Road with the ultimate purpose of amending the urban service boundary to recreate the planned neighborhood envisioned by the City of Middleton for the last 20 years.

The study does not recommend the extension of urban services west of the Pleasant View Golf Course at this time. The western limits of the Pleasant View Golf Course are roughly the limits of a major drainage divide between the Upper Yahara River

basin and the Black Earth Creek basin. Crossing this major divide represents a new level of planning for urban services that should not need to take place within the time frame of the Southwest Area Study. Ultimately, City of Middleton growth may extend west of this drainage divide.

The following summary recommendations focus primarily on the lands east of Pleasant View Road. The draft plan will more specifically address lands west of Pleasant View Road.

III. LAND USE PLAN (Refer to Land Use Plan Map, Page 7)

The Land Use Plan, on the following page, is the basic product of this planning study. The Land Use Plan indicates the extent and type of land use which should be allowed within the Southwest Study Area. The following calculations have been prepared for only the undeveloped lands in the current city limits east of Pleasant View Road.

A.	TOTAL DEVELOPABLE AREA (Study area west of U.S. Hwy 12 and east of Pleasant View Rd.)	352 GROSS AC ±
B.	PROPOSED LAND USE	
	Retail, Hotel/Motel	52 AC
	Office/Commercial (Large Scale)	105 AC
	Research & Development, Office	20 AC
	Industrial	131 AC
	Light Indus./Warehousing/Comm.	29 AC
	Residential	15 AC
C.	UNDEVELOPABLE AREA	134 GROSS AC ±
	Greenway	71 AC
	Other Conservancy Lands	
	Esser Pond Area	31 AC
	Ziegler Floodplain	24 AC
	Stormwater Detention Area	8 AC

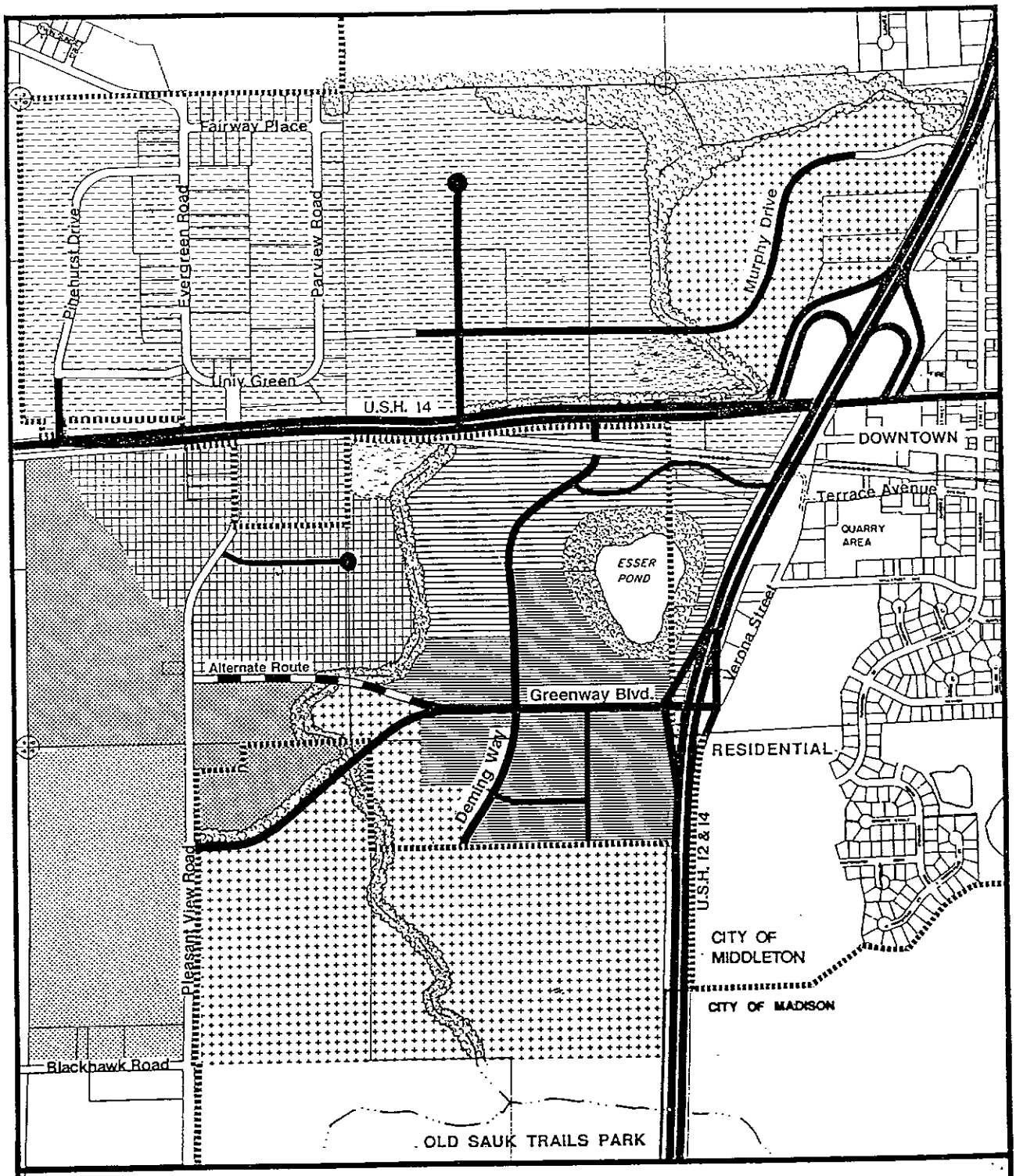


Exhibit A

Southwest Area Study
Middleton, Wisconsin

land use plan

scale: 1" = 800'

north

key:

- Minor Arterial & Collector Streets
- Local Streets
- Retail, Hotel/Motel
- Office/Commercial (Large Scale)
- Research & Development, Office
- Industrial
- Light Industrial/Warehousing/Comm.
- Residential
- Golf Course & Related Residential
- Conservancy
- Detention Area

Planning Design & Development Consultants
VANDEWALLE & ASSOCIATES
Madison, Wisconsin

IV. RECOMMENDATIONS

1. The City Land Use Plan should be amended to reflect the land uses depicted in the Land Use Plan map. This is a substantial change over the current adopted Land Use Plan prepared in 1980.

2. The Land Use Plan map envisions that the Middleton city limits would ultimately be extended west of Pleasant View Road and south to Blackhawk Road to include the Pleasant View Golf Course property. This is the area indicated for residential development on the Land Use Plan Map. The total residential area, both east and west of Pleasant View Road, represents approximately 250 acres of developable land. Assuming that this land will develop at a medium density of five dwelling units per acre, this represents a potential neighborhood of approximately 1,250 households or about one half of the residential development that was originally planned in the 1980 Southwest Area Study. By expanding the urban service boundary to include this property, the City of Middleton would be able to partially replace the residential neighborhood balance that is sought to be achieved in its 1980 plan.

   The City of Middleton's urban services can be extended to serve this area. The City has recently constructed a public well within a one-half mile of the Pleasant View Golf Course. The City's existing police and fire stations are within one and one-half miles of the Pleasant View Golf Course.

   Annexation south of Blackhawk Road should be considered for future expansion of the residential neighborhood to be developed around the Pleasant View Golf Course. If the golf course development is ultimately planned to include lands south of Blackhawk Road, the City should review this recommendation and consider annexation as part of the City of Middleton.

3. The current urban service area boundary should be amended to include the Pleasant View Golf Course west of Pleasant View Road, as described in Recommendation #2 above. This expansion of the urban service area should be justified on the basis that the lands originally planned for residential development within the urban service area have been lost to office and commercial zoning. On the basis of population demand, the urban service area boundary should be amended to include a residential area with a potential population similar to that which was approved in plans in 1980. The request for urban service area extension should be incorporated with the extension of the Madison metropolitan sewage district boundary as a part of implementing this plan.

4. The environmental corridors indicated around the Esser Pond and the south fork of Pheasant Branch Creek should be altered to correspond to the maps indicated in this report. As more detailed studies are prepared and adopted, the environmental corridor should be further adjusted to reflect the detailed findings.

a. The Environmental Corridor, indicated around Esser Pond, should be altered to correspond to the maps in this planning report.

b. The greenway, bordering the south fork of Pheasant Branch Creek running through the study area, should be amended to incorporate the findings of the new Floodplain Study conducted by the City and the Department of Natural Resources.

c. A stormwater detention area, north of Highway 14, has been defined in the Land Use Plan Map. This detention area has been recommended in a recently prepared stormwater management study that is incorporated into this planning recommendation by reference.

5. The City should work to incorporate the environmental corridors, the Pheasant Branch Creek and the open space areas of the proposed redeveloped Pleasant View Golf Course development into the Greenbelt planning for the western part of the metropolitan area. The primary considerations of the Greenbelt planning should begin on the western side of the Pheasant Branch Creek watershed divide.

6. A stormwater management plan for the south fork of the Pheasant Branch Creek should be worked out between the cities of Middleton and Madison. The far majority of the drainage area lies within the City of Madison limits with the negatively-impacted area falling within the City of Middleton. A plan should be prepared that readdresses the requirement for upstream retention and infiltration as a method of reducing downstream impacts. Additionally, the stormwater management plan should include a mechanism for cooperatively funding stormwater improvements. This drainage area should be used as a model with cooperation being sought from the Dane County Regional Plan Commission and State of Wisconsin.

7. In conjunction with this planning study, there was an environmental study and stormwater management plan of Esser Pond. The recommendations of those studies should be considered a part of the Southwest Area Study and implemented with development in the Southwest Quadrant. It is recommended that Esser Pond be redesigned and reconstructed as an environmental asset under City ownership and maintenance as recommended in specific adopted plans.

8. The City should work with landowners to encourage the redevelopment of the strip of land between USH 14 and the railroad line which parallels USH 14. This narrow strip of land has now become a prominent entry corridor to the City of Middleton. USH 14 improvements and the proposed intersection of Deming Way with USH 14 should be used to leverage improvements to signage, landscaping and building appearance along this narrow strip of land. This land should remain planned for highway commercial use.

9. The Pleasant View Road corridor will become a minor arterial between U.S. Highway 14 and Mineral Point Road. This road corridor is bordered by lands proposed for high quality office and residential development. The north end of this corridor, near the Highway 14 intersection, should have more attention to visual appearance from the road corridor. As development and redevelopment occurs along this corridor, special emphasis should be placed on visual appearance through the City's design review process. The standards being proposed for the Greenway Center development should be considered a basic starting point for design reviews in this important corridor.

10. Development of office, commercial, and research and development uses with the Southwest Area should be required to conform to a standard set of design guidelines that encourages capability and uniformity in the appearance of this highly-visible development area. With the elevation and extension of the West Beltline Highway, the Esser Pond bowl area becomes highly visible. Design controls should be maintained to encourage the highest and best use of this important commercial development zone in the City. The Southwest Quadrant is the largest remaining commercial development zone indicated in the City's Master Plan. The large-scale land uses that are currently proposed, which include a 10-story hotel and convention center, are strong market forces that should make conditions right for good quality design. The Plan Commission should use the standards included in the appendix of this report and incorporate them in the Planned Community Development zoning proposed for the frontage of the Southwest Quadrant.

11. The City of Middleton and Chamber of Commerce should place more emphasis on participating in marketing efforts with the Madison Visitors Bureau to help encourage more activity at the newly-proposed hotel/convention center as an economic development strategy that will continue to strengthen the redevelopment efforts of Downtown Middleton and other Middleton area business districts.

12. The transportation and pedestrian linkages between the Downtown area and the Southwest Quadrant should be strengthened. These linkages would include construction of a pedestrianway under the West Beltline Highway and attention given to traffic signage to improve the traffic flow to USH 14 through the Downtown via Verona and Aurora Streets. Terrace Avenue should also be extended westerly to tie into Deming Way as a minor link and important connection to the Downtown area.

13. The City should continue to plan for the addition of a fourth leg (northbound on-ramp) to the Greenway Boulevard interchange. The City should work with the State of Wisconsin and continue to budget for the addition of this leg as traffic counts warrant. At some point in the future, the fourth leg will be needed to eliminate traffic congestion through the Downtown area.

14. The City should continue to use the growth management tool of special assessment financing for the full development of the Southwest Quadrant. The Southwest Quadrant is primarily a commercial neighborhood that can greatly benefit from the

use of special assessment financing. This financing tool allows the City to design and construct well-planned streets and utilities in a comprehensive fashion and recapture the cost of these improvements which are ultimately paid back by the benefitting property owners. This tool should be used to achieve the annexation of the identified lands west of Pleasant View Road.

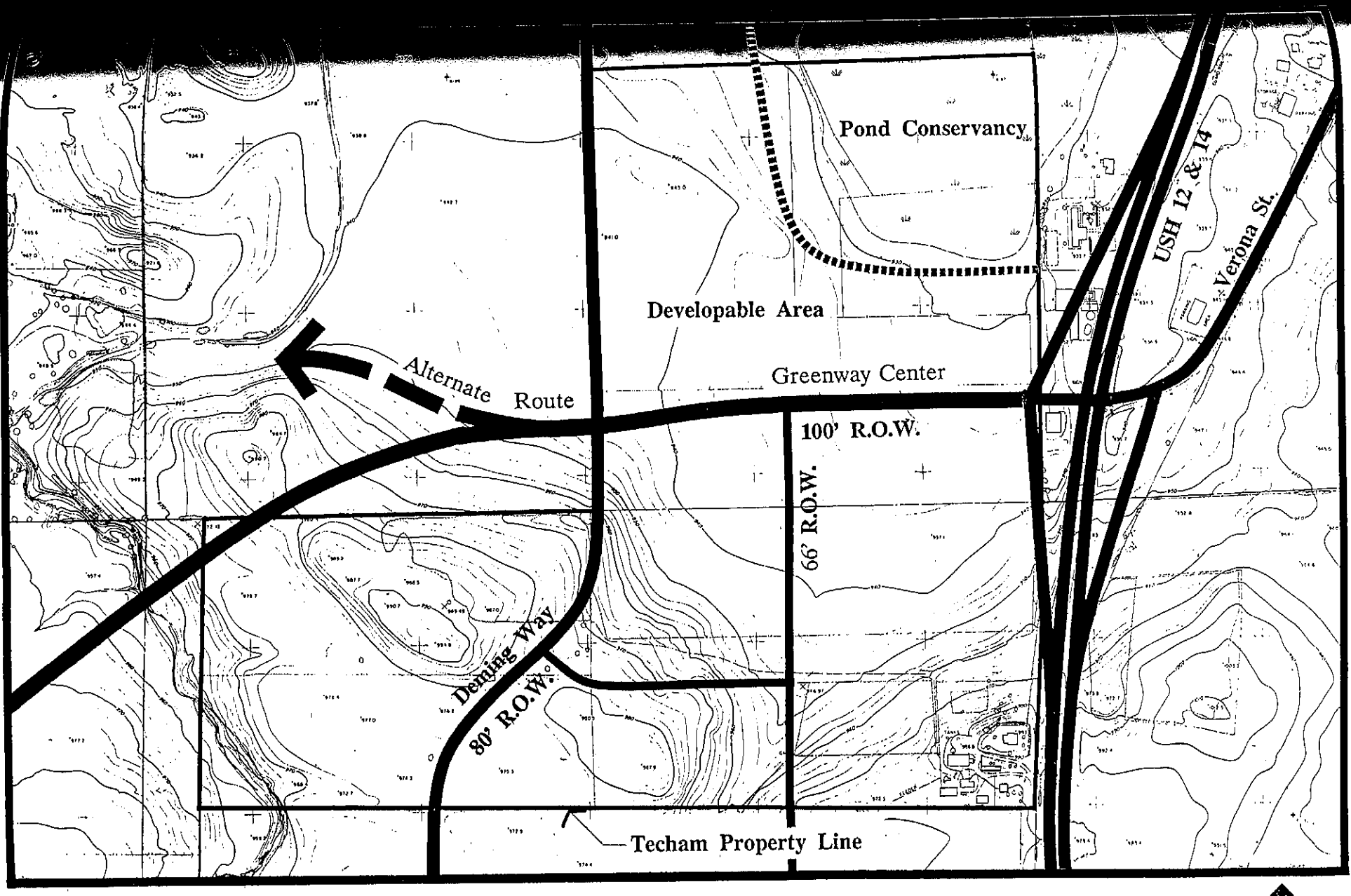
15. The Land Use Plan Map recommends a change of zoning on the easterly portion of the Golf Green Industrial and Research Park. Originally, the lands in the Northwest Quadrant of the interchange of USH 12 and 14 were planned and zoned for office development. With the change of market direction created by the Old Sauk Trails Park, this interchange quadrant is suited for large-scale commercial and land-extensive commercial uses. Those types of uses should be added to the permitted use list in the PDD Zoning District for the area. These lands should be held in this zoning until market conditions can support this planned development.

16. The development standards for the public right-of-ways in the Southwest Quadrant are recommended in the streetscape plan depicted on the following pages. It is important that these street sections be designed to accommodate future traffic volumes and be attractive as an infrastructure inducement to quality development on the abutting private lands.

17. The greenways, indicated on the Land Use Plan map that border the south fork of Pheasant Branch Creek, should be considered a buffer between proposed land uses. The greenway is to be dedicated as the abutting lands are platted. The width of the greenway will vary depending upon topography and existing vegetation. In no case should the greenway be less than 100 feet in width. This greenway corridor should be considered more than a drainageway. It is part of the Pheasant Branch Nature Preserve system and should be designed to blend into the natural landscape of this drainage basin.

18. The Concept Development Plan and bird'seye view have been rendered for the Southwest Quadrant. This concept plan has been prepared to provide a visual image of the type of development recommended in this planning report. This concept should be used to help market the area and provide an image to landowners that encourages highest and best use. This should be used as a plan implementation tool.

19. The extension of Greenway Boulevard to connect west of Pleasant View Road should be considered a high priority. The exact route of this extension should be worked out with the City of Madison as its preferred alignment is through the northwest edge of the Old Sauk Trails Office Park. An alternate or secondary route is indicated on a detailed map in the following attached pages. Extension of Greenway Boulevard should be officially mapped and detailed engineering plans and specifications prepared to help facilitate capital improvements budgeting and/or provisions for establishing an assessment district for the construction.



SOUTHWEST AREA STUDY

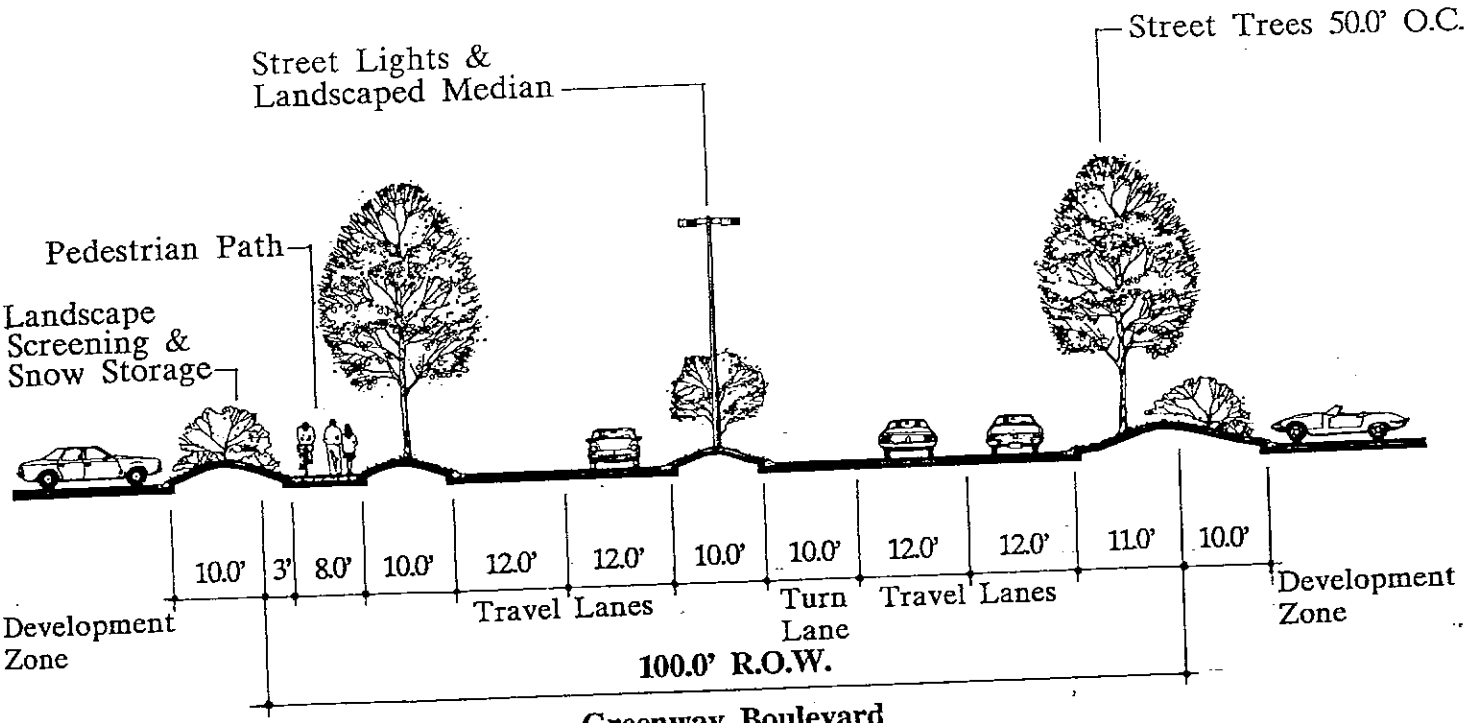
Scale: 1"=400'

North

MIDDLETON, WISCONSIN

Planning Design & Development Consultants
VANDEWALLE & ASSOCIATES

Streetscape Plan: Greenway Boulevard Section "A" (Looking West)

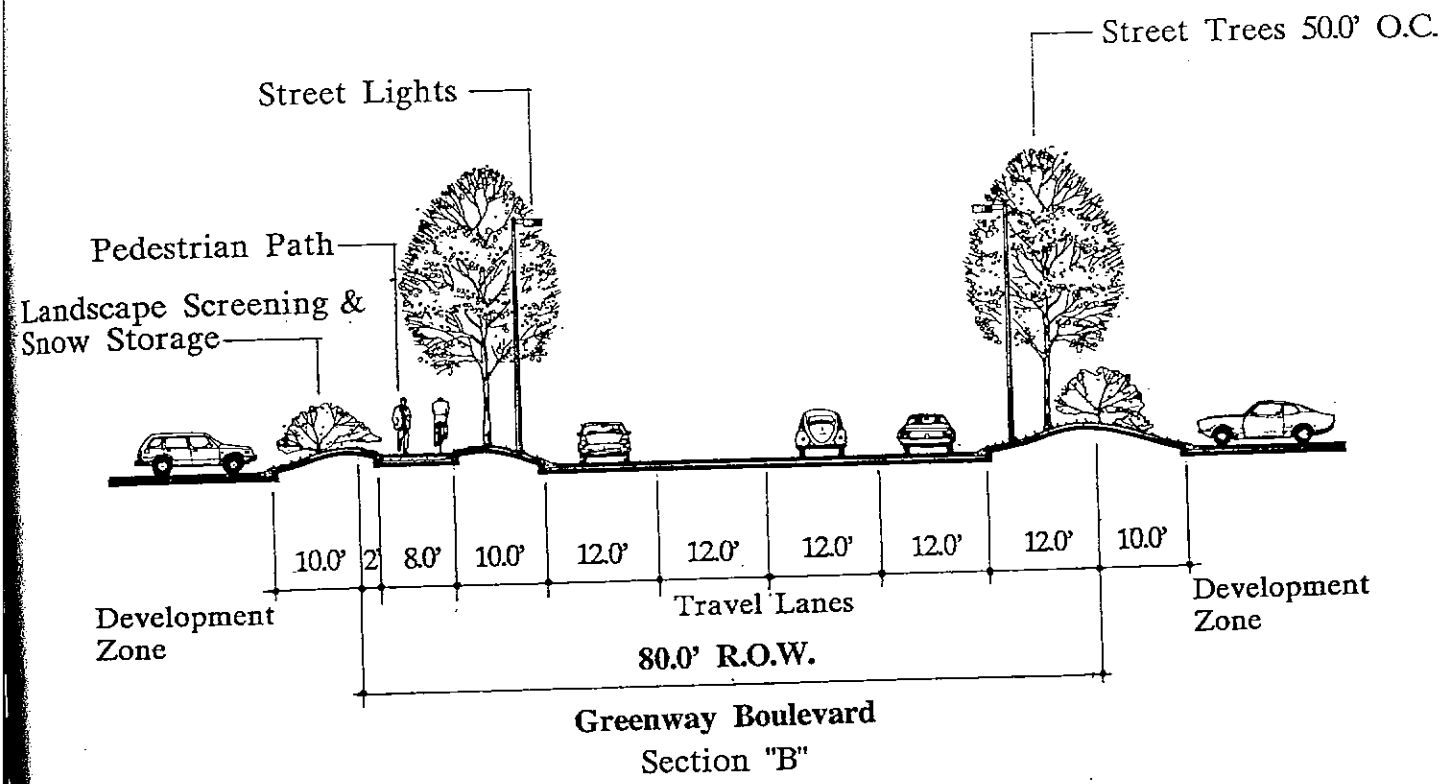


Greenway Boulevard
Section "A"

Note: Landscaped median 20.0' where left turn lane is not required.

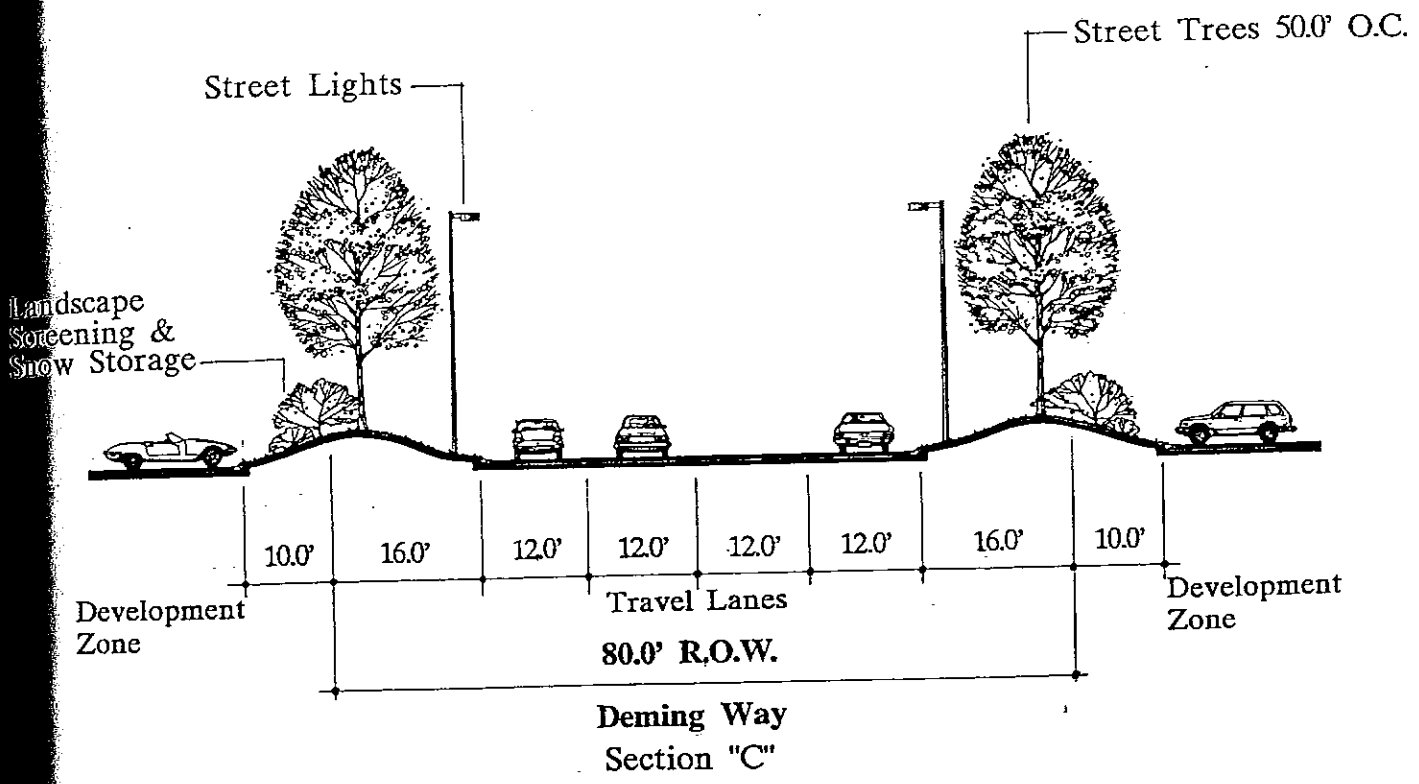
Southwest Area Study
Middleton, Wisconsin

Streetscape Plan: Greenway Boulevard Section "B" (Looking West)

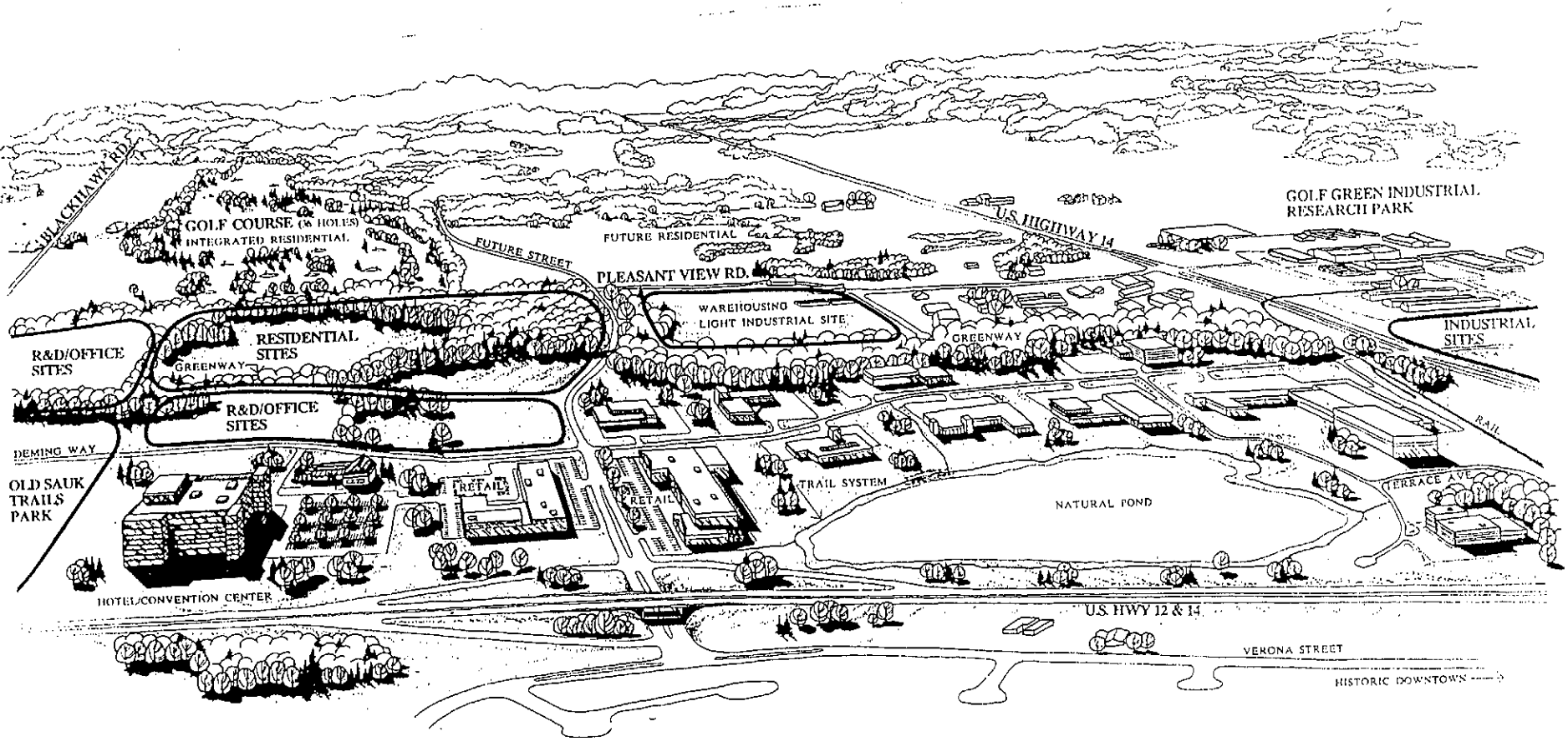


Southwest Area Study
Middleton, Wisconsin

Streetscape Plan: Greenway Boulevard Section "C" (Looking West)



Southwest Area Study
Middleton, Wisconsin



Planning Design & Development Consultants
VANDEWALLE & ASSOCIATES
Madison, Wisconsin

Concept Development Plan

Southwest area

Middleton, Wisconsin

DESIGN GUIDELINES FOR OFFICE, COMMERCIAL AND R&D SITES

SOUTHWEST AREA STUDY
MIDDLETON, WISCONSIN

The following standards will be used as design guidelines to review all development proposals in the Southwest Area Study. These standards are intended to create a planned environment with emphasis being placed on building architecture and site landscaping that is conducive to major commercial sites, office buildings and research and development facilities.

The design standards outlined below have the primary purpose to: ensure appropriate development; protect the environment of this planned neighborhood; guard against the erection of structures built of improper or unsuitable materials; and, in general, achieve development that is practical, feasible and economic, and is an asset to each owner, neighboring business and the community as a whole. These design guidelines will be administered by the City of Middleton Plan Commission when reviewing development proposals as required by Section 10.99 of the City of Middleton Zoning Ordinance. The Plan Commission intends to implement the concept rather than religiously adhere to standards in the presence of evidence that the concepts of being fulfilled.

1. Building Standards

A. All buildings shall be designed to present a pleasing architect style from all points of view. All exterior walls shall be of the same or similar material, finish, color and texture and shall display similar visual design characteristics.

B. All elevations of the building shall be designed in a consistent and coherent architectural manner. Changes in material, color and/or texture shall occur at points relating to the massing, fenestration and overall design concept of the building.

C. All electrical and air conditioning structures, including towers and air handling units, regardless of location and whether to screen roof or otherwise, shall be screened by landscaping or by decorative screening which form an integral part of the design.

D. All buildings should be sited on the lot to present their most desirable face to the street and, where possible, should be related to buildings on adjoining lots.

2. Landscaping

A. Landscape design and planting is to be an integral part of the site design concept and not an afterthought merely added onto the plans.

B. The front yard setback area should be landscaped with an effective combination of street trees, trees, groundcover and shrubbery. All unpaved areas not utilized for parking shall be landscaped in a similar manner. The entire area between the right-of-way and the building setback line of any property should be landscaped with a combination of landscape plantings and earth berms to interrupt or screen all of the use areas with the exception of the building facade.

C. Side and rear yard setback areas not used for parking, drives or storage, shall be landscaped using groundcover and/or shrub and tree materials. There shall be minimum of a ten foot buffer area reserved along sides and rear lot lines. Where a rear or side yard abuts the natural area or conservancy area, the landscape plan should be designed to integrated with the nature area.

D. Undeveloped areas proposed for future expansion shall be maintained in a weed-free condition and shall be landscaped if required by the Plan Commission.

E. Areas used for parking and loading shall be landscaped and/or fenced in a manner as to interrupt said areas from view from public streets and public use areas on adjoining properties. Plant materials used for this purpose shall consist of lineal or group masses of shrubs and/or trees. This requirement for parking lot landscaping is in addition to the requirements contained in the City of Middleton specifications manual.

F. Any approved outdoor storage areas and refuse collection areas shall be visually screened from view from public streets and public use areas on adjacent properties. Such screening shall form a complete opaque screen up to a point eight feet in vertical height.

G. The front yard, any street side yard and the side yards abutting the front one-quarter of the building should have a minimum of an eight (8) foot strip for landscaping or walkway immediately adjacent to the building. Paved pedestrian walks to building entrances may cross or be made part of said strip.

3. **Parking and Loading Area Standards**

A. It is recommended that parking lots be located to the rear of the building or in the side yard behind the front yard setback. Front yard parking lots shall be located at least ten (10) feet from any lot line and at least eight (8) feet from the building, and shall be specified in 5.E above.

B. The Plan Commission will require on-site parking sufficient to accommodate the needs of each respective business. Off-street parking and loading

requirements shall be provided as required by the City of Middleton Zoning Ordinance and officially-adopted specifications manual.

C. All drives, parking lots, storage areas and loading berths shall be paved and properly marked.

D. It is intended that driveways be laid out to avoid a direct, unscreened view from the street to employee parking areas, loading docks, maneuvering areas and permitted outdoor storage areas. No parking should be permitted on entry driveways.

E. Loading berths shall be located to the rear of the building or in the side yard behind the front yard setback.

4. **Outdoor Storage**

Outdoor storage or operations are not a matter of right, but may be permitted by the Plan Commission subject to conditions specified in writing. Such permission shall always specify that the use be located to the rear of the building or an interior side yard behind the front yard setback and enclosed or screened as specified in 5.F above. Such outdoor storage or operation shall not exceed the height of such screening. Walls, berms or non-metallic fencing will be considered appropriate for screening purposes. Outside storage shall be defined to include parking of all company-owned and operated motor vehicles, with the exception of passenger vehicles.

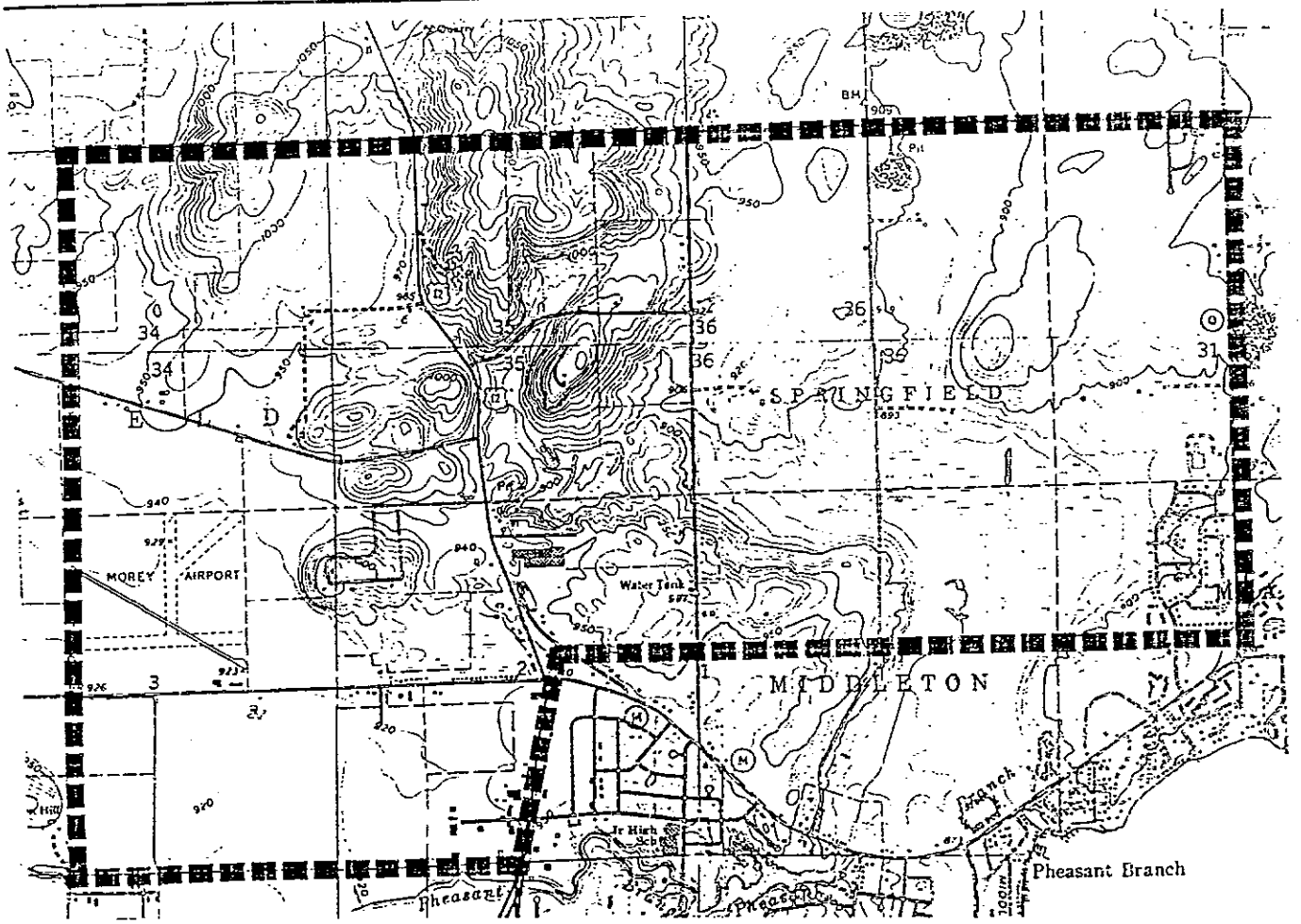
5. **Utilities**

All utilities shall be installed underground. Electric substations and similar utility structures shall comply with the building and landscape standards specified elsewhere herein.

APPENDIX B

EXCERPTS FROM THE NORTHWEST QUADRANT STUDY

NORTHWEST QUADRANT STUDY
MIDDLETON, WISCONSIN



Planning Design & Development Consultants
VANDEWALLE & ASSOCIATES
Madison, Wisconsin

January 10, 1990

I. INTRODUCTION

This planning document is an element of the City of Middleton's Master Plan. This study outlines the issues and makes preliminary recommendations on land use, traffic circulation and development phasing plan for the Northwest Quadrant of the City of Middleton. The study area for the Northwest Quadrant is defined on the map included. The study area encompasses the lands north of Century Avenue and Airport Road, west of CTH Q, north to the drainage divide between Century Avenue and CTH K and west to include Morey Airport.

The City Planning Office is preparing an implementation time table to accompany the Northwest Quadrant Study. The time table will outline the special actions to be taken to implement this study as an element of the City's Master Plan.

This Master Plan Element has been drafted around a basic assumption about the future importance of the Northwest Quadrant to the long-range growth of the City of Middleton. That assumption is that the Northwest Quadrant represents the most logical residential growth area for the City of Middleton during the next twenty years. This assumption is supported by the following conditions:

- The residential growth area originally planned in the Southwest Quadrant has been planned for other uses with the development of the Greenway Center and the Old Sauk Trails Office Park.

- The southern portion of the City which includes Fox Ridge and Stonefield is reaching a point of being built out within the next five years.

One of the most logical residential expansion areas in the City of Middleton, as it relates to the extension of sanitary sewer, the need for road improvements, the relationship to the public schools and the supply of recreation space, is the Northwest Quadrant.

II. FINDINGS AND RECOMMENDATIONS

1. THE RECOMMENDED LAND USES FOR THE NORTHWEST QUADRANT ARE PRESENTED ON THE PLAN MAP ATTACHED.

The predominant land use within the Northwest Quadrant is recommended as residential. The character of the majority of the land is well suited for residential development. The Northwest Quadrant is well located in relation to the existing schools and already acquired public recreation land. If street systems are properly planned, the Northwest Quadrant should have excellent access to US Highway 12 and County Highway Routes leading east along the north side of Lake Mendota. It will be important to phase the development as contiguous growth so that the City has an adequate opportunity to develop the necessary street patterns and park and recreation facilities.

This phase of development would best be accomplished by the City's ability to phase infrastructure to support the new development. Development in the Northwest Quadrant will not proceed in a logical fashion unless the public facility infrastructure can be properly phased.

As the demand is created the majority of the residential land use area in the Northwest Quadrant is best suited to single-family detached housing. The greatest market pressure to focus residential development in the Northwest Quadrant will occur beyond the next five-year period. Under current growth trends, within five years the majority of the residentially-zoned lands within the urban service area on the north and west side of the metropolitan area will be absorbed. It will be important to accommodate new residential growth within the urban service area. If new residential growth cannot be accommodated within the urban service area, it is likely that there will be increased pressure for urban sprawl. The Northwest Quadrant Plan map found at the end of this report identifies the recommended urban service area boundary line that will be needed to accommodate

projected growth in the Northwest Quadrant. The expanded urban service area boundary should be incorporated into future planning for sanitary sewerage service in the Northwest Quadrant.

2. THE LANDS THAT LIE WITHIN THE FLIGHT ZONE OF MOREY AIRPORT MUST BE PLANNED AS NON-RESIDENTIAL USE.

The only non-residential land uses planned in the Northwest Quadrant Study area are along the US Highway 12 corridor and Airport Road (Refer to map). Non-residential land uses planned along US Highway 12 are a restatement of the land uses approved in the Graber Road neighborhood study completed in 1987. The land use along Airport Road is proposed because this area falls within the take-off and landing zone of the primary runway at Morey Airport. It is expected that Morey Airport will be a long-lasting land use and that the importance of Morey Airport will increase as the metropolitan area grows and more pressure is placed on the Dane County Regional Airport. Morey Airport should be viewed as an asset to the City of Middleton and the growth of the west side of the metropolitan area. Although the airport is an important asset to the City of Middleton, the master planning process for the airport should involve City participation to assure that airport expansion does not exceed the current level of surrounding development. An airport master plan study is currently underway. The City of Middleton should be sure to express its desire that overbuilding of the airport does not occur. The land currently in this critical flight zone has residential uses. The northern frontage of Airport Road has historically been platted with small single-family home lots in a strip fashion. As the land uses south of Airport Road change to a greater industrial intensity and the air traffic increases at Morey Airport, residential uses will be incompatible and inappropriately located. As a part of consumer protection, the City should consider zoning these properties as non-conforming uses. The City should encourage long-term conversion of residential uses in this area to other uses of higher value to the owners themselves. It is important at this time to make the owners of these properties aware of the future nuisances that will exist so that there is not extended reinvestment in the homes that currently exist there.

It is recommended that the Airport Road corridor from Evergreen Road extended on the west to US Highway 12 intersection should be zoned for wholesale commercial warehousing and light industrial usage.

3. **THE LANDS LYING NORTH OF SCHNEIDER ROAD AND WEST OF US HIGHWAY 12 SHOULD BE DESIGNATED FOR LONG-TERM AGRICULTURAL PRESERVATION.**

This area should be preserved for farming use beyond twenty years or the foreseeable future. This area is characterized as having prime farmland soils and agricultural infrastructure investments that indicate that this is an important area in preserving the local farm economy. Any intrusion of housing or commercial development in this area will pose a serious threat to maintaining a solid agricultural zone for the entire area lying to the north and west. The Town of Springfield currently has a very aggressive farmland preservation plan as well as county zoning. The City of Middleton should cooperate with the Town in keeping that plan in place so that the agriculture zone can be preserved.

4. **THE AREA INDICATED FOR AGRICULTURAL HOLDING ON THE PLAN MAP LYING NORTH OF THE PROPOSED URBAN SERVICE LIMIT AND EAST OF HIGH ROAD SHOULD BE MAINTAINED IN AGRICULTURAL USE UNTIL DEVELOPMENT IN THE NORTHWEST QUADRANT HAS SUBSTANTIALLY INFILLED WITHIN THE URBAN SERVICE AREA LINE.**

This area is also an area of prime farmland soils and existing successful farming operations. Someday this area will be needed to accommodate future City of Middleton growth. Until that growth need is imminent, this land should also be preserved and not intruded into with spot zoning or scattered residential development. Based on availability of land within the proposed urban service area, the agricultural holding zone would not be necessary within the next decade. However, it is likely that within the next 20 years the Northwest Quadrant plan will need to be reevaluated. It may become necessary to extend the urban service area boundary to fully fill out development in the area over the long-term. If such development does occur, it should be phased. Development is not planned for this area during this planning period.

5. **THE PHEASANT BRANCH NATURE PRESERVE PLANS SHOULD CONTINUE TO BE IMPLEMENTED WITH THE HIGHEST PRIORITY BEING THE ACQUISITION OF THE HIGH LANDS IMMEDIATELY NORTH OF THE MARSH.**

One of the most important purposes of long-range planning is to identify resource protection and recreation areas that will need to be set aside in the path of future development. The City's park and open space planning has adequately identified the areas for future acquisition and dedication. These plans have also identified the needs for active recreation sites as currently proposed on the Marshall Erdman property. Within the context of these plans, the one very critical issue that remains is the acquisition of the key parcel on the north end of Pheasant Branch Marsh. The Pheasant Branch Marsh is a regional or metropolitan area-wide resource that represents an extremely critical green space within the long-range context of City of Middleton and metropolitan area growth. Within the long-range future, well beyond twenty years, the Pheasant Branch

marsh will most likely be completely surrounded with development. The public acquisition cost of this key parcel increases annually as development and utility services are extended outward. The construction of the Pheasant Branch interceptor sewer will very likely add substantial value to this property. Prior to taking the action of installing the interceptor sewer, this land should be under purchase agreement by either the City, the State, the County, or private conservation groups. This is one of the most important issues of the Northwest Quadrant study and should be implemented as a top priority because the threat of losing this open space area is imminent. Since this is a regional resource that benefits the metropolitan area beyond the City limits of Middleton, other sources of matching funding should be used.

The environmental corridor linkage between the Pheasant Branch Nature Preserve and Graber Pond has been identified in the City's Park and Open Space Plan and the Graber Road Neighborhood study. The implementation recommendations of both of these reports suggest that the additional lands for this linkage can be obtained as part of the development dedication process. Need for these dedications should be reaffirmed with the adoption of the Northwest Quadrant Study.

6. **THE LAYOUT AND OFFICIAL MAPPING OF FUTURE TRAFFIC CORRIDORS ARE CRITICAL IN PRESERVING THE QUALITY OF THE PROPOSED RESIDENTIAL NEIGHBORHOODS.**

It is not intended that transportation systems override other planning considerations, but it is extremely important that within the Northwest Quadrant, through-traffic transportation systems are properly planned. There is a need for major traffic corridors to convey north-south and east-west traffic through the Northwest Quadrant. The Northwest Quadrant has the potential of also providing relief valves to the existing problems that occur on Century Avenue, west of Allen Boulevard. The Northwest Quadrant will be part of the

overall planning for the northern end of the South Beltline Highway and how a future Beltline will extend along the north shore of the Lake to the east side of the metropolitan area. Proper planning for road right-of-ways and ultimately residential building setbacks as lands are platted will be important.

7. **A MINOR ARTERIAL STREET SHOULD BE PLANNED TO CONNECT TRAFFIC BETWEEN US HIGHWAY 12 AND COUNTY HIGHWAYS Q AND K.**

The plan map indicates several alternative routes for the extension of a minor arterial street to serve east-west traffic through the Northwest Quadrant. On the west end, there is a decision between using Graber Road or Schneider Road as the main US Highway 12 intersection. Both of these roads will be major intersection points with US Highway 12, however, one should be planned for future upgrading to a four-lane road, similar to the road cross-section at County M east of Allen Boulevard. The Schneider Road intersection would be most easily planned for this type of highway corridor since Graber Road is currently a seventy-foot right-of-way built up with industrial buildings and parking lots. The path of this minor arterial west of Pheasant Branch Road is best defined by following the low swell in the natural terrain.

It should be recognized that Pheasant Branch Road north to CTH K would carry the majority of the traffic even though that area is not planned for development within the twenty-year period. A connector route extending to CTHs K or Q must be planned in order to alleviate the difficult alternatives presented with widening Pheasant Branch Road south and providing adequate intersection with Century Avenue. This issue should be worked through with the Regional Planning Commission to discuss the relationship of Northwest Quadrant traffic to the need for a future North Beltline Highway route.

Two possible intersection points along CTH Q have been identified on the plan map. These points have been chosen for their grade relationship to provide for future four-

way intersections allowing for east-west collector and minor arterial streets. It is important that these intersection points be preserved on the City Official Map.

8. **AIRPORT ROAD SHOULD BE PLANNED AS A FOUR-LANE ROAD FROM HIGHWAY 12 TO EVERGREEN ROAD EXTENDED.**

Airport Road is currently carrying a capacity that exceeds its safe design. Improvements are being planned for Airport Road within the City Limits. The plan map indicates that this right-of-way should be expanded from a 66-foot to an 80- or even a 100-foot right-of-way. This recommendation is based on the important assumption that the extension of Pleasant View Road will connect with Evergreen Road through the Middleton Industrial Park and ultimately to be realigned to connect with the southwest corner of Morey Airport. This corridor would be a major north-south transportation linkage connecting the Northwest Quadrant and Airport Road south to County M. The Cities of Madison and Middleton are currently planning Pleasant View Road from Highway 14 to County M as a 100-foot right-of-way. With the potential of this future north-south connector, it is important that the Airport Road intersection be properly planned. Airport Road, between US Highway 12 and Evergreen Road will also have the potential of generating a lot of employment traffic given the recommended Land Use Plan. The need to accommodate turning movements in addition to a substantial and increasing amount of through traffic underscores the need to have a right-of-way and street design sufficient to accommodate growth that feeds to Airport Road. The intersection of Airport Road and US Highway 12 should be immediately officially mapped prior to the development of both the northwest and southwest intersection parcels. These are currently in a redeveloping state and intersection plans should be prepared prior to development occurring. The state is currently planning for the potential of a six-lane expansion of US Highway 12 from the end of the freeway section through the City of Middleton with a four-lane roadway all the

way to Sauk City. It is extremely important that we define the scope of Highway 12 intersections in the Northwest Quadrant as the State prepares plans for the US Highway 12 corridor.

9. **PLANNING AND CONSTRUCTION OF THE PHEASANT BRANCH SANITARY SEWER INTERCEPTOR SHOULD PROCEED, BUT THE ASSUMPTIONS ON FINANCING THROUGH ASSESSMENT SHOULD BE ADJUSTED TO CORRESPOND TO THE PHASING PLAN RECOMMENDED FOR THE NORTHWEST QUADRANT.**

Currently, the Pheasant Branch interceptor has been proposed to be constructed through an assessment district that would assess the cost to all property within the drainage area. The interceptor sewer is extremely important to quality development of the Northwest Quadrant. There will be continued pressure to develop un-sewered residential and commercial projects over the coming years. Plans for the interceptor should be continued but the formula used for the assessment district should be adjusted. The proration of the sewer costs should be formulated on the basis of those lands that the City would allow to be developed within the next twenty-year period. As suggested on the land use map, some of the areas within the watershed are either designated for long-term agricultural preservation or agricultural holding beyond the twenty-year period. These lands should be excluded from the assessment formula. If excluded lands are allowed to develop prior to the twenty-year target date, the assessment formula would have to be recalculated on the basis of lands remaining to be developed within the interceptor service area. This type of assessment policy could be used to implement City plans instead of working against them. This policy also provides a less risky pay-back potential for City funds invested.

As a part of area-wide planning for the sanitary sewer, detailed stormwater and public open space planning should be done. The cost of this detailed planning and engineering

should be incorporated into the overall benefiting assessment area for the sanitary sewer. This detailed planning and engineering should be accomplished within the upcoming years and precede the private sector planning for development. This pre-planning of stormwater and open space needs will eliminate future conflicts arising from platting and zoning of lands within the Northwest Quadrant.

10. **THE TWENTY-YEAR URBAN SERVICE BOUNDARY FOR THE NORTHWEST QUADRANT SHOULD BE AMENDED TO INCLUDE THE AREA AS INDICATED ON THE PLAN MAP.**

The area proposed for inclusion in the urban service area are lands that should be logically included as they relate to the construction of the Pheasant Branch interceptor sewer. The lay of these lands make them visually and access-wise in the same development neighborhood. Inclusion of this area also results in the infill that would tie with the existing development north off of Greenbriar Road. Inclusion of this area represents a minor change to the urban service boundary.

III. NORTHWEST QUADRANT PLAN MAP

The map on the following page was developed to conceptually present the recommendations contained in this working document. The plan map presents several alternative transportation routes and conceptually identifies land use.

Northwest Quadrant

Middleton

Ashton
Trailer Park
Ashton Corners
CTH K
Quarry
Major Drainage Divide
Planning Study Boundary
Agricultural Holding
Pit
Agricultural Holding
Intersection Point
CTH Q
USH 12
Long-Term Agricultural Preservation
Existing Quarry
High Road
Residential
Proposed Relocation of Urban Service Boundary
Parkway (100' ROW)
Residential
Intersection Point
Major Intersection
Schneider Road
Extended
Graber Pond Recreation Area
Graber Road
Pheasant Branch Road
Pheasant Branch Nature Preserve Extension
Residential
Urban Service Boundary
Residential
MOREY AIRPORT
Morey Airport
Industrial
Water Tower
Pheasant Branch Nature Preserve
Laura Lane Extended
Reversed Frontage
Minor Intersection
Proposed Intersection
Minor Intersection
Major Intersection
Donna Drive Extended
Residential
Future School Site
General Commercial
Wholesale Commercial
Warehousing
Light Industrial
STH M
Minor Intersection
Jr High Sch
Lake Mendota
Pheasant Branch
Pheasant Branch

Planning Design & Development
VANDEWALLE & ASSOCIATES
Madison, Wisconsin

APPENDIX C

PROOF OF PUBLICATION

AFFIDAVIT OF PUBLICATION

State of Wisconsin)

) ss.

County of Dane)

Andrea LeTourneau

being duly sworn, says that he (she) is an authorized representative of THE MIDDLETON TIMES-TRIBUNE, weekly newspaper published in the city of Middleton, in said County, and that a notice, of which is a printed copy taken from such paper, has been published in said paper once each week, for two weeks, successively; that the first publication thereof was on the 22 day of April A.D. 19 93 and the last publication thereof was on the 29 day of April A.D. 19 93

Subscribed to and sworn before me this 28 day of May 19 93.

Mary E. Corbet

My Commission expires 7-17-94

Printers fees $.....

PUBLIC NOTICE
CITY OF MIDDLETON

At a meeting of the City of Middleton Plan Commission to be held at 7:00 p.m., Monday, May 10, 1993 at City Hall, City of Middleton, a public hearing will be held on the proposed boundary of the City of Middleton Tax Increment District #3. A public hearing will be held at 7:15 p.m., Monday, May 10, 1993, at City Hall, on the proposed project plan for the City of Middleton Tax Increment District #3.

A copy of the proposed boundary map and project plan is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 7:45 a.m. to 4:30 p.m., Monday through Friday.

At the public hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed boundary and project plan.

Timothy R. Studer, City Clerk

Publish: 4/22/93, 4/29/93

APPENDIX D

TAXING JURISDICTION CORRESPONDENCE

7856

(608) 831-4114

April 19, 1993

Mr. Gene Thieleke
Superintendent
Middleton/Cross Plains Area School District
7106 South Ave.
Middleton, WI 53562

Re: TIF No. 3, City of Middleton

Dear Mr. Thieleke:

The City of Middleton is proposing the creation of Tax Increment Financing District No. 3 (TID #3) for the purpose of providing funds to construct and/or promote infrastructure, industrial development, acquisition, comprehensive planning, marketing, administration and redevelopment loan assistance. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the creation of the tax increment district and adoption of the project plan will be considered.

The tax increment statutes require each taxing jurisdiction to select a member to represent the jurisdiction on a board, referred to as the Joint Review Board. Statutes also require that the Joint Review Board meet within fourteen days of the notice and prior to the public hearing at which TIF district matters are considered. At that meeting, the tax increment financing law and the proposed district will be fully explained to the representatives.

We are requesting that you select a representative to sit on the Joint Review Board, provide your representative with these notices and request that they attend a preliminary meeting at which the Board Chairperson and member-at-large will be chosen. The proposed time and place of this meeting is at 6:00 p.m., at City Hall, City of Middleton. The Plan Commission public hearings will also be held on Monday, May 10, commencing at 7:00 p.m. at City Hall. Please plan to have your representative attend all meetings. If they cannot attend, please notify us as soon as possible.

We would appreciate it if you would have someone from your office contact us with the name and address of your representative so we can send additional materials related to this proposal.

Sincerely,

CITY OF MIDDLETON

Dan Ramsey
Mayor

Enclosures

7426 HUBBARD AVENUE MIDDLETON, WISCONSIN 53562

(608) 831-4114

April 19, 1993

Mr. Richard Phelps
Dane County Executive Director
210 Martin Luther King Jr. Blvd.
Madison, WI 53709

Re: TIF No. 3, City of Middleton

Dear Mr. Phelps:

The City of Middleton is proposing the creation of Tax Increment Financing District No. 3 (TID #3) for the purpose of providing funds to construct and/or promote infrastructure, industrial develpment, acquisition, comprehensive planning, marketing, administration and redevelopment loan assistance. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the creation of the tax increment district and adoption of the project plan will be considered.

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Sincerely,

CITY OF MIDDLETON

Dan Ramsey
Mayor

Enclosures

7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

(608) 831-4114

April 19, 1993

Dr. Beverly Simone
Director
MATC
310 Price Place
Madison, WI 53704

Re: TIF No. 3, City of Middleton

Dear Dr. Simone:

The City of Middleton is proposing the creation of Tax Increment Financing District No. 3 (TID #3) for the purpose of providing funds to construct and/or promote infrastructure, industrial develpment, acquisition, comprehensive planning, marketing, administration and redevelopment loan assistance. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the creation of the tax increment district and adoption of the project plan will be considered.

The tax increment statutes require each taxing jurisdiction to select a member to represent the jurisdiction on a board, referred to as the Joint Review Board. Statutes also require that the Joint Review Board meet within fourteen days of the notice and prior to the public hearing at which TIF district matters are considered. At that meeting, the tax increment financing law and the proposed district will be fully explained to the representatives.

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We would appreciate it if you would have someone from your office contact us with the name and address of your representative so we can send additional materials related to this proposal.

Sincerely,

CITY OF MIDDLETON

Dan Ramsey
Mayor

Enclosures

CITY OF MIDDLETON • 7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

PUBLIC NOTICE

CITY OF MIDDLETON

At a meeting of the City of Middleton Plan Commission to be held at 7:00 p.m., Monday, May 10, 1993 at City Hall, City of Middleton, a public hearing will be held on the proposed boundary of the City of Middleton Tax Increment District #3. A public hearing will be held at 7:15 p.m., Monday, May 10, 1993, at City Hall, on the proposed project plan for the City of Middleton Tax Increment District #3.

A copy of the proposed boundary map and project plan is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 7:45 a.m. to 4:30 p.m., Monday through Friday.

At the public hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed boundary and project plan.

Timothy R. Studer
City Clerk

Publish: April 22, 1993
April 29, 1993

APPENDIX E

JOINT REVIEW BOARD MINUTES

Joint TIF Review Board

Monday, May 10, 1993
6:00 p.m.

The Joint Review Board had its organizational meeting on May 10th to pick a chairperson and to select a public member to serve on the board.

PRESENT: Manuel Lugo, VTAE representative
John Hart, School District representative
Dan Ramsey, City representative
Joanna Richard, County representative

Susan Hoeft from Vandewalle & Associates explained the role of the Review Board which is basically to review the public record, the planning documents and enabling resolution for the TIF District and approve or deny the proposed District.

The Board shall base its decision to approve or deny the proposal on the following criteria: 1) whether development expected would occur without the use of TIF, 2) whether the economic benefits, as measured by increased jobs, business and personal income and property value, are insufficient to compensate for the cost of the improvements and 3) whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the property owners to the overlying taxing districts.

Board Chairperson

Moved by Lugo, seconded by Hart to nominate Ramsey as the Chair of the Review Board. Motion carried.

Public Board Member

Moved by Hart, seconded by Lugo that Virginia Clemens be elected as the public member of the board. Motion carried.

The Review Board agreed that it would be useful to have a working session at 7:00 p.m., Wednesday, July 7th to begin reviewing the proposed project plans.

APPENDIX F

PLAN COMMISSION

PUBLIC HEARING MINUTES

Plan Commission
Public Hearing on Proposed
TIF District Number 3
7:00 p.m.
May 10, 1993

PRESENT: Barmore, Connors, Ramsey, Schwoch, Shannon, Wexler
ALSO PRESENT: Aldermen Erpenbach and Roberts, Supervisor Richard, Walt Olson, John Gerold, Kelley, DeVore, Studer, Susan Hoeft and Brian Vandewalle

This meeting was held to satisfy the requirements of the state statutes that a Public Hearing be conducted on both the proposed TIF District boundaries and the Project Plan.

I. TIF 3 Project Boundaries

Through the use of overhead projections showing maps and sketches from the proposed project plan, Susan Hoeft from Vandewalle and Associates described the boundaries of the proposed district which has a base value of approximately $25 million. (The district boundaries are shown on Map 1, page 9 of the Project Plan.) Following this description of the project boundaries, the Public Hearing was opened at 7:20 for comments and questions. Since there were no comments, the Public Hearing was closed.

II. TIF 3 Project Plan

Through the use of a Zoning Map (Map 3, page 14), Ms Hoeft described the land uses that are or will be in place at the time of the creation of the proposed District. Over 50% of the lands will be zoned Industrial "I" or Planned Development District "PDD" - Industrial. Within the proposed District are properties affected by economic blight due to a stormwater infrastructure problem. Because individual property owners cannot afford to address a comprehensive solution to the stormwater problem, these properties are economically blighted and will remain so until stormwater management controls are implemented. The consultants stated that it was their expert opinion that development of this part of the City would not take place without the TIF District because the required infrastructure is very expensive and financially infeasible for individual property owners.

Within the Project Plan are the following five project districts:

-- Stormwater Management District, page 19, Map 4
-- Greenway Center District, page 21, Map 5
-- Downtown District, page 24, Maps 6a and b
-- Airport Road District, page 28, Map 7
-- Existing Highway 12 District, page 30, Map 8

Each of the five major project districts is described in the Project Plan as indicated by the page and map numbers above.

Within the project districts are several comprehensive "themes" - improved transportation circulation; creation of a pedestrian and employee recreation network; integration of economic development and environmental protection and redevelopment and revitalization of the downtown area.

There was testimony of the consultants that the proposed TIF District is necessary to accomplish the projects and activities listed in the proposed plan in order to achieve the "highest and best use" of the property within the blighted area. The Project Plan is the format for building a good fiscal base for all taxing authorities. The City has a good track record from previous TIF Projects and TIF has been successful in the past and there is no reason to believe that the proposed TIF District will not succeed.

The proposed improvements within the TIF District have been carefully considered by the Plan Commission. Table 1, entitled "Projects and Activities" shows a year-by-year prioritization of the public works improvements which will have the greatest potential for stimulating immediate economic development. Projects will be monitored to ensure that economic development is occurring prior to the expenditure of funds for other project activities. If economic development does not occur, project activities can be delayed and/or deleted from the schedule. According to the best estimates at this time, if all proposed projects listed in the Project Plan were fully funded by the TIF District, the total cost would be approximately $18 million. Table 3 of the Project Plan also identifies potential increments which are estimated to be over $75 million.

As a matter of record,it was stressed during the meeting that both the District boundaries and the Project Plan may be changed after the Public Hearing. Anyone interested in the project should follow the future actions taken by both the Plan Commission and the Common Council. It was also pointed out that if the TIF District is not successful financially, the other taxing authorities are not liable for the debts incurred. The entire financial risk for the TIF District is the City's.

Following the presentation of the Project Plan by the consultants, the Public Hearing was opened at 8:20 p.m. for comments and/or questions. The only comment made was from Walt Olson who commented that the plan appears to be a very conservative approach to the expenditures versus the anticipated revenues which will result from the improvements. Since there were no further comments, the Public Hearing was closed at 8:25 p.m.

During the meeting Alderman Roberts also discussed the flow of water from the south and north forks of the Pheasant Branch Creek under USH 12 and northward through the City. He comments on the amount of debris and sedimentation carried b the creek and asked about the possibility of funding clean-up of the creek with TIF funds.

Consultatns noted that one of the primary projects in the TIF, the Channel Improvement Project, will provide an improvement in water quality.

* * * * * *

It was agreed that the members of the Plan Commission would review their copies of the Preliminary Project Plan and submit any recommended editorial changes to Eileen Kelley for forwarding to Vandewalle & Associates for inclusion in a revised draft.

The meeting was adjourned at 8:30 p.m.

APPENDIX G

RESOLUTION CREATING TAX INCREMENT DISTRICT NO. 3

RESOLUTION 1993-12

RESOLUTION CREATING TAX INCREMENTAL DISTRICT NO. 3
City of Middleton, Wisconsin

WHEREAS, Sec. 66.46 of the Wisconsin Statutes provides the authority and procedure for creating a tax incremental district: and

WHEREAS, a public hearing was properly noticed and held by the City Plan Commission on May 10, 1993, wherein interested parties were afforded a reasonable opportunity to express their views on the proposed creation of a tax incremental district and the proposed boundaries thereof; and

WHEREAS, the chief executive officers of the Middleton School District, Dane County, and other entities having the power to levy taxes on the property located within the proposed tax incremental district have been notified, including the school board of any school district which includes property within the proposed district pursuant to Sec. 66.46(a) Wis. Stats., and

WHEREAS, pursuant to such procedure and after due reflection and consideration, the City Plan Commission has and does favorably recommend to the Common Council of the City of Middleton the creation of a tax incremental district the lands of which are designated as cross-hatched are on a map on the attached Exhibit A and entitled "Tax Incremental District Number Three, City of Middleton";

THEREFORE, BE IT RESOLVED, that the Common Council of the City of Middleton, Wisconsin:

1. Deems the creation of the recommended tax incremental district to be in the public interest and a proper public purpose: and

2. Accepts and adopts as the district boundaries those recommended by the City Plan Commission and attached hereto as Exhibit A with changes, if any, listed herein; and

3. Resolved that January 1, 1993, be and is the date of creation of said Tax Incremental District Number 3, City of Middleton: and

4. Finds that not less than 50 percent, by area, of the real property within such district is a blighted area within the meaning of Sec. 66.46(2)(a), Wisconsin Statutes, and is in need of rehabilitation or conservation work within the meaning of Sec. 66.435(3) Wisconsin Statutes or is suitable for industrial sites within the meaning of Sec. 66.52 Wisconsin Statutes and has been zoned for industrial use and will remain zoned for industrial use for the life of TIF District #3; and

5. Finds that the improvement of such area is likely to enhance significantly the value of substantially all of the other real property in such district; and

6. Finds that the aggregate value of equalized taxable property of the district does not exceed seven percent of the total value of equalized taxable property within the City of Middleton.

Adopted this _____ day of _____, 1993.

APPROVE:

_____
Dan A. Ramsey, Mayor

ATTEST:

_____
Timothy R. Studer, Clerk

APPENDIX H

MINUTES OF CITY COUNCIL MEETING WITH MOTION TO APPROVE TIF PROJECT PLAN

MIDDLETON COMMON COUNCIL MINUTES
SPECIAL MEETING
Wednesday, September 29, 1993

* ** * ** * ** *

Mayor Ramsey convened the Special Meeting of the Common Council at 7:35 p.m.

PRESENT: Anderson, Brunette, Damon, Duren, Egan, Roberts, Wexler
ABSENT: Erpenbach

Gallina Project

Joe Gallina briefed the Council on his proposed residential project. Following his briefing and a discussion of the proposed attachment agreement, the following action was taken:

Moved by Duren, seconded by Brunette to defer action. After further discussion, this motion was withdrawn.

Moved by Wexler, seconded by Roberts to refer the draft attachment agreement to the City Attorney, PRFC, Water Resources and the Public Works Committee for their review and recommendations to the Council. Motion carried, 7-0.

Bakken Annexation Agreement and Annexation Ordinance

Moved by Brunette, seconded by Duren that the Common Council not approve the Annexation Agreement with the Bakkens. Motion carried, 7-0.

Since the Council did not approve the Annexation Agreement, no action was taken on the Annexation Ordinance.

Tax Incremental District No. 3

Following a briefing by Susan Hoeft on two different scenarios that reflected changes that would be needed in the project plan if either the RIK or Bakken property was deleted from the TIF Plan, the Council took the following action:

Moved by Wexler, seconded by Roberts to dispense with the reading of Resolution 1993-12 Creating Tax Incremental District No. 3. Motion carried, 7-0.

Moved by Wexler, seconded by Roberts that the Common Council adopt Resolution 1993-12, as recommended by the Plan Commission.

Moved by Wexler, seconded by Egan to amend Resolution 1993-12 to reword Item #2 under the Resolve section which makes reference to the district boundaries as recommended by the Plan Commission, since the new boundaries exclude the RIK and Bakken properties. Motion carried, 7-0.

Moved by Wexler, seconded by Roberts to adopt Resolution 1993-12, as amended. Motion carried, 7-0.

Moved by Brunette, seconded by Anderson that the Project Plan for Tax Incremental District No. 3 be adopted.

Moved by Damon, seconded by Egan that Item 11, page 22, of the Project Plan be amended to read as follows:

11. Terrace Avenue extension to west -- construction
Construction of road and utilities (including underground power) to serve existing Terrace Avenue

Motion carried, 7-0.
Minutes of Special Council Meeting
September 29, 1993 Page 2

Moved by Brunette, seconded by Anderson that the Project Plan be amended so that all language is consistent with the deletion of the RIK and Bakken properties. Motion carried, 7-0.

Moved by Brunette, seconded by Damon that the Project Plan for Tax Incremental District No. 3 be adopted, as amended. Motion carried, 7-0.

Adjournment

Moved by Wexler, seconded by Roberts to adjourn at 9:30 p.m. Motion carried, 7-0.

Joel G. DeVore
Deputy City Clerk

CITY OF MIDDLETON 7426 HUBBARD AVENUE MIDDLETON, WISCONSIN 53562

Resolution 1993-15

APPROVING TAX INCREMENTAL DISTRICT #3
PROJECT PLAN
City of Middleton, Wisconsin

WHEREAS, pursuant to Section 66.46, Wis. Stats., the City of Middleton has created Tax Incremental Financing District #3, City of Middleton; and

WHEREAS, the City of Middleton Plan Commission has prepared and adopted a project plan for the Tax Incremental Financing District #3, which:

1. Includes a statement listing the kind, number and location of all proposed public works or improvements within such district;
2. Contains an economic feasibility study;
3. Contains a detailed list of estimated project costs;
4. Contains a description of the methods of financing all estimated projected costs and the time when such costs of monetary obligations related thereto are to be incurred;
5. Includes a map showing existing uses and conditions of real property in such district;
6. Includes a map showing proposed improvements and uses therein;
7. Shows proposed changes of:
   a. zoning ordinances
   b. master plan
   c. official map
   d. building codes
   e. city ordinances
8. Contains a list of estimated non-project costs;
9. Contains a statement of a proposed method for the relocation of any person to be displaced; and

WHEREAS, the Plan Commission has held a public hearing and has notified the Chief Executive Officers of all local government entities having the power to levy taxes on property within the district, including the school board of any school district which includes property within the district pursuant to Section 6.46(4)(a), Wis. Stats., and

WHEREAS, the City Plan Commission has submitted such project plan to the Common Council of the City of Middleton; and

WHEREAS, the Middleton Common Council approved the project plan for Tax Incremental Financing District #3 - City of Middleton.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Middleton reaffirms its September 29, 1993 approval which contained all of the following findings that:

1. Such project plan for Tax Incremental Finance District #3 is feasible; and
2. Such project plan is in conformity with the City Master Plan and other policies and laws of the City of Middleton.

BE IT FURTHER RESOLVED that the Common Council of the City of Middleton reaffirms its September 29, 1993 approval of such project plan for Tax Incremental Financing District #3 pursuant to the provisions of Section 66.46, Wis. Stats.

APPROVED:

Dan A. Ramsey
Mayor

October 19, 1993
Date Approved

This is to certify that the foregoing resolution was adopted by the Common Council of the City of Middleton, Dane County, Wisconsin, at a meeting of the Common Council held on the 19th day of October, 1993.

Timothy R. Studer
City Clerk

APPENDIX I

MEMORANDUM TO

JOINT REVIEW BOARD

VANDEWALLE & ASSOCIATES

MEMORANDUM

TO: Joint Review Board
City of Middleton TIF District No. 3

FROM: Susan Hoeft
Vandewalle & Associates

DATE: October 8, 1993

RE: Public Record, Planning Documents and Adoption Resolution relating to the Project Plan, TIF District No. 3

Attached you will find the planning documents relating to the creation of TIF District No. 3 and project plan. Other documents included are the decision information required by Wisconsin Statutes and the changes in the project plan as adopted by the City Council. Also attached is a draft Joint Review Board resolution approving the City Council resolutions creating the district and adopting the project plan.

In order to facilitate your review of the enclosed documents, I would like to briefly describe the changes in the project plan that have been included in your packet. Due to the deletion of two properties in the TIF District (Bakken, west of Pleasant View Road and the RIK property), almost all of the maps needed to be changed. Due to time constraints of allowing you to review the enclosed materials, we are unable to include all of the revised maps. We have revised the zoning map so that you can see how the boundary was revised and adopted by the Council.

Other changes include deletions of projects on Table 1. Please note under the Greenway Center District (page 22), projects 7, 8 & 9 were deleted. These projects took place within the two properties now not included within the TIF. Consequently, any development that was anticipated to take place was also deleted from Table 3 under Greenway Center District. Table 2 also reflects the deletions of potential funding sources for these projects.

Page 8 reflects a change in the boundary description as seen in the last paragraph on that page. Pages 40 and 41 also reflect the changes in the development increment assumptions as well as estimated retirement of the district.

Madison
402 West Lakeside Street
Madison, WI 53715
Phone: 608-255-3988
Fax: 608-255-0814

Milwaukee
611 North Broadway
Suite 108
Milwaukee, WI 53203
Phone: 414-421-2001

The only other changes in the project will be in the mapping. As a matter of courtesy to you, the City will send you a complete project plan after submittal to the Department of Revenue.

We would like to schedule the meeting at 7:30 p.m. on Monday, October 18, 1993 at City Hall. It is very important that you or a representative attend this meeting. Eileen Kelley or another City staff person will continue to call you to confirm this time.

Please review the documents prior to attending the final meeting. If you have any questions or need additional information, please do not hesitate to contact our office or Eileen Kelley, City of Middleton, (608) 836-7144.

MEETING NOTICE AND AGENDA

JOINT REVIEW BOARD

TIF DISTRICT NO. 3

CITY OF MIDDLETON

October 18, 1993

City Hall, 7:30 p.m.

1. Call to order.

2. Review and approval of the minutes of the May 10, 1993 meeting.

3. Review of planning documents and adoption resolution relating to the the project plan for TIF District No. 3, City of Middleton.

4. Action on Resolution approving City Council Resolutions Creating TIF District No. 3 and Adopting the Project Plan.

5. Adjournment.

Joint TIF Review Board

Monday, May 10, 1993
6:00 p.m.

The Joint Review Board had its organizational meeting on May 10th to pick a chairperson and to select a public member to serve on the board.

PRESENT: Manuel Lugo, VTAE representative
John Hart, School District representative
Dan Ramsey, City representative
Joanna Richard, County representative

Susan Hoeft from Vandewalle & Associates explained the role of the Review Board which is basically to review the public record, the planning documents and enabling resolution for the TIF District and approve or deny the proposed District.

The Board shall base its decision to approve or deny the proprosal on the following criteria: 1) whether development expected would occur without the use of TIF, 2) whether the economic benefits, as measured by increased jobs, business and personal income and property value, are insufficient to compensate for the cost of the improvements and 3) whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the property owners to the overlying taxing districts.

Board Chairperson

Moved by Lugo, seconded by Hart to nominate Ramsey as the Chair of the Review Board. Motion carried.

Public Board Member

Moved by Hart, seconded by Lugo that Virginia Clemens be elected as the public member of the board. Motion carried.

The Review Board agreed that it would be useful to have a working session at 7:00 p.m., Wednesday, July 7th to begin reviewing the proposed project plans.

Plan Commission
Public Hearing on Proposed
TIF District Number 3
7:00 p.m.
May 10, 1993

PRESENT: Barmore, Connors, Ramsey, Schwoch, Shannon, Wexler
ALSO PRESENT: Aldermen Erpenbach and Roberts, Supervisor Richard, Walt Olson, John Gerold, Kelley, DeVore, Studer, Susan Hoeft and Brian Vandewalle

This meeting was held to satisfy the requirements of the state statutes that a Public Hearing be conducted on both the proposed TIF District boundaries and the Project Plan.

I. TIF 3 Project Boundaries

Through the use of overhead projections showing maps and sketches from the proposed project plan, Susan Hoeft from Vandewalle and Associates described the boundaries of the proposed district which has a base value of approximately $25 million. (The district boundaries are shown on Map 1, page 9 of the Project Plan.) Following this description of the project boundaries, the Public Hearing was opened at 7:20 for comments and questions. Since there were no comments, the Public Hearing was closed.

II. TIF 3 Project Plan

Through the use of a Zoning Map (Map 3, page 14), Ms Hoeft described the land uses that are or will be in place at the time of the creation of the proposed District. Over 50% of the lands will be zoned Industrial "I" or Planned Development District "PDD" - Industrial. Within the proposed District are properties affected by economic blight due to a stormwater infrastructure problem. Because individual property owners cannot afford to address a comprehensive solution to the stormwater problem, these properties are economically blighted and will remain so until stormwater management controls are implemented. The consultants stated that it was their expert opinion that development of this part of the City would not take place without the TIF District because the required infrastructure is very expensive and financially infeasible for individual property owners.

Within the Project Plan are the following five project districts:

-- Stormwater Management District, page 19, Map 4
-- Greenway Center District, page 21, Map 5
-- Downtown District, page 24, Maps 6a and b
-- Airport Road District, page 28, Map 7
-- Existing Highway 12 District, page 30, Map 8

Each of the five major project districts is described in the Project Plan as indicated by the page and map numbers above.

Within the project districts are several comprehensive "themes" - improved transportation circulation; creation of a pedestrian and employee recreation network; integration of economic development and environmental protection and redevelopment and revitalization of the downtown area.

There was testimony of the consultants that the proposed TIF District is necessary to accomplish the projects and activities listed in the proposed plan in order to achieve the "highest and best use" of the property within the blighted area. The Project Plan is the format for building a good fiscal base for all taxing authorities. The City has a good track record from previous TIF Projects and TIF has been successful in the past and there is no reason to believe that the proposed TIF District will not succeed.

The proposed improvements within the TIF District have been carefully considered by the Plan Commission. Table 1, entitled "Projects and Activities" shows a year-by-year prioritization of the public works improvements which will have the greatest potential for stimulating immediate economic development. Projects will be monitored to ensure that economic development is occurring prior to the expenditure of funds for other project activities. If economic development does not occur, project activities can be delayed and/or deleted from the schedule. According to the best estimates at this time, if all proposed projects listed in the Project Plan were fully funded by the TIF District, the total cost would be approximately $18 million. Table 3 of the Project Plan also identifies potential increments which are estimated to be over $75 million.

As a matter of record, it was stressed during the meeting that both the District boundaries and the Project Plan may be changed after the Public Hearing. Anyone interested in the project should follow the future actions taken by both the Plan Commission and the Common Council. It was also pointed out that if the TIF District is not successful financially, the other taxing authorities are not liable for the debts incurred. The entire financial risk for the TIF District is the City's.

Following the presentation of the Project Plan by the consultants, the Public Hearing was opened at 8:20 p.m. for comments and/or questions. The only comment made was from Walt Olson who commented that the plan appears to be a very conservative approach to the expenditures versus the anticipated revenues which will result from the improvements. Since there were no further comments, the Public Hearing was closed at 8:25 p.m.

During the meeting Alderman Roberts also discussed the flow of water from the south and north forks of the Pheasant Branch Creek under USH 12 and northward through the City. He comments on the amount of debris and sedimentation carried b the creek and asked about the possibility of funding clean-up of the creek with TIF funds.

Consultatns noted that one of the primary projects in the TIF, the Channel Improvement Project, will provide an improvement in water quality.

* * * * * *

It was agreed that the members of the Plan Commission would review their copies of the Preliminary Project Plan and submit any recommended editorial changes to Eileen Kelley for forwarding to Vandewalle & Associates for inclusion in a revised draft.

The meeting was adjourned at 8:30 p.m.

Joint TIF Review Board

Wednesday, July 7, 1993

* * * * * *

PRESENT: Dan Ramsey, City Representative
JoAnna Richard, County Representative
John Hart, School District Representative
Virginia Clemens, Citizen Representative
ABSENT: Manuel Lugo, VTAE Representative

Also Present: Susan Hoeft, Eileen Kelley, Joel DeVore

At the previous meeting of May 10th, the Board agreed that it would be useful to meet again in order to have a working session to review the proposed project plan.

During the meeting, Susan Hoeft addressed general points about the plan and answered specific questions from the various representatives. There was no official action taken because the consultant and the Plan Commission are still finalizing the project plan.

After the plan has been finalized and adopted by the Plan Commission and the Common Council, the Review Board will be reconvened to take official action.

submitted from Greg Held, an adjacent property owner, requesting that a 330' strip of land along Evergreen Rd. be left in the Town and developed in large residential lots. Brian Vandewalle stated that although the land north of Airport Rd. should probably be in the City as a part of the stormwater management solution, at this time it is not recommended that it be annexed until further discussions with the Town can take place. The Quisling annexation petition will include the land owned by the Town of Middleton, and will extend to Evergreen Rd. A large portion of this would be zoned Industrial-PDD, and the westerly 660' would be zoned Residential. No action was taken, and this will be discussed at the next meeting. Greg LaFond, of the Town of Middleton Board, was present and said he would like to see the area between the Industrial portion and Evergreen Rd. be developed residentially in the City, as a buffer to the existing residential in the Town.

5. RIK PROPERTY - GREENWAY BLVD. EXTENDED

There was discussion of the process to accomplish Greenway Blvd. extended. No action was taken.

6. RESOLUTION CREATING TIF DISTRICT #3

Moved by Wexler, seconded by Shannon to recommend to the Common Council that they approve the Resolution creating TIF District #3. Motion carried.

7. CONCEPT REVIEW - EXTRATERRITORIAL CERTIFIED SURVEY MAP, MRS. CLEARY, ON TOEPFER RD.

It was the consensus of the Plan Commission that this item should be deferred. Mrs. Cleary should come back to the Plan Commission after action by the Town of Middleton Plan Commission.

8. EXTRATERRITORIAL CERTIFIED SURVEY MAP - BOROKIM, ON AIRPORT RD.

Moved by Barmore, seconded by Connors to defer this issue until the Town of Middleton Plan Commission acts on a revised CSM. Motion carried.

9. CONCEPT REVIEW - EXTRATERRITORIAL CERTIFIED SURVEY MAP, MEINHOLZ, ON CTH K

It was the consensus of the Plan Commission to defer this issue as no one was present to discuss this proposed CSM.

MIDDLETON COMMON COUNCIL MINUTES
SPECIAL MEETING
Wednesday, September 29, 1993

* ** * ** * ** *

Mayor Ramsey convened the Special Meeting of the Common Council at 7:35 p.m.

PRESENT: Anderson, Brunette, Damon, Duren, Egan, Roberts, Wexler
ABSENT: Erpenbach

Gallina Project

Joe Gallina briefed the Council on his proposed residential project. Following his briefing and a discussion of the proposed attachment agreement, the following action was taken:

Moved by Duren, seconded by Brunette to defer action. After further discussion, this motion was withdrawn.

Moved by Wexler, seconded by Roberts to refer the draft attachment agreement to the City Attorney, PRFC, Water Resources and the Public Works Committee for their review and recommendations to the Council. Motion carried, 7-0.

Bakken Annexation Agreement and Annexation Ordinance

Moved by Brunette, seconded by Duren that the Common Council not approve the Annexation Agreement with the Bakkens. Motion carried, 7-0.

Since the Council did not approve the Annexation Agreement, no action was taken on the Annexation Ordinance.

Tax Incremental District No. 3

Following a briefing by Susan Hoeft on two different scenarios that reflected changes that would be needed in the project plan if either the RIK or Bakken property was deleted from the TIF Plan, the Council took the following action:

Moved by Wexler, seconded by Roberts to dispense with the reading of Resolution 1993-12 Creating Tax Incremental District No. 3. Motion carried, 7-0.

Moved by Wexler, seconded by Roberts that the Common Council adopt Resolution 1993-12, as recommended by the Plan Commission.

oved by Wexler, seconded by Egan to amend Resolution 1993-12 to eword Item #2 under the Resolve section which makes reference to he district boundaries as recommended by the Plan Commission, ince the new boundaries exclude the RIK and Bakken properties. otion carried, 7-0.

oved by Wexler, seconded by Roberts to adopt Resolution 1993-12, s amended. Motion carried, 7-0.

oved by Brunette, seconded by Anderson that the Project Plan for ax Incremental District No. 3 be adopted.

oved by Damon, seconded by Egan that Item 11, page 22, of the roject Plan be amended to read as follows:

11. Terrace Avenue extension to west -- construction
Construction of road and utilities (including underground power) to serve existing Terrace Avenue

otion carried, 7-0.

Moved by Brunette, seconded by Anderson that the Project Plan be amended so that all language is consistent with the deletion of the RIK and Bakken properties. Motion carried, 7-0.

Moved by Brunette, seconded by Damon that the Project Plan for Tax Incremental District No. 3 be adopted, as amended. Motion carried, 7-0.

Adjournment

Moved by Wexler, seconded by Roberts to adjourn at 9:30 p.m. Motion carried, 7-0.

Joel G. DeVore
Deputy City Clerk

RESOLUTION 1993-12

RESOLUTION CREATING TAX INCREMENTAL DISTRICT NO. 3
City of Middleton, Wisconsin

WHEREAS, Sec. 66.46 of the Wisconsin Statutes provides the authority and procedure for creating a tax incremental district: and

WHEREAS, a public hearing was properly noticed and held by the City Plan Commission on May 10, 1993, wherein interested parties were afforded a reasonable opportunity to express their views on the proposed creation of a tax incremental district and the proposed boundaries thereof; and

WHEREAS, the chief executive officers of the Middleton School District, Dane County, and other entities having the power to levy taxes on the property located within the proposed tax incremental district have been notified, including the school board of any school district which includes property within the proposed district pursuant to Sec. 66.46(a) Wis. Stats., and

WHEREAS, pursuant to such procedure and after due reflection and consideration, the City Plan Commission has and does favorably recommend to the Common Council of the City of Middleton the creation of a tax incremental district the lands of which are designated as cross-hatched are on a map on the attached Exhibit A and entitled "Tax Incremental District Number Three, City of Middleton";

THEREFORE, BE IT RESOLVED, that the Common Council of the City of Middleton, Wisconsin:

1. Deems the creation of the recommended tax incremental district to be in the public interest and a proper public purpose: and

2. Accepts and adopts as the district boundaries those recommended by the City Plan Commission and attached hereto as Exhibit A with changes, if any, listed herein; and

3. Resolved that January 1, 1993, be and is the date of creation of said Tax Incremental District Number 3, City of Middleton: and

4. Finds that not less than 50 percent, by area, of the real property within such district is a blighted area within the meaning of Sec. 66.46(2)(a), Wisconsin Statutes, and is in need of rehabilitation or conservation work within the meaning of Sec. 66.435(3) Wisconsin Statutes or is suitable for industrial sites within the meaning of Sec. 66.52 Wisconsin Statutes and has been zoned for industrial use and will remain zoned for industrial use for the life of TIF District #3; and

5. Finds that the improvement of such area is likely to enhance significantly the value of substantially all of the other real property in such district; and

6. Finds that the aggregate value of equalized taxable property of the district does not exceed seven percent of the total value of equalized taxable property within the City of Middleton.

Adopted this _____ day of _____, 1993.

APPROVE:

_____
Dan A. Ramsey, Mayor

ATTEST:

_____
Timothy R. Studer, Clerk

JOINT REVIEW BOARD

TIF DISTRICT NO. 3

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents of this information is listed in Section 66.46(4)(i), Wis. Stats. This report provides that information as required in the statutes.

1. *The specific items that constitute the project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.*

   Response

   Activities for TIF District No. 3 are listed in Table 1 of the project plan. The total cost of all activities is $17,505,000 which is to be paid with tax increments. An estimated total development increment of $51,900,000 is anticipated to be generated over the life of the district which would then generate an approximate total of $43,447,000 in taxes. This is based on a three percent inflation on real estate value (including the base value) and a steady mill rate for the duration of the TIF.

2. *The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.*

   Response

   Allowing for a three (3) percent annual inflation factor, the total value increment of the TIF District is estimated to be approximately $130,708,000 when the district is terminated.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefits by improvements within the tax incremental district.*

   Response

   Activities listed in the project plan are of the type typically associated with the development of a business/industrial park and redevelopment areas. These project costs are usually funded by the public sector in anticipation of private development and redevelopment. By establishing a tax incremental financing district, the public sector activities will be paid by the district's property owners

through property taxes levied on the new improvements and their value increments.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response

The financial feasibility study for TIF District No. 3 indicates that all costs associated with the district will be paid by tax increments generated within the district. It is intended that no property owners in the overlying taxing jurisdictions will be paying any share of the tax increments. The financial feasibility study does not take into account any other sources of revenues for economic feasibility of the district. Taxes generated by the new increment is the sole source of revenue for feasibility of the district.

The project plan has identified additional funding sources for project activities identified in Table 1 of the project plan. It is the intent of the City Plan Commission and City Council to seek additional funding to offset the expenditures directly out of the TIF. If additional funding is received, the amount of expenditures directly from the TIF district will be decreased, thereby shortening the retirement period.

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the projected tax increments in subd. 4.*

Response

Although no tax increments are expected to be paid by property owners in overlying taxing jurisdictions, the activities of TIF District No. 3 will benefit property taxpayers by expanding the existing tax base of the City and providing opportunities for new industries to locate to Middleton which will create new jobs. Blight elimination through redevelopment opportunities will also expand the tax base for the City and provide new retail/commercial/business opportunities which, in turn, provides new jobs.

JOINT REVIEW BOARD

TIF DISTRICT NO. 3

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

A. Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;

B. Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are sufficient to compensate for the cost of improvements; and

C. Whether the benefits of the proposal outweigh the anticipated loss of tax increments to be paid by the owners of property in the overlying tax districts.

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 3 on the City of Middleton. The criteria are addressed in turn below.

A. Creation of TIF District No. 3 is for the specific purpose of constructing infrastructure improvements in anticipation of office/industrial development and redevelopment opportunities in the City of Middleton. The TIF District funds are projected to cover project costs for stormwater improvements, infrastructure improvements, environmental and comprehensive recreation design development, planning, legal and engineering fees, acquisition, redevelopment, marketing and administrative costs. It is anticipated that private investors will be investing in the district as a direct result of the publicly-funded activities listed above. It is clear that the development expected in the district will occur only if the district and project activities listed in the project plan are approved.

B. The project plan for TIF District No. 3 shows that projected taxable private improvements in the district during the life of the district are sufficient to pay for the cost of the public improvements. Tables 4 and 5 of the project plan illustrate the flow of revenues and expenditures in the district. They demonstrate that sufficient revenues are anticipated to be generated to amortize the cost of improvements by 2015. By the time the project plan is fully implemented,

property values will have increased by at least $130,708,000 (in current dollars) and new jobs will have been created due to new businesses moving into the City. The economic benefits of the district are sufficient to compensate for the cost of improvements.

C. Creation and adoption of TIF District No. 3 will allow for continued expansion of manufacturing space in the City. It will provide funds for infrastructure construction and expansion into property presently underutilized due to unavailability of infrastructure and inability to be developed due to stormwater impacts. It will also provide funds for redevelopment which will help to eliminate blighted conditions and bring a proper use mix to those areas needing redevelopment. Without the adoption of the project plan, the comprehensive development of the City cannot be continued, thereby not allowing the anticipated tax base to be generated. This expanded tax base not only benefits the City of Middleton but also benefits the property owners in the overlying tax districts.

RESOLUTION APPROVING CITY COUNCIL RESOLUTION CREATING TIF DISTRICT NO. 3 AND ADOPTING THE PROJECT PLAN

CITY OF MIDDLETON

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin approved the City Council resolution establishing TIF District No. 3, City of Middleton, the boundaries thereof, and the project plan on October 18, 1993, following a review of the public record and planning documents; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the project plan for TIF District No. 3, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff and interested members of the public regarding the project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. the development expected in TIF District No. 3, City of Middleton, would not occur without the use of tax incremental financing;

2. the economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements;

3. the benefits of the proposed tax incremental district outweigh the anticipated loss in tax revenues of the overlying taxing jurisdictions.

Adopted this ___ day of _____, 1993.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT NO. 3
CITY OF MIDDLETON, WISCONSIN

_____
Dan Ramsey, Chair

APPENDIX J

TID #3 JOINT REVIEW BOARD

FINAL DECISION

MINUTES
JOINT REVIEW BOARD, TIF DISTRICT #3
CITY OF MIDDLETON
MONDAY OCTOBER 18, 1993 7:30 P.M.

PRESENT: TIF Review Board Members Ginny Clemens, Manuel Lugo, John Hart, JoAnna Richard, Dan Ramsey

ALSO PRESENT: Susan Hoeft, Eileen Kelley

Chairman Ramsey called the meeting to order at 7:32 PM.

Moved by Mr. Lugo, seconded by Ms. Richard to approve the minutes of May 10, 1993. Motion carried.

Susan Hoeft reviewed with the TIF Joint Review Board members the public record of the TIF creation. This includes the May 10th minutes of the Plan Commission public hearing on the TIF Project Plan, the recommendation on the Resolution by the Plan Commission, and the Council Resolution creating TIF District #3. She described for the TIF Review Board members the changes which were made to the Project Plan, which included the deletion of some areas due to annexations not taking place. She further reviewed the projects which have been deleted, as well as the changes in the Economic Feasibility Analysis.

Ms. Hoeft reviewed the information and projections for TIF District #3, as well as the decision criteria which the TIF Joint Review Board must utilize in approving or denying the TIF District plan and boundary designation.

Moved by Mr. Lugo, seconded by Ms. Clemens to approve Resolution 1993-16 approving the Common Council Resolution creating TIF District #3 and adopting the Project Plan. Motion carried on a roll call vote as follows: City member Dan Ramsey, yes; School Board member John Hart, yes; County Board member JoAnna Richard, yes; VOC Tech member Manuel Lugo, yes; and citizen member Ginny Clemens, yes.

EILEEN KELLEY

EK:mm
c:\word\wpwn\mari\eile\tif.min

11-11-93

Resolution 1993-16

RESOLUTION APPROVING CITY COUNCIL RESOLUTION
CREATING TIF DISTRICT NO. 3 AND
ADOPTING THE PROJECT PLAN

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin approved the City Council resolution establishing TIF District No. 3, City of Middleton, the boundaries thereof, and the project plan on October 18, 1993, following a review of the public record and planning documents; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the project plan for TIF District No. 3, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff and interested members of the public regarding the project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. the development expected in TIF District No. 3, City of Middleton, would not occur without the use of tax incremental financing;

2. the economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements;

3. the benefits of the proposed tax incremental district outweigh the anticipated loss in tax revenues of the overlying taxing jurisdictions.

Adopted this 18 day of Oct., 1993.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT NO. 3
CITY OF MIDDLETON, WISCONSIN

Dan Ramsey, Chair

APPENDIX K

CITY ATTORNEY OPINION

JENSWOLD, STUDT, HANSON, CLARK & KAUFMANN

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OF COUNSEL
BARNES A. CLARK

WILLIAM D. DYKE
LAW OFFICES
MINERAL POINT, WI

15 November 1993

HAND DELIVERED

Ms. Marilyn Briest
Wisconsin Department of Revenue
Property Tax Bureau
125 South Webster Street
Madison, Wisconsin 53708

RE: Middleton, TIF District No. 6

Dear Ms. Briest:

Enclosed please find original project plan with regard to the above captioned matter. Please review the packet at your very earliest convenience as to compliance. When you have had a chance to review this, please let us know if we are okay.

Very truly yours,

JENSWOLD, STUDT, HANSON, CLARK & KAUFMANN

Bruce K. Kaufmann
State Bar No. 1008305

BKK:jkk
Enclosures
cc: Ms. Susan Hoeft

APPENDIX L

BOUNDARY DESCRIPTION

City of Middleton, Wisconsin
Proposed TIF District No. 3
Boundary Description

All of the SE¼ and the SE¼-NE¼ of Section 3, the SW¼-NW¼, the NW¼-SW¼, and the SW¼-SW¼ of Section 2, the NW¼-NW¼, the NE¼-NW¼, and the SW¼-NW¼ of Section 11, the NE¼-NE¼, the SE¼-NE¼, the NE¼-SE¼, and the NW¼-SE¼ of Section 10 and part of the SE¼-NW¼, the SW¼-NE¼, the NW¼-SE¼, the SW¼-SE¼, and the SE¼-SW¼ of Section 2, the NW¼-NE¼, the SW¼-NE¼, the SE¼-NW¼, the NE¼-SW¼, the NW¼-SW¼, the SW¼-SW¼, and the SE¼ of Section 11, the SE¼-SE¼, the SW¼-SE¼, the SW¼, the SE¼-NW¼, the NW¼-NE¼, and the SW¼-NE¼, of Section 10, and the NW¼-NW¼ and NE¼-NW¼ of Section 15 all being in T7N, R9E, City of Middleton, Dane county, Wisconsin, more particularly described as follows:

Beginning at the center of Section 3;

thence along the East-West quarter section lines, East, 1,442.8 feet more or less to the southwest corner of the SE¼-NE¼ of Section 3;

thence along the west line of said SE¼-NE¼, North, 1,344.4 feet more or less to the northwest corner of said SE¼-NE¼;

thence along the north line of said SE¼-NE¼, East, 1,328.0 feet more or less to the northeast corner of said SE¼-NE¼ of Section 3;

thence along the north line of the SW¼-NW¼ and the SE¼-NW¼ of Section 2, East, 2,570.0 feet more or less to a point at the centerline of "USH 12" and "Century Place";

thence along the centerline of said "Century Place" S35°E, 130.0 feet more or less to a point of intersection with an extension of the east line of "USH 12";

thence along said extension and east line, S20°E, 1,245.0 feet more or less to a point of intersection with the west line of "Weber Road";

thence along an extension of the east line of "USH 12", S20°E, 120.0 feet more or less to a point of intersection with an extension of the south line of "Airport Road";

thence along said extension and south line of "Airport Road", West, 1,863.0 feet more or less to the west line of Lot 1;

thence along said west line and the west line of Lot 1, South, 418.5 feet more or less;

thence West, 6.4 feet more or less;

thence continuing along said west line and the west line of the "Second Addition to Green Acres" plat and the west line of Lot 1, South, 1,359.36 feet more or less to the south line of said Lot 1;

thence along said south line, East, 12.5 feet more or less to the west line of Lot 1;

thence along said west line and the west line of Lot 1, South, 230.9 feet more or less to the south line of said Lot 1;

thence along said south line, East, 247.7 feet more or less to the west line of Lot 16, "First Addition to Green Acres" plat;

thence along said west line, South, 379.6 feet;

thence West, 232.8 feet more or less;

thence South, 215.0 feet more or less to the south line of the SE¼-SW¼ of Section 2;

thence along said south line, East, 806.4 feet more or less to the east line of Lot 5, "Green Acres" plat;

thence along said east line, North, 323.7 feet to the north line of said Lot 5;

thence along said north line, West, 161.0 feet more or less to the east line of Lot 12, "First Addition to Green Acres"'

thence along said east line and the east line of Lot 11 and an extension of said line, North, 290.0 feet more or less to the north line of "Donna Drive";

thence along said north line, East, 330.0 feet more or less to the east line, North, 195.9 feet more or less to the north line;

thence along said north line, East, 464.7 feet more or less to the east line of Lot 2;

thence along said east line, N10°E, 215.0 feet more or less to the north line of said Lot 2;

thence along said north line, West, 300.0 feet more or less to the north part of the east line of said Lot 2;

thence along said east line, N10°E, 286.7 feet more or less to the south line of Lot 1;

thence along said south line and the south line of Lot 2, East, 66.0 feet more or less to the east line of said Lot 2;

thence along said east line, North, 196.7 feet more or less to the east part of the south line of Lot 2;

thence along said south line, East, 268.4 feet more or less to the north part of the east line of said Lot 2 and the west line of "USH 12";

thence along said west line, N10°E, 762.0 feet more or less to a point of intersection with an extension of the south line of Lot 2;

thence along said extension and south line, S80°E, 250.0 feet more or less to the west line of the "First Addition to Northbrook" plat;

thence along said west line, S10°W, 979.9 to the south line of Lot 57 of said plat;

thence along said south line, S80°E, 100.0 feet more or less to the west line of said plat;

thence along said west line, S10°W, 435.6 feet more or less to the southwest corner of Lot 54 of said plat;

thence N80°W, 200.0 feet more or less to the east line of "USH 12";

thence along said east line, S10°W, 823.3 feet more or less to south line of the SW¼-SE¼ of Section 2 and jog in said east line;

thence along said south line, East, 50.8 feet more or less to east line of "USH 12" and beginning of curve;

thence southwesterly along said east line and curve to the right having a chord bearing S17°W, 685.0 feet more or less;

thence continuing along said east line, South, 91.9 feet more or less to the south line of Lot 1;

thence along said south line, East, 232.4 feet more or less to the east line of said Lot 1;

thence along said east line of said Lot 1;

thence along said east line, North, 105.1 feet more or less to the northeast corner of said Lot 1;

thence along the north line of "Clark Street' and the "Calvin Wilhelm" property, East, 250.0 feet more or less to the east line of said "Calvin Wilhelm" property;

thence along said east line, South, 150.0 feet more or less to the south line of said property;

thence along said south line, West, 72.0 feet more or less to the east line of the "Henry J. Ziegler" property;

thence along said east line, the east line of Block 6 of "Clark's Addition", and the east line of "Lee Street", South, 375.0 feet more or less to the north line of Block 3 of said plat;

thence along said north line, West, 128.0 feet more or less to the west line of said Block 3, South, 100.0 feet more or less to the southwest corner of Lot 26 of said Block 3;

thence West, 50.0 feet more or less to the southeast corner of Lot 33, Block 4, of said plat;

thence the west line of Lots 34 through 58 of said Block 4, South, 625.0 feet more or less to the southwest corner of said Lot 58;

thence continuing South, 50.0 feet more or less to the northeast corner of Lot 11, Block 1 of said plat;

thence along the north line of said Lot 11 and extension thereof, West, 191.0 feet more or less to the west line of "Parmenter Street";

thence along said west line, North, 150.0 feet more or less to the north line;

thence along said north line, West, 259.5 feet more or less to the east line of "USH 12";

thence along said east line, South, 385.0 feet more or less to the northeast corner of the "Middleton Fire District" property;

thence along the east line of said property, South, 529.4 feet more or less to the southeast corner of said property;

thence continuing South, 66.0 feet more or less to the northwest corner of Block 4, E.D. Clinton's Addition;

thence along the west line of said Block 4, South, 264.0 feet more or less to the southwest corner of said Block 4;

thence along the east line of said Block 4, North, 132.0 feet more or less to the northeast corner of Lot 6, of said Block 4;

thence East, 66.0 feet more or less to the northwest corner of Lot 18, Block 1, Middleton (original plat);

thence along the north line of Lots 18 and 17, East, 176.0 feet more or less to the northeast corner of said Lot 17;

thence along the east line of said Lot 17, South, 132.0 feet more or less to the north line of Elmwood Avenue;

thence along said north line, East, 490.0 feet more or less to a point of intersection with the extension of the east line of the "City of Middleton" property;

thence along said extension and east line, South, 305.5 feet to north line of Hubbard Avenue;

thence along said north line, S82°E, 126.9 feet more or less to the southeast corner of Lot 10, Block 7 of said Middleton (original plat);

thence S83°E, 66.6 feet more or less to the southwest corner of Outlot 152, Assessor's Plat;

thence along the north line of Hubbard Avenue, East, 381.2 feet more or less to the southeast corner of Outlot 146 of said Assessor's Plat;

thence East, 66.0 feet to the southwest corner of Outlot 71 of said Assessor's Plat;

thence along the north line of said Hubbard Avenue, East, 380.0 feet more or less to a point of intersection with the east line of Henry Street;

thence along said extension and east line, South, 603.7 feet more or less to the southwest corner of Lot 15, Block 1, Pierstroff's Subdivision;

thence along an extension of said east line, South, 120.0 feet more or less to a point of intersection with an extension of the south line of South Avenue;

thence along said extension and south line, West, 466.0 feet more or less to a point of intersection with the extension of the east line of Outlot 136;

thence along said extension and east line, North, 156.0 feet more or less to the northeast corner of said Outlot 136;

thence along the north line of Outlets 136 through 133 and an extension thereof, West, 519.5 feet more or less to the west line of Middleton Street;

thence along said west line, North, 185.0 feet more or less to the south line to Terrace Avenue;

thence along said south line, N80°W, 314.0 feet more or less to a point of intersection with the extension of the east line of Lot 1;

thence along said extension and east line, N10°E, 144.9 feet more or less to a point on a curve of the south line of the Chicago, Milwaukee, St. Paul & Pacific Railroad (C.M.ST.P.&P.R.R.);

thence westerly along said south line on a curve to the left having a chord bearing N81°W, 266.6 feet more or less;

thence continuing along said south line and extension thereof N82°W, 220.1 feet more or less to the west line of Parmenter Street;

thence along said west line, North, 189.3 feet more or less to the south line of Hubbard Avenue;

thence along said south line, N88°W, 284.6 feet more or less to the beginning of a curve;

thence northwesterly along said curve to the right having a chord bearing N45°W, to the west line of Aurora Street;

thence along said west line, North, 91.7 feet more or less to the south line of Elmwood Avenue;

thence along said south line, S88°W, 396.0 feet more or less to the northwest corner of Lot 1, Old Middleton Plat;

thence along the west line of said Lot 1, South, 197.8 feet more or less to the south line of said Lot 1;

thence along said south line, S85°E, 158.1 feet more or less to a jog in said south line;

thence along said jog in the south line, South, 16.5 feet more or less;

thence South, 66.0 feet more or less to the northwest corner of Lot 1;

thence along the west line of said Lot 1, South, 64.9 feet more or less to the north line of Terrace Avenue;

thence along said north line, S80°W, 230.0 feet more or less to a point of intersection with the extension of the west line of Lot 1, Block 10, Green Replat;

thence along said extension and west line, South, 154.8 feet to the southwest corner of said Lot 1;

thence along the south line of Lot 1 and Lot 2 of said Block 10, East, 132.0 feet more or less to the southeast corner of said Lot 2;

thence continuing East, 66.0 feet more or less to the northwest corner of Lot 2, Block 11, of said Green Replat;

thence along the north line of Lot 2, East, 132.0 feet more or less to the northeast corner of said Lot 2;

thence along the east line of said Lot 2, South, 66.0 feet more or less to the southeast corner of said Lot 2;

thence continuing South, 66.0 feet more or less to the northeast corner of Lot 1, Block 14, of said Green Replat;

thence along the east line of Lots 1 through 4 of said Block 14, South, 264.0 feet more or less to the southwest corner of Lot 6 of said Block 14;

thence along the south line of said Lot 6, N60°E, 154.8 feet more or less to a point on the curve of the cul-de-sac right-of-way of Aurora Street;

thence easterly along said curve to the left having a radius of 45.0 feet and a chord bearing East, 75.0 feet more or less to the northerly corner of Lot 4, Block 13, of said Green Replat;

thence along the north line of said Lot 4, S60°E, 144.1 feet more or less to the east line of said Lot 4;

thence along said east line, South, 32.9 feet more or less to the southeast corner of said Lot 4;

thence along the south line of said Lot 4, the aforesaid Lot 5, and the south line of vacated South Street, West, 1,149.5 feet more or less to the west line of said vacated South Street;

thence along said west line and the west line of Block 10, Green Replat, North, 270.0 feet more or less to the south line of the "Robert J. Faren and Myron A. Ledworowski" property;

thence along said south line, N80°E, 100.0 feet more or less to the east line of said property;

thence along said east line, North, 200.0 feet more or less to the south line of Terrace Avenue;

thence along said south line, S80°W, 100.0 feet more or less to a jog in said south line;

thence along said jog, North, 30.0 feet more or less to the end of said jog;

thence continuing along said south line of Terrace Avenue, West, 164.3 feet more or less to the east line of Verona Street;

thence along said east line, S15°W, 408.0 feet more or less to a bend in said east line;

thence continuing along said cost line and the east line of North High Point Road, S30°W, 270.0 feet more or less to the southwest corner of the "Richard L. Roe" property;

thence S10°W, 16.8 feet more or less to the northwest corner of Lot 321, Ninth Addition to Foxridge;

thence along the east line of North High Point Road, S30°W, 375.0 feet more or less to a point of intersection with the extension of the northerly line of Lot 2;

thence along said extension and northerly line, N65°W, 247.8 feet more or less to a point on a curve of the easterly line of "USH 12 and 14";

thence southwesterly along said curve and easterly line to the left having a chord bearing of S21°W, 90.0 feet more or less;

thence continuing along said easterly line, S20°W, 402.2 feet more or less to a bend in said easterly line;

thence continuing along said east line, South, 126.7 feet more or less to the southwest corner of Lot 1;

thence S10°E, 150.0 feet more or less to the northwest corner of Lot 1, and the south line of Greenway Boulevard;

thence West, 680.0 feet more or less to the northeast corner of Lot 1, Greenway Center Replat and the south line of Greenway Boulevard;

thence along said south line, West, 150.0 feet more or less to a jog in said south line;

thence, North, 15.0 feet more or less to the end of said jog;

thence continuing along the south line of Greenway Boulevard, West, 357.0 feet more or less to the beginning of a curve to the left;

thence N86°W, 130.0 feet more or less to the end of a curve to the left on the north line of Lot 4 of said Greenway Center Replat;

thence along said north line, West, 539.0 feet more or less to the beginning of a curve to the left;

thence S82°W, 140.0 feet more or less to the end of a curve to the left on the north line of Greenway Center Replat No. 2;

thence along said north line, West, 89.8 feet more or less to the beginning of a curve;

thence along said curve to the right having a chord bearing N82°W, 177.3 feet more or less;

thence N77°W, 159.7 feet more or less to the beginning of a curve;

thence along said curve to the left having a chord bearing N89°W, 237.0 feet more or less;

thence N15°W, 13.0 feet more or less to the beginning of a curve;

thence along said curve to the left having a chord bearing S50°W, 357.9 feet more or less;

thence S25°W, 79.7 to the south line of the SW¼-SE¼ of Section 10;

thence along said south line, West, 115.0 feet more or less to the south quarter corner of Section 10;

thence along the south line of the SE¼-SW¼ of Section 10, West, 85.1 feet more or less to the east line of the "Donald Putz" property;

thence along said east line, South, 200.0 feet more or less to the south line of said property;

thence along said south line and an extension thereof, West, 402.6 feet more or less to the centerline of Pleasant View Road;

thence along said centerline, North, 961.2 feet more or less to the beginning of a curve;

thence along said curve to the right having a chord bearing N20°E, 405.0 feet more or less;

thence N38°E, 239.0 feet more or less to a point of intersection with the extension of the centerline of a private access easement;

thence along said extension and easement centerline, S53°E, 174.7 feet more or less to a bend in said centerline;

thence continuing along said centerline, East, 900.0 feet more or less to the west line of the NW¼-SE¼ of Section 10;

thence along said west line, North, 1,235.0 feet more or less to the center quarter of said Section 10;

thence along the west line of the SW¼-NE¼ of said Section 10, North, 115.6 feet more or less to the north line of "USH 14";

thence along said north line, N88°E, 1,322.1 feet more or less to the east line of the SW¼-NE¼ of said Section 10;

thence along said east line, North, 481.0 feet more or less to the south line of Murphy Drive;

thence along said south line, West, 324.1 feet more or less to the northwest corner of Lot 7, First Addition to Evergreen Industrial Plat;

thence West, 70.0 feet more or less to the northeast corner to Lot 4 of said plat;

thence North, 70.0 feet more or less to the southeast corner of Lot 4 of said plat;

thence North, 70.0 feet more or less to the southeast corner of Lot 2;

thence along the east line of said CSM, North, 716.8 feet more or less to the beginning of a non-tangential curve;

thence along said curve to the right having a radius of 60.0 feet and a chord bearing, North, 97.0 feet more or less to the south line of Lot 2;

thence along said south line, West, 215.5 feet more or less to the west line of said Lot 2;

thence along said west line, North, 873.6 feet more or less to a bend in said line;

thence continuing along said west line, N30°W, 260.5 feet more or less to the north line of Lot 1;

thence along said north line, West, 584.0 feet more or less to the west line of the NW¼-NE¼ of Section 10;

thence along said west line, North, 50.0 feet to the north quarter corner of said Section 10;

thence north along the SE¼ of Section 3 west line, 2,663 feet more or less to the center of Section 3 and point of beginning.

City of Middleton, Wisconsin

TID No. 3

Amended Project Plan and

Boundary Description

Public Hearing Draft

February 25, 1997

Vandewalle & Associates
Planning Design and Development Consultants
402 West Lakeside Street
Madison, Wisconsin 53715
(608) 255-3988
(608) 255-0814 (Fax)

INTRODUCTION

The City of Middleton created the original TIIF districts in the 1980s. The latest district, TIF District No. 3, was created in September, 1993. All three TIF districts have been very successful and have either retired earlier than the statutorily-required time frame or are generating development increment beyond the original projections.

Many activities originally intended to be included within the TIF districts have not been able to be undertaken because of time constraints in the spending period of the TID, priorities of other areas or similar reasons. Consequently, one major area of potential project activities, the downtown district, was not fully implemented.

TIF District No. 3, at the time of adoption in 1993, included project activities which would continue the revitalization and redevelopment activities originally anticipated in the first TIDs. However, the 1993 project plan was still somewhat scaled back and, if fully implemented, would nearly complete the entire downtown area projects.

This amendment to TID #3 is intended to expand the project activities within the downtown to allow full completion of the original intent of the downtown revitalization process. Amendment to TID #3 will allow the City to finalize redevelopment plans and implement them. This implementation will not only benefit the downtown but also the entire community.

Since creation of TID No. 3, the Wisconsin legislature has revised the TIF statutes. These revisions have changed the original time frame under which this district was created. TID No. 3 now has ten (10) years for project activity expenditures. The district also has twenty-seven (27) years in which to retire.

One significant change is that the district may amend its boundary one (1) time during the initial seven (7) years of spending. This allows the community to expand the boundary if the projects anticipated to be undertaken within the expanded area are extensions of the original project activities meet the intent of the original project plan. Spending within the amended boundary must take place within the next three (3) years after the boundary amendment has been adopted by Council.

Project activities may still be amended at any time during the ten year spending period. All project plan amendments must go through the same statutorily-required process with public hearings, joint review board formation and Council approval.

This document includes amended tables and narratives which should be attached to the original project plan as updates and further clarification of project costs and/or economic feasibility.

1. Table 1 is an update and amendment to Table 1 of the original project plan.
2. Tables 4 and 5 are revisions of the same tables in the original project plan, depicting current and new projected conditions.

There are no changes to any other tables or project plan maps.

AMENDED SECTION V. PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

Table 1 has been amended to reflect actual project activities and costs expended to date within TID #3. In addition, project costs yet to be expended have been refined based on current and future planning and revitalization and redevelopment needs. The proposed changes are intended to be more comprehensive and allow the City the flexibility to complete the downtown revitalization process started with the original TIF district.

Since the creation of TID #3 in 1993, economic conditions within the TIF district have exceeded the original projections. Development increments anticipated to be in place at the end of 1995 were originally projected to be $13,800,000. The State of Wisconsin has certified the value of TID #3, as of January 1, 1996, to be $29,503,000, or approximately a 114% increase over the original projections. Current projections for the TIF district anticipate $66,000,000 in new development increment, or an overall 50% increase over the original $44,000,000 over the life of the TIF district. This is a significant increase and positive impact on the TID.

When TID #3 was created, the intent of the district was to complete projects not undertaken in TID #1. However, even the projects listed in Table 1 in the original TID #3 project plan were not as comprehensive and in depth as long-range planning recommendations would warrant. Because the economic projections for the TIF are significantly higher than originally anticipated, the City is now given the opportunity to comprehensively plan and accomplish the original intent of both TIF districts.

Both the Plan Commission and City Council have worked very closely with the planning consultants on long-range planning for the TIF district. Project activities and expenditures reflected in the Revised Table 1 reflect the consensus of both

governmental bodies. Implementation of these projects are anticipated to yield new development increment, job creation, blight elimination and other redevelopment opportunities that would probably not occur if these projects were not implemented.

As was the case with the original project plan, all costs listed in the Revised Table 1 are estimates. These costs will be refined as projects move forward. Revised Table 1 shows the actual costs incurred through 1996. All project costs from 1997 through 2003 are estimates.

Currently, the Plan Commission is in the process of evaluating projects and costs for 1997. Revised Table 1 reflects over $10,200,000 of potential project costs to be expended in 1997. Even though these project costs are listed in Table 1 to be undertaken in 1997, the Plan Commission and City Council will still need to authorize any project activity and eventual spending on a case-by-case basis.

Currently, Revised Table 1 shows project expenditures to be made by 1999. This was the end of the original spending period for TID #3. Because the new legislation allows for an additional three years to spend, Table 1 reflects those project activities to potentially be undertaken between 2000 and 2003. Designation of these projects in 1999 reflects the City's intent to achieve these projects within this time frame. However, any or all of these projects may be postponed and undertaken prior to the end of the spending period.

All projects within Table 1 may be moved and undertaken within any year in the 10 year spending period. Listing of all project activities within the project plan allows the City to undertake any projects and pay for them through tax increment revenues. The purpose of listing anticipated project activities and estimated project costs is to give the City the flexibility to undertake a comprehensive approach to development

within the TID. The limitation imposed by the statutes is the total dollar amount to be expended within the TID as well as the types of projects. Assigning an estimated budget to all project activities gives the City the budgetary control on spending within the TID.

Changes in Table 1 include the following:

1. Stormwater Management District. The original project plan included an estimated $3,915,000 in project costs. The new project costs are anticipated to be approximately $6,100,000. Actual costs to date have totaled $1,183,000.
2. Greenway Center District. The estimated project costs within the original project plan were approximately $3,500,000. The revised costs reflect a potential $5,500,000 to be spent within this district.
3. Downtown District. The downtown district is the district with the largest increase in expenditures proposed to be undertaken. The original project plan anticipated $1,750,000 of project activities. Since 1993, there has been a significant increase in redevelopment and new development interests within the downtown. Consequently, new project activities have been identified which will further enhance and improve the downtown district. The new proposed project costs are listed as approximately $7,135,000.
4. Airport Road District. There is actually a decrease in anticipated costs within this district. The original project plan anticipated over $2,000,000 of project costs. The revised costs reflect a little over $1,000,000. This is due to repositioning of part of this project into the existing USH 12 district.

5. Existing US Highway 12 District. The total increase in estimated costs is approximately $600,000. Costs have been reduced in some areas while increased by the addition of the west beltline extension integration (matching funds).
6. General and Special Projects. These costs have been combined in revuised Table 1 and actually reflect an anticipated decrease from $3,135,000 to an estimated $2,360,100. This is due to consolidation and refinement of project activities from the original project plan.

As was stated previously, all project expenditures must be approved by the appropriate City commissions and councils prior to project activities being undertaken. The City staff will carefully monitor the activities within TID #3 prior to recommending to Council project activities to be undertaken in their annual budgetary cycle.

scenario and $15,805,000 in project costs. The revised Tables 4 and 5 now reflect the current tax collection scenario, approximately $80,000,000 in new increment and $24,093,804 in project costs. Based on these projections, the TIF is still anticipated to retired in 2014 or on the same schedule as the original project plan.

City of Middleton

Revised Table 4 – Revenue Analysis

As of November 20, 1996

Revised Analysis Showing Current Projects of Revenue

Base value year	1993			Rate of inflation	3.00 %
Base value amount	$36,806	*...in $1,000s*		Interest rate	7.00 %
Net value tax rate	0.0273	0.0237	(1997, et seq.)		

Year 12/31	Development increment	Tax base loss	Total value	Inflation factor	Total current value	Total increment	Tax revenue
	base						
Totals							$71,251
1993	$2,373	$0	$39,179	1.0000	$39,179	$2,373	$0
1994	$20,140	$0	$56,945	1.0300	$58,654	$21,848	$0
1995	$29,503	$0	$66,309	1.0609	$70,347	$33,541	$70
1996	$33,000	$0	$69,806	1.0927	$76,278	$39,473	$596
1997	$36,000	$0	$72,806	1.1255	$81,943	$45,138	$794
1998	$39,000	$0	$75,806	1.1593	$87,879	$51,074	$935
1999	$42,000	$0	$78,806	1.1941	$94,098	$57,292	$1,069
2000	$47,000	$0	$83,806	1.2299	$103,070	$66,265	$1,209
2001	$52,000	$0	$88,806	1.2668	$112,496	$75,691	$1,357
2002	$57,000	$0	$93,806	1.3048	$122,395	$85,589	$1,569
2003	$62,000	$0	$98,806	1.3439	$132,786	$95,981	$1,792
2004	$67,000	$0	$103,806	1.3842	$143,691	$106,886	$2,027
2005	$72,000	$0	$108,806	1.4258	$155,131	$118,325	$2,273
2006	$77,000	$0	$113,806	1.4685	$167,127	$130,322	$2,531
2007	$80,437	$0	$117,243	1.5126	$177,340	$140,534	$2,802
2008	$80,437	$0	$117,243	1.5580	$182,660	$145,854	$3,086
2009	$80,437	$0	$117,243	1.6047	$188,140	$151,334	$3,328
2010	$80,437	$0	$117,243	1.6528	$193,784	$156,978	$3,454
2011	$80,437	$0	$117,243	1.7024	$199,598	$162,792	$3,584
2012	$80,437	$0	$117,243	1.7535	$205,585	$168,780	$3,717
2013	$80,437	$0	$117,243	1.8061	$211,753	$174,947	$3,855
2014	$80,437	$0	$117,243	1.8603	$218,106	$181,300	$3,997
2015	$80,437	$0	$117,243	1.9161	$224,649	$187,843	$4,143
2016	$80,437	$0	$117,243	1.9736	$231,388	$194,583	$4,293
2017	$80,437	$0	$117,243	2.0328	$238,330	$201,524	$4,448
2018	$80,437	$0	$117,243	2.0938	$245,480	$208,674	$4,608
2019	$80,437	$0	$117,243	2.1566	$252,844	$216,039	$4,772
2020	$80,437	$0	$117,243	2.2213	$260,429	$223,624	$4,941

Note: All amounts are in $1,000s

*1995 Tax Rate was $29.65/$1000

For TIF purposes beginning in 1997, the school portion of the tax rate will be reduced by 25%.

City of Middleton

Revised Table 5 — Expenditure Analysis

As of November 20, 1996

Add $8,288,351 in expenses to be spent 1996-2000

Year 12/31	Tax revenue	Non-tax revenue	Total revenue	Proj costs nominal $	Acct balance 01 January	Debt serv	Acct balance 31 December	Annual $ borrowed
Totals	$71,251	$0	$71,251	$24,093				($25,455)
1993	$0	$0	$0	$381	($381)	$38	($419)	($419)
1994	$0	$0	$0	$1,124	($1,543)	$32	($1,575)	($1,156)
1995	$70	$0	$70	$710	($2,215)	$97	($2,311)	($736)
1996	$596	$0	$596	$775	($2,489)	$174	($2,664)	($352)
1997	$794	$0	$794	$10,227	($12,096)	$847	($12,943)	($10,279)
1998	$935	$0	$935	$5,120	($17,128)	$1,199	($18,327)	($5,384)
1999	$1,069	$0	$1,069	$5,757	($23,015)	$1,611	($24,626)	($6,299)
2000	$1,209	$0	$1,209		($23,417)	$1,639	($25,056)	($430)
2001	$1,357	$0	$1,357		($23,700)	$1,659	($25,359)	($302)
2002	$1,569	$0	$1,569		($23,789)	$1,665	($25,455)	($96)
2003	$1,792	$0	$1,792		($23,662)	$1,656	($25,319)	$0
2004	$2,027	$0	$2,027		($23,292)	$1,630	($24,922)	$0
2005	$2,273	$0	$2,273		($22,649)	$1,585	($24,235)	$0
2006	$2,531	$0	$2,531		($21,704)	$1,519	($23,223)	$0
2007	$2,802	$0	$2,802		($20,421)	$1,429	($21,851)	$0
2008	$3,086	$0	$3,086		($18,765)	$1,314	($20,078)	$0
2009	$3,328	$0	$3,328		($16,750)	$1,173	($17,923)	$0
2010	$3,454	$0	$3,454		($14,469)	$1,013	($15,482)	$0
2011	$3,584	$0	$3,584		($11,898)	$833	($12,731)	$0
2012	$3,717	$0	$3,717		($9,014)	$631	($9,645)	$0
2013	$3,855	$0	$3,855		($5,790)	$405	($6,195)	$0
2014	$3,997	$0	$3,997		($2,198)	$154	($2,352)	$0
2015	$4,143	$0	$4,143		$1,791	$0	$0	$0
2016	$4,293	$0	$4,293		$0	$0	$0	$0
2017	$4,448	$0	$4,448		$0	$0	$0	$0
2018	$4,608	$0	$4,608		$0	$0	$0	$0
2019	$4,772	$0	$4,772		$0	$0	$0	$0
2020	$4,941	$0	$4,941		$0	$0	$0	$0

Notes: All amounts are in $1,000s
Retirement must occur within 27 years of the establishment of the TIF District
Actual figures are highlighted

City of Middleton, Wisconsin

TIF #3

All District Projects and Activities

Revised Table #1

22 January 1997

	1991	1996	1997			Estimated	1998			Estimated	1999			Estimate	2000			Estimated	2001			Estimated	2002			Estimated	2003			Totals‡
		Actual†	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	
Stormwater Management District	$1,183	$2,930	$0	$0	$0	$1,980	$0	$0	$0	$10	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,102,528
• Design of stormwater management system																														
– *Project management*	$82	$20				$20																								N/A
– *Preliminary design*	$267																													$121,753
– *Final design / permit*	$374	$150				$50																								$266,609
* – *Construction*	$399	$1,650				$1,200																								$574,000
– *Acquisition*	$0	$500				$300																								$3,249,185
• Comprehensive recreation design development	$1																													$800,000
– *TIF #3 District*	$0	$5																												$981
• Deming Way extension – road & bridge construction	$60	$600																												$5,000
– *Bridge #2*	$0					$400																								$660,000
• Economic development strategies related to channelization	$0	$5				$10				$10																				$400,000
Greenway Center District	$895	$2,787	$50	$0	$0	$1,040	$50	$0	$0	$670	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$25,000
• Extend Greenway Boulevard	$0																													$5,492,366
* – *Economic Development Fund*	$608																													N/A
• Terrace Avenue extension to west	$0																													$608,000
– *Planning and design*	$47																													N/A
– *Construction*	$199	$11																												$46,834
• USH 14 corridor land use and appearance	$0																													$210,000
– *Trailhead Park and USH 14 Beautification*	$0		$50				$50																							N/A
– *Railroad Extension*	$0										$570																			$100,000
• Comprehensive trail system	$0																													$570,000
– *Esser Pond trail system*	$17	$200																												N/A
– *Linkage to western greenspace (P.V. Golf/Blackhawk Ski)*	$0						$140				$100																			$216,532
• Infrastructure Design & Construction	$0	$375					$100																							$240,000
– *Market Street/Coop Road*	$0	$715																												$475,000
– *Market Street Bridge*	$0	$375																												$715,000
– *Aspen Commons Mall South*	$0	$575																												$375,000
– *Quarry Restoration*	$0	$250																												$575,000
– *Administration and Contingencies*	$0	$286																												$250,000
• Aspen Commons North	$0						$500																							$286,000
• Greenway Storm Sewer Extension	$25																													$500,000
• Greenway Skywalk	$0						$300																							$25,000
Downtown District	$357	$4,300	$0	$0	$0	$450	$0	$0	$0	$4,027	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$300,000
• Bridge/M&I Bank: Unniversity Ave left turn lane & signal upgrade	$0	$380																												$7,133,803
• Cayuga Blvd	$0																													$380,000
– *Entry (University to Elmwood)*	$0	$215																												N/A
– *Right-of-Way (Cost covered by out-source and not part of total budget)*	$0																													$215,000
																														$0

City of Middleton, Wisconsin

TIF #3

All District Projects and Activities

Revised Table #1

22 January 1997

	1991 1996 Actual†	1997 1	1997 2	1997 Estimated 3	1997 Estimated 4	1998 1	1998 2	1998 Estimated 3	1998 Estimated 4	1999 1	1999 2	1999 Estimate 3	1999 Estimate 4	2000 1	2000 2	2000 Estimated 3	2000 Estimated 4	2001 1	2001 2	2001 Estimated 3	2001 Estimated 4	2002 1	2002 2	2002 Estimated 3	2002 Estimated 4	2003 1	2003 2	2003 3	Totals‡
• Elmwood Ave Streetscape (Aurora to railroad tracks)	$0					$50				$25																			$75,000
• Depot area parking and landscaping	$0	$115																											$115,000
• Implementation of Phase Two parking plan	$0									$100																			$100,000
• North Parmenter land use and appearance plans	$0					$150																							$150,000
• Parking Lot (City Hall)	$0									$250																			$250,000
• Proposed Downtown Redevelopment Projects	$0	$3,590				$250				$690																			$4,530,000
(* Individual project amounts are contained in this total)																													
*A Pet Milk Building Adaptive Reuse**																													
*B Cayuga West**																													
*C. Cayuga East**																													
*D. R-O-W Widening**																													
*E. Parmenter/University Corner Project**																													
*F. Community Center Project**																													
*G. Depot District**																													
*H. Housing Expansion**																													
• Quarry Park Improvements	$0									$300																			$300,000
*H. Housing Expansion**	$0									$50																			$50,000
• Railroad Switches and Spur	$13									$112																			$125,303
• *Streetscape improvements (Hubbard) and Elmwood*	$162																												$162,000
• Clark & Lee	$0									$500																			$500,000
• *Terrace Avenue*	$0																												$0
– *Bike Lane (on street, High Point to Terrace Parking Lot)*	$6																												$5,500
– *Parking Lot*	$86																												$86,000
– *Streetscape (High Point to Terrace Parking Lot*	$90																												$90,000
Airport Road & U.S. 12 Bypass Improvements	$0	$15	$0	$0	$0	$500	$0	$0	$0	$500	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,020,000
• ROW design and appearance plans	$0	$10																											$10,000
• Land use plan refinements and integration	$5	$5																											$10,000
• Airport Road improvements from U.S. 12 to City Limits	$0					$500				$500																			$1,000,000
Existing US Highway 12 District	$0	$35	$0	$0	$0	$0	$0	$0	$0	$1,950	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,985,000
• Future land use and circulation plan	$0	$10																											$10,000
• Roadway design and appearance planning	$0	$20																											$20,000
• Pedestrian/bikeway linkages – design and construction	$0									$250																			$250,000
• New development design standards	$0	$5																											$5,000
• Pheasant Branch Nature Preserve recreation corridor crossing *(USH 12 underpass) – 20% funding match*	$0									$100																			$100,000
• CTH M/USH 12 intersection	$0									$100																			$100,000
• Proposed west beltline extension integration (matching funds)	$0									$1,500																			$1,500,000

City of Middleton, Wisconsin

TIF #3

All District Projects and Activities

Revised Table #1

22 January 1997

	1991																											
	1996	1997			*Estimated*	1998			*Estimated*	1999			*Estimate*	2000			*Estimated*	2001			*Estimated*	2002			*Estimated*	2003			Totals‡
	Actual†	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	
General	$550	$110	$0	$0	$0	$1,100	$0	$0	$0	$600	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,360,107
• Refinement of TIF project plan (includes LUP)	$52																												$51,763
• Administration/ project management team	$272	$100				$100				$100																			$571,500
• GIS mapping	$60	$10																											$70,154
• Debt Expense	$167																												$166,690
• Economic Development Fund	$0					$1,000				$500																			$1,500,000
Project Totals *...by quarter*	$2,990	$10,177	$50	$0	$0	$5,070	$50	$0	$0	$6,757	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
...by year	$2,990				$10,227				$5,120				$5,757				$0				$0				$0				$24,093,804
...Cumulative					$13,217				$18,337				$24,094				$24,094				$24,094				$24,094				

NOTES

‡ All figures given for 1991 through 1995 are rounded from the actual numbers, as are the totals found at the bottom of the table. Subtotals on the right, and the total in the bottom right-hand corner are actual.

† 1992 expenditures provided for information only. Because the TIF plan did not become effective until 1993, they can not be included in the total TIF budget.

* ...includes construction administration

** Expected resale revenue of $1.6 million has been subtracted from the total costs.

Revision History:

Taken and revised from Table #6 / BPN / 21 January 1997

APPENDIX A

OFFICE OF THE MAYOR

(608) 827-1050
FAX (608) 827-1057

January 30, 1997

Dr. Beverly Simone
President, MATC
3550 Anderson St.
Madison, WI 53704

Re: **TIF No. 3, City of Middleton, WI**

Dear Dr. Simone:

The City of Middleton is proposing to amend the Tax Increment Financing District No. 3 (TID #3) project plan for the purpose of continuing with implementation of redevelopment of Downtown through construction of public improvements and encouraging redevelopment opportunities to eliminate blighted conditions. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which amending the tax increment district project plan will be considered.

A public hearing is scheduled for Tuesday, February 25, 1997, beginning at 7:00 pm, at City Hall. Prior to the public hearing, the Joint Review Board is requested to meet at 6:15 pm to elect a Chairperson and a member-at-large. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:15 pm. A copy of the agenda for that meeting is enclosed. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TIF district. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

We will be contacting you to confirm attendance at this meeting.

Sincerely,

Dan Ramsey

Dan A. Ramsey
Mayor

enclosures

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1/30/97

MIDDLETON, WISCONSIN 53562
HUBBARD AVENUE
First-Class
Postage &
USPS
Permit No.

PUBLIC NOTICE

CITY OF MIDDLETON

To Whom It May Concern:

At a meeting of the Plan Commission to be held on Tuesday, February 25, 1997, at 7:00 pm, at Middleton City Hall, 7426 Hubbard Ave., Middleton, a public hearing will be held on the amendment to the City of Middleton Tax Incremental District #3 project plan.

The amendment contains a list of the public improvement projects and their associated costs that have been added to the original project plan. The total estimated TIF expenditure in the amended project plan is $24,093,804. The purpose of the refined and added public improvements is to continue the comprehensive approach to redeveloping the Downtown as well as continue with public improvements within the remainder of the TIF district.

A copy of the proposed amended project plan is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 7:45 am to 4:30 pm, Monday through Friday.

At the public hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amendment.

EILEEN M. KELLEY
City Planner/Zoning Administrator

Publish: 2-6-97
2-13-97

OFFICE OF THE MAYOR

(608) 827-1050
FAX (608) 827-1057

MIDDLETON, WISCONSIN 53562
26 HUBBARD AVENUE

January 30, 1997

Mr. Richard J. Phelps
Dane County Executive
210 Martin Luther King Jr. Blvd., Rm. 421
Madison, WI 53709

Re: **TIF No. 3, City of Middleton, WI**

Dear Mr. Phelps:

The City of Middleton is proposing to amend the Tax Increment Financing District No. 3 (TID #3) project plan for the purpose of continuing with implementation of redevelopment of Downtown through construction of public improvements and encouraging redevelopment opportunities to eliminate blighted conditions. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which amending the tax increment district project plan will be considered.

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We will be contacting you to confirm attendance at this meeting.

Sincerely,

Dan A. Ramsey
Mayor

enclosures

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1/30/97

OFFICE OF THE MAYOR

(608) 827-1050
FAX (608) 827-1057

January 30, 1997

Dr. Steve Koch
Superintendent
Middleton/Cross Plains Area School District
7106 South Ave.
Middleton, WI 53562

Re: **TIF No. 3, City of Middleton, WI**

Dear Dr. Koch:

The City of Middleton is proposing to amend the Tax Increment Financing District No. 3 (TID #3) project plan for the purpose of continuing with implementation of redevelopment of Downtown through construction of public improvements and encouraging redevelopment opportunities to eliminate blighted conditions. Section 66.46, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which amending the tax increment district project plan will be considered.

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We will be contacting you to confirm attendance at this meeting.

Sincerely,

Dan A. Ramsey
Mayor

enclosures

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1/30/97

MIDDLETON, WISCONSIN 53562
26 HUBBARD AVENUE

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APPENDIX B

AFFIDAVIT OF PUBLICATION

State of Wisconsin)

) ss.

County of Dane)

Andrew Lee Thiel

being duly sworn, says that he (she) is ~~an~~ authorized representative of THE MIDDLETON TIMES-TRIBUNE, weekly newspaper published in the city of Middleton, in said County, and that a notice, of which is a printed copy taken from such paper, has been published in said paper once each week, for two weeks, successively; that the first publication thereof was on the 6 day of February A.D. 19 97 and the last publication thereof was on the 13 day of February A.D. 19 97 .

Subscribed to and sworn before me this 12 day of March 19 97 .

Mary E. Corbet

My Commission expires 11-28-98

Printers fees $.....

PUBLIC NOTICE
CITY OF MIDDLETON

To Whom It May Concern:

At a meeting of the Plan Commission to be held on Tuesday, February 25, 1997, at 7:00 p.m., at Middleton City Hall, 7426 Hubbard Ave., Middleton, a public hearing will be held on the amendment to the City of Middleton Tax Incremental District #3 project plan.

The amendment contains a list of the public improvement projects and their associated costs that have been added to the original project plan. The total estimated TIF expenditure in the amended project plan is $24,093,804. The purpose of the refined and added public improvements is to continue the comprehensive approach to redeveloping the Downtown as well as continue with public improvements within the remainder of the TIF district.

A copy of the proposed amended project plan is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 7:45 a.m. to 4:30 p.m., Monday through Friday.

At the public hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amendment.

Publish: 2/6/97; 2/13/97

EILEEN M. KELLEY
City Planner/Zoning Administrator

APPENDIX C

MINUTES
JOINT REVIEW BOARD, TIF DISTRICT #3
CITY OF MIDDLETON
TUESDAY FEBRUARY 25, 1997 6:15 P.M.

PRESENT: Sam Simon, John Hart, Manuel Lugo, Dan Ramsey

ALSO PRESENT: Susan Hoeft, Kelley

Moved by Sam Simon, seconded by Manuel Lugo to nominate Dan Ramsey as the Chairperson of the Joint Review Board, TIF District #3. Moved by John Hart, seconded by Simon that nominations be closed for Chairperson. Motion carried, 4-0.

Moved by Manuel Lugo, seconded by Sam Simon to appoint Dennis Dorn as the citizen member-at-large for the Joint Review Board. Motion carried, 4-0.

Susan Hoeft, of Vandewalle & Associates, briefly explained the proposed amendment to TIF District #3.

It was agreed that the next meeting of the Joint Review Board will be held on Thursday, March 27th, at 5:00 pm.

EILEEN KELLEY

APPENDIX D

MINUTES
MIDDLETON PLAN COMMISSION
TUESDAY FEBRUARY 25, 1997 7:00 P.M.

PRESENT: Ramsey, Wexler, Morehouse, Elskamp, Bruce, Barmore, Connors

ALSO PRESENT: Susan Hoeft, Kelley

1. **MINUTES OF 2-11-97**

Moved by Wexler, seconded by Barmore to approve the minutes of 2-11-97. Motion carried.

2. **PUBLIC HEARING - PROPOSED AMENDMENT #1 TO TIF DISTRICT #3**

Susan Hoeft, of Vandewalle & Associates, briefly described the proposed amended Project Plan and the revisions in Tables 1, 4 and 5.

Chairman Ramsey opened the public hearing at 7:12 PM, and there being no public comment, immediately closed the public hearing.

Moved by Wexler, seconded by Bruce to approve the Resolution, and recommend approval of the Resolution to the Common Council, amending TIF District #3 as proposed. Motion carried.

3. **CONCEPT REVIEW - PROPOSED SIP, WALT OLSON**

Moved by Barmore, seconded by Connors to grant conceptual approval of the lot configuration for the proposed SIP for a portion of the Quisling property as submitted. Motion carried.

4. **CHAMBER OF COMMERCE BANNERS**

It was noted that the Plan Commission will review the banners at the first meeting in April.

EILEEN KELLEY

APPENDIX F

RESOLUTION 1997-7

Amending TID #3 Project Plan & Boundary Description

WHEREAS, the City of Middleton Plan Commission has prepared and adopted an amendment to the project plan for Tax Incremental District #3, which:

1. Includes an amended Section V. Proposed Public Works and Estimated Costs including an amended Table 1 itemizing said costs; and

2. Includes an amended Section VII. Economic Feasibility Analysis which includes amended Tables 4 and 5; and

WHEREAS, the Plan Commission has held a public hearing on the proposed amended project plan and has notified the chief executive officer of all local government entities having the power to levy taxes on property within the proposed district, including the school board of any school district which includes property within the district pursuant to Section 66.46(4)(3), Wis. Stats.

WHEREAS, the City Plan Commission has submitted such amended project plan to the Common Council of the City of Middleton;

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Middleton finds that:

1. Such amended project plan for Tax Incremental District #3, City of Middleton is feasible; and

2. Such amended project plan is in conformity with the City Master Plan and other policies and laws of the City of Middleton;

BE IT FURTHER RESOLVED that the Common Council of the City of Middleton approves such amended project plan for Tax Incremental District #3 pursuant to the provisions of Section 66.46, Wis. Stats.

APPROVED:

DAN A. RAMSEY, Mayor

March 4, 1997
date

This is to certify that the foregoing resolution was adopted by the Common Council of the City of Middleton at a meeting held on the 4th day of March, 1997.

TIMOTHY R. STUDER, City Clerk

APPENDIX G

JOINT REVIEW BOARD
TIF DISTRICT NO. 3 AMENDMENT NO. 1

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents of this information is listed in Section 66.46(4)(i), Wis. Stats.

(i) The local legislative body shall provide the joint review board with the following information and projections:

1. A list of project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.

Response:

Activities for TIF District No. 3 are listed in Table 1 on pages 7-9 of the amended project plan. The original TIF No. 3 project plan listed total project expenditures to be $15,805,000. This amendment revises those costs to reflect an estimated total of $24,093,804. This reflects an increase of $8,288,804 to be expended during the remaining six and one-half years of spending. Approximately $2,990,000 has been expended through 1996.

Amended Section VI. Economic Feasibility Analysis lists the certified increment through 1/1/96 at $29,503,000. It is estimated that the total development increment could yield as much as $80,437,000 within the entire district. Taxes generated on this potential increment within the 22-year estimated retirement period, with the current mill rate of $23.70/$1000, could yield as much as $46,000,000 in tax revenues. Potential tax revenues have already been reduced due to the legislative action reducing the school levy on the property tax rolls. They could further be reduced by future actions by the Wisconsin State Legislature.

2. The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.

Response:

Allowing for a three (3) percent annual inflation factor (as was stated in the original project plan), the total value increment of the TIF District is estimated to be approximately $225,000,000 if the district is terminated by 2015. This is only a projection. Actual figures will be based on inflation and development that took place within the district at the time it is terminated.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefit by improvements within the tax incremental district.*

Response:

Costs already incurred in TIF District No. 3 have directly contributed to new increment already reflected in the DOR certified value for 1/1/96 or in new increment presently under construction. None of these projects would have been built and investment made by these private sector entities if the TIF had not been originally created in 1993.

The costs associated in the original TID #3 and now proposed amended project plan are typical of public improvement costs associated with industrial and redevelopment activities. Primary areas of public purpose costs are for industrial infrastructure improvements, other improvements within rights-of-way, redevelopment activities such as acquisition, relocation, site improvements and other activities promoting redevelopment. The City has successfully recruited numerous new development within Greenway Center and the Industrial Park. In addition, the development of land previously unable to be developed due to lack of stormwater improvements provides a new inventory of buildable land extending the capabilities of the current Industrial Park. Redevelopment opportunities in the downtown have greatly increased with interest expressed by current landowners to move facilities that are not the "highest and best" use within the downtown to areas more conducive to that type of use. Amendment of the TIF project costs will give the City the ability to expand the Industrial Park and provide it with the marketing opportunity for new business as well as continue with the blight elimination and redevelopment activities in the downtown area.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The financial feasibility study for TIF District No. 3 indicates that the project costs listed in the Table 1 associated with the district will be paid by tax increments generated within the district. The cost of capital is also covered through tax increments generated within the district listed under the category "Debt Service" in Revised Table 4 of the amended Section VII. The statutes require that the City provide the share of the projected tax increments which would be paid by the taxable property owners within TID #3.

If all development in the TIF would occur without the use of TID financing, the taxes from that development are assumed to gross a

maximum of approximately $46,000,000. If this were the case, the tax revenues would be divided as follows:

State of Wisconsin	..89%	$409,400
Dane County	16.4%	7,544,000
Middleton Cross Plains School District	50.79%	23,363,400
MATC	6.7%	3,082,000
City of Middleton	25.19%	11,587,400

(There may be discrepancies due to rounding.)

This figure is approximately 25% higher than the original TIF project plan's tax revenue projections ($33,000,000+). However, as stated above, the anticipated increment projections are significantly higher than originally projected which is due primarily to the dramatic increase in increment actually constructed over what was originally anticipated.

If the premise is that development would occur without the use of TIF, each of these taxing jurisdictions would receive their proportionate share of the taxes levied on the new development. However, if the premise is that the development would not occur as projected in the project plan without the use of TIF financing, the overlying taxing jurisdictions would not be receiving this estimated tax revenue over the estimated 22 year retirement.

The original TIF project plan, based on a different tax revenue collection scenario, was estimated to retire in 2014. The amended TIF plan shows a retirement to take place in 2015 if the City spends and recruits on the schedule projected in Tables 4 and 5. The purpose of including all of the costs in the amendment is to allow the City the opportunity to spend enough to continue with the new development and redevelopment originally anticipated in both TID Nos. 1 and 3 but not included within the original plans.

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

The activities of amended TIF District No. 3 will benefit all property taxpayers through expansion of the industrial base already present in the community. Not only will the tax base be expanded, new jobs will be created as well as more spendable income within the City. Also very critical is the ability to comprehensively implement the redevelopment of the downtown. All of these activities will assist in supporting local retail and commercial establishments. A strong business climate can help to

bring in new business interested in the area. In sum, all economic development activity will contribute to the orderly growth of not only the City of Middleton but also the entire region.

JOINT REVIEW BOARD

TIF DISTRICT NO. 3

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

A. Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;

B. Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and

C. Whether the benefits of the proposal outweigh the anticipated loss of tax increments to be paid by the owners of property in the overlying tax districts.

This report has been prepared to address those criteria by providing some information and data on the impact of an amended TIF District No. 3 project plan on the City of Middleton. The criteria are addressed in turn below.

A. TIF District No. 3 was originally created for the specific purpose of constructing public infrastructure improvements to respond to industrial development and provide a funding mechanism for downtown redevelopment activities. Amending the TIF project plan to include project activities will further assist in the goals and objectives set out in the first TIF No. 3 project plan. Implementation of project activities has expanded the developable land within the Industrial Park. Also included within the amended project plan are expansions of the original downtown redevelopment activities as well as other activities within the remainder of the TIF district boundary. None of these properties will be able to be developed without the use of TIF financing. Implementation of these activities will further contribute to the orderly growth of the community.

B. The economic benefits anticipated for TID #3 include the infrastructure development of additional industrial land made available through stormwater improvements. Encouraging additional redevelopment activities through inclusion of expanded funding for redevelopment within the downtown will also take place as a result of amending the project plan. All these improvements will not only benefit the City but also the region under the overlying taxing jurisdictions by creating jobs, providing business, commercial and retail opportunities that can be taken advantage of by regional residents as well as City residents. Although it is anticipated that increased

employment, business and personal income and property value will all be results of amending the TIF district project plan, the aggregate cashflow from these benefits is insufficient to pay for the costs needed to construct the infrastructure to spur on these economic benefits. Consequently, the City would need to construct the improvements out of the City's portion of the levy which would greatly burden the City taxpayer while benefitting the entire region.

C. Amendment of TID #3 will continue the orderly growth of the City in one area by completing the construction of public infrastructure improvements relating to industrial development. As has been experienced by the City in previous industrial development, the availability of easily-serviced land provides the City with a "quick response" time for potential industrial interest in the community. This preparedness has allowed the City to recruit a high quality business with new skilled jobs as well as tax base diversification. Other economic benefits include the increase of spendable income within the City. Through recruitment of industry, the need for spin-off business as well as supporting retail and commercial and residential opportunities helps to create a well-rounded community that is able to service the needs of residents and visitors. In addition, redevelopment of properties that are no longer fitting within the logical pattern of uses within the downtown area as well as redevelopment of underutilized properties will also contribute to the orderly growth of the community. Regional, as well as City, residents can benefit from these activities. All of these benefits outweigh the anticipated loss of tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

RESOLUTION APPROVING CITY COUNCILRESOLUTION AMENDING TIF DISTRICT NO. 3 PROJECT PLAN

CITY OF MIDDLETON, WISCONSIN

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the amended project plan for TIF District No. 3, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the amended project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. The development expected in TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;

2. The economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 27th day of March, 1997.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT No. 3
CITY OF MIDDLETON, WISCONSIN

Mayor Dan Ramsey, Chair

VOTE:

IN FAVOR:

Dan Ramsey

Sam Simon

John Hart

Dennis Dorn

AGAINST:

APPENDIX H

A planning document for ...

The City of Middleton, Wisconsin

TID No. 3: Amendment No. 2
Project Plan and Boundary Description

Public Hearing Draft: May 25, 1999

VANDEWALLE & ASSOCIATES
Madison & Milwaukee, Wisconsin

INTRODUCTION

The City of Middleton created TIF District No. 3 in September, 1993 and subsequently amended the project plan in 1997. This TID has been extremely successful, seeing almost $60,000,000 of new increment generated in approximately four calendar years.

The first amendment primarily added downtown projects that were not either undertaken in the original TID created in the 1980s or included in the original 1993 TID No. 3 project plan. These projects expanded downtown revitalization and redevelopment activities to more comprehensively approach the planning recommendations made by the City's planning consultant.

Since the first amendment was adopted in early 1997, there has been significant development that has taken place, not only in the downtown but also proposed in the northern section of the City. This second amendment to TID No. 3 takes into account the proposed expansion areas as well as their affiliated projects.

Since creation of TID No. 3, the Wisconsin legislature has revised the TIF statutes. These revisions have changed the original time frame under which this district was created. TID No. 3 now has ten (10) years for project activity expenditures. The district also has twenty-seven (27) years in which to retire.

One significant change is that the district may amend its boundary one (1) time during the initial seven (7) years of spending. This allows the community to expand the boundary if the projects anticipated to be undertaken within the expanded area are extensions of the original project activities meet the intent of the original project plan. Spending within the amended boundary must take place within the next three (3) years

after the boundary amendment has been adopted by Council. This amendment reflects this one-time boundary change.

Project activities may still be amended at any time during the ten year spending period. All project plan amendments must go through the same statutorily-required process with public hearings, joint review board formation and Council approval.

This document includes amended tables and narratives which should be attached to the original project plan and the first amendment as updates and further clarification of project costs and/or economic feasibility.

1. Table 1 is an update and amendment to amended Table 1.
2. Table 2 is an update and amendment to Table 2 of the original project plan.
3. Tables 4 and 5 are revisions of the same tables in the amended project plan, depicting current and new projected conditions.
4. Map 1 is an amendment to the boundary map contained in the original project plan. Subdistrict maps are also included in this amendment to further depict the boundary change.

AMENDED SECTION III. TAX INCREMENT DISTRICT BOUNDARY DESCRIPTION AND EQUALIZED VALUES

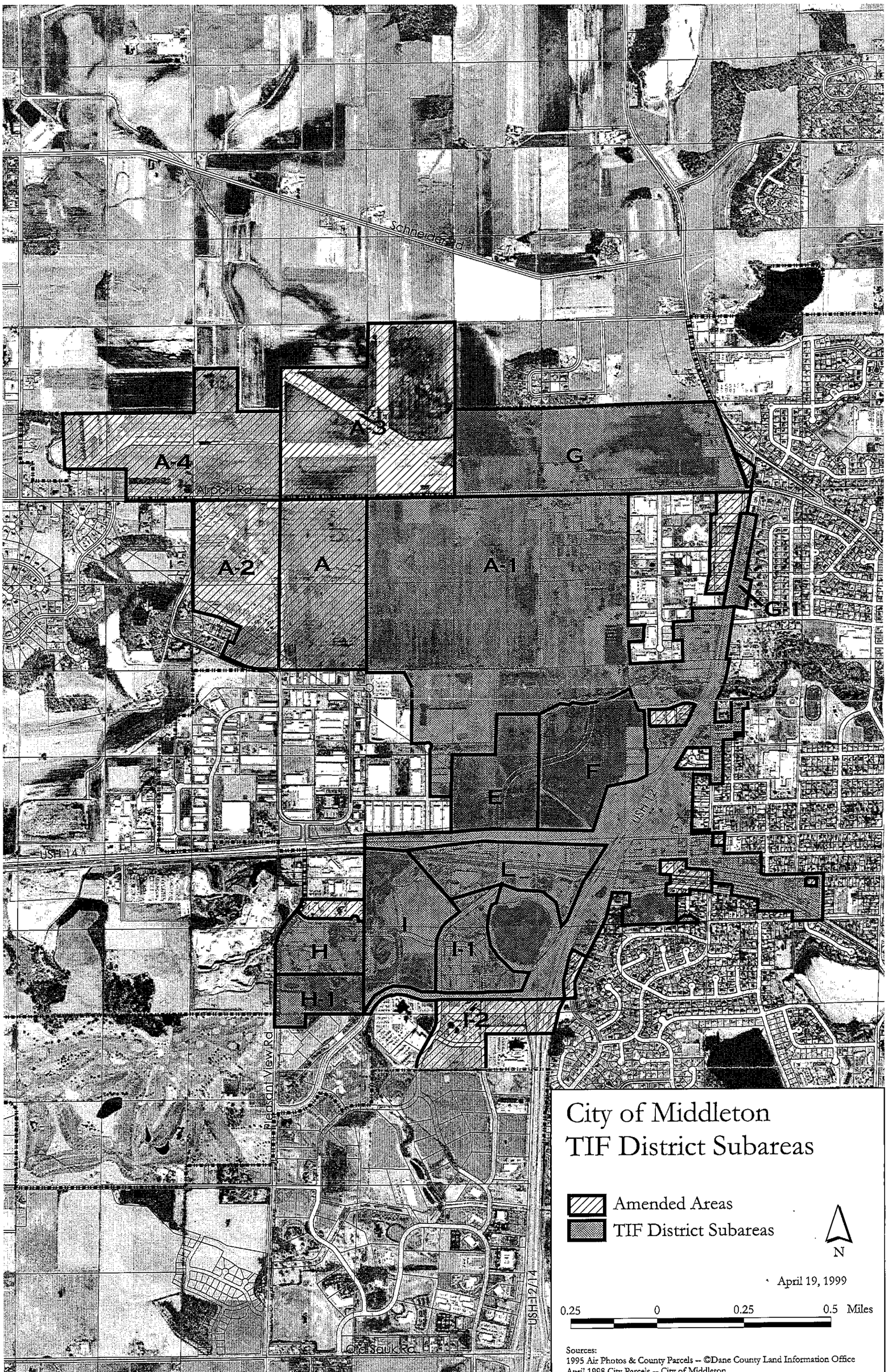
Map 1, on the following page, reflects the proposed boundary changes for TID No. 3. In the downtown, properties have been added between Elmwood and Terrace Avenues west of Parmenter St. Properties at the intersection of University Avenue and Parmenter have also been added to the district.

Properties south of Airport Road and west of the Beltline Highway have been included in the TID as well as properties previously exempted within the middle of the TID. A small property was included immediately east of Subarea G.

The south part of the TID has seen the inclusion of properties south of Greenway Boulevard, west of the Beltline Highway. These are located within I-2 of the subarea districts. A small portion of property has been added immediately north of Subarea H.

The largest addition to the TID boundary includes properties on the northwest area of the TID designated as Subareas A, A-2, A-3 and A-4. These properties have been recently annexed into the City and include the Morey Airfield property and Quisling properties, all slated for primarily industrially-related development or airport expansion.

Previously exempted properties within the boundary have now been incorporated in the amended boundary to clarify the TID boundary and include potential other redevelopment sites.



City of Middleton
TIF District Subareas

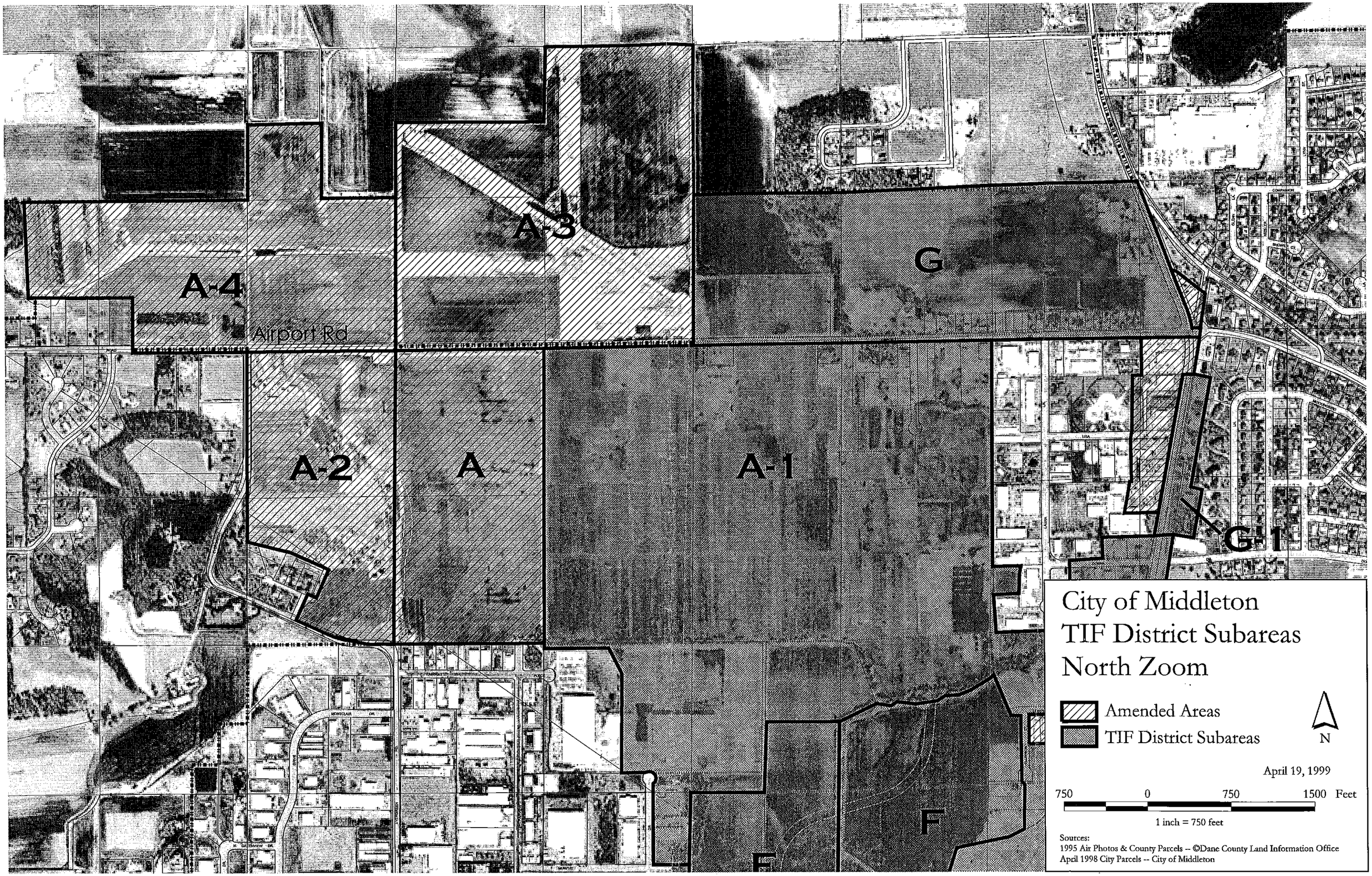
Amended Areas
TIF District Subareas

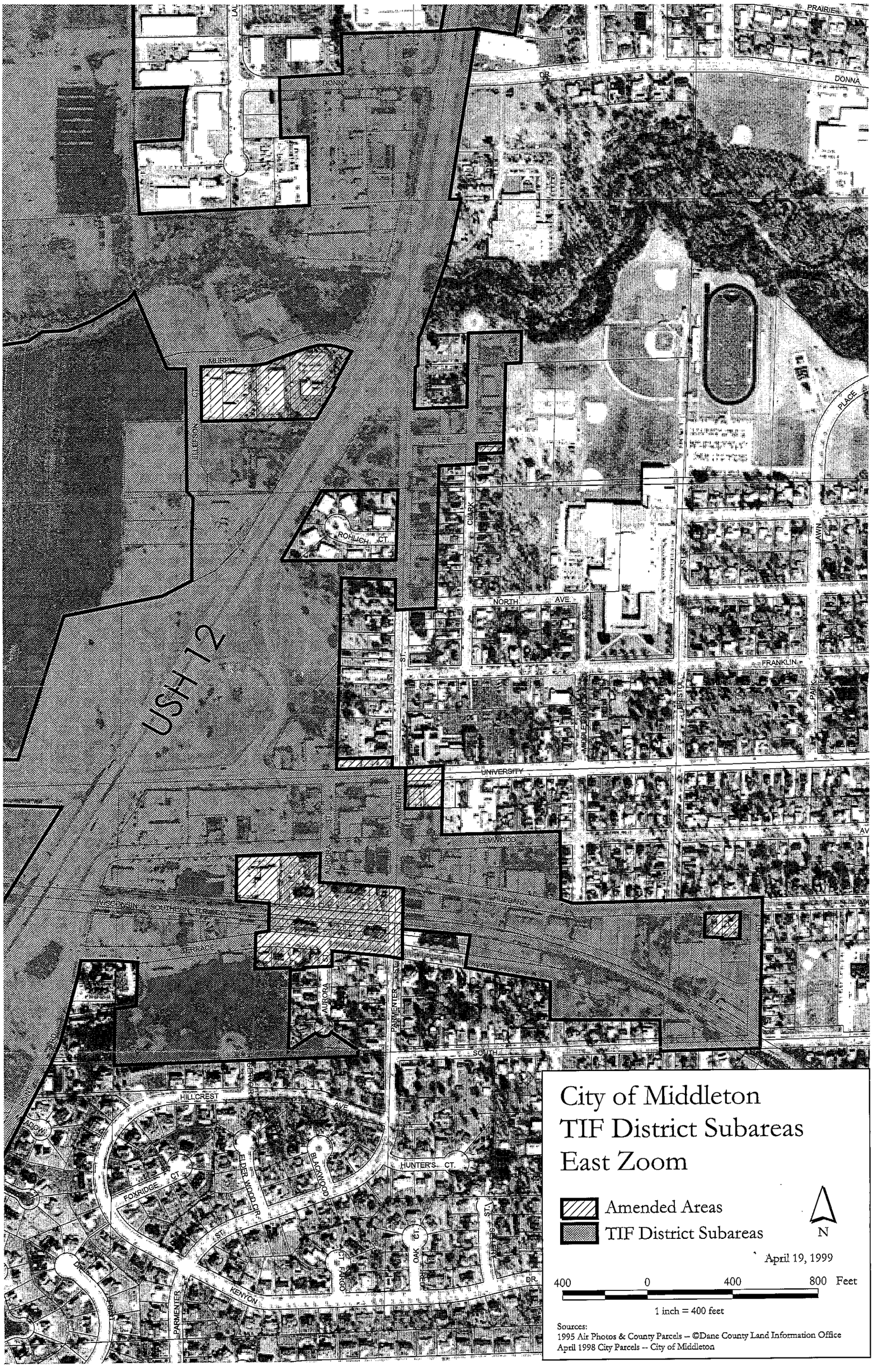
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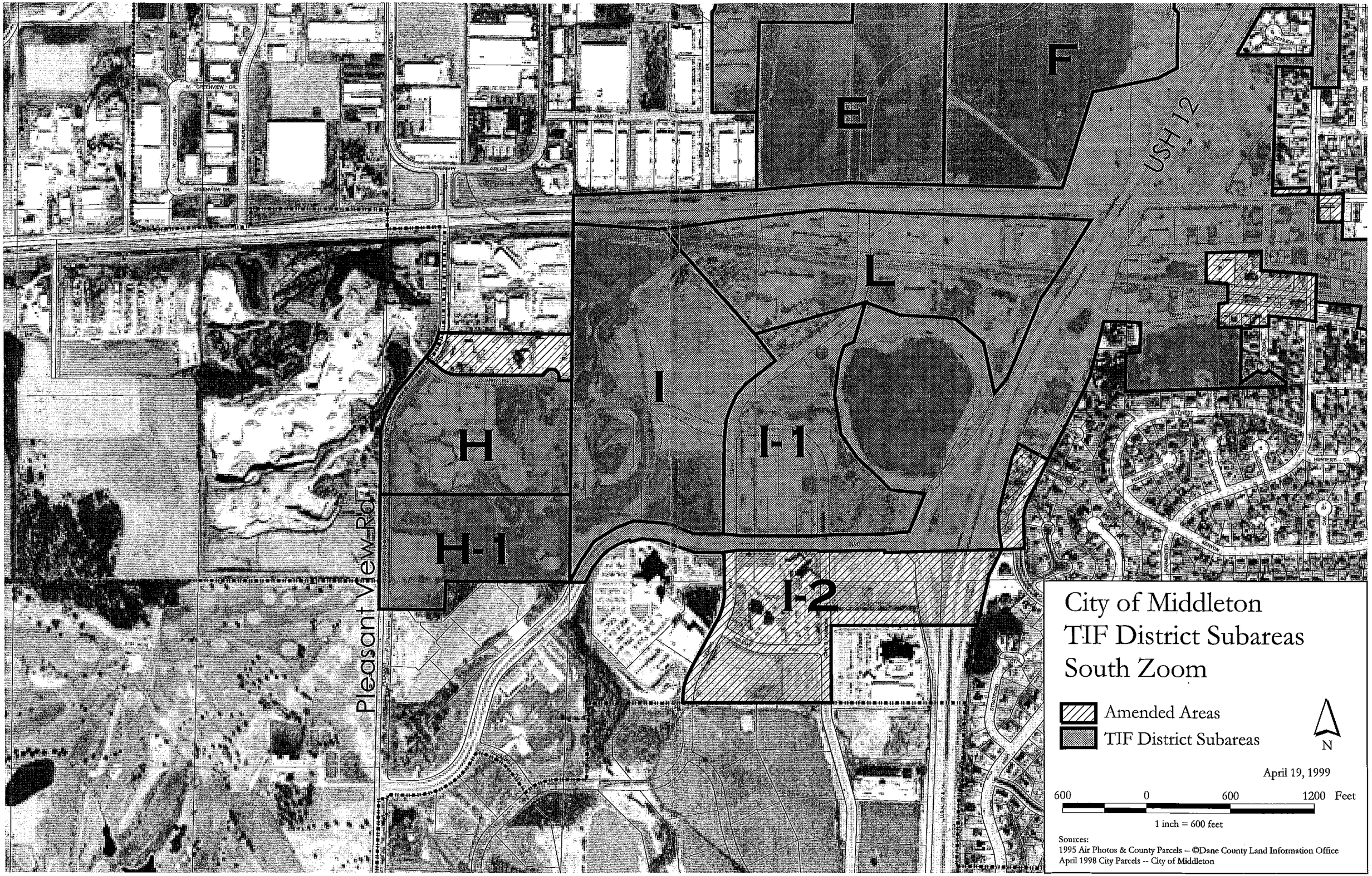
April 19, 1999

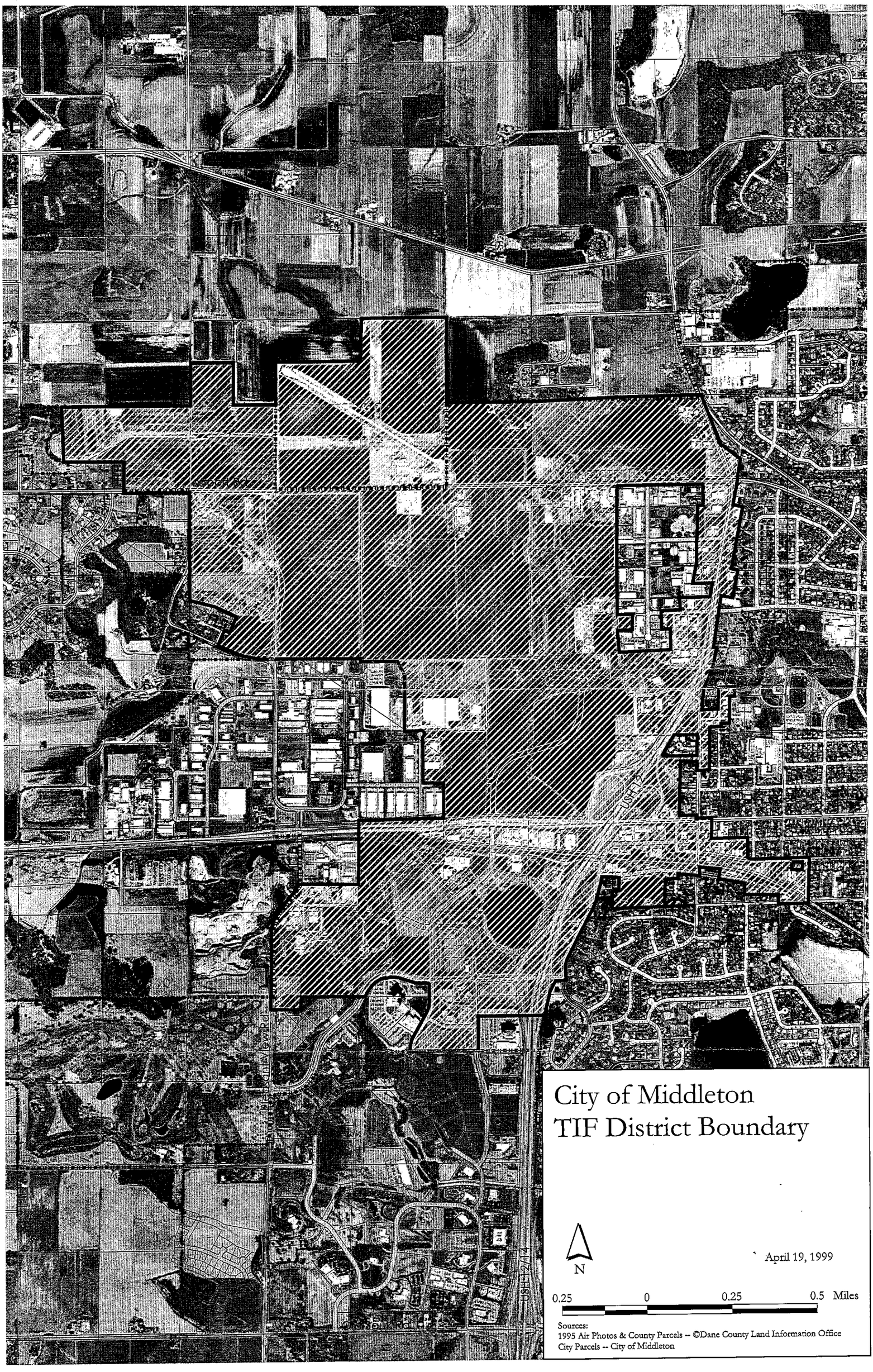
0.25 0 0.25 0.5 Miles

Sources:
1995 Air Photos & County Parcels -- ©Dane County Land Information Office
April 1998 City Parcels -- City of Middleton


A-4
A-3
G
Airport Rd
A-2
A
A-1
G-1
F
F
City of Middleton
TIF District Subareas
North Zoom
Amended Areas
TIF District Subareas
N
April 19, 1999
750 0 750 1500 Feet
1 inch = 750 feet
Sources:
1995 Air Photos & County Parcels -- ©Dane County Land Information Office
April 1998 City Parcels -- City of Middleton


PRAIRIE
DONNA
MURPHY
ROHLICH CT.
CLARK
NORTH AVE
FRANKLIN
UNIVERSITY
ELMWOOD
AURORA
PARMENTER
SOUTH
HILLCREST
AVE
HUNTER'S CT.
FOXRIDGE CT.
ELDER WOOD DR.
BLACKWOOD
KENYON
DR.
USH 12
City of Middleton
TIF District Subareas
East Zoom
Amended Areas
TIF District Subareas
N
April 19, 1999
400 0 400 800 Feet
1 inch = 400 feet
Sources:
1995 Air Photos & County Parcels -- ©Dane County Land Information Office
April 1998 City Parcels -- City of Middleton


E
F
L
I
H
H-1
I-1
I-2
USH 12
Pleasant View Rd
N. GREENVIEW DR.
S. GREENVIEW DR.
MURPHY
HILLCREST
HUNTERS CT.
PARMENTER
BENSON
OAK
STRATFORD
HIGH
LAUREL
City of Middleton
TIF District Subareas
South Zoom
Amended Areas
TIF District Subareas
N
April 19, 1999
600 0 600 1200 Feet
1 inch = 600 feet
Sources:
1995 Air Photos & County Parcels -- ©Dane County Land Information Office
April 1998 City Parcels -- City of Middleton



City of Middleton
TIF District Boundary

N

April 19, 1999

0.25 0 0.25 0.5 Miles

Sources:
1995 Air Photos & County Parcels -- ©Dane County Land Information Office
City Parcels -- City of Middleton

AMENDED SECTION V. PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

Table 1 has been amended to reflect actual project activities and costs expended to date within TID #3. In addition, project costs yet to be expended have been refined based on current and future planning and revitalization and redevelopment needs. The proposed changes are intended to continue with a more comprehensive approach to both downtown revitalization efforts as well as expanded industrially development efforts.

Since the creation of TID #3 in 1993 and the amendment in 1997, economic conditions within the TIF district continue to exceed the original and updated projections. The current State-certified equalized values of the increment is almost $60,000,000, a tremendous increase from the $36,000,000 that was anticipated to be in place during the same time period. Current projections for the TIF district now anticipate a potential of over $219,000,000 in new development increment, or an overall 300+% increase over the amended projections of $66,000,000 made in 1997. It is obvious from these certified and anticipated projections that this TID is a far exceeding the original projections and is a very successful TID.

Amendment No. 2 proposed project costs reflect the refining of expenditures needed to meet the development demand currently being experienced within the TID.

Both the Plan Commission and City Council have worked very closely with the planning consultants on long-range planning for the TIF district. Project activities and expenditures reflected in the Revised Table 1 reflect the consensus of both governmental bodies. Implementation of these projects are anticipated to yield new development increment, job creation, blight elimination and other redevelopment opportunities that would probably not occur if these projects were not implemented.

All costs listed in the Revised Table 1 are estimates. These costs will be refined as projects move forward. Revised Table 1 shows the actual costs incurred through 1998. All project costs from 1999 through 2003 are estimates.

Revised Table 1 reflects over $13,000,000 of potential project costs to be expended in 1999. Even though these project costs are listed in Table 1 to be undertaken in 1999, the Plan Commission and City Council will still need to authorize any project activity and spending on a case-by-case basis.

Currently, Revised Table 1 shows project expenditures to be completed by 2003. All projects within Table 1 may be moved and undertaken within any year in the 10 year spending period. However, any projects within the amended boundary area must be undertaken or contracts awarded within three years of the amendment resolution. Listing of all project activities within the project plan allows the City to undertake any projects and pay for them through tax increment revenues. The purpose of listing anticipated project activities and estimated project costs is to give the City the flexibility to undertake a comprehensive approach to development within the TID. The limitation imposed by the statutes is the total dollar amount to be expended within the TID as well as the types of projects. Assigning an estimated budget to all project activities gives the City the budgetary control on spending within the TID.

Changes in Table 1 include the following:

1. Stormwater Management District. Amendment No. 1 of the project plan included an estimated $6,102,528 in project costs. The new project costs in Amendment No. 2 are anticipated to only be approximately $250,000 more. Actual costs to date have totaled $1,124,000.

2. Greenway Center District. The estimated project costs in Amendment No. 1 of the project plan were approximately $5,500,000. The revised costs reflect a potential $6,600,000 to be spent within this district. This increase is due to the commuter rail matching fund category addition for comprehensive development of this district.
3. Downtown District. The downtown district is the district with the largest expenditures increase proposed to be undertaken. Amendment No. 1 anticipated a bit over $7,100,000 of project activities. Since 1997, there has been continued significant increases in redevelopment and new development construction and interest within the downtown. Consequently, more project activities continue to be identified as a direct result of continued private sector investment. The new proposed project costs are listed as approximately $12,655,000.
4. Airport Road District. Since Amendment No. 1 was adopted by the City, the Airport Road/USH 12 project area has been defined with the location of the bypass. Consequently, the City is now able to quantify the costs directly associated with this DOT project. It is estimated that over $7,800,000 of project costs have been or are anticipated to be expended prior to the end of the spending period. A majority of costs are associated with acquisition and relocation of homes and businesses along Airport Road as well as defined Airport Road and bypass improvement costs.
5. Existing US Highway 12 District. The total increase in estimated costs from Amendment No. 1 is less than $200,000.
6. Stormwater Management District North. This area is part of the amended boundary. The purpose for inclusion of this area is to address stormwater management north of Airport Road. This area was originally studied for inclusion

in the TIF in 1993. However, the studies for stormwater management were not yet completed (part of the original TIF projects). Consequently, until completion of these studies, this area was not defined as necessary for inclusion within the original boundary and project costs. However, since the studies have been completed as well as refined, the City has determined that the project costs proposed under this subcategory are necessary for comprehensive stormwater management and do meet the statutory requirement that the amended projects are extensions of the original projects within the plan adopted in 1993. The estimated costs for these improvements are identified as a little over $8,600,000.

7. Airport Property and Improvements. This subcategory has also been added to this Amendment. The purpose for inclusion within the boundary amendment as well as additional project costs is the need for acquisition of the airport land for stormwater control and management (also reflected in the Stormwater Management District/North category identified above). The City is currently studying the potential of relocating stormwater management on the southside of the runway to the northside, thereby allowing more airport land for expansion of airport functions as well as minimal development. In addition, the City's studies include the potential rerouting of one part of the channel through the southwest corner of the property. All of these relocations necessitate the inclusion of this property within the amended boundary as well as its accompanying costs. The total anticipated costs in this new category are estimated to be approximately $2,625;000.

8. General and Special Projects. These costs have been combined in revised Table 1 and reflect an increase to an estimated $8,100069. This is due to refinement of actual project costs expended as well as identification of new costs associated with

comprehensive redevelopment, all of which are extensions of the intent of the original project plan costs.

As was stated previously, all project expenditures must be approved by the appropriate City commissions and councils prior to project activities being undertaken. The City staff will carefully monitor the activities within TID #3 prior to recommending to Council project activities to be undertaken in their annual budgetary cycle.

City of Middleton, Wisconsin

TIF #3 Amendment No. 2

Draft — Revision #4

Revised Table #1

Amended Table 1

Costs -- All District Projects and Activities

	1991	1997			Actual	1998			Actual	1999			Estimated	2000			Estimated	2001			Estimated	2002			Estimated	2003			Totals‡
	1996																												
	Actual†	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	
1 Stormwater Management District -- South	$1,097	$11	$0	$0	$0	$16	$0	$0	$0	$2,930	$0	$0	$0	$1,980	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$350	$0	$0	$6,384,454
• Design of stormwater management system																													$0
-- *Project management*	$78	$1								$20				$20															$118,842
-- *Preliminary design*	$267																												$267,000
-- *Final design / permit*	$281	$7				$16				$150				$50															$504,759
* -- *Construction*	$412									$1,650				$1,200															$3,261,940
-- *Acquisition*	$21	$3								$500				$300															$823,651
• Comprehensive recreation design development																													$0
-- *TIF #3 District*	$1									$5																			$6,000
• Deming Way extension -- road & bridge construction	$37									$600																			$637,262
-- *Bridge #2*														$400															$400,000
-- *Bridge #3*																										$350			$350,000
• Economic development strategies related to channelization										$5				$10															$15,000
2 Greenway Center District	$2,355	$715	$0	$0	$0	$759	$0	$0	$0	$1,0	$0	$0	$0	$1,366	$0	$0	$0	$50	$0	$0	$0	$640	$0	$0	$0	$600	$0	$0	$6,595,263
• Extend Greenway Boulevard																													
* -- *Economic Development Fund*	$608																												$608,000
• Terrace Avenue extension to west																													
-- *Planning and design*	$47																												$47,000
-- *Construction*	$200	$11																											$210,525
• USH 14 corridor land use and appearance										$10																			$10,000
-- *Trailhead Park and USH 14 Beautification*														$50				$50											$100,000
• Comprehensive trail system																													
-- *Esser Pond trail system*	$17	$236																											$253,346
-- *Linkage to western greenspace (P.V. Golf/Blackhawk Ski)*																						$140				$100			$240,000
• Infrastructure Design & Construction	$1,481									$100																			$1,581,293
-- *Market Street/Coop Road*		$468																											$467,772
-- *Market Street Bridge*																													$0
-- *Aspen Commons Mall South*						$759																							$759,149
-- *Quarry Restoration*														$250															$250,000
-- *Greenway Sanitary Sewer Bypass*														$30															$30,000
-- *Administration and Contingencies*														$286															$286,000
• Aspen Commons Extension														$400															$400,000
• Greenway Skywalk														$350															$350,000
• Commuter Rail Matching Fund	$2																					$500				$500			$1,002,178

City of Middleton, Wisconsin

TIF #3 Amendment No. 2

Draft — Revision #4

Revised Table #1

Amended Table 1

Costs -- All District Projects and Activities

	1991	1997				1998				1999				2000				2001				2002				2003			Totals‡
	1996				Actual				Actual				Estimated				Estimated				Estimated				Estimated				
	Actual†	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	
3 Downtown District		$1,144	$0	$0	$0	$706	$0	$0	$0	$5,520	$0	$0	$0	$1,660	$0	$0	$0	$3,362	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$12,392,145
• Bridge/M&I Bank: University Ave left turn lane & signal upgrade														$380															$380,000
• Cayuga Blvd														$215															$215,000
• Implementation of Phase Two parking plan														$100															$100,000
• North Parmenter land use and appearance plans														$15															$15,000
• Parking Improvements																		$250											$250,000
• Proposed Downtown Redevelopment Projects*²		$953				$706				$4,920				$700				$3,000											$10,278,489
(* Individual project amounts are contained in this total)																													
A *Pet Milk Building Adaptive Re-use*										$920																			
B *Cayuga West**											$300																		
C. *Cayuga East**										$1,400																			
D. *General Acquisition*										$400																			
E. *Parmenter/University Corner Project**										$350																			
F. *Bank Building Acquisition / Renovation Project*										$1,350				$250															
G. *Depot District**																													
H. *Housing Expansion**										$150																			
I. *Elmwood Ave. Streetscape (Aurora to railroad tracks)*																													
K. *Mixed use/parking ramp*										$50				$450				$3,000											
• *Quarry Park Improvements*										$300																			$300,000
• *Railroad Switches and Spur*	$18																	$112											$130,116
• *Streetscape improvements (Hubbard and Elmwood)*	$162	$6																											$168,150
• *Clark & Lee*		$176								$300																			$475,512
• *Terrace Avenue*	$83	$10												$250															$443,000
4 Airport Road & U.S. 12 Bypass Improvements	$2	$0	$0	$0	$0	$3,406	$0	$0	$0	$1,920	$0	$0	$0	$100	$0	$0	$0	$1,060	$0	$0	$0	$1,350	$0	$0	$0	$0	$0	$0	$7,838,891
• ROW Acquisition (Potential land sale revenues up to $1,000,000)						$3,368				$200																			$3,567,936
• U.S. 12 / CTH M intersection																						$200							$200,000
• U.S. 12 to bypass road improvement	$1									$1,600																			$1,601,045
• 20% match of new bypass improvement on Airport Rd.																						$150							$150,000
• Airport Rd. improvement to west City Limits	$1																	$1,000				$1,000							$2,001,392
• Design and engineering						$39				$120				$100				$60											$318,518

City of Middleton, Wisconsin
TIF #3 Amendment No. 2

Draft — Revision #4

Revised Table #1

Amended Table 1

Costs -- All District Projects and Activities

	1991 1996 Actual†	1997 1	1997 2	1997 3	1997 4 Actual	1998 1	1998 2	1998 3	1998 4 Actual	1999 1	1999 2	1999 3	1999 4 Estimated	2000 1	2000 2	2000 3	2000 4 Estimated	2001 1	2001 2	2001 3	2001 4 Estimated	2002 1	2002 2	2002 3	2002 4 Estimated	2003 1	2003 2	2003 3	Totals‡
5 Existing US Highway 12 District	$15	$0	$0	$0	$0	$0	$0	$0	$0	$30	$0	$0	$0	$259	$0	$0	$0	$1,820	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,124,019
• Future land use and circulation plan										$10																		$10,000
• Roadway design and appearance planning										$20																		$20,000
• Pedestrian/bikeway linkages – design and construction	$15													$250														$265,019
• Pheasant Branch Nature Preserve recreation corridor crossing *(USH 12 underpass) – 20% funding match*														$9				$70										$79,000
• Proposed west Beltline extension integration (matching funds)																		$1,750										$1,750,000
6 Stormwater Management District / North	$4	$0	$0	$0	$0	$695	$0	$0	$0	$1,450	$0	$0	$0	$4,020	$0	$0	$0	$960	$0	$0	$0	$1,000	$0	$0	$0	$500	$0	$0	$8,629,381
• Floodplain mitigation assistance: 1999 — East; 2001 — West	$4					$695				$1,400								$450										$2,549,381
• Stormwater enhancements														$500								$500						$1,000,000
• Bike / Pedestrian improvements to Business Park														$20														$20,000
• Master Plan and environmental studies										$50								$10										$60,000
Floodplain acquisition and mitigation														$3,500				$500				$500				$500		$5,000,000
7 Airport Property and Improvements	$0	$23	$0	$0	$0	$0	$0	$0	$0	$300	$0	$0	$0	$500	$0	$0	$0	$200	$0	$0	$0	$1,400	$0	$0	$0	$200	$0	$0	$2,623,000
• Land acquisition		$23								$200				$200				$200				$1,400				$200			$2,223,000
• Infrastructure										$100				$300															$400,000
8 General	$1,093	$762	$0	$0	$0	$966	$0	$0	$0	$920	$0	$0	$0	$1,100	$0	$0	$0	$1,100	$0	$0	$0	$1,080	$0	$0	$0	$1,080	$0	$0	$8,100,069
• Refinement of TIF project plan (includes LUP)	$150																												$149,871
• Administration/ project management team	$147	$139				$132				$120				$100				$100				$80				$80			$897,482
• GIS mapping	$65	$4																											$68,586
• Debt Expense	$522	$619				$834				$800																			$2,775,130
• Economic Development Fund														$1,000				$1,000				$1,000				$1,000			$4,000,000
• Miscellaneous	$209																												$209,000
Project Totals *...by quarter*	$4,566	$2,655	$0	$0	$0	$6,549	$0	$0	$0	$13,180	$0	$0	$0	$10,985	$0	$0	$0	$8,552	$0	$0	$0	$5,470	$0	$0	$0	$2,730	$0	$0	$54,687,222
...by year	$4,566				$2,655				$6,549				$13,180				$10,985				$8,552				$5,470				$2,730	$54,687,222
...Cumulative	$4,566				$7,222				$13,770				$26,950				$37,935				$46,487				$51,957				$54,687	$54,687,222

City of Middleton, Wisconsin

TIF #3 Amendment No. 2

Draft — Revision #4

Revised Table #1

Amended Table 1

Costs -- All District Projects and Activities

	1991	1996	1997				1998				1999				2000				2001				2002				2003			Totals‡
		Actual	*Actual*				*Actual*				*Estimated*				*Estimated*				*Estimated*				*Estimated*							
	Actual†	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	

NOTES

‡ All figures given for 1991 through 1996 are rounded from the actual numbers, as are the totals found at the bottom of the table. Subtotals on the right, and the total in the bottom right-hand corner are actual.

† 1992 expenditures provided for information only. Because the TIF plan did not become effective until 1993, they can not be included in the total TIF budget.

* ...includes construction administration

Debt expense in years 1991-1996 and 1997 actual debt service expenditure. The total amount of $1,141,000 is not reflected in Project Totals

Revision History:

Taken and revised from Table #6
Taken and revised from Middleton Redevelopment 1998 Budget.xls
Version 2
Version 3 / bpn / 4/23/99
Version 4 / bpn / 5/6/99

City of Middleton, Wisconsin ...all amounts in $1,000s

TIF #3 Amendment

Draft — April 27, 1999

Plan Commission Work Session

Amended Table 2 Development Increment Assumptions

	31-Dec 1993 Certified	31-Dec 1994 Certified	31-Dec 1995 Certified	31-Dec 1996 Certified	31-Dec 1997 Certified	31-Dec 1998 Est	31-Dec 1999 Est	31-Dec 2000 Est	31-Dec 2001 Est	31-Dec 2002 Est	31-Dec 2003 Est	31-Dec 2004 Est	31-Dec 2005 Est	31-Dec 2006 Est	31-Dec 2007+ Est	Totals
Stormwater Management District - South	$0	$0	$0	$0	$0	$600	$2,400	$2,100	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$600	$16,500
Area E: Industrial						$600	$600	$300								$1,500
• 17 acres; 5 ac remaining $300,000 per acre																
Area F: Industrial							$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$600	$15,000
• 50 acres																
• 6.0 acres per year (ac/yr) @ $300,000 per acre																
Greenway Center District	$0	$0	$0	$0	$0	$0	$4,000	$13,000	$9,500	$3,750	$3,000	$2,500	$0	$0	$0	$35,750
Area H & H-1: Mixed use commercial																$4,500
• H 5 remaining acres $500,000 per acre								$2,500								
• H-1 4 remaining acres $500,000 per acre							$1,000	$1,000								
Area I: Mixed use commercial							$3,000	$3,000	$3,000	$3,000	$3,000	$2,500				$17,500
• 35 acres																
• 6.0 acres per year (ac/yr) @ $500,000 per acre																
Area I-1: Mixed use commercial																$5,000
• Current increment																
• 10 remaining acres $500,000 per acre								$2,500	$2,500							
Area I-2: Mixed use commercial																$5,000
• 10 remaining acres $500,000 per acre								$2,500	$2,500							
Area L: Terrace Avenue extension																$3,750
• 25 remaining acres @ $150,000 per acre (2000 to 2002)								$1,500	$1,500	$750						
Downtown District	$0	$0	$0	$0	$0	($502)	$2,403	($586)	$4,100	$2,600	$1,100	$500	$500	$0	$0	$10,116
Downtown Housing								$600	$600	$600	$600					$2,400
• 100 units																
• 12 units per year (unit/yr) @ $50,000 per unit																
Commercial							$2,500									$2,500
• Aurora to Cayuga: 2 ac @ $500,000 per acre							$500		$500	$500						$1,500
• West of Cayuga (Office building): 2 ac @ $1,000,000 per acre									$1,000	$1,000						$2,000
• Remaining Downtown Commercial							$500		$2,000	$500	$500	$500	$500			$4,500

City of Middleton, Wisconsin ...all amounts in $1,000s

TIF #3 Amendment

Draft — April 27, 1999

Plan Commission Work Session

Amended Table 2
Development Increment Assumptions

	31-Dec 1993 Certified	31-Dec 1994 Certified	31-Dec 1995 Certified	31-Dec 1996 Certified	31-Dec 1997 Certified	31-Dec 1998 Est	31-Dec 1999 Est	31-Dec 2000 Est	31-Dec 2001 Est	31-Dec 2002 Est	31-Dec 2003 Est	31-Dec 2004 Est	31-Dec 2005 Est	31-Dec 2006 Est	31-Dec 2007+ Est	Totals
• Cayuga Avenue Redevelopment Area: Tax Base Loss																
— Middleton Ford								($832)								
— EZ Tile							($32)									
— Decar								($354)								
— Hotel Bar						($150)										
— Bank drive-up						($245)										
— Bank main building							($1,065)									
— Furniture Store						($85)										
— Sawle						($22)										
Airport Road and USH 12 Bypass District	$0	$0	$0	$0	$0	$0	$3,600	$7,600	$7,600	$6,100	$6,100	$6,100	$6,100	$8,100	$37,100	$88,400
Areas A & A-1:							$3,600	$3,600	$3,600	$1,800	$1,800	$1,800	$1,800	$1,800	$27,300	$47,100
• 157 acres																
• 6.0 acres per year (ac/yr) @ $300,000 per acre																
Area A-2: Industrial, Multi-Family Residential and Commercial																
• 47 acres industrial usage $300,000 per acre								$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$5,000	$15,500
• 22 acres res. & com. $500,000 per acre								$2,500	$2,500	$2,500	$2,500	$2,500	$2,500	$4,500	$4,500	$24,000
Area A-3 & A-4: Industrial										$300	$300	$300	$300	$300	$300	$1,800
• 20 acres																
• 5.0 acres per year (ac/yr) @ $300,000 per acre																
Existing Highway 12 District	$0	$0	$0	$0	$0	($718)	$2,150	$1,400	$600	$600	$600	$600	$600	$0	$0	$5,832
Area G: Mixed use commercial						($718)	$1,350	$600								$1,232
•																
• —																
Area G-1: Mixed use commercial							$800	$800	$600	$600	$600	$600	$600			$4,600
• 25 acres at $200,000 per acre																
• Tax base loss: Airport Rd. Homes																
•																
•																
Stormwater Management District — North						$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Airport Improvements						*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
Tax Base Loss	$0	$0	$0	$0	$0	($1,220)	($1,097)	($1,186)	$0	$0	$0	$0	$0	$0	$0	
Project Totals	$2,373	$17,766	$9,364	$23,095	$6,805	($620)	$14,553	$23,514	$23,600	$14,850	$12,600	$11,500	$9,000	$9,900	$37,700	$216,001

AMENDED SECTION VII. ECONOMIC FEASIBILITY ANALYSIS

Both Tables 4 and 5 have been revised to reflect current and projected conditions within TID #3. The development increment projections are based on State-certified values through January 1, 1998. In addition, the TID has experienced a higher density of development within certain areas of the TID over what was originally projected in 1993. This higher density has created more new increment value. Also, the tax value per acre has increased over what was originally anticipated as well as the increase in timing of new development. All of these factors contribute to more development increment being generated to date and over the life of the TIF district.

Amendment No. 1 projected an increment generation of $80,437,000. Projected new increments could yield as much as $219,000,000 over the life of the TIF district.

The formats for Tables 4 and 5 remain the same. It is important to note here that another change in the legislation concerns the tax collection scenario. In 1993, 100 percent of the taxes collected on new increment within a TIF district went back to the municipality. The current legislation has enacted property tax relief for property owners by decreasing the school tax levy. Consequently, a portion of the tax revenues originally dedicated to the TIF district are no longer available. Tables 4 and 5 reflect the 1998 tax levy that takes into account current legislation.

The original project plan anticipated retirement of the district in the year 2014. This retirement was based on $44,100,000 of new increment, the original tax collection scenario and $15,805,000 in project costs. The revised Tables 4 and 5 now reflect the current tax collection scenario, approximately $219,000,000 in new increment and

$54,687,222 in project costs. Based on these projections, the TIF retirement period has been extended two years and is anticipated to retire in 2016.

City of Middleton

Amended Table 4 – Revenue Analysis

Base value year	1993	Rate of inflation	3.00 %
Base value amount	$36,806 *...in $1,000s*	Interest rate	7.00 %
Net value tax rate	0.0210		

Year	Development increment base	Tax base loss	Total value	Inflation factor	Total current value	Total increment value	Tax revenue
12/31							
Totals							$141,285
1993	$2,373	$0	$39,179	1.0000	$39,179	$2,373	$0
1994	$20,140	$0	$56,946	1.0300	$58,654	$21,848	$0
1995	$29,503	$0	$66,309	1.0609	$70,347	$33,541	$66
1996	$52,598	$0	$89,404	1.0927	$97,694	$60,888	$541
1997	$59,403	$0	$96,209	1.1255	$108,284	$71,478	$717
1998	$60,003	$1,220	$95,589	1.1593	$110,814	$74,008	$1,221
1999	$75,653	$1,097	$110,142	1.1941	$131,516	$94,710	$1,501
2000	$100,353	$1,186	$133,656	1.2299	$164,380	$127,574	$1,554
2001	$124,703	$0	$158,006	1.2668	$200,158	$163,352	$1,989
2002	$139,553	$0	$172,856	1.3048	$225,538	$188,732	$2,679
2003	$152,153	$0	$185,456	1.3439	$249,238	$212,432	$3,430
2004	$163,653	$0	$196,956	1.3842	$272,634	$235,828	$3,963
2005	$172,653	$0	$205,956	1.4258	$293,644	$256,838	$4,461
2006	$182,553	$0	$215,856	1.4685	$316,992	$280,186	$4,952
2007	$191,978	$0	$225,281	1.5126	$340,758	$303,952	$5,394
2008	$201,403	$0	$234,706	1.5580	$365,665	$328,859	$5,884
2009	$210,828	$0	$244,131	1.6047	$391,759	$354,953	$6,383
2010	$219,504	$0	$252,807	1.6528	$417,851	$381,045	$6,906
2011	$219,504	$0	$252,807	1.7024	$430,387	$393,581	$7,454
2012	$219,504	$0	$252,807	1.7535	$443,299	$406,493	$8,002
2013	$219,504	$0	$252,807	1.8061	$456,598	$419,792	$8,265
2014	$219,504	$0	$252,807	1.8603	$470,295	$433,489	$8,536
2015	$219,504	$0	$252,807	1.9161	$484,404	$447,598	$8,816
2016	$219,504	$0	$252,807	1.9736	$498,936	$462,130	$9,103
2017	$219,504	$0	$252,807	2.0328	$513,905	$477,099	$9,400
2018	$219,504	$0	$252,807	2.0938	$529,322	$492,516	$9,705
2019	$219,504	$0	$252,807	2.1566	$545,201	$508,395	$10,019
2020	$219,504	$0	$252,807	2.2213	$561,557	$524,751	$10,343

Note: All amounts are in $1,000s
12/31/93-97 certified increment by WI DOR
1995-1998 tax revenues actual collected

City of Middleton

Amended Table 5 — Expenditure Analysis

Year	Tax revenue	Non-tax revenue	Total revenue	Project costs	Account balance	Debt Servoce	Account Balance	Annual Amount Borrowed
12/31				nominal $	01 January		31 December	
Totals	$141,285	$2,491	$143,775	$54,687				($54,806)
1993	$0	$0	$0	$381	($381)	$27	($408)	($408)
1994	$0	$0	$0	$1,124	($1,532)	$107	($1,639)	($1,231)
1995	$66	$0	$66	$710	($2,283)	$160	($2,443)	($804)
1996	$541	$0	$541	$2,351	($4,253)	$298	($4,550)	($2,108)
1997	$717	$14	$731	$2,655	($6,474)	$453	($6,927)	($2,377)
1998	$1,221	$64	$1,285	$6,549	($12,191)	$853	($13,045)	($6,117)
1999	$1,501	$72	$1,573	$13,180	($24,651)	$1,726	($26,377)	($13,332)
2000	$1,554	$1,014	$2,568	$10,985	($34,793)	$2,436	($37,229)	($10,852)
2001	$1,989	$1,014	$3,003	$8,552	($42,778)	$2,994	($45,772)	($8,543)
2002	$2,679	$14	$2,693	$5,470	($48,549)	$3,398	($51,947)	($6,175)
2003	$3,430	$26	$3,457	$2,730	($51,220)	$3,585	($54,806)	($2,859)
2004	$3,963	$26	$3,990		($50,816)	$3,557	($54,373)	$0
2005	$4,461	$26	$4,487		($49,886)	$3,492	($53,378)	$0
2006	$4,952	$26	$4,979		($48,399)	$3,388	($51,787)	$0
2007	$5,394	$26	$5,420		($46,367)	$3,246	($49,613)	$0
2008	$5,884	$26	$5,910		($43,703)	$3,059	($46,762)	$0
2009	$6,383	$26	$6,409		($40,353)	$2,825	($43,177)	$0
2010	$6,906	$26	$6,932		($36,245)	$2,537	($38,782)	$0
2011	$7,454	$26	$7,480		($31,302)	$2,191	($33,493)	$0
2012	$8,002	$12	$8,014		($25,479)	$1,784	($27,262)	$0
2013	$8,265	$12	$8,277		($18,985)	$1,329	($20,314)	$0
2014	$8,536	$12	$8,548		($11,766)	$824	($12,589)	$0
2015	$8,816	$12	$8,828		($3,762)	$263	($4,025)	$0
2016	$9,103	$12	$9,115		$5,090	$0	$0	$0
2017	$9,400	$0	$9,400		$0	$0	$0	$0
2018	$9,705	$0	$9,705		$0	$0	$0	$0
2019	$10,019	$0	$10,019		$0	$0	$0	$0
2020	$10,343	$0	$10,343		$0	$0	$0	$0

Notes: All amounts are in $1,000s
Non-tax revenue sources from special assessments and land sales revenues

VANDEWALLE & ASSOCIATES — Madison

MEMORANDUM

Date: June 10, 1999

To: Middleton TID #3 Joint Review Board

From: Susan Hoeft

Regarding: Joint Review Board meeting

Enclosed please find the agenda for the next Joint Review Board meeting for the City of Middleton TID #3 amendment. The meeting is scheduled for Tuesday, June 22, 1999 at 5:00 p.m. in City Hall.

Also enclosed please find the amended Project Plan for TID #3. We have enclosed all public documents that are available at the time of this mailing. Please carefully read the attachments to the project plan, especially the Joint Review Board information and criteria for the decision. We will be discussing all documents at the above-referenced meeting.

After the Joint Review Board meets, the City Attorney will render an opinion as to whether or not the City complied with the appropriate statutes in the amendment to the district and project plan. In addition, a boundary description will be prepared for submittal to the Department of Revenue.

If you are unable to attend this meeting, please call Marilyn at the City of Middleton (827-1070) immediately or have a representative there in your place. It is important that we have a quorum and would like all members of the Joint Review Board to be able to attend.

Thank you in advance for your review and consideration.

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CITY OF MIDDLETON

AMENDED TID #3

JOINT REVIEW BOARD

MEETING

Tuesday, June 22, 1999

5:00 p.m.

City Hall

1. Call to order
2. Review of public documents and record for amended TID #3
3. Discussion and action on Joint Review Board Resolution Amending TID #3
4. Any other business allowed by law
5. Adjourn or disband

CITY OF MIDDLETON

AMENDED TID #3

JOINT REVIEW BOARD

MEETING

Tuesday, June 22, 1999

5:00 p.m.

City Hall

1. Call to order
2. Review of public documents and record for amended TID #3
3. Discussion and action on Joint Review Board Resolution Amending TID #3
4. Any other business allowed by law
5. Adjourn or disband

JOINT REVIEW BOARD

AMENDED TIF DISTRICT NO. 3

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Council. The contents of this information is listed in Section 66.46(4)(i), Wis. Stats.

(i) The local legislative body shall provide the joint review board with the following information and projections:

1. A list of project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.

Response:

Activities for TIF District No. 3 are listed in Amended Table 1 of the project plan. The total cost of all activities is estimated to be approximately $54,687,222 which is to be paid with tax increment revenues and other sources of revenues which may include special assessments, donations, grants and State and Federal funding. An estimated total new development increment of $216,001,000 is anticipated to be generated over the life of the district with an estimated tax base loss of $3,503,000.

2. The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.

Response:

Allowing for a three (3%) percent real estate inflation factor, the total increment value of the TIF District is estimated to be approximately $252,800,000 when the district is terminated.

3. The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefits by improvements within the tax incremental district.

Response:

The costs associated in the amended TID #3 project plan are typical of public improvement costs associated with downtown redevelopment and industrial development activities. The primary areas of public purpose improvement costs are stormwater management, infrastructure and traffic improvements specifically related to industrial development, streetscape and redevelopment funding for new business and real estate development and redevelopment.

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PUBLIC WORKS DEPT

TID No. 3 was created in 1993 and amended in 1997. The City has expended significant dollars in infrastructure and stormwater management improvements. Without this public expenditure, much of the tax increments generated to date would not be in place due to the high cost of these improvements needed for development to take place. In addition, these infrastructure and stormwater management improvements made totally undevelopable land available for development. The private sector would not be able to bear the cost of these improvements and yet have a marketable property in the current real estate market. Without cost competitive land available for development, the City would not see the anticipated development increment already in place or anticipated to be built. It is for these reasons that the TID is necessary to accomplish the economic goals of the City.

In addition, the City expended significant funds to acquire, relocate and encourage new redevelopment opportunities in the downtown area. These expenditures eliminated blighted conditions and encouraged high quality, high tax base to be developed. This development has met and continues to meet the goals of the City for the downtown area.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The financial feasibility study for TIF District No. 3 indicates that approximately 95% of the direct project costs listed in Table 1 associated with the district will be paid by tax increments generated within the district. The statutes require that the City provide the share of the projected tax increments that would be paid by the taxable property owners within amended TID #3.

If all development in the TIF would occur without the use of TID financing, the taxes from that development are assumed to gross approximately $101,818,000. If this were the case, the tax revenues would be divided as follows:

State of Wisconsin	.5%	$ 509,090
Dane County	5%	5,090,900
Middleton/CP School District	73.8%	75,141,684
Madison Area Technical College	6.2%	6,312,716
City of Middleton	14.5%	14,763,610

(Discrepancies may occur due to rounding)

If the premise is that development would occur without the use of TIF, each of these taxing jurisdictions would receive their proportionate share of the taxes levied on the new development. However, if the premise is that the development would not occur as projected in the project plan without the use of TIF financing, the overlying taxing jurisdictions would not be receiving this estimated tax revenue over the 23 year period.

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

Although no tax increments are expected to be paid by property owners in the overlying taxing jurisdictions, the activities of amended TID No. 3 will benefit property taxpayers by expanding the existing tax base of the City and provide opportunities for new industries to locate to Middleton, thereby creating jobs. Blight elimination through redevelopment will also expand the tax base for the City and provide new retail/commercial/business opportunities which also will provide new jobs and other spin-off development.

JOINT REVIEW BOARD

AMENDED TIF DISTRICT NO. 3

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Board must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

A. Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;

B. Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and

C. Whether the benefits of the proposal outweigh the anticipated loss of tax increments to be paid by the owners of property in the overlying tax districts.

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 3 on the City of Middleton. The criteria are addressed in turn below.

A. TIF District No. 3 was created for the purpose of stimulating new development and redevelopment within the district boundaries. At the present time, there has been significant redevelopment in the historic downtown and business district specifically due to the active role the City has played in acquisition and relocation of uses not conducive to the downtown and encouraging business and building expansion. In addition, through the expenditure of TID funds for infrastructure and stormwater management projects, significant new development, both business and industrial, has taken place within the district boundaries. All of this development is due to the successful implementation of TID No. 3. Without these public expenditures, this development would not have happened.

B. Although there has been a significant amount of new development within the TID which includes increased employment, business and personal income and property value, the debt incurred by the City to construct the infrastructure or stimulate redevelopment would not be retired through these economic benefits and their increases. It is only through the tax increment revenues that this indebtedness can feasibly be retired. Consequently, although the economic benefits are significant, they are insufficient to compensate for the cost of these improvements.

Amendment to TID No. 3 will allow for continued expansion of industrial, business and commercial space within the City. It will provide funds for infrastructure improvements and continued expansion into underutilized properties. Redevelopment funding will also be available to continue with blight elimination and provide redevelopment opportunities for quality development. Without the amendment, the

comprehensive development of the City in the TID would not totally be fulfilled, thereby not allowing the anticipated tax base to be generated. This expanded tax base will benefit the entire region upon the early retirement of the TID.

RESOLUTION APPROVING CITY COUNCIL RESOLUTION
AMENDING TIF DISTRICT NO. 3

CITY OF MIDDLETON, WISCONSIN

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the amended project plan for TIF District No. 3, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the amended project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. The development expected in amended TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;

2. The economic benefits of amended TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 22nd day of June, 1999.

JOINT REVIEW BOARD
AMENDED TAX INCREMENTAL DISTRICT No. 3
CITY OF MIDDLETON, WISCONSIN

Chair

CITY OF MIDDLETON

TAX INCREMENT FINANCING DISTRICT No. 3 AMENDMENT No. 3

City Council Action

March 19, 2002

Prepared by:

Vandewalle & Associates
Madison, Wisconsin

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SECTION I. INTRODUCTION

The City of Middleton created TID No. 3 in 1993. Since that time, the district has been amended twice, once to reflect project cost changes and the other to incorporate additional project costs and amend the boundary.

TID No. 3, Amendment No. 3 proposes additional projects that are a continuation of projects listed in the original project plan as well as both amendments. These new projects are a result of new and redevelopment taking place within the TID boundaries that necessitate the addition of the listed projects.

To date, TID No. 3 is extremely economically feasible and is successful in obtaining the goals and objectives from which it was originally created. New and redevelopment has taken place that has greatly enhanced the Downtown area and new business park areas as well as eliminate blight, create jobs, diversify the tax base and contribute to the orderly growth of the community.

This document includes amended tables and narratives which should be attached to the original project plan and two amendments as continued updates and further clarification of project costs and/or economic feasibility. Amended sections include:

1. Amended Section V. Proposed Public Works and Estimated Costs with Revised Table 1; and
2. Amended Section VII. Economic Feasibility Analysis with its accompanying Revised Tables 4 and 5.

AMENDED SECTION V. PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

Table 1 has been amended to reflect actual project activities and costs expended to date within TID #3. In addition, project costs yet to be expended have been refined based on current and future planning and revitalization, redevelopment and new development needs. The proposed changes are intended to further identify public improvement projects that are a result of the current and future development within the TID.

In 1993 when TID No. 3 was created, it was estimated that development increments would total approximately $40,700,000 by January 1 of 2001. The two subsequent amendments updated those figures to reflect actual State-certified development increments. As of January 1, 2001, the certified increment in TID No. 3 was $136,184,200 or close to 350% more development increment than was originally projected by that date. This is significantly more than what was anticipated when the TID was first created.

The original TID #3 project plan included costs that were intended to complete public purpose improvements that were not undertaken in TID #1. Subsequent amendments updated those projects to reflect needed improvements based on developments that were proposed or constructed within TID #3 boundaries. Amendment #3 continues to update and identify public purpose improvements that are needed to meet the needs of the current and/or proposed new redevelopment within the TID #3 boundaries. Table 1 reflects those public improvement project changes that are anticipated to be constructed during the remaining life of the spending period of this TID.

One new project cost is a parking ramp slated for construction in Greenway Center. This ramp is estimated to cost $5.8 million. The cost for construction has been earmarked for

years 2002 and 2003. It is anticipated that the project cost for this ramp will be paid by tax increment revenues generated from the TID.

Another new project cost is the addition of $4 million to be earmarked toward Downtown Development Assistance. Several projects are being negotiated at this time. It is possible that the City will need to participate in some of these redevelopment activities. Consequently, the project plan has itemized out the $4 million into the Downtown District for use should some of these redevelopment projects need City participation.

An addition $300,000 of project costs have been put into the Stormwater Management District – North construction under floodplain mitigation. The actual construction costs may exceed the $450,000 originally budgeted. Therefore, the additional funding was put in to cover these potential additional construction costs.

The Economic Development Fund monies have also been expanded. Potential projects that are anticipated but not contracted for at this time include an additional estimated $1.5 million for Parmenter St. extension construction. An additional estimated $750,000 is earmarked for Airport Transportation Maintenance Facility relocation costs. Additional monies have also been put into the ED Fund in anticipation of other projects needing additional funding once design and bidding is completed.

Lastly, an additional $1 million was put into the line item identified as Airport Road improvements to west of City limits in anticipation that final construction costs may exceed the original $3 million.

As stated above, actual costs through 2000 are depicted in Revised Table 1. Actual costs from 2001 will be available during the hearing process. This Revised Table 1 has costs

that may vary from Table 1 from Amendment No. 2. This is due to the 1999 Revised Table 1 having estimated costs and this current Revised Table 1 showing actual costs expended.

As is historically typical of the City of Middleton, the Plan Commission, CDA and Council continue to work closely with planning consultants on the long-range planning for the City and, specifically, TID #3. Project activities and expenditures reflected in Revised Table 1 reflect the consensus of all three bodies.

Revised Table 1 reflects estimates of the costs that are yet to be incurred. These costs will be refined as projects move forward. Revised Table 1 shows actual costs incurred through 2000. Actual project costs for 2001 will be provided by the City after all accounts have been closed out. The remaining years in which expenditures will be made are estimates.

All projects within Revised Table 1 may be moved and undertaken within any year remaining in the 10 year spending period. Listing of all project activities within the project plan allows the City to undertake any projects and pay for them through tax increment revenues. The purpose of listing anticipated project activities and estimated project costs is to give the City the flexibility to undertake the comprehensive approach to development that it historically has taken. Assigning an estimated budget to all project activities gives the City the budgetary control on spending within the TID.

In summary, changes to Revised Table 1 include the following:

1. Updated costs through 2000 by district.
2. Parking structure improvements to be located in Greenway Center ($5.8 million, est.).

3. Rail station improvements in Greenway Center ($1.5 million, est.). This cost was shown as rail matching fund under Greenway Center in the previous Amendment. The costs have not changed.
4. Downtown Development Assistance Fund addition.
5. Economic Development Fund projects identified in text above.
6. Stormwater Management – North additional $300,000 in project costs.
7. Airport Road additional $1 million in expenditures.
8. The deletion of the debt service line item. This was included in past tables but, due to the fact that debt service is automatically included in Revised Table 5, it is deleted from Revised Table 1 to reduce any redundancy.

Note that costs do not include any expenditures made toward rail switching equipment and the rail-related parking structure. There are no Non-tax Revenues anticipated in Revised Table 5.

As was stated in earlier documents, all project expenditures must be approved by the appropriate City commissions and councils prior to project activities being undertaken. City staff will carefully monitor the activities within TID #3 prior to recommending to Council project activities to be undertaken in their annual budgetary cycle.

AMENDED SECTION VII. ECONOMIC FEASIBILITY ANALYSIS

Both Tables 4 and 5 have been revised to reflect current and projected conditions within TID #3. The development increment projections are based on State-certified values through January 1, 2001.

As of January 1, 2001, the State-certified increment was $136,184,200. It is estimated that approximately $6.8 million of net new increment was developed in 2001, bringing the total of new increment (net) up to almost $143,000,000. The original project plan estimated close to $45,000,000 of new development increment to be constructed during the life of the TID. New development increment projections, based on known development agreements either completed or being negotiated, could total $130,000,000 in addition to the $143,000,000 currently on the books.

The formats for Tables 4 and 5 remain the same. Property tax relief as passed in 1995 is taken into consideration in the net tax rate and the revenues generated by the new development increment.

The original project plan and first amendment anticipated a retirement of the district in the year 2014. Amendment No. 2 moved that anticipated retirement date to 2016. Revised Tables 4 and 5 now reflect the current tax collection scenario, approximately $273,000,000 in new increment and $67,914,000 in project costs. Based on these projections, the TID is now anticipated to retire in 2014.

City of Middleton

TID No. 3 Amendment No. 3

Revised Table 4: Revenue Analysis

3/21/2002

Base Value Year	1993		Rate of Inflation	3.00 %
Base Value Amount	$34,125	*...in $1,000s*	Interest Rate	6.50 %
Net Value Tax Rate	0.0199			

Construction Year 12/30	Development Increment Base	Tax Base Loss	Total Value	Inflation Factor	Total Current Value	Total Increment Value	Tax Revenue
1993	$2,373	$0	$36,498	1.0000	$36,498	$2,373	$0
1994	$20,140	$0	$54,265	1.0300	$55,893	$21,768	$0
1995	$29,312	$0	$63,437	1.0609	$67,300	$33,175	$66
1996	$57,147	$0	$91,272	1.0927	$99,736	$65,611	$541
1997	$60,841	$0	$94,966	1.1255	$106,885	$72,760	$717
1998	$86,445	$0	$120,570	1.1593	$139,774	$105,649	$1,221
1999	$98,201	$0	$132,326	1.1941	$158,004	$123,879	$1,348
2000	$136,184	$0	$170,309	1.2299	$209,459	$175,334	$1,937
2001	$142,984	$0	$177,109	1.2668	$224,357	$190,232	$1,854
2002	$188,484	$0	$222,609	1.3048	$290,455	$256,330	$3,487
2003	$253,484	$0	$287,609	1.3439	$386,523	$352,398	$3,783
2004	$272,984	$0	$307,109	1.3842	$425,111	$390,986	$5,097
2005	$272,984	$0	$307,109	1.4258	$437,864	$403,739	$7,007
2006	$272,984	$0	$307,109	1.4685	$451,000	$416,875	$7,775
2007	$272,984	$0	$307,109	1.5126	$464,530	$430,405	$8,028
2008	$272,984	$0	$307,109	1.5580	$478,466	$444,341	$8,290
2009	$272,984	$0	$307,109	1.6047	$492,820	$458,695	$8,559
2010	$272,984	$0	$307,109	1.6528	$507,605	$473,480	$8,836
2011	$272,984	$0	$307,109	1.7024	$522,833	$488,708	$9,121
2012	$272,984	$0	$307,109	1.7535	$538,518	$504,393	$9,415
2013	$272,984	$0	$307,109	1.8061	$554,673	$520,548	$9,718
2014	$272,984	$0	$307,109	1.8603	$571,314	$537,189	$10,030
2015	$272,984	$0	$307,109	1.9161	$588,453	$554,328	$10,351
2016	$272,984	$0	$307,109	1.9736	$606,107	$571,982	$10,682
2017	$272,984	$0	$307,109	2.0328	$624,290	$590,165	$11,023
2018	$272,984	$0	$307,109	2.0938	$643,018	$608,893	$11,374
2019	$272,984	$0	$307,109	2.1566	$662,309	$628,184	$11,735
2020	$272,984	$0	$307,109	2.2213	$682,178	$648,053	$12,108
Totals		**$0**					**$127,862**

Notes: All amounts are in $1,000s
Two year lag between construction and collection of taxes.

City of Middleton

TID No. 3 Amendment No. 3

Revised Table 5: Expenditure Analysis

3/21/2002

Construction Year 12/30	Tax Revenue	Non-tax Revenue	Total Revenue	Cumulative revenue	Project Costs (Nominal $)	Account Balance 1-Jan	Debt Service	Account Balance 31-Dec	Annual Amount Borrowed
1993	$0	$0	$0	$0	$343	($343)	$22	($366)	($366)
1994	$0	$0	$0	$0	$1,294	($1,660)	$108	($1,767)	($1,402)
1995	$66	$0	$66	$66	$666	($2,368)	$154	($2,522)	($754)
1996	$541	$0	$541	$607	$1,814	($3,795)	$247	($4,041)	($1,520)
1997	$717	$0	$717	$1,324	$2,105	($5,429)	$353	($5,782)	($1,741)
1998	$1,221	$0	$1,221	$2,545	$5,818	($10,380)	$675	($11,054)	($5,272)
1999	$1,348	$0	$1,348	$3,893	$5,525	($15,231)	$990	($16,221)	($5,166)
2000	$1,937	$0	$1,937	$5,830	$11,627	($25,911)	$1,684	($27,595)	($11,374)
2001	$1,854	$0	$1,854	$7,684	$5,342	($31,083)	$2,020	($33,103)	($5,508)
2002	$3,487	$0	$3,487	$11,171	$17,580	($47,196)	$3,068	($50,264)	($17,161)
2003	$3,783	$0	$3,783	$14,953	$15,800	($62,281)	$4,048	($66,330)	($16,066)
2004	$5,097	$0	$5,097	$20,050		($61,233)	$3,980	($65,213)	$0
2005	$7,007	$0	$7,007	$27,058		($58,205)	$3,783	($61,989)	$0
2006	$7,775	$0	$7,775	$34,833		($54,214)	$3,524	($57,738)	$0
2007	$8,028	$0	$8,028	$42,861		($49,709)	$3,231	($52,941)	$0
2008	$8,290	$0	$8,290	$51,151		($44,651)	$2,902	($47,553)	$0
2009	$8,559	$0	$8,559	$59,709		($38,995)	$2,535	($41,529)	$0
2010	$8,836	$0	$8,836	$68,545		($32,694)	$2,125	($34,819)	$0
2011	$9,121	$0	$9,121	$77,666		($25,698)	$1,670	($27,368)	$0
2012	$9,415	$0	$9,415	$87,081		($17,953)	$1,167	($19,120)	$0
2013	$9,718	$0	$9,718	$96,799		($9,402)	$611	($10,013)	$0
2014	$10,030	$0	$10,030	$106,829		$17	$0	$0	$0
2015	$10,351	$0	$10,351	$117,180		$0	$0	$0	$0
2016	$10,682	$0	$10,682	$127,862		$0	$0	$0	$0
2017	$11,023	$0	$11,023	$138,885		$0	$0	$0	$0
2018	$11,374	$0	$11,374	$150,259		$0	$0	$0	$0
2019	$11,735	$0	$11,735	$161,994		$0	$0	$0	$0
2020	$12,108	$0	$12,108	$174,102		$0	$0	$0	$0
Totals	**$127,862**	**$0**	**$127,862**		**$67,914**				**($66,330)**
						31-Dec		*30-Dec*	

Notes: All amounts are in $1,000s

There are no non-tax revenues anticipated in this scenario.

CITY OF MIDDLETON
1856

DEPARTMENT OF PUBLIC WORKS
(608) 827-1070
FAX (608) 827-1080

Hand Delivered

February 18, 2002

Mayor Dan A. Ramsey
City of Middleton
7426 Hubbard Ave.
Middleton, WI 53562

Re: **TIF No. 3, City of Middleton, WI**

Dear Mayor Ramsey:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3). The purpose of the amendment is to update and refine the proposed improvements that are intended to eliminate blight, recruit industrial and manufacturing business, create jobs, diversify tax base and promote other economic development activities that would benefit not only TID #3 but also the City as a whole. Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed amended tax increment district project plan will be considered.

The public hearing is scheduled for Tuesday, March 12, 2002 beginning on or about 7:00 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 6:30 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:30 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TIF district. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Eileen M. Kelley

EILEEN M. KELLEY, AICP
City Planner/Zoning Administrator

Acknowledged Dan Ramsey

Date 2/19, 2002

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON • 7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

CITY OF MIDDLETON
1856

DEPARTMENT OF PUBLIC WORKS
(608) 827-107(
FAX (608) 827-108(

February 15, 2002

Bill Ries, Superintendent
Middleton-Cross Plains School District
7106 South Ave
Middleton, WI 53562

Re: **TIF No. 3, City of Middleton, WI**

Dear Mr. Ries:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3). The purpose of the amendment is to update and refine the proposed improvements that are intended to eliminate blight, recruit industrial and manufacturing business, create jobs, diversify tax base and promote other economic development activities that would benefit not only TID #3 but also the City as a whole. Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed amended tax increment district project plan will be considered.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Dan G. Ramsey

Dan Ramsey
Mayor

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON • 7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

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Bill Ries, Superintendent
Middleton-Cross Plains School Dist.
7106 South Avenue
Middleton, WI 53562

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Connie Bickler

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X Connie W. Bickler

8. Addressee's Address *(Only if requested and fee is paid)*

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CITY OF MIDDLETON
1856

DEPARTMENT OF PUBLIC WORKS
(608) 827-107(
FAX (608) 827-108(

246-6100 Dr. Battsey Barhorst

February 15, 2002

Dr. Beverly Simone
Director, MATC
~~310 Price Place~~ 3550 Anderson St.
Madison, WI 53704

Re: **TIF No. 3, City of Middleton, WI**

Dear Dr. Simone:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3). The purpose of the amendment is to update and refine the proposed improvements that are intended to eliminate blight, recruit industrial and manufacturing business, create jobs, diversify tax base and promote other economic development activities that would benefit not only TID #3 but also the City as a whole. Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed amended tax increment district project plan will be considered.

The public hearing is scheduled for Tuesday, March 12, 2002 beginning on or about 7:00 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 6:30 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:30 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TIF district. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Dan G. Ramsey

Dan Ramsey
Mayor

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON • 7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

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Dr. Beverly Simone
Director, MATC
310 Price Place
Madison, WI 53704

4a. Article Number
7099 3400 0007 8463 5467

4b. Service Type
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☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

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CITY OF MIDDLETON
1856

DEPARTMENT OF PUBLIC WORKS
(608) 827-107(
FAX (608) 827-108(

February 15, 2002

Ms. Kathleen Falk
Dane County Executive
210 Martin Luther King Jr. Blvd.
City County Building, Rm 421
Madison, WI 53703

Re: **TIF No. 3, City of Middleton, WI**

Dear Ms. Falk:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3). The purpose of the amendment is to update and refine the proposed improvements that are intended to eliminate blight, recruit industrial and manufacturing business, create jobs, diversify tax base and promote other economic development activities that would benefit not only TID #3 but also the City as a whole. Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed amended tax increment district project plan will be considered.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Dan Ramsey
Mayor

Enclosure: Public Hearing Notice,
Joint Review Board Agenda

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7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562
CITY OF MIDDLETON

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- Attach this form to the front of the mailpiece, or on the back if space does not permit.
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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Ms. Kathleen Falk
Dane County Executive
210 Martin Luther King Jr. Blvd
City County Building, Rm 421
Madison, WI 53703

4a. Article Number
7099 3400 0007 8463 5450

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
2-19

5. Received By: *(Print Name)*
Kathy Metzger

6. Signature: *(Addressee or Agent)*
X Kathy Metzger

8. Addressee's Address *(Only if requested and fee is paid)*

PS Form **3811**, December 1994 Domestic Return Receipt

PUBLIC NOTICE

CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the City of Middleton Plan Commission to be held on or about 7:00 p.m., Tuesday, March 12, 2002, at City Hall, City of Middleton, a Public Hearing will be held on the proposed amended project plan for the City of Middleton Tax Increment District #3. The purpose of the amendment is to refine and update the project expenditures to the amount of $67,914,000. Said project expenditures are refinements of original project costs or are additions to the project plan which are extensions of the original project costs.

A copy of the proposed project plan is available and will be provided upon request at the City Administrator's office at City Hall, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amendment.

EILEEN M. KELLEY
City Planner/Zoning Administrator

Publish: 2-21-02
2-28-02

PUBLIC NOTICE
CITY OF MIDDLETON

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At a meeting of the City of Middleton Plan Commission to be held on or about 7:00 p.m., Tuesday, March 12, 2002, at City Hall, City of Middleton, a Public Hearing will be held on the proposed amended project plan for the City of Middleton Tax Increment District #3. The purpose of the amendment is to refine and update the project expenditures to the amount of $67,914,000. Said project expenditures are refinements of original project costs or are additions to the project plan which are extensions of the original project costs.

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EILEEN M. KELLEY
City Planner/Zoning Administrator

Publish: 2-21-02; 2-28-02

STATE OF WISCONSIN)
Dane County)ss
)

Tabitha Davis ..... being duly sworn, doth depose and say that (she) is an authorized representative of the MIDDLETON TIMES-TRIBUNE, a weekly newspaper published at Middleton, in said County, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

2-21-02 21.32
2-28-02 16.77

(Signed) Tabitha Davis
(Title)

Subscribed and sworn to before me this 22 day of March, 2002

Notary Public, Dane County, Wisconsin

My Commission expires 6-2, 2002

No. Lines — No. Times 2 Notary Fees $ .50
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PUBLIC NOTICE
CITY OF MIDDLETON

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EILEEN M. KELLEY
City Planner/Zoning Administrator

Publish: 2-21-02, 2-28-02

PROOF OF PUBLICATION

STATE OF WISCONSIN
DANE COUNTY COURT

Filed .....

City of Middleton
TID No. 3, Amendment No. 3

Joint Review Board Meeting

March 12, 2001

6:30 p.m.

Present: Jim Wexler, City representative
Connie Threinen, County representative
Brian E. Jorgensen, MATC representative
Janet Kane, Middleton-Cross Plains School District represenative
Eileen Kelley, City Planner
Susan Hoeft, Vandewalle & Associates
Robin Wettstein, Vandewalle & Associates

1. Call to order at 6:35 p.m. by City representative Jim Wexler.
2. Election of Chairperson: Motion was made to elect the City representative as Chairperson. Threinen, Kane; Unanimous vote.
3. Fifth member-at-large: Motion was made to have Dorothy Shannon become the fifth member-at-large. Threinen, Wexler; Unanimous vote.
4. A brief presentation of City of Middleton, TID #3, Amendment #3 Project Plan was made by Vandewalle & Associates. Discussion ensued.
5. Date of the next meeting was set on April 16 at 64:00 p.m., City Hall.
6. Motion to adjourn at 6:57 p.m. Jorgenson, Kane; Unanimous vote.

MINUTES
MIDDLETON PLAN COMMISSION
TUESDAY MARCH 12, 2002 7:00 P.M.

PRESENT: Wexler, Elskamp, Sonnentag, Morehouse

ABSENT: Ramsey, White

ALSO PRESENT: Kelley

1. **PUBLIC HEARING – TIF DISTRICT #3, AMENDMENT #3**

Susan Hoeft, of Vandewalle & Associates, presented a history of TIF District #3 and a summary of the proposed Amendment #3.

Acting Chair Wexler opened the public hearing at 7:15 pm, and there being no public comment, immediately closed the public hearing.

Moved by Sonnentag, seconded by Morehouse, to approve, and recommend approval to the Common Council, Resolution 2002-9, Amending Tax Incremental Financing District #3 Project Plan. Motion carried 4-0.

At this point in the meeting, moved by Sonnentag, seconded by Morehouse, to temporarily suspend the Plan Commission meeting to allow the Community Development Authority to hold a public hearing. Motion carried 4-0.

2. **MINUTES OF 2-26-02**

Following resumption of the Plan Commission meeting, moved by Elskamp, seconded by Morehouse, to approve the minutes of 02-26-02. Motion carried 4-0.

3. **DESIGN REVIEW - FACADE RENOVATION – TDS-TELECOM, 1912 PARMENTER ST.**

Moved by Morehouse, seconded by Sonnentag, to approve the façade renovation as submitted. Motion carried 4-0.

4. **DESIGN REVIEW – STEKELBERG DECK, ELMWOOD AVE.**

Moved by Morehouse, seconded by Elskamp, to grant design approval to these proposed improvements as submitted. Motion carried 4-0.

5. **REZONING/DESIGN REVIEW – CENTURY PLACE PDD, NEEDHAM**

Following a brief discussion of the recent Public Works Committee and Water Resources Management Commission actions, moved by Sonnentag, seconded by Elskamp, to approve the rezoning to Planned Development District (PDD), and

CITY OF MIDDLETON RESOLUTION NO. 2002-9
Amending Tax Incremental Financing District No. 3
Project Plan

WHEREAS, the City Plan Commission held a public hearing on Tuesday, March 12, 2002, on the amendment to Tax Incremental Financing (TIF) District No. 3 and the proposed boundaries thereof; and

WHEREAS, the Chief Executive Officer of the Middleton School District, the Dane County Board and the Madison Area Technical College, representing entities having power to levy taxes on property located within the proposed TIF District, have been notified as well as any school board of any school district which includes property within the proposed district pursuant to Section 66.1105, Wis. Stats.; and

WHEREAS, the City of Middleton Plan Commission has prepared and adopted an amendment to the project plan for TIF District No. 3, which:

1. Includes Amended Section I. Introduction; and
2. Includes Amended Section V. Proposed Public Works and Estimated Costs; and
3. Amended Section VII: Economic Feasibility Analysis

WHEREAS, the City Plan Commission has submitted such amended project plan to the Common Council of the City of Middleton.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Middleton hereby amends the project plan for TIF District No. 3, City of Middleton. That the improvements contemplated in TIF District No. 3, City of Middleton, will significantly enhance the value substantially of all real property in TIF District No. 3. That such amended project plan is feasible, and that it is in conformity with the City's Master Plan and other policies and laws of the City of Middleton.

BE IT FURTHER RESOLVED that the Common Council approves such amended project plan for TIF District No. 3 pursuant to the provisions of Section 66.1105, Wis. Stats.

The above and foregoing Resolution is duly adopted by the Middleton Common Council at a regular meeting held on the 19 day of March, 2002.

APPROVED:

By: _____
Dan A. Ramsey, Mayor

ATTEST:

_____
Timothy R. Studer, City Clerk

VOTE:

Ayes: 8
Noes: 0
Adopted: 3/19/02

JOINT REVIEW BOARD

TIF DISTRICT NO. 3, AMENDMENT NO. 3

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents are listed in Section 66.1105(4m)(c)(1), Wis. Stats.

(i) *The local legislative body shall provide the joint review board with the following information and projections:*

1. *The specific items that constitute the project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.*

   Response:

   Activities for TIF District No. 3, Amendment No. 3 are described and summarized in Amended Section V. Proposed Public Works and Estimated Costs. The total cost of all activities is estimated to be approximately $67,914,000 which is to be paid with tax increments. An estimated total new development increment of $272,984,000 is anticipated to be generated over the life of the district with the tax base loss figured into the total new increment amount.

2. *The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.*

   Response:

   Allowing for a three (3%) percent real estate inflation factor, the total new increment value of the TIF District is estimated to be approximately $648,053,000 when the district is terminated.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefits by improvements within the tax incremental district.*

   Response:

   The costs associated in the TID #3 project plan are typical of public improvement costs associated with downtown redevelopment and

industrial/business-type development activities. The primary areas of public purpose improvement costs are in rehabilitating and eliminating blighted conditions due to uses that were no longer viable in a Downtown, realignment of the West Beltline and upgrading of USH 14 to minimize traffic and pedestrian circulation problems and provide safety improvements, streetscape, wayfinding, as well as redevelopment funding for new business and, especially, real estate development and redevelopment. Middleton has a history of redeveloping the downtown and is continuing this process with TID No. 3 and its subsequent amendments. TID No. 3 included obsolete commercial and industrial sites that are no longer viable from a manufacturing and economic standpoint. The two primary businesses have relocated and some structures already demolished creating a path for redevelopment. Redevelopment of the existing Middleton Ford Building will greatly enhance this area and eliminate the current blight which is visual and will also provide enormous redevelopment opportunities for housing and retail/commercial ventures. Tax increment financing has spurred on all economic development within this area.

There are customers, including residents, drawn into the entire TIF business district through the use of the new improvements. Spillover spending has and will continue to occur outside the district as a result of increased visitors to the district. Consequently, businesses and owners outside the TIF will also benefit from this improvement. Theses two issues are the major reasons why the TIF district should bear some of the cost while other sources of revenues should be used as a supplemental form of revenue.

A substantial reason why the property owners within the district should not bear the entire cost of the improvements is the benefits that the entire City will receive from the proposed improvements. Consequently, it would be unfair to the individual property owners to bear the financial burden of these improvements alone.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The financial feasibility study for TIF District No. 3 indicates that the direct project costs listed in Table 1 associated with the district are anticipated be paid by tax increments generated within the district. The statutes require that the City provide the share of the projected tax increments that would be paid by the taxable property owners within TID #3.

If all development in the TIF would occur without the use of TID financing, the taxes from that development are assumed to gross approximately $106,829,000 over the estimated 21 year retirement period of the district. If this were the case, the tax revenues would be divided as follows:

State of Wisconsin	1%	$ 106,829
Dane County	16.4%	17,519,956
Middleton School District	46.3%	49,461,827
Madison Area Technical College	7.4%	7,905,346
City of Middleton	28.8%	30,766,752

(Discrepancies may occur due to rounding)

If the premise is that development would occur without the use of TIF, each of these taxing jurisdictions would receive their proportionate share of the taxes levied on the new development. However, if the premise is that the development would not occur as projected in the project plan without the use of TIF financing, the overlying taxing jurisdictions would not be receiving this estimated tax revenue over the 27 year period.

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

The activities of TIF District No. 3 will benefit all property taxpayers who use the historic Downtown in Middleton and the area north of Greenway Center to USH 14. This area has greatly increased in tax base value due to the implementation of planning and economic development activities that the City has been undertaking since 1983. Continuation of these activities will further these redevelopment and new development projects and continue to create new jobs, housing opportunities, business opportunities and spin-off development will result as implementation of the TID and Redevelopment Plan proceeds. In addition, better business mix with new businesses locating in the redevelopment sites will help to stabilize and encourage new business in the Downtown. Current property owners will be encouraged to reinvest in their buildings which will economically benefit the region.

As stated above, as a result of these activities, more jobs will be created, a better business mix will result with more consumer spending and increased consumer traffic in the downtown. This, in turn, stabilizes and increases property values that will encourage investment and reinvestment in the remainder of the business district as well as the community. A more vital downtown will also assist in the orderly development of the community and surrounding area. These benefits all help to compensate the owners in the overlying taxing jurisdictions.

JOINT REVIEW BOARD

TIF DISTRICT NO. 3, AMENDMENT NO. 3

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

A. Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;

B. Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and

C. Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying tax districts.

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 3, Amendment No. 3 on the City of Middleton. The criteria are addressed in turn below.

A. TIF District No. 3 is created for the purpose of stimulating new development and redevelopment within the district boundaries. At the present time, there has been significant development or redevelopment in the historic downtown. This is due to the implementation of planning and economic development activities by the City and consultants since 1983. With creation and amendments of this TID and implementation of the goals and objectives of these plans for the Downtown, the City has and will be able to more fully direct the development and redevelopment activities within this area for the optimum value to the City. This, in turn, can best be done with the use of TID financing and strict development controls.

B. The economic benefits anticipated for TID #3 include the stabilization of the viability of existing properties as a result of high quality, new development and redevelopment within the district. The Downtown has developed unique and specialized commercial uses that draw not only Middleton residents but people from outside the district. Consequently, these uses have diversified the tax base, created jobs, eliminated blight, added to the tax base by redeveloping currently underutilized properties in a fashion that all City residents would benefit from. Completion of these project activities through TID No. 3, Amendment No. 3 will greatly enhance what already is in place and encourage maintenance and continued upgrading.

New jobs will be a direct result of reinvestment in the downtown and business district area. Improvement of business mix and numbers of businesses will also assist and be termed "economic benefits". However, the sum of all of these benefits will be far from sufficient in offsetting any costs associated with this type of project. Assessing businesses and building owners for the anticipated $67,914,000 of costs (plus debt service) would totally cripple business and building owners as well as residents located within this district. These entities would not be able to carry the cash flow burden and still keep a viable business or real estate. It is necessary for the TIF district to help offset these costs and provide economic stimuli for redevelopment.

The project plan for TIF District No. 3 shows that projected taxable private improvements in the district during the life of the district, in combination with other sources of revenues, are sufficient to pay for the cost of the public improvements. Tables 4 and 5 of the project plan illustrate the flow of revenues and expenditures in the district. The tables demonstrate that sufficient tax are anticipated to be generated to amortize the cost of improvements by the year 2014.

The City will review the financial status of the TIF prior to expending any funds. Projects may be altered or postponed, dependent upon the availability of financing.

C. Amendment of TID #3 will encourage the continued orderly growth of the downtown and west of the Beltline area by completing the construction of public infrastructure improvements relating to traffic circulation, streetscape, wayfinding and parking. In addition, redevelopment and new development funding will provide a source of funding that can assist in development activities through land assemblage, relocation, parking, financing options and similar redevelopment activities.

City residents as well as residents in the overlying taxing jurisdictions will all benefit from the improvements proposed to be completed within TID #3. All of the improvements will be available and/or used by all persons visiting businesses and public spaces within the TIF district and abutting properties. Increased use of the downtown will also benefit not only the City but the overlying taxing jurisdictions with increased spending, needs for hospitality and other retail services which will, in turn, create jobs for regional residents to capture. Increased revenues, in addition to taxes, will contribute to sound economic growth in the region and will benefit the entire region. It is the City's position that all of these benefits outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

RESOLUTION APPROVING CITY COUNCIL RESOLUTIONS
AMENDING TIF DISTRICT NO. 3
PROJECT PLAN

CITY OF MIDDLETON, WISCONSIN

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the project plan for TIF District No. 3, Amendment No. 3, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, Amendment No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the project plan for Tax Incremental District No. 3, Amendment No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

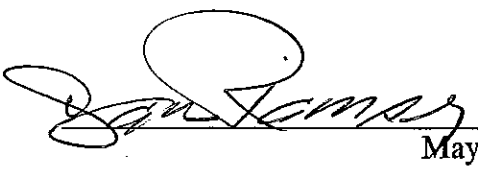
1. The development expected in TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;

2. The economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 16th day of April, 2002.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT No. 3
CITY OF MIDDLETON, WISCONSIN



Mayor Dan Ramsey, Chair

City of Middleton
TID No. 3, Amendment No. 3

Joint Review Board Meeting

April 16, 2002

6:00 p.m.

Mayor Dan Ramsey, City Representative
Connie Threinen, County Representative
Brian E. Jorgensen, MATC Representative
Dorothy Shannon, Member-at-large
Eileen Kelley, City Planner
Connie White, Middleton Plan Commission

Absent: Janet Kane, Middleton-Cross Plains School District Representative

1. City representative Dan Ramsey called the meeting to order at 6:05 p.m.

2. The Joint Review Board members discussed the amendment no. 3 project plan information and projections, as well as the decision criteria. The review board members wanted to make sure that the wording was correct, and city staff will check with Vandewalle & Associates.

3. Moved by Brian Jorgensen, seconded by Connie Threinen, to approve the Resolution approving the Common Council Resolution amending the TIF District No. 3 Project Plan, and findings as specified in the resolution. Motion carried 4-0.

4. The meeting adjourned at 6:45 p.m.

EILEEN KELLEY

Manchester Place
2 East Mifflin Street, Suite 800
Madison, Wisconsin 53703-4217

Mailing Address:
P.O. Box 2038
Madison, Wisconsin 53701-2038

Telephone (608) 257-7181
www.murphydesmond.com

Lawrence E. Boehler
Direct Line (608) 268-5601
Facsimile (608) 257-4333
lboehler@murphydesmond.com

Murphy&Desmond S.C.
LAWYERS

26 April 2002

Hon. Dan A. Ramsey
Mayor, City of Middleton
7426 Hubbard Avenue
Middleton, WI 53562

Re: City of Middleton Tax Increment District No. 3
Project Plan Amendment No. 3

Dear Mayor Ramsey:

As requested, we have acted as counsel to the City of Middleton, a Wisconsin municipal corporation, in connection with the adoption of Amendment No. 3 to the Middleton Tax Increment District No. 3, a Wisconsin Tax Increment District created in 1991 pursuant to Wis. Stats. 1991 § 66.46.

In our capacity as counsel to the City of Middleton, we have examined originals (or copies identified to our satisfaction as identical to the originals) of the following documents:

1. Amendment No. 3 to Project Plan for Tax Increment District No. 3, as dated March 19, 2002;

2. Notice of Public Hearing relating to adoption of the said Amendment No. 3;

3. Minutes of Middleton Plan Commission dated March 12, 2002 related to said public hearing;

4. Resolution No. 2002-9 of the Middleton Common Council relating to approval of the said Amendment No. 3;

5. Notices to Chief Executive Officers or administrators of all local governmental entities having power to levy taxes on property within the said Tax Increment District No. 3;

6. Minutes of meetings of Joint Review Board relating to the said Amendment No. 3;

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7. Decision of Joint Review Board on the said Amendment No. 3 dated April 16, 2002.

Based upon the foregoing, and pursuant to Wis. Stats. 1990-2000 § 66.1105(4)(f), it is our opinion that the Project Plan for Tax Increment District No. 3, as revised by Amendment No. 3 to said Project Plan, is complete and complies with Wis. Stats. 1999-2000 § 66.1105(4)(f).

We render no opinion with regard to accuracy, validity or sufficiency of any statements and/or findings contained in the said Amendment No. 3, since these were prepared by City staff and consultants rather than by our office.

Very truly yours,

Lawrence E. Bechler

LEB:kka
200738
Ramsey ltr

CITY OF MIDDLETON

TAX INCREMENT FINANCING DISTRICT No. 3 Amendment No. 4

City Council Action

September 19, 2006

Prepared by:

Vandewalle & Associates
Madison, Wisconsin

I. INTRODUCTION

The City of Middleton is proposing a boundary amendment to the current boundary for Tax Increment District #3 (TID #3). This proposed amendment is the second boundary amendment that the City will undertake.

The current State legislation allows a municipality the ability to amend a boundary up to four times within the life of the TID. TID #3 was created in 1991 and the boundary was amended for the first time in 1999.

The purpose of this boundary amendment is to subtract property from the TID. The TID has a current equalized value of $540,652,800 as of January 1, 2006. The City of Middleton has an equalized value of $2,494,697,200 as of the same date. The amount of increment within the current TID #3 boundary represents 19.05% of the total equalized value of the City. Current legislation allows only 12% of the total equalized value of the community to be contained within existing or proposed TIDs. Consequently, the City of Middleton cannot consider any boundary amendments (other than pure subtractions) and/or new TIDs until the value within TID #3 is brought below 12%.

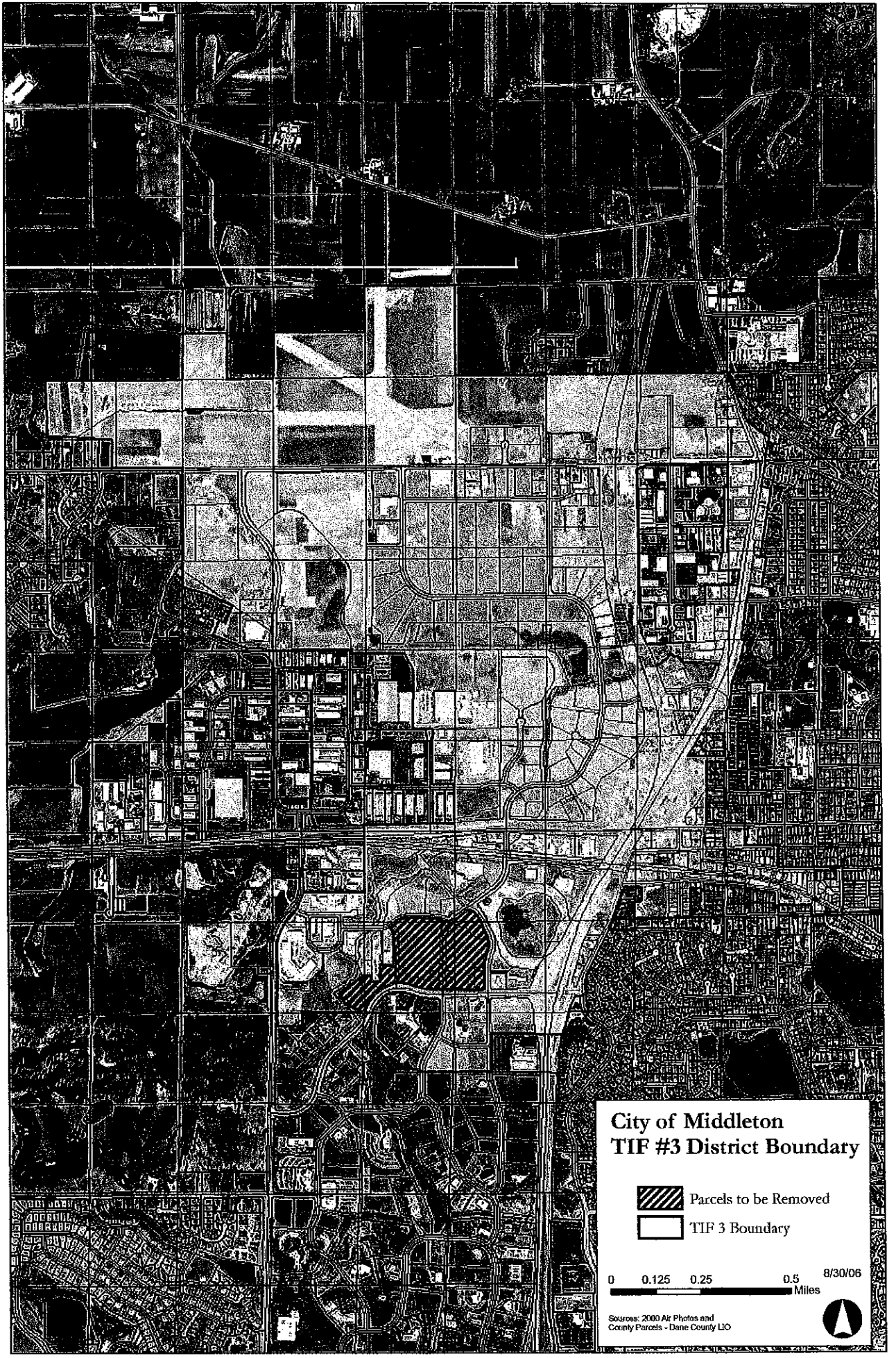
The level of success of TID #3 was not originally anticipated to the extent it has attained when the TID was formed in 1993. The City feels that the overlying taxing jurisdictions should benefit from this unprecedented increment generation. Therefore, this boundary amendment is being proposed strictly to take approximately $137,000,000 of value out of TID #3 and put it back onto the general tax rolls effective tax collection in 2008.

Amended Map #1 reflects the properties proposed to be subtracted from the district. Table A identifies the actual properties that will be taken out by parcel number and equalized value of land and improvements.

The City has conducted a public hearing in front of the Plan Commission and has received a recommendation to adopt the boundary amendment. After the City Council has adopted a boundary amendment resolution, the Joint Review Board will review the information it receives from the City and determine if statutory requirements are met. The Department of Revenue will then receive a copy of the boundary amendment and appropriate reports from the Clerk and Assessor and recertify the base reflecting the subtraction of these properties.

CITY OF MIDDLETON
TID No. 3, Amendment No. 4
Boundary Adjustment

Parcel #	Property ID	Address	Total Assessment
104-7690-2	Aspen Commons	1600 Aspen Commons	$44,607,606
104-7669-2	Raven Building	8476-96 Greenway Blvd.	$10,815,882
104-7522-2	Macaroni Grill	1611 Deming Way	$3,278,000
104-7585-2	TGI Fridays	1610 Deming Way	$2,232,353
104-7564-2	Hilton Gardens	1801 Deming Way	$10,235,041
104-6142-2	McDonalds	8308 Greenway Blvd.	$1,175,600
104-7606-2	West Prt of Greenway Ctr	1600-50 Deming Way	$33,581,151
104-7543-2	East Prt of Greenway Ctr	1601-1753 Deming Way	$30,536,606
TOTAL ASSESSED VALUATION SUBJECT TO SUBTRACTION			$136,462,239


City of Middleton
TIF #3 District Boundary
Parcels to be Removed
TIF 3 Boundary
0 0.125 0.25 0.5
Miles
8/30/06
Sources: 2000 Air Photos and
County Parcels - Dane County LIO

DEPARTMENT OF PUBLIC WORKS
(608) 827-1070
FAX (608) 827-1080

July 28, 2006

Bill Reis, Superintendent
Middleton-Cross Plains School District
7106 South Ave.
Middleton, WI 53562

Re: TIF No. 3, Amendment No. 4, City of Middleton, Wisconsin

Dear Mr. Reis:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3) for the purpose of amending the existing boundary by subtracting taxable parcels from the district which will cause these values to be placed on the general tax roll for all taxing jurisdictions to benefit from. The effective date of the tax disbursement will be in 2008. Section 66.1105, Wis. Stats., requires that the City notify all of the affected taxing jurisdictions of the proposed boundary amendment. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed boundary amendment will be considered.

The public hearing is scheduled for Tuesday, August 29, 2006 beginning at 7:00 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 6:30 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:30 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TIF district boundary. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON • 7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

Printed on recycled paper

DEPARTMENT OF PUBLIC WORKS
(608) 827-1070
FAX (608) 827-1080

July 28, 2006

Dr. Bettsey Barhorst
President, MATC
3550 Anderson St.
Madison, WI 53704

Re: TIF No. 3, Amendment No. 4, City of Middleton, Wisconsin

Dear Ms. Barhorst:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3) for the purpose of amending the existing boundary by subtracting taxable parcels from the district which will cause these values to be placed on the general tax roll for all taxing jurisdictions to benefit from. The effective date of the tax disbursement will be in 2008. Section 66.1105, Wis. Stats., requires that the City notify all of the affected taxing jurisdictions of the proposed boundary amendment. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed boundary amendment will be considered.

The public hearing is scheduled for Tuesday, August 29, 2006 beginning at 7:00 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 6:30 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:30 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TIF district boundary. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON • 7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

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DEPARTMENT OF PUBLIC WORKS
(608) 827-1070
FAX (608) 827-1080

July 28, 2006

Ms. Kathleen Falk
Dane County Executive
210 Martin Luther King Jr. Blvd.
City-County Building, Rm 421
Madison, WI 53703

Re: TIF No. 3, Amendment No. 4, City of Middleton, Wisconsin

Dear Ms. Falk:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3) for the purpose of amending the existing boundary by subtracting taxable parcels from the district which will cause these values to be placed on the general tax roll for all taxing jurisdictions to benefit from. The effective date of the tax disbursement will be in 2008. Section 66.1105, Wis. Stats., requires that the City notify all of the affected taxing jurisdictions of the proposed boundary amendment. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed boundary amendment will be considered.

The public hearing is scheduled for Tuesday, August 29, 2006 beginning at 7:00 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 6:30 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:30 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TIF district boundary. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON • 7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

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DEPARTMENT OF PUBLIC WORKS
(608) 827-1070
FAX (608) 827-1080

July 28, 2006

Mayor Doug Zwank
City of Middleton
7426 Hubbard Ave.
Middleton, WI 53562

Re: TIF No. 3, Amendment No. 4, City of Middleton, Wisconsin

Dear Mayor Zwank:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3) for the purpose of amending the existing boundary by subtracting taxable parcels from the district which will cause these values to be placed on the general tax roll for all taxing jurisdictions to benefit from. The effective date of the tax disbursement will be in 2008. Section 66.1105, Wis. Stats., requires that the City notify all of the affected taxing jurisdictions of the proposed boundary amendment. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed boundary amendment will be considered.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON • 7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

Printed on recycled paper

Publish in newspaper
Publish on August 10 & 17, 2006

PUBLIC NOTICE

CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the City of Middleton Plan Commission to be held on or about 7:00 p.m., Tuesday, August 29, 2006, at City Hall, City of Middleton, a Public Hearing will be held on the proposed boundary amendment for the City of Middleton Tax Increment District #3. A copy of the proposed boundary amendment is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amended project plans.

Michael Davis

City Administrator

CITY OF MIDDLETON

TIF DISTRICT NO. 3, AMENDMENT NO. 4

JOINT REVIEW BOARD

Tuesday, August 29, 2006

6:30 P.M.

City Hall

1. Call to order
2. Election of Chairperson
3. Election of Fifth Member-at-large
4. Distribution and initial explanation of TIF District No. 3, Amendment No. 4
5. Other items as allowed by law
6. Set next meeting
7. Adjourn

Notice is hereby given that a majority of the members of the Common Council may attend this meeting to gather information about a subject over which the Common Council has a decision-making responsibility. If a quorum of the Common Council attends this meeting, no action will be taken by the Common Council at this meeting.

Any person who has a qualifying disability as defined by the American With Disabilities Act that requires the meeting or materials at the meeting to be in an accessible location or format must contact the City Administrator at (608)827-1050, 7426 Hubbard Ave., Middleton, WI at least 24 hours prior to the commencement of the meeting so that any necessary arrangements can be made to accommodate each request.

For more information, contact: *Eileen Kelley, City Planner & Zoning Administrator*
Phone: 827-1070 Fax: 827-1080 E-mail: ekelley@ci.middleton.wi.us

CITY OF MIDDLETON
1856

(608) 827-1070
FAX (608) 827-1080

7426 HUBBARD AVENUE • MIDDLETON, WISCONSIN 53562

July 28, 2006

Middleton Times-Tribune
ATTN: Diane

Re: **Legal Notice for City of Middleton**

Dear Diane:

Attached please find the legal notice that should be published on **both Thursdays**, August 10 & 17, 2006. After publication, please send a proof of publication directly to my office at the stated address. The proof of publication should contain information detailing the dates of publication and a copy of the actual notice. Also bill us at the same address.

If you have any questions or need additional information, please do not hesitate to contact my office.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Attachment

emailed
7-28-06

Printed on recycled paper

City/Mid

STATE OF WISCONSIN

Judy Bergum

being duly sworn, doth depose and say that he/she is an authorized representative of the

NEWS-SICKLE-ARROW
~~SAUK PRAIRIE STAR~~
MIDDLETON TIMES-TRIBUNE
MOUNT HOREB MAIL
POST MESSENGER

a weekly newspaper published at Middleton WI in Dane County, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

Aug 10, 2006
Aug 17, 2006

PUBLIC NOTICE
CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the City of Middleton Plan Commission to be held on or about 7:00 p.m., Tuesday, August 29, 2006, at City Hall, City of Middleton, a Public Hearing will be held on the proposed boundary amendment for the City of Middleton Tax Increment District #3. A copy of the proposed boundary amendment is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amended project plans.

Publish: 8-10-06, 8-17-06
WNAXLP

Michael Davis
City Administrator

SIGNED Judy Bergum
DATED 8-17-06

Diane S Baumgartner
Notary Public, State of Wisconsin

My Commission Expires_____

of. Lines_____Weeks Published_____

Printers Fee $_____

Proof of Publication $_____

Total $_____

Received Payment_____

RECEIVED
AUG 31 2006
PUBLIC WORKS DEPT

MINUTES
JOINT REVIEW BOARD, TIF DISTRICT #3
CITY OF MIDDLETON
TUESDAY AUGUST 29, 2006 6:30 P.M.

PRESENT: David Gawenda, Mary Rapp, Tom Engle, Kurt Sonnentag

ALSO PRESENT: Susan Hoeft, Eileen Kelley, Tim Studer, Mike Davis

As the City's representative on the board, Sonnentag called the meeting to order at 6:55 p.m.

Moved by Gawenda, seconded by Rapp, to nominate Sonnentag as the Chairperson of the Joint Review Board, TIF District #3. Motion carried, 4-0.

Moved by Gawenda, seconded by Engle, to appoint Carol Biendsell as the citizen member-at-large for the Joint Review Board. Motion carried, 4-0. At this time Biendsell joined the meeting.

Susan Hoeft, of Vandewalle & Associates, briefly explained the proposed amendment to TIF District #3, and stated that as a consultant to the City, she is reviewing the potential for new areas to be added to the district. Gawenda asked how the City decided what properties should be subtracted. It was noted that the properties proposed to be subtracted are already built on. Gawenda also requested that a cash flow projection be provided for the next meeting. Sonnentag noted that this is the first stage of a two to three stage process for evaluation of TID #3.

It was agreed that the next meeting of the Joint Review Board will be held on Tuesday, October 17 at 3:00 p.m.

City Administrator Mike Davis thanked the joint review board members for agreeing to serve on the board.

Moved by Gawenda, seconded by Rapp, to adjourn the meeting at 7:15 p.m.

Eileen Kelley

MINUTES
SPECIAL MIDDLETON PLAN COMMISSION
TUESDAY AUGUST 29, 2006 7:00 P.M.

PRESENT: Zwank, Wexler, Sonnentag, Grosse, Kruser, White, Zellers
ALSO PRESENT: Kelley

1. **Public Hearing – Proposed Boundary Amendment for Tax Increment District #3**

Chairman Zwank opened the public hearing at 7:18 p.m. and there being no public comment, immediately closed the hearing.

2. **Proposed Boundary Amendment for Tax Increment District #3**

Consultant Susan Hoeft explained the proposed amendment. She reviewed the properties proposed to be subtracted from the district, and noted that although the map presented in the draft plan had two errors, the table listing the properties is accurate.

Ms. Hoeft also reviewed the three aspects of the City's contract with Vandewalle & Associates for assistance with TID #3, including the current proposed boundary amendment, the evaluation of three potential TIF projects, and the evaluation of the potential to subtract and then add additional land elsewhere in the City.

Moved by Wexler, seconded by Sonnentag, to recommend approval of the boundary amendment as presented to the Common Council. Motion carried 7-0.

Eileen Kelley

Eileen Kelley

Note: These minutes were prepared by Eileen Kelley, City Planner & Zoning Administrator. These minutes are based on the notes of the recorder and are subject to change at a subsequent meeting.

RESOLUTION NO. 2006-39

RESOLUTION AMENDING TAX INCREMENT DISTRICT NO. 3 PROJECT PLAN AND BOUNDARIES

WHEREAS, the City of Middleton Plan Commission has prepared and adopted an Amendment to the Project Plan for Tax Increment District No. 3, which subtracts territory from the District in a way that does not remove contiguity from the District; and

WHEREAS, the Plan Commission has held a public hearing on Tuesday, August 29, 2006, on the proposed Project Plan amendment and the proposed boundary amendments thereof; and

WHEREAS, the City of Middleton has notified the Chief Executive Office of the Middleton-Cross Plains School District, the Dane County Board and the Madison Area Technical College, representing the entities having power to levy taxes on property located within TID No. 3 pursuant to Wis. Stats. § 66.1105(4)(a); and

WHEREAS, the City Plan Commission has submitted such Amended Project Plan to the Common Council of the City of Middleton;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Middleton as follows:

1. Amendment No. 4 to Tax Increment District No. 3, including the text and boundary map included therein in the form attached hereto as Exhibit "A" is hereby approved in accordance with Wis. Stats. § 66.1105(4)(h)2.

2. Such Amended Project Plan for Tax Increment District No. 3 remains feasible after subtraction of the properties as set forth in the said Project Plan amendment.

3. The Amended Project Plan for TID No. 3 is in conformity with the Comprehensive Plan of the City of Middleton, as well as other policies and laws of the City of Middleton.

This Resolution shall take effect upon approval by the Joint Review Board pursuant to Wis. Stats. § 66.1105(4m).

This Resolution was duly adopted at a regular meeting of the Common Council of the City of Middleton on the 19 day of September 2006.

CITY OF MIDDLETON

By: _____
Douglas C. Zwank, Mayor

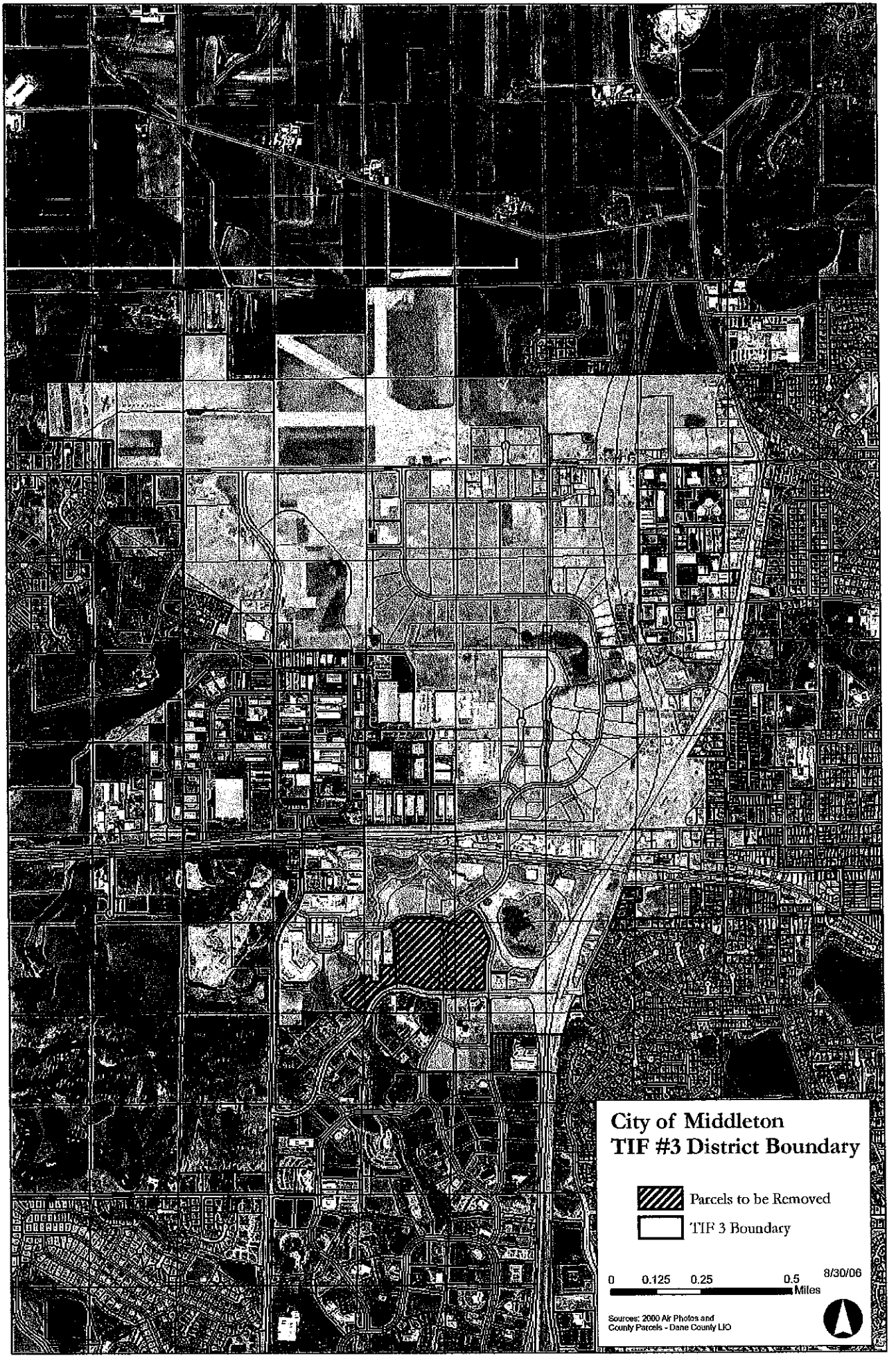
200738-11eb-140906kka
Amend TIF 3 Resolution

ATTEST:

Patricia A. Amble

Patricia A. Amble, Clerk

Ayes: 6
Noes: 0
Adopted: 9/19/06


City of Middleton
TIF #3 District Boundary
Parcels to be Removed
TIF 3 Boundary
0 0.125 0.25 0.5 Miles
8/30/06
Sources: 2000 Air Photos and
County Parcels - Dane County LIO

JOINT REVIEW BOARD

TIF DISTRICT NO. 3
AMENDMENT NO. 4

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents are listed in Section 66.1105(4m)(c)(1), Wis. Stats.

(i) The local legislative body shall provide the joint review board with the following information and projections:

1. The specific items that constitute the project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.

Response:

Activities for TIF District No. 3 have not changed from Amendment No. 3. No project costs were added to Amendment No. 4. Consequently, there is no additional dollar amount of project costs to be paid with the tax increments. The estimated amount of tax increments to be generated over the life of the district remain as presented in Amendment No. 3.

2. The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.

Response:

No change from Amendment No. 3. However, because approximately $137,000,000 of taxable value is coming onto the tax rolls in 2007 with tax collection in 2008, each taxing jurisdiction will benefit from that additional tax base. The individual estimated taxing jurisdiction benefit is itemized in No. 4 below.

3. The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefits by improvements within the tax incremental district.

Response:

No change from Amendment No. 3.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

With the additional $137,000,000 of taxable value returning to the overlying taxing jurisdictions, based on the 2005/payable in 2006 tax levy, each taxing jurisdiction will benefit to this approximate ANNUAL amount, subject to the actual levy in 2007, payable in 2008:

State of Wisconsin	1.1%	$ 28,862
Dane County	14.72%	386,220
Middleton/CP School District	48.11%	1,262,298
Madison Area Technical College	7.41%	194,422
City of Middleton	28.58%	749,875

(Discrepancies may occur due to rounding)

TID #3's statutory-required retirement year is 2020. The overlying taxing jurisdictions are benefiting from this subtraction by collecting tax revenues from 2008 through 2020 or 13 additional years. That tax collection equals the following economic benefit to each overlying taxing jurisdiction (subject to annual appropriations and tax levies):

State of Wisconsin	13 years	$ 375,206
Dane County	13 years	5,020,860
Middleton/CP School District	13 years	16,409,874
Madison Area Technical College	13 years	2,527,486
City of Middleton	13 years	9,748,375

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

In short, each taxing jurisdiction will receive the economic benefit listed in #4 above because of the City's determination to subtract the subject properties out of the TID boundary.

JOINT REVIEW BOARD

TIF DISTRICT NO. 3
AMENDMENT NO. 4

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

A. Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;

B. Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and

C. Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying tax districts.

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 3 on the City of Middleton. The criteria are addressed in turn below.

A. TID #3 is one of the most successful TIDs in the State of Wisconsin's history of tax increment financing. "But for TIF", the development would not have occurred. Because of this success, the City is subtracting territory out that is not needed to recover debt service payments and is returning this taxable property to the overlying taxing jurisdictions for all to share.

B. This clause has no bearing on this amendment.

C. This clause has no bearing on this amendment.

RESOLUTION APPROVING CITY COUNCIL RESOLUTION AMENDING TIF DISTRICT NO. 3 BOUNDARY

CITY OF MIDDLETON, WISCONSIN

WHEREAS, the Joint Review Board for Tax Incremental District No. 3, Amendment No. 4, City of Middleton, Wisconsin, has reviewed the public record, planning documents, and resolution related to the boundary amendment for TIF District No. 3, Amendment No. 4, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board for Tax Incremental District No. 3, Amendment No. 4, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the project plan for Tax Incremental District No. 3, Amendment No. 4, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board approves Resolution 2006-39 adopted by the City Council of the City of Middleton on September 19, 2006, and finds as follows:

1. The development that has occurred in TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;

2. The economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business, personal income, and property value, are insufficient to compensate for the cost of the improvements;

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 17th day of October, 2006.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT No. 3
AMENDMENT No. 4
CITY OF MIDDLETON, WISCONSIN

Kurt Sonnentag, Chair

MURPHY DESMOND S.C.
LAWYERS

Manchester Place
2 East Mifflin Street, Suite 800
Madison, Wisconsin 53703-4217

Mailing Address:
P.O. Box 2038
Madison, Wisconsin 53701-2038

Telephone (608) 257-7181
www.murphydesmond.com

Lawrence E. Bechler
Direct Line (608) 268-5601
Facsimile (608) 257-4333
lbechler@murphydesmond.com

3 November 2006

Hon. Douglas C. Zwank
Mayor, City of Middleton
7426 Hubbard Avenue
Middleton, WI 53562

Re: City of Middleton Tax Increment District No. 3
Project Plan Amendment No. 4

Dear Mayor Zwank:

As requested, we have acted as counsel to the City of Middleton, a Wisconsin municipal corporation, in connection with the adoption of Amendment No. 4 to the Middleton Tax Increment District No. 3, a Wisconsin Tax Increment District created in 1993 pursuant to Wis. Stats. 1991 § 66.46.

In our capacity as counsel to the City of Middleton, we have examined originals (or copies identified to our satisfaction as identical to the originals) of the following documents:

1. Amendment No. 3 to Project Plan for Tax Increment District No. 3, as dated August 29, 2006;

2. Notice of Public Hearing relating to adoption of the said Amendment No. 4;

3. Minutes of Middleton Plan Commission dated August 29, 2006 related to said public hearing;

4. Resolution No. 2006-39 of the Middleton Common Council relating to approval of the said Amendment No. 4;

5. Notices to Chief Executive Officers or administrators of all local governmental entities having power to levy taxes on property within the said Tax Increment District No. 4;

6. Minutes of meetings of Joint Review Board relating to the said Amendment No. 4;

7. Decision of Joint Review Board on the said Amendment No. 4 dated October 17, 2006.

Based upon the foregoing, and pursuant to Wis. Stats. 2003-2004 § 66.1105(4)(f), it is our opinion that the Project Plan for Tax Increment District No. 3, as revised by Amendment No. 4 to said Project Plan, is complete and complies with Wis. Stats. 2003-2004 § 66.1105(4)(f).

We render no opinion with regard to accuracy, validity or sufficiency of any statements and/or findings contained in the said Amendment No. 4, since these were prepared by City staff and consultants rather than by our office.

Very truly yours,



Lawrence E. Bechler

LEB:kka
200738
Zwank TIF ltr

LEGAL DESCRIPTION FOR
TIF III SUBTRACTION

Part of the Southwest ¼ of the Southeast ¼, the Northwest ¼ of the Southeast ¼, the Northeast ¼ of the Southeast ¼, the Southeast ¼ of the Southeast ¼, and the Southeast ¼ of the Southwest ¼, Section 10, T7N, R8E, City of Middleton, Dane County Wisconsin, more particularly described as follows:
Beginning at the South ¼ corner of said Section10;
thence N62°55'02"W, 285.01 feet;
thence N37°38'05"W, 135.80 feet;
thence N04°13'48"E, 59.45 feet;
thence N53°07'09"E, 171.36 feet;
thence N55°21'21"E, 239.49 feet to the southwest corner of CSM 4748;
thence S89°54'03"E, 107.92 feet to the southeast corner of CSM 4748;
thence S00°00'00"W, 81.11 feet;
thence S90°00'00"E, 133.34 feet;
thence N00°00'00"W, 86.33 feet;
thence S90°00'00"E, 14.08 feet;
thence N00°00'00"W, 24.25 feet;
thence N90°00'00"W, 14.08 feet;
thence N00°00'00"W, 160.10 feet;
thence S90°00'00"E, 8.58 feet;
thence N00°00'00"W, 47.83 feet;
thence N90°00'00"W, 8.58 feet;
thence N00°00'00"W, 433.90 feet to the southerly right-of-way of Market St;
thence 28.61 feet along said southerly right-of-way and curve to the left of radius 292.80 feet whose long chord bears N78°15'18"E, 28.60 feet;
thence S00°00'00"E, 517.45 feet;
thence N90°00'00"E, 205.44 feet;
thence N00°00'00"E, 415.20 feet to the beginning of a curve to the left;
thence 166.72 feet along said curve of radius 290.00 feet whose long chord bears N16°28'10"W, 164.43 feet;
thence N32°56'21"W, 24.88 feet to the southerly right-of-way of Market St;
thence N57°03'43"E, 97.71 feet along said southerly right-of-way;
thence 164.98 feet along said southerly right-of-way and curve to the right of radius 287.00 feet whose long chord bears N73°31'54"E, 162.72 feet;
thence N90°00'00"E, 345.26 feet continuing along said right-of-way to to the beginning of a curve to the right;
thence 167.79 feet along said right-of-way and curve of radius 517.00 feet whose long chord bears S80°42'08"E, 167.06 feet to a point of compound curvature at the intersection with the westerly right-of-way of Deming Way;
thence S78°37'17"E, 143.51 feet across Deming Way to the easterly right-of-way of Deming Way;
thence 77.29 feet along said easterly right-of-way and curve to the right of radius 410.00 feet whose long chord bears N48°16'59"E, 77.17 feet;
thence N53°42'14"E, 203.31 feet continuing along said right-of-way to the beginning of a curve to the right;

thence 68.86 feet along said right-of-way and curve of radius 55.00 feet whose long chord bears N89°34'12"E, 64.45 feet to a point of compound curvature at the intersection with John Q Hammons Dr;
thence 200.94 feet along the westerly said right-of-way of John Q Hammons Dr and curve to the right of radius 410.00 feet whose long chord bears S40°31'26"E, 198.93 feet;
thence S19°28'08"E, 100.02 feet continuing along said westerly right-of-way;
thence S25°45'51"E, 78.81 feet continuing along said right-of-way;
thence S23°18'38"E, 52.17 feet continuing along said right-of-way to the beginning of a curve to the left;
thence 17.77 feet along said right-of-way and curve of radius 55.00 feet whose long chord bears S32°34'05"E, 17.70 feet to a point of compound curvature;
thence 22.85 feet continuing along said right-of-way and curve to the right of radius 45.00 feet whose long chord bears S27°16'49"E, 22.60 feet to point of compound curvature;
thence 181.14 feet continuing along said right-of-way and curve to the right of radius 409.38 feet whose long chord bears S00°03'33"E, 179.65 feet;
thence S17°31'19"W, 105.24 feet continuing along said westerly right-of-way;
thence S12°36'58"W, 120.47 feet along said westerly right-of-way;
thence S00°54'03"E, 83.47 feet along said westerly right-of-way;
thence S01°02'50"E, 247.01 feet along said westerly right-of-way to a point of curvature at the intersection with the northerly right-of-way of Greenway Blvd;
thence 42.87 feet along said intersecting right-of-way and curve of radius 30.00 feet whose long chord bears S39°54'06"W, 39.31 feet to the northerly right-of-way of Greenway Blvd;
thence S80°49'01"W, 30.55 feet along said northerly right-of-way;
thence S88°56'49"W, 94.00 feet continuing along said northerly right-of-way;
thence N01°03'11"W, 4.00 feet continuing along said right-of-way;
thence S88°58'22"W, 82.73 feet continuing along said right-of-way;
thence N01°01'38"W, 6.00 feet continuing along said right-of-way;
thence S88°58'22"W, 307.57 feet continuing along said right-of-way;
thence N88°41'45"W, 167.03 feet across the intersecting right-of-way of Deming Way;
thence S88°57'14"W, 77.48 feet continuing along the northerly right-of-way of Greenway Blvd to the beginning of a curve to the right;
thence 135.08 feet along said northerly right-of-way and curve of radius 417.50 feet whose long chord bears N81°46'38"W, 134.50 feet;
thence N72°30'30"W, 159.68 feet continuing along said right-of-way to the beginning of a curve to the left;
thence 316.87 feet along said northerly right-of-way and curve of radius 550.50 feet whose long chord bears N88°59'53"W, 312.51 feet;
thence S15°29'18"E, 16.00 feet continuing along said right-of-way to the beginning of a curve to the left;
thence 458.28 feet along said northerly right-of-way and curve of radius 534.50 feet whose long chord bears S49°56'57"W, 444.37 feet;
thence S25°23'12"W, 130.07 feet continuing along said northerly right-of-way;
thence S89°34'38"W, 2.78 feet to the Point of Beginning.

The described area includes 1,618,429 square feet, being 37.154 acres.

CITY OF MIDDLETON

TAX INCREMENT FINANCING DISTRICT No. 3 Amendment No. 5

Common Council Decision

March 20, 2007

Prepared by:

Vandewalle & Associates
Madison, Wisconsin

AMENDED SECTION I. INTRODUCTION

In September, 1993, the City of Middleton created TID #3. This TID was created under the finding that at least 50% of the property was zoned and suitable for industrial uses as found in then Section 66.46, now Section 66.1105.

Tax Increment Financing law has significantly changed since TID #3's inception in 1993. A municipality may now conduct up to four boundary amendments and subtract property (Amendment #4), not just add property. Project costs that are added or expanded within the TID or amended area still must be extensions of the projects within the original project plan.

Additional changes in the law included the extension of the retirement period (TID #3 was 23 years and is now 27 years) and also the spending period (from 10 to 22 years). One last substantial change, among other minor changes, was the allowance for cash grants to development that the City felt was in the best interest of the community to undertake.

Since 1993, the City has undertaken four amendments; two amendments included boundary changes that either added or subtracted property. In addition, one of the boundary amendments updated and added project costs as well as the remaining two other amendments which updated and added project costs but did not include a boundary amendment.

Amendment No. 5 for TID No. 3 is limited to clarifying the types of financing and disbursement of tax increment revenues that the City intends to implement, subject to adoption of resolutions by the Plan Commission and City Council as well as approval by the Joint Review Board.

This project plan contains this financing identification and enumeration in Amended Section VII. Economic Feasibility Analysis.

AMENDED SECTION VII. ECONOMIC FEASIBILITY ANALYSIS

At the writing of the original project plan, the City had identified projects that it anticipated to undertake but had not yet formulated a specific borrowing strategy. It was the intent of the City to determine, on a yearly basis, the projects that it would undertake and then finalize the type of borrowing that would most strategically accomplish the project implementation in the most economic fashion.

Consequently, in the original project plan, the following paragraph generalized the language as it presented the forms of financing that the City would use on a development-by-development basis:

> Financing for the proposed project will be done primarily as General Obligation Bonds, revenue bonds or loans. The amount of borrowing of the strategy of Financing is yet to be determined. The accounting for TIF District No. 3 will be Done as a separate fund. The City will make its final decision on where and how To borrow funds on a case-by-case basis and with the advice of the City's Financial consultant

Since the writing of this language, the City has borrowed using different forms of financing: GO bonds, revenue bonds and State trust funds, to name a few. Since 1993, other forms of financing have become available and the City is currently negotiating with developers to use a newer form of financing, once of which is called as "reverse tax increment financing" and/or "developer-financed TIF". This form of financing begins with a developer agreement in which both parties make commitments to successfully perform projects or acts that will accomplish the completion of public and private sector improvements. Typically up to this point the City had borrowed funds, either as a GO or revenue bond, and then used tax increment revenues to pay the bond back. The Developer was required to guarantee value or new development increment to generate enough tax increment revenues for the successful repayment of the debt.

AMENDED SECTION VII. ECONOMIC FEASIBILITY ANALYSIS

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Reverse TIF or developer-financed TIF is essentially the same except for two conditions: (1) The Developer actually does the borrowing or bonding (not the City) and completes the project costs typically undertaken by the City; and (2) the tax increment revenues generated by the project are not kept by the City to pay back the borrowing but are transferred, on a yearly basis, to the Developer for repayment of the bond. Once the bond (principal and interest) is paid that is identified in the original development agreement, the annual tax increment revenues cease to flow to the Developer and remain in the City's control until the TID is retired. If the total debt is not paid by the end of the TID statutory-retirement period, it remains the Developer's responsibility to pay the remaining balance, not the City's taxpayer.

This form of financing could be considered less risky for the City as it is the Developer's obligation to fulfill paying off the debt and the City's obligation is to only pay the pre-determined amount from the annual tax increment revenue amount stream that is actually generated by the project and no more. Thus, for sake of consideration, if the City would determine in any of the negotiations that it would pledge less than 100% of the annual tax increment revenue stream to the Developer, then the remaining percentage of non-pledged tax increment revenues could be used for District-wide debt payment or projects. The amount of tax increment revenue to be directed to the Developer will be determined in each individual development agreement.

Another benefit of this form of debt is that it does not count against the City's debt capacity limit. However, the debt is project specific and so the City must make sure that the remainder of the TID and its past, present and future debt does not rely on any of the tax increment revenue stream that flows from the developer-financed TIF portion of the district

in completing the City's obligation(s) for the benefit of the TID until the commitment to the Developer is fulfilled and/or the District is retired, whichever comes first.

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OFFICE OF THE CITY ADMINISTRATOR

CITY OF MIDDLETON
7426 HUBBARD AVENUE
MIDDLETON, WI 53562-3118

PH 608.827.1058 FAX 608.827.1057
E-MAIL: mdavis@ci.middleton.wi.us
WEB: www.ci.middleton.wi.us

February 5, 2007

Ms. Kathleen Falk
Dane County Executive
210 Martin Luther King Jr. Blvd.
City-County Building, Rm 421
Madison, WI 53703

Re: TIF No. 3, Amendment No. 5, City of Middleton, Wisconsin

Dear Kathleen:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3) for the purpose of identifying different borrowing and/or funding mechanisms to implement the projects within TID #3 as stated in the original TID #3 and subsequent amendments. Section 66.1105, Wis. Stats., requires that the City notify all of the affected taxing jurisdictions of the proposed project plan amendment. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed project plan amendment will be considered.

The public hearing is scheduled for Tuesday, February 27, 2007 beginning at 7:00 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 6:30 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:30 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TIF district boundary. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

OFFICE OF THE CITY ADMINISTRATOR

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WEB: www.ci.middleton.wi.us

February 5, 2007

Dr. Bettsey Barhorst
President, MATC
3550 Anderson St.
Madison, WI 53704

Re: TIF No. 3, Amendment No. 5, City of Middleton, Wisconsin

Dear Dr. Barhorst:

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3) for the purpose of identifying different borrowing and/or funding mechanisms to implement the projects within TID #3 as stated in the original TID #3 and subsequent amendments. Section 66.1105, Wis. Stats., requires that the City notify all of the affected taxing jurisdictions of the proposed project plan amendment. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed project plan amendment will be considered.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

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February 5, 2007

Bill Reis, Superintendent
Middleton-Cross Plains School District
7106 South Avenue
Middleton, WI 53562

Re: TIF No. 3, Amendment No. 5, City of Middleton, Wisconsin

Dear Bill,

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3) for the specific purpose of identifying different borrowing and/or funding mechanisms to implement the projects within TID #3 as stated in the original TID #3 and subsequent amendments. Section 66.1105, Wis. Stats., requires that the City notify all of the affected taxing jurisdictions of the proposed project plan amendment. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed project plan amendment will be considered.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

OFFICE OF THE CITY ADMINISTRATOR

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WEB: www.ci.middleton.wi.us

February 5, 2007

Mayor Doug Zwank
City of Middleton
7426 Hubbard Ave.
Middleton, WI 53562

Re: TIF No. 3, Amendment No. 5, City of Middleton, Wisconsin

Dear Doug,

The City of Middleton is proposing to amend Tax Increment Financing District No. 3 (TID #3) for the purpose of identifying different borrowing and/or funding mechanisms to implement the projects within TID #3 as stated in the original TID #3 and subsequent amendments. Section 66.1105, Wis. Stats., requires that the City notify all of the affected taxing jurisdictions of the proposed project plan amendment. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed project plan amendment will be considered.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Michael Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

Publish in newspaper
Publish on February 8 & 15, 2007

PUBLIC NOTICE

CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the City of Middleton Plan Commission to be held on or about 7:00 p.m., Tuesday, February 27, 2007, at City Hall, 7426 Hubbard Ave., City of Middleton, a Public Hearing will be held on the proposed project plan amendment for the City of Middleton Tax Increment District #3. The purpose of the proposed project plan amendment is to authorize the City to utilize newly created tax increment generated from specific projects to reimburse developers for project costs that would otherwise have been borne by the City rather than applying all tax increment solely to paying City-incurred project costs. A copy of the proposed project plan amendment is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amended project plans.

Michael Davis

City Administrator

CITY OF MIDDLETON

TIF DISTRICT NO. 3, AMENDMENT NO. 5

JOINT REVIEW BOARD

Tuesday, February 27, 2007

6:30 P.M.

City Hall

1. Call to order
2. Election of Chairperson
3. Election of Fifth Member-at-large
4. Distribution and initial explanation of TIF District No. 3, Amendment No. 5
5. Other items as allowed by law
6. Set next meeting
7. Adjourn

STATE OF WISCONSIN

Louise Ellis

being duly sworn, doth depose and ay that he/she is an authorized representative of the:

NEWS-SICKLE-ARROW

~~**SAUK-PRAIRIE STAR**~~

MIDDLETON TIMES-TRIBUNE

MOUNT HOREB MAIL

POST MESSENGER

a weekly newspaper published at Middleton WI in Dane County, and that an advertisement of which the annexed is a true Photo copy, taken from said paper, was published therein on

Feb. 8, 2007
Feb. 15, 2007

PUBLIC NOTICE
CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

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At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amended project plans.

Publish: 2-8-07; 2-15-07 **WNAXLP** Michael Davis, City Administrator

SIGNED Louise Ellis

DATED 4-10-07

Diane L Baumgartner
Notary Public, State of Wisconsin

My Commission Expires 10/3/10

of. Lines _____ # of Weeks Published _____

Printers Fee $_____

Proof of Publication $_____

Total $_____

-or-

See monthly invoice for cost ✓

Received Payment _____

MINUTES
JOINT REVIEW BOARD
TIF DISTRICT #3, AMENDMENT #5
CITY OF MIDDLETON
TUESDAY FEBRUARY 27, 2007 6:30 P.M.

PRESENT: David Gawenda, Mary Rapp, Tom Engle, Kurt Sonnentag, Carol Biendsell at 6:37 p.m.

ALSO PRESENT: Mike Davis, Eileen Kelley

As the City's representative on the board, Sonnentag called the meeting to order at 6:35 p.m.

Moved by Gawenda, seconded by Engle, to nominate Sonnentag as the Chairperson of the Joint Review Board, TIF District #3, Amendment #5. Motion carried, 4-0.

Moved by Gawenda, seconded by Engle, to appoint Carol Biendsell as the citizen member-at-large for the Joint Review Board. Motion carried, 4-0. At this time Biendsell joined the meeting.

City Administrator Mike Davis briefly explained the proposed Amendment #5 to TIF District #3. The purpose of the proposed amendment is to clarify the types of financing and disbursement of tax increment revenues. Gawenda requested that a report be provided at the next meeting, regarding the cost of borrowing for developer-financed TIF projects and the cost to the district.

It was agreed that the next meeting of the Joint Review Board will be held on Thursday, April 12 at 6:30 p.m.

Moved by Biendsell, seconded by Engle, to adjourn the meeting at 6:52 p.m. Motion carried.

Eileen Kelley

Note: These minutes were prepared by Eileen Kelley, City Planner & Zoning Administrator. These minutes are based on the notes of the recorder and are subject to change at a subsequent meeting.

MINUTES
MIDDLETON PLAN COMMISSION
TUESDAY FEBRUARY 27, 2007 7:00 P.M.

PRESENT: Zwank, Wexler, Grosse, Kruser, Sonnentag, White
ABSENT: Zellers
ALSO PRESENT: Davis, Kelley

1. **Minutes of 2-13-07**

Moved by Wexler, seconded by Sonnentag, to approve the minutes of 2-13-07. Motion carried 6-0.

2. **Tax Increment District #3 – Proposed Project Plan Amendment #5**

Chairman Zwank opened the public hearing at 7:03 p.m.

Van Nutt, Executive Director of the Middleton Chamber of Commerce, spoke in favor of the proposed project plan amendment.

Chairman Zwank closed the public hearing at 7:04 p.m.

Moved by Wexler, seconded by Sonnentag, to recommend approval of the proposed project plan amendment #5 for TIF District #3. Motion carried 5-1, with Grosse opposed.

3. **Request for Sign Variance – Wolff Kubly Hardware, 6305 University Ave.**

Chairman Zwank opened the public hearing at 7:10 p.m.

Van Nutt expressed support for the sign variance request.

Chairman Zwank closed the public hearing at 7:11 p.m.

Grosse stated that because this is a product sign, not a business sign, he cannot support the request.

Moved by Wexler, seconded by Sonnentag, to grant the sign variance request as submitted. Motion carried 5-1, with Grosse opposed.

4. **Concept Review – UW Medical Foundation, 7974 Discovery Ct.**

Following a presentation by the applicant, Plan Commission members discussed the project.

Moved by Wexler, seconded by Sonnentag, to grant concept approval for the building materials, colors, elevations, and footprint, and to the parking layout and landscaping plan, with the suggestion to determine the credit to be given to plantings in the bioswales, and to support allowing the applicant to begin driving pilings following the completion of the gravel course for Discovery Ct. Motion carried 6-0.

RESOLUTION NO. 2007- 12

RESOLUTION AMENDING TAX INCREMENT DISTRICT NO. 3 PROJECT PLAN

WHEREAS, the City of Middleton Plan Commission has prepared and adopted an Amendment to the Project Plan for Tax Increment District No. 3; and

WHEREAS, since the creation of Tax Increment District No. 3 in 1993, the tax increment financing law has changed to permit additional financing methods; and

WHEREAS, the City of Middleton has been approached by several developers wishing to utilize a method of financing whereby the City does not actually expend project costs on new development, but directs certain amounts of increment from new development within specified properties to developers to retire project costs for public improvements that would otherwise have been borne by the City of Middleton; and

WHEREAS, the Plan Commission has held a public hearing on February 27, 2007, on the proposed Project Plan amendment; and

WHEREAS, the City of Middleton has notified the Chief Executive Office of the Middleton-Cross Plains School District, the Dane County Board and the Madison Area Technical College, representing the entities having power to levy taxes on property located within TID No. 3 pursuant to Wis. Stats. § 66.1105(4)(a); and

WHEREAS, the City Plan Commission has submitted such Amended Project Plan to the Common Council of the City of Middleton;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Middleton as follows:

1. Amendment No. 5 to Tax Increment District No. 3, including the text included therein in the form attached hereto as Exhibit "A" is hereby approved in accordance with Wis. Stats. § 66.1105(4)(h)2.

2. Amendment No. 5 to Tax Increment District No. 3 does not add or subtract territory from Tax Increment District No. 3, nor include additional project costs but, rather, allocates increment that would not otherwise come into existence in accordance with the terms of Amendment No. 5 to Tax Increment District No. 3.

3. The improvement of the area through the projects identified in Amendment No. 5 to Tax Increment District No. 3 is likely to enhance significantly the value of substantially all of the other real property in the District.

4. Such Amended Project Plan for Tax Increment District No. 3 remains feasible after adopting of Amendment No. 5 to Tax Increment District No. 3.

5. The Amended Project Plan for TID No. 3 is in conformity with the Comprehensive Plan of the City of Middleton, as well as other policies and laws of the City of Middleton.

This Resolution shall take effect upon approval by the Joint Review Board pursuant to Wis. Stats. § 66.1105(4m).

This Resolution was duly adopted at a regular meeting of the Common Council of the City of Middleton on the 20 day of March, 2007.

CITY OF MIDDLETON

By: _____
Douglas C. Zwank, Mayor

ATTEST:

_____
Patricia A. Amble, Clerk

Ayes: 8
Noes: 0
Adopted: 3/20/07

JOINT REVIEW BOARD

TIF DISTRICT NO. 3
AMENDMENT NO. 5

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents are listed in Section 66.1105(4m)(c)(1), Wis. Stats.

(i) The local legislative body shall provide the joint review board with the following information and projections:

1. The specific items that constitute the project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increment to be generated over the life of the tax incremental district.

Response:

No change has been made to add or subtract any project costs from the last applicable amendment (Amendment #3).

2. The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.

Response:

With the proposed language change in Amendment #5, TID #3 will retire within the statutory required time frame or by 2020. The City may enter into development agreements in which a developer is paying costs that would otherwise be City-financed project costs that will pledge only applicable TID revenues from newly-established specific development projects and only until the developer-financed debt is paid or 2020, whichever occurs earlier. Upon retirement of the City-incurred debt for project costs paid by the City (which is anticipated to be paid by years 2013-2014 unless estimated development increment is not generated to retire the debt), at that time it is anticipated that the current configuration of TID #3 will change and the district will be decreased in size to those parcels which still have outstanding developer-financed obligations and any other parcels that may be required to ensure boundary contiguity.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefit by improvements within the tax incremental district.*

Response:

With the proposed language in Amendment #5, the owners of property that execute development agreements with the City will be responsible for all debt incurred to develop the property. The proposed language allows the City to pledge annual tax increment revenues (to be determined on a project-by-project basis) to the specific project(s) that meets all of the criteria required by Section 66.1105, Wis. Stats. as well as meeting the City's goals and criteria (job creation, tax increment creation, blight elimination, etc.) slated for TID #3 and the City as a whole. Consequently, the "but for" test must be met in order for the City to pledge any tax increment revenues. The proposed language minimizes the direct risk to the City by allowing developer-financing in the TID.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The January 1, 2006 total equalized value of TID #3 was $540,652,800 with the increment valued at $475,291,600. Approximately $137,000,000 of base and increment has been subtracted from the district bringing an anticipated estimated total value of the district (including estimated new increment developed in 2006 of approximately $22,000,000) to a 1/1/07 estimated total equalized value of $425,000,000. At the writing of this amendment and upon payment of all current outstanding debt, the City anticipates subtracting most property out of the current TID boundary and leaving only those properties that have developer-financing and/or needed for contiguity left within TID #3.

The two proposed developer-financed projects are estimated to be valued together at approximately $85,000,000 over the next 7-9 years if all projects are completed as currently presented to the City. The potential tax revenues generated from the estimated total value of the projects could equal $11,750,000 by the end of the TID. Development plans for other properties that will be contained within the amended boundary that are required for contiguity are yet to be determined by the property owners, consequently development forecasting is not possible at this time.

Regardless of the type of financing for these two projects, either as project costs incurred and paid for by the City or as project costs incurred and paid for by a developer, the share of project tax increments estimated to be paid by the

owners of taxable property in each of the taxing jurisdictions overlying the developer-financed and/or contiguous properties could be estimated as follows:

State of Wisconsin	1%	$ 117,500
Dane County	14.76%	1,734,300
Middleton School District	47.46%	5,576,550
Madison Area Technical College	7.39%	868,325
City of Middleton	29.32%	3,445,100

(Discrepancies may occur due to rounding)

With the alternative funding mechanism of developer-financing and if all development occurs as predicted and inflation and other contributing economic factors happen as predicted, the life of the TID may be extended for an additional two years which represents approximately $2.75 million of taxes generated by the projects that are needed to pay off the debt in the last two years of the TID. Consequently, the overlying taxing jurisdictions would not collect their proportionate share on this $2.75 million.

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

The reasons remain the same as when the TID was originally created and amended.

JOINT REVIEW BOARD

TIF DISTRICT NO. 3
AMENDMENT NO. 5

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

A. *Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;*

B. *Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and*

C. *Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying tax districts.*

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 3, Amendment No. 5, in the City of Middleton. The criteria are addressed in turn below.

A. TIF District No. 3 was created for multiple purposes which included, but were not limited to the following: job creation (living wage jobs); tax base creation; diversifying the tax base from higher percentages of residential to more commercial and industrial/business, development to the City's standards of under-utilized properties; controlling the aesthetics of the properties along the old USH 12 corridor and the current West Beltline corridor; eliminating blighted conditions which included environmental, stormwater management, floodplain management; completing downtown revitalization projects and business recruitment and enhancing land use patterns and relocating inappropriate land uses to further enhance redevelopment of abutting properties.

While the economic benefits of creating TIF District No. 3 were numerous and will benefit not only the City of Middleton but also the overlying taxing jurisdictions as well, the amount of revenue generated from increased employment and income taxes as well as increases in property values is insufficient to compensate for the project expenditures and debt service associated with borrowing for those project costs. Whether the City or developer borrowed for the project, pledging just the City's portion of the levy would only be able to pay for a

fraction of the project costs due to the constrained time period in which the debt must be paid (2020).C.Amendment of TID #3 will continue to encourage the orderly growth of the west side of the City by providing a stimulus for new development on already-improved business and industrial sites created under the existing TID #3.

RESOLUTION APPROVING CITY COUNCIL RESOLUTION
AMENDING TIF DISTRICT NO. 3 PROJECT PLAN
CITY OF MIDDLETON, WISCONSIN

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the amended project plan for TIF District No. 3, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the amended project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. The development expected in TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;

2. The economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 12th day of April, 2007.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT No. 3
AMENDMENT No. 5
CITY OF MIDDLETON, WISCONSIN

Kurt J Sonnentag

Kurt Sonnentag, Chair

MURPHY DESMOND S.C.
LAWYERS

Manchester Place
2 East Mifflin Street, Suite 800
Madison, Wisconsin 53703-4217

Mailing Address:
P.O. Box 2038
Madison, Wisconsin 53701-2038

Telephone (608) 257-7181
www.murphydesmond.com

Lawrence E. Bechler
Direct Line (608) 268-5601
Facsimile (608) 257-4333
lbechler@murphydesmond.com

20 April 2007

Hon. Kurt Sonnentag
Mayor, City of Middleton
7426 Hubbard Avenue
Middleton, WI 53562

Re: City of Middleton Tax Increment District No. 3
Project Plan Amendment No. 5

Dear Mayor Sonnentag:

As requested, we have acted as counsel to the City of Middleton, a Wisconsin municipal corporation, in connection with the adoption of Amendment No. 5 to the Middleton Tax Increment District No. 3, a Wisconsin Tax Increment District created in 1993 pursuant to Wis. Stats. 1991 § 66.46.

In our capacity as counsel to the City of Middleton, we have examined originals (or copies identified to our satisfaction as identical to the originals) of the following documents:

1. Amendment No. 5 to Project Plan for Tax Increment District No. 3, as dated February 27, 2007;

2. Notice of Public Hearing relating to adoption of the said Amendment No. 5;

3. Minutes of Middleton Plan Commission dated February 27, 2007 related to said public hearing;

4. Resolution No. 2007-12 of the Middleton Common Council relating to approval of the said Amendment No. 5;

5. Notices to Chief Executive Officers or administrators of all local governmental entities having power to levy taxes on property within the said Tax Increment District No. 3;

6. Minutes of meetings of Joint Review Board relating to the said Amendment No. 5;

7. Decision of Joint Review Board on the said Amendment No. 5 dated April 12, 2007.

Based upon the foregoing, and pursuant to Wis. Stats. 2005-2006 § 66.1105(4)(f), it is our opinion that the Project Plan for Tax Increment District No. 3, as revised by Amendment No. 5 to said Project Plan, is complete and complies with Wis. Stats. 2005-2006 § 66.1105(4)(f).

We render no opinion with regard to accuracy, validity or sufficiency of any statements and/or findings contained in the said Amendment No. 5, since these were prepared by City staff and consultants rather than by our office.

Very truly yours,



Lawrence E. Bechler

LEB:kka
200738
Zwank TIF ltr 042007
bcc: Mr. Michael K. Davis, mdavis@ci.middleton.wi.us
Ms. Eileen Kelley, ekelley@ci.middleton.wi.us
Ms. Susan Hoeft, shoeft@vandewalle.com

CITY OF MIDDLETON

TID NO. 3 AMENDMENT NO. 6

City Council Action

August 4, 2009

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SECTION I INTRODUCTION

The City of Middleton is proposing to amend the TID #3 boundary for the third time. This amendment reflects that boundary change as well as the estimated equalized value of property that will be taken out of the district and put back on the general tax rolls.

SECTION III. TAX INCREMENT BOUNDARY AND EQUALIZED VALUES

The first boundary amendment took place in 1996 which added parcels to the northwest portion of the district. In 2006, the City amended the boundary a second with the subtraction of approximately $150,000,000 of value from the district. This subtraction was effective under new legislation passed that allowed the City to amend the district boundaries up to a total of four times and also allow the subtraction of parcels as an eligible activity. Prior to the 2005 legislation, a municipality could only add parcels to an existing TID boundary.

The City deems it advisable to take an additional minimum of $50,000,000 of equalized real estate value and personal property value out of the TID #3 boundary. Current budget constraints require more tax revenues for general City expenditures. Historically, more growth has taken place proportionately within the TID #3 boundaries as compared to within the total City corporate limits. Subtracting an additional $50,000,000 plus of real estate and personal property will help equalize the disproportionate growth between the TID and the remainder of the City.

The following table identifies which parcels are proposed for subtraction. The table includes the current TID #3 map number (please refer to Map 1: Proposed Property Subtraction), the Parcel number, assessed land, improvements and total values, equalized total real estate values, personal property (assessed) and equalized personal property as well as current zoning classification. It also identifies the original 1993 TID parcels and values and calculates an estimated net subtraction based on those values.

The table has used 2009 real estate and personal property assessed valuations. However, the equalization ratios for 2009 will not be available until after August 15, 2009. The project plan will have already been approved by the Council at their August 4, 2009 meeting. Consequently, the total deduction from the district may be slightly modified once the 2009 equalization ratios are made available to the City. The lack of the most current information is reflected in the table showing an estimated equalized value of $51,086,265 taken out of the district. This value ($51,086,265) minus the base value when the district was created in 1993 ($177,565) equals a total subtraction of $50,908,700. This "extra" over $900,000 included in case the equalization ratios are lower than the 2008 numbers which would lower the equalized value of the improved properties and lessen the amount of value subtracted from the district.

Additionally, the 2009 equalized value of the City and TID is not available until August 15, 2009. This project plan assumes that the City has no further capacity within the 12% limitation to create additional TIDs or expand the boundary after August 15, 2009 without conducting appraisals and a concurrent subtraction/addition amendment.

Properties 233, 234, 250, 252, 253, 254, 256 and 257 were all part of the original Bruce Company nursery property (parcel #3497505) which totaled over 180 acres and had an original land value of $390,500. The value per acre was $2,169.50 when the TID was created in 1993. The total amount of acreage within these 8 parcels is 38.6101. If multiplied by the original base value per acre of $2,169.50, the total base value of these parcels is $83,765. The total valuation for these parcels is $42,852,475 or 512 times the original value for the same acreage.

Parcel #15 on the map, the Lexus dealership, had an original base value of $93,800. Its current equalized value, with personal property, is $8,233,790 which reflects the original base value increasing 88 times.

The City has one more boundary amendment remaining. Developer agreements for two properties within TID #3 run until the end of the statutory retirement period for the district, or 2020. The City will need to carefully monitor future needs of the TID in reference to finalizing projects and completing those projects by 2015 as well as future needs of the City in its budgetary process. These factors will determine whether or not the City uses the final boundary amendment prior to retirement of the district.

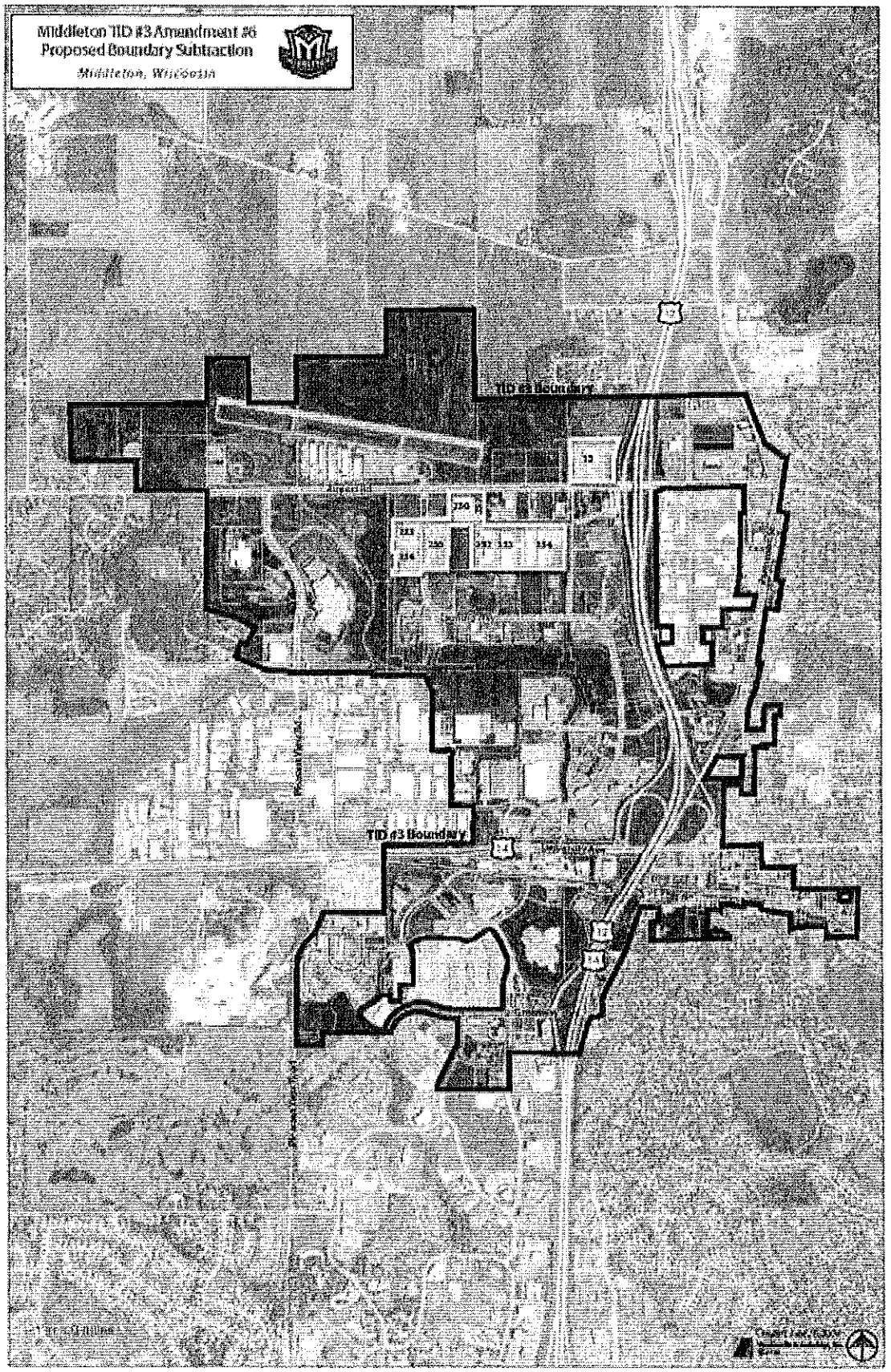
No other sections of the original project plan or any subsequent amendments have been amended in this amended project plan.

MIDDLETON TID #3 AMENDMENT #6
PARCEL SUBTRACTION 2009

TID #3 AMENDMENT #6 SUBTRACTION 2009					2009 ESTIMATED EQUALIZED VALUES											
TID #3 CUR MAP #	CURRENT PARCEL #	ASSESSED LAND (1/1/09)	ASSESSED IMPR/M (1/1/09)	ASSESSED TOTAL (1/1/09)	EQUAL LAND (1/1/09)*	EQUAL IMPR/ (1/1/09)*	EQUALIZED TOTAL (1/1/09)*	ASSESSED PERSONAL PROPERTY (1/1/09)	EQUAL PERSONAL PROPERTY (1/1/09)*	ORIG TID #3 BASE MAP #	ORIGINAL PARCEL #	ORIGINAL BASE VALUE	AC	ORIG. VALUE PER LOT	NET $UBTRAC	CUR CLASS
233	3454757	$6,509,600	$3,295,600	$9,805,200	$6,726,249	$3,855,856	$9,582,105	$0	$0	1	3497505	2,169.50	3.1729	$6,884	$9,575,221	Com
234	3454202	$0	$0	$0	$0	$0	$0	$0	$0	1	3497505	2,169.50	3.9503	$8,571	-$8,571	Com
250	3446131	$1,105,300	$7,021,900	$8,127,200	$972,291	$8,215,631	$9,187,922	$558,800	$592,703	1	3497505	2,169.50	5.2641	$11,420	$9,176,501	Com
252	3445114	$1,077,600	$3,395,400	$4,473,000	$947,824	$3,972,622	$4,920,546	$188,500	$199,936	1	3497505	2,169.50	5.2639	$11,424	$4,909,122	Com
255	3444606	$599,500	$2,759,400	$3,358,900	$527,357	$3,228,501	$3,755,859	$360,500	$382,372	1	3497505	2,169.50	5.2668	$11,426	$3,744,432	Com
254	3443852	$2,112,200	$6,713,200	$8,825,400	$1,858,028	$7,854,452	$9,712,474	$93,350	$99,014	1	3497505	2,169.50	10.7793	$23,386	$9,689,089	Com
256	3440619	$784,200	$2,939,000	$3,723,200	$689,831	$3,438,633	$4,128,465		$0	1	3497505	2,169.50	3.4969	$7,587	$4,120,878	Com
257	3440799	$330,900	$0	$330,900	$291,080	$0	$291,080		$0	1	3497505	2,169.50	1.4134	$3,066	$288,014	Com
15	2292002	$3,229,400	$4,539,600	$7,769,000	$2,840,781	$5,311,337	$8,152,118	$77,000	$81,672	62	2295008	$93,800		$93,800	$8,058,318	Com
		$15,748,700	$30,664,100	$46,412,800	$13,833,556	$35,877,033	$49,730,566	$1,278,150	$1,355,696					$177,565	$50,908,700	

Total	$51,086,265
Only Park RE & Lexus	$49,730,566
Personal Prop	$1,355,696
Minus Original Base Values	-$177,565
Total Deduct	$50,908,700

* NOTE: 2008 equalization ratios used in this table until 2009 ratios available.


Middleton TID #3 Amendment #6
Proposed Boundary Subtraction
Middleton, Wisconsin
TID #3 Boundary
TID #3 Boundary

Taxing Jurisdiction Correspondence

OFFICE OF THE CITY ADMINISTRATOR

June 26, 2009

Mayor Kurt Sonnentag
City of Middleton
7426 Hubbard Ave.
Middleton, WI 53562

Re: TID No.4, TID No. 3 Amendment No. 6, City of Middleton, Wisconsin

Dear Kurt:

The Department of Revenue has determined that TID No. 4, as adopted, is not valid. The City of Middleton must repeat the statutory creation process and create TID #5. The boundary has been slightly adjusted from TID #4. No other changes to the project plan have been made to the TID #5 public hearing draft. The purpose of TID #5 is to construct public purpose improvements which will accomplish the goals and objectives of improving stormwater quality management, eliminate blighted conditions, create jobs, diversify tax base, provide work force housing, and promote other economic development activities within the proposed boundaries. The City is also proposing to amend the TID #3 boundary to subtract approximately $50,000,000 of value for placement on the general tax rolls effective 1/1/2010.

Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed tax increment district's boundary and project plan will be considered and TID #3 Amendment #6 boundary change will be presented.

The public hearings are scheduled for Tuesday, July 21, 2009 beginning at 5:30 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 5:00 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 5:00 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of creating the TIF district. We also encourage that representative to attend the Plan Commission public hearings immediately after to hear public input. A copy of the proposed project plan is available on the City of Middleton's web site. We suggest that your representative print it out and review it prior to the July 21 meeting.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Mike Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON
Est. 1856
7426 Hubbard Avenue | Middleton, WI 53562
(608)827-1050 | Fax: (608)827-1057

OFFICE OF THE CITY ADMINISTRATOR

June 26, 2009

Mr. Don Johnson, Superintendent
Middleton-Cross Plains School District
7106 South Avenue
Middleton, WI 53562

Re: TID No.4, TID No. 3 Amendment No. 6, City of Middleton, Wisconsin

Dear Don:

The Department of Revenue has determined that TID No. 4, as adopted, is not valid. The City of Middleton must repeat the statutory creation process and create TID #5. The boundary has been slightly adjusted from TID #4. No other changes to the project plan have been made to the TID #5 public hearing draft. The purpose of TID #5 is to construct public purpose improvements which will accomplish the goals and objectives of improving stormwater quality management, eliminate blighted conditions, create jobs, diversify tax base, provide work force housing, and promote other economic development activities within the proposed boundaries. The City is also proposing to amend the TID #3 boundary to subtract approximately $50,000,000 of value for placement on the general tax rolls effective 1/1/2010.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON
Mike

Mike Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON
Est. 1856
7426 Hubbard Avenue | Middleton, WI 53562
(608)827-1050 | Fax: (608)827-1057

OFFICE OF THE CITY ADMINISTRATOR

June 26, 2009

Mr. David Worzala
Dane County Treasurer
210 Martin Luther King Jr. Blvd.
City-County Bldg., Rm 114
Madison, WI 53703

Re: TID No.4, TID No. 3 Amendment No. 6, City of Middleton, Wisconsin

Dear David:

The Department of Revenue has determined that TID No. 4, as adopted, is not valid. The City of Middleton must repeat the statutory creation process and create TID #5. The boundary has been slightly adjusted from TID #4. No other changes to the project plan have been made to the TID #5 public hearing draft. The purpose of TID #5 is to construct public purpose improvements which will accomplish the goals and objectives of improving stormwater quality management, eliminate blighted conditions, create jobs, diversify tax base, provide work force housing, and promote other economic development activities within the proposed boundaries. The City is also proposing to amend the TID #3 boundary to subtract approximately $50,000,000 of value for placement on the general tax rolls effective 1/1/2010.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON
Mike Davis

Mike Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON
Est. 1856
7426 Hubbard Avenue | Middleton, WI 53562
(608)827-1050 | Fax: (608)827-1057

OFFICE OF THE CITY ADMINISTRATOR

June 26, 2009

Dr. Betty Barhorst, President
MATC
3550 Anderson St.
Madison, WI 53704

Re: TID No.4, TID No. 3 Amendment No. 6, City of Middleton, Wisconsin

Dear Dr. Barhorst:

The Department of Revenue has determined that TID No. 4, as adopted, is not valid. The City of Middleton must repeat the statutory creation process and create TID #5. The boundary has been slightly adjusted from TID #4. No other changes to the project plan have been made to the TID #5 public hearing draft. The purpose of TID #5 is to construct public purpose improvements which will accomplish the goals and objectives of improving stormwater quality management, eliminate blighted conditions, create jobs, diversify tax base, provide work force housing, and promote other economic development activities within the proposed boundaries. The City is also proposing to amend the TID #3 boundary to subtract approximately $50,000,000 of value for placement on the general tax rolls effective 1/1/2010.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON

Mike Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF MIDDLETON
Est. 1856
7426 Hubbard Avenue | Middleton, WI 53562
(608)827-1050 | Fax: (608)827-1057

OFFICE OF THE CITY ADMINISTRATOR

June 26, 2009

Ms. Kathleen Falk
Dane County Executive
210 Martin Luther King Jr. Blvd
City-County Building, Room 421
Madison, WI 53703

Re: TID No. 5, TID No. 3 Amendment No. 6, City of Middleton, Wisconsin

Dear Kathleen:

The Department of Revenue has determined that TID No. 4, as adopted, is not valid. The City of Middleton must repeat the statutory creation process and create TID #5. The boundary has been slightly adjusted from TID #4. No other changes to the project plan have been made to the TID #5 public hearing draft. The purpose of TID #5 is to construct public purpose improvements which will accomplish the goals and objectives of improving stormwater quality management, eliminate blighted conditions, create jobs, diversify tax base, provide work force housing, and promote other economic development activities within the proposed boundaries. The City is also proposing to amend the TID #3 boundary to subtract approximately $50,000,000 of value for placement on the general tax rolls effective 1/1/2010.

Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed tax increment district's boundary and project plan will be considered and TID #3 Amendment #6 boundary change will be presented.

The public hearings are scheduled for Tuesday, July 21, 2009 beginning at 5:30 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 5:00 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 5:00 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of creating the TIF district. We also encourage that representative to attend the Plan Commission public hearings immediately after to hear public input. A copy of the proposed project plan is available on the City of Middleton's web site. We suggest that your representative print it out and review it prior to the July 21 meeting.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF MIDDLETON
Mike Davis

Mike Davis
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

Cc: David Worzala, Dane County Treasurer

CITY OF MIDDLETON
Est. 1856
7426 Hubbard Avenue | Middleton, WI 53562
(608)827-1050 | Fax: (608)827-1057

Publish in newspaper
Publish on July 2 & 9, 2009

PUBLIC NOTICE

CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the City of Middleton Plan Commission to be held on or about 5:30 p.m., Tuesday, July 21, 2009 at City Hall, City of Middleton, a Public Hearing will be held on the boundary for the City of Middleton Tax Increment District #5 (TID #5). At a meeting of the City of Middleton Plan Commission to be held on or about 5:35 p.m., Tuesday, July 21, 2009 at City Hall, City of Middleton, a Public Hearing will be held on the proposed Project Plan for the City of Middleton Tax Increment District #5. The City reserves the right to expend funds as cash grants to potential developers in TID #5.

At a meeting of the City of Middleton Plan Commission to be held on or about 5:45 p.m., Tuesday, July 21, 2009 at City Hall, City of Middleton, a Public Hearing will be held on the boundary amendment for the City of Middleton Tax Increment District #3 (TID #3).

A copy of the proposed amended boundary map for TID No. 3 is available and will be provided upon request at the City Clerk's office at City Hall between the hours of 8:00 am and 4:00 pm, Monday through Friday.

A copy of the proposed boundary map and Project Plan for TID No. 5 is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday. A copy of the proposed boundary map and Project Plan for TID No. 5 will also available on the City of Middleton's web site.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed Project Plan.

CITY OF MIDDLETON

TIF DISTRICT NO. 5
TIF DISTRICT NO. 3 AMENDMENT NO. 6

JOINT REVIEW BOARD

July 21, 2009

5:00 p.m.

City Hall

City of Middleton

1. Call to order
2. Election of Chairperson
3. Election of Fifth Member-at-large
4. Initial explanation of TID #3 Amendment #6 boundary subtraction.
5. Explanation of TID #5 Project Plan and boundary.
6. Other items as allowed by law
7. Set next meeting
8. Adjourn

Proof of Publication

STATE OF WISCONSIN AFFIDAVIT OF PUBLICATION

Kay Rettenmund

being duly sworn, doth depose and say that he/she is an authorized representative of the:

NEWS-SICKLE-ARROW
SAUK-PRAIRIE STAR
MIDDLETON TIMES-TRIBUNE
MOUNT HOREB MAIL
POST MESSENGER RECORDER

a weekly newspaper published by News Publishing Co. Inc. at Middleton WI in Dane County, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

July 2, 2009
July 9, 2009

PUBLIC NOTICE
CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the City of Middleton Plan Commission to be held on or about 5:30 p.m., Tuesday, July 21, 2009 at City Hall, 7426 Hubbard Ave., Middleton, WI, a Public Hearing will be held on the boundary for the City of Middleton Tax Increment District #5 (TID #6). At a meeting of the City of Middleton Plan Commission to be held on or about 5:35 p.m., Tuesday, July 21, 2009 at City Hall, City of Middleton, a Public Hearing will be held on the proposed Project Plan for the City of Middleton Tax Increment District #6. The City reserves the right to expend funds as cash grants to potential developers in TID #6.

At a meeting of the City of Middleton Plan Commission to be held on or about 5:45 p.m., Tuesday, July 21, 2009 at City Hall, City of Middleton, a Public Hearing will be held on the boundary amendment for the City of Middleton Tax Increment District #3 (TID #3).

A copy of the proposed amended boundary map for TID No. 3 is available and will be provided upon request at the City Clerk's office at City Hall between the hours of 8:00 am and 4:00 pm, Monday through Friday.

A copy of the proposed boundary map and Project Plan for TID No. 6 is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday. A copy of the proposed boundary map and Project Plan for TID No. 6 will also available on the City of Middleton's web site.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed Project Plan.

Publish: 7-2-09; 7-9-09 WNAXLP

SIGNED Kay Rettenmund
DATED 7/16/09
Diane S Baumgartner
Notary Public, State of Wisconsin
My Commission Expires 10/3/10

DIANE S BAUMGARTNER NOTARY PUBLIC STATE OF WISCONSIN

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Joint Review Board Minutes

MINUTES

CITY OF MIDDLETON
TIF DISTRICT NO. 5
TIF DISTRICT NO. 3 AMENDMENT NO. 6
JOINT REVIEW BOARD

TUESDAY JULY 21, 2009 5:00 P.M.

Present: Mike Davis, City of Middleton Administrator; Tom Wohlleber, Middleton Cross Plains School District; David Worzala, Dane County Treasurer; Ed Noehre, MATC; Carol Biendseil, City of Middleton resident; Eileen Kelley, City Planning Director; Susan Hoeft, City TID consultant; Abby Attoun, Associate Planner for Middleton.

1. **Call to Order**

   Mike Davis, as the Mayor's designated alternate, called the meeting to order at 5:03 pm.

2. **Election of Chairperson**

   Moved by Worzala, seconded by Wohlleber, to nominate Mike Davis as chair. Motion carried.

3. **Initial Explanation of TID #3 Amendment #6 Boundary Subtraction**

   Susan Hoeft presented information regarding the amendment to take a minimum of $50,000,000 of equalized real estate value and personal property value out of the TID #3 boundary.

4. **Explanation of TID #5 Project Plan and Boundary**

   Susan Hoeft provided information on the TID #5 project plan and boundary, which is essentially the same as TID #4, with several properties eliminated.

5. **Election of Fifth Member-at-large**

   Moved by Wohlleber, seconded by Davis, to elect Carol Biendseil as the fifth member of the Joint Review Board. Motion carried.

6. **Set Next Meeting**

   Joint Review Board members selected Thursday, August 6 at 8:00 a.m. as their next meeting.

   Adjourn

   Moved by Worzala, seconded by Wohlleber, to adjourn at 5:29 p.m. Motion carried.

For more information, contact: *Eileen Kelley, City Planning Director & Zoning Administrator*
Phone: 827-1030 Fax: 827-1050 E-mail: ekelley@ci.middleton.wi.us

Plan Commission Public Hearing Minutes

MINUTES
SPECIAL MIDDLETON PLAN COMMISSION
TUESDAY JULY 21, 2009 5:30 P.M.

PRESENT: Wexler, Barmore, Elskamp, Hungness, Zellers
ABSENT: Sonnentag, Hubbard
ALSO PRESENT: Davis, Kelley Attoun

1. **Public Hearing on Tax Increment District #5 (TID #5) Boundary**

Acting Chair Wexler opened the public hearing at 5:32 p.m.

Susan Hoeft, TID consultant for the City, presented information related to the proposed TID #5 boundary.

Acting Chair Wexler closed the public hearing at 5:34 p.m.

2. **Public Hearing on Tax Increment District #5 (TID #5) Project Plan**

Consultant Susan Hoeft provided information on the TID # 5 Project Plan.

Acting Chair Wexler opened the public hearing at 5:35 p.m.

Emmy Lou Immell, 6608 Boulder Ln., asked why does the City have to have TID #5?

Staff and consultants provided information on the process.

Barmore stated that the added value from TID's goes a long way in helping to control residential property taxes.

Jeanne Whitish, representing Bruce Company, Bowling Green and Madison Golf and Development, spoke in support of TID #5. The related parties she represents participated in TID #3, and support the City's efforts.

Dan Stuntebeck, 2312 Amherst, reiterated concerns expressed last year during the adoption of Redevelopment District #3 and TID #4. He wants to ensure community input into future projects.

Acting Chair Wexler closed the public hearing at 5:45 p.m.

3. **Public Hearing on Tax Increment District #3 (TID #3) Boundary Amendment**

Acting Chair Wexler opened the public hearing at 5:45 p.m.

Susan Hoeft presented information regarding the amendment to take a minimum of $50,000,000 of equalized real estate value and personal property value out of the TID #3 boundary.

Acting Chair Wexler closed the public hearing at 5:55 p.m.

4. **Approval of Tax Increment District #5 (TID #5) Project Plan and Boundary**

Moved by Zellers, seconded by Barmore, to approve the project plan and boundary for TID #5. Motion carried 5-0.

5. **Resolution Approving Tax Increment District #5 (TID #5) Project Plan and Boundary**

Moved by Zellers, seconded by Elskamp, to approve the Resolution adopting the boundary and project plan for Tax Increment District #5. Motion carried 5-0.

6. **Approval of Tax Increment District #3 (TID #3) Boundary Amendment**

Moved by Barmore, seconded by Hungness, to approve the Resolution amending the boundaries and project plan for Tax Increment District #3. Motion carried 5-0.

Eileen Kelley

Note: These minutes were prepared by Eileen Kelley, Planning Director & Zoning Administrator. These minutes are based on the notes of the recorder and are subject to change at a subsequent meeting.

Resolution Amending TID #3

PLAN COMMISSION OF THE CITY OF MIDDLETON

RESOLUTION AMENDING THE BOUNDARIES AND PROJECT PLAN TAX INCREMENT DISTRICT NO. 3 CITY OF MIDDLETON, WISCONSIN

WHEREAS, the City of Middleton Plan Commission has prepared an Amendment to the Project Plan for Tax Increment District No. 3, which subtracts territory from the District in a way that does not remove contiguity from the District; and

WHEREAS, a public hearing was properly noticed and held by the Plan Commission on July 21, 2009, wherein interested parties were afforded a reasonable opportunity to express their views on the proposed Project Plan amendment and the proposed boundary amendments thereof; and

WHEREAS, the City of Middleton has notified the Chief Executive Office of the Middleton-Cross Plains School District, the Dane County Board and the Madison Area Technical College, representing the entities having power to levy taxes on property located within TID No. 3 pursuant to Wis. Stats. § 66.1105(4)(a); and

WHEREAS, pursuant to such procedure and after due reflection and consideration, the Plan Commission desires to favorably recommend to the Common Council of the City of Middleton the amendment to the boundaries of Tax Increment District No. 3, the lands of which are shown on a map on the attached Exhibit A, which is entitled "City of Middleton TID No. 3 Map 1: TID Amending Boundaries," and the Boundary and Project Plan;

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the City of Middleton as follows:

1. Amendment No. 6 to Tax Increment District No. 3, including the text and boundary map included therein in the form attached hereto as Exhibit "A" is hereby adopted.

2. Such Amended Project Plan for Tax Increment District No. 3 remains feasible after subtraction of the properties as set forth in the said Project Plan amendment.

3. The Amended Project Plan for TID No. 3 is in conformity with the Comprehensive Plan of the City of Middleton.

BE IT FURTHER RESOLVED that the Plan Commission recommends that the Common Council approve the amendment to the boundaries of Tax Increment District No. 3, City of Middleton Wisconsin, and Amendment No. 6 of the Boundary and Project Plan for Tax Increment District No. 3 pursuant to the provisions of Wis. Stats. § 66.1105(4)(h)1.

200738-11eb-160709kka
Amend TIF 3 Res (Plan Comm)

This Resolution was duly adopted at a regular meeting of the Plan Commission of the City of Middleton on the 21st day of July, 2009.

PLAN COMMISSION

By: Kurt J. Sonnentag

ATTEST:

Ayes: 5
Noes: 0
Adopted: 7-21-09

200738-11eb-160709kka
Amend TIF 3 Res (Plan Comm)

RESOLUTION NO. 2009-25

RESOLUTION AMENDING TAX INCREMENT DISTRICT NO. 3 PROJECT PLAN AND BOUNDARIES

WHEREAS, the City of Middleton Plan Commission has prepared and adopted an Amendment to the Project Plan for Tax Increment District No. 3, which subtracts territory from the District in a way that does not remove contiguity from the District; and

WHEREAS, the Plan Commission has held a public hearing on Tuesday, July 21, 2009, on the proposed Project Plan amendment and the proposed boundary amendments thereof; and

WHEREAS, the City of Middleton has notified the Chief Executive Office of the Middleton-Cross Plains School District, the Dane County Board and the Madison Area Technical College, representing the entities having power to levy taxes on property located within TID No. 3 pursuant to Wis. Stats. § 66.1105(4)(a); and

WHEREAS, the City Plan Commission has submitted such Amended Project Plan to the Common Council of the City of Middleton;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Middleton as follows:

1. Amendment No. 6 to Tax Increment District No. 3, including the text and boundary map included therein in the form attached hereto as Exhibit "A" is hereby approved in accordance with Wis. Stats. § 66.1105(4)(h)2.

2. Such Amended Project Plan for Tax Increment District No. 3 remains feasible after subtraction of the properties as set forth in the said Project Plan amendment.

3. The Amended Project Plan for TID No. 3 is in conformity with the Comprehensive Plan of the City of Middleton, as well as other policies and laws of the City of Middleton.

This Resolution shall take effect upon approval by the Joint Review Board pursuant to Wis. Stats. § 66.1105(4m).

This Resolution was duly adopted at a regular meeting of the Common Council of the City of Middleton on the 4 day of Aug, 2009.

CITY OF MIDDLETON

Kurt J Sonnentag

By:_____

Kurt J. Sonnentag, Mayor

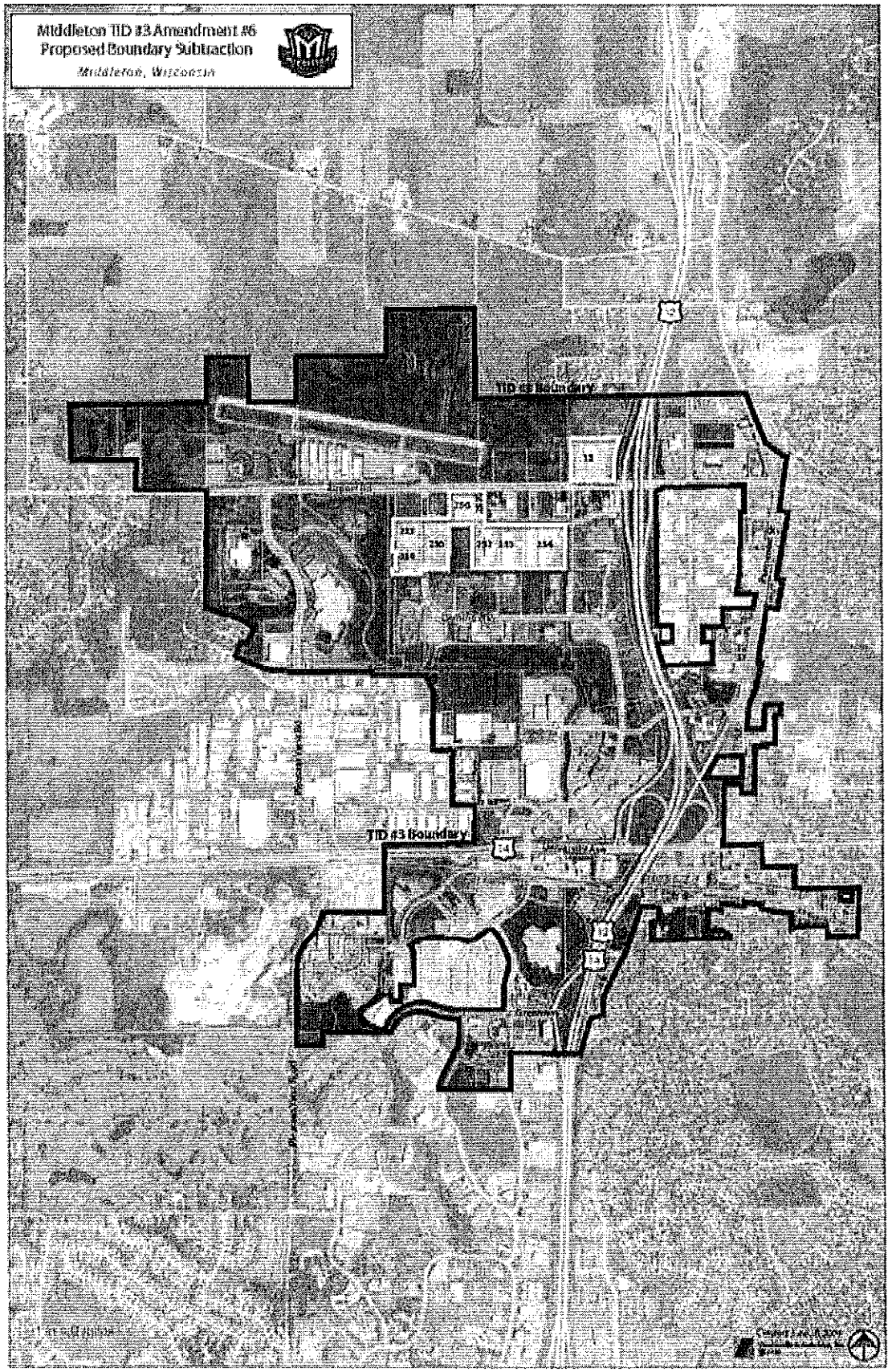
200738-Heb-160709kkn
6th Amend TIF 3 Resolution

ATTEST:

Patricia A. Amble, Clerk

Ayes: 8
Noes: 0
Adopted: 8/4/09

200738-lleb-160709kka
6th Amend TIF 3 Resolution


Middleton TID #3 Amendment #6
Proposed Boundary Subtraction
Middleton, Wisconsin
TID #3 Boundary
TID #3 Boundary

TID #3 Joint Review Board Final Information and Decision

JOINT REVIEW BOARD

TIF DISTRICT NO. 3
AMENDMENT NO. 6

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents are listed in Section 66.1105(4m)(c)(1), Wis. Stats.

(i) The local legislative body shall provide the joint review board with the following information and projections:

1. The specific items that constitute the project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.

Response:

No change has been made to add or subtract any project costs from the last applicable amendment (Amendment #3).

2. The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.

Response:

Amendment #6 is subtracting approximately $50,000,000 of equalized value out of TID #3. January 1, 2009 equalized value of the TID #3 increment is not yet available but is anticipated to be approximately $234,000,000. Further development could yield an additional $50,000,000 of increment over the remainder of the life of the TID.

The City subtracted approximately $150,000,000 of value in 2006. Currently, with the subtraction, TID #3 is anticipated to retire its current debt by 2015, subject to economic conditions and other factors out of the City's control. However, developer-financed obligations require that the applicable portion of the TID under developer-financed obligations remain intact until the end of the retirement period or 2020. The City may also choose to implement projects already identified in Amendment #3 yet to be undertaken. Implementation of these projects may extend the life of the remainder of the TID. Approval of these project expenditures will need to be made by the City Council. Only one boundary amendment remains after this subtraction. Consequently, the City will

need to carefully monitor the projects and district cash flow to ensure that the project plan is properly implemented and the TID retired when appropriate.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefit by improvements within the tax incremental district.*

Response:

No change has been made to add or subtract any project costs from the last applicable amendment (Amendment #3) other than allowing for developer-financing and spending within a ½ mile radius of the TID boundary.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The January 1, 2008 total equalized value of TID #3 was $299,267,300 with the increment valued at $234,323,400. Equalized values for 2009 will be available on August 15, 2009. Assuming that the district will remain intact until 2020 with a 1% yearly inflation on both real estate and tax levy and no further development within the district, it is possible that an estimated additional $68,000,000 of tax revenues will be generated by 2020. The share of project tax increments estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the developer-financed and/or contiguous properties could be estimated as follows:

State of Wisconsin	1.04%	$ 707,200
Dane County	14.56%	9,900,000
Middleton School District	46.74%	31,783,200
Madison Area Technical College	7.45%	5,066,000
City of Middleton	30.21%	20,542,800

(Discrepancies may occur due to rounding)

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

The reasons remain the same as when the TID was originally created and amended.

JOINT REVIEW BOARD

TIF DISTRICT NO. 3
AMENDMENT NO. 6

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

A. Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;

B. Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and

C. Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying tax districts.

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 3, Amendment No. 6, in the City of Middleton. The criteria are addressed in turn below.

A. TIF District No. 3 was created for multiple purposes which included, but were not limited to the following: job creation (living wage jobs); tax base creation; diversifying the tax base from higher percentages of residential to more commercial and industrial/business, development to the City's standards of under-utilized properties; controlling the aesthetics of the properties along the old USH 12 corridor and the current West Beltline corridor; eliminating blighted conditions which included environmental, stormwater management, floodplain management; completing downtown revitalization projects and business recruitment and enhancing land use patterns and relocating inappropriate land uses to further enhance redevelopment of abutting properties.

B. While the economic benefits of creating TIF District No. 3 were numerous and will benefit not only the City of Middleton but also the overlying taxing jurisdictions as well, the amount of revenue generated from increased employment and income taxes as well as increases in property values is insufficient to compensate for the project expenditures and debt service associated with borrowing for those project costs. Whether the City or developer borrowed for the project, pledging just the City's portion of the levy would only be able to

pay for a fraction of the project costs due to the constrained time period in which the debt must be paid (2020).

C. Amendment of TID #3 will continue to encourage the orderly growth of the west side of the City by providing a stimulus for new development on already-improved business and industrial sites created under the existing TID #3.

RESOLUTION APPROVING CITY COUNCIL RESOLUTION
AMENDING TIF DISTRICT NO. 3 PROJECT PLAN
CITY OF MIDDLETON, WISCONSIN

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the amended project plan for TIF District No. 3, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the amended project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. The development expected in TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;

2. The economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 6th day of August, 2009.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT No. 3
AMENDMENT No. 6
CITY OF MIDDLETON, WISCONSIN

Mike Davis, Chair

City Attorney Opinion

Insert Attorney opinion letter

Boundary Description

CITY OF MIDDLETON

TAX INCREMENT FINANCING DISTRICT NO. 3

AMENDMENT NO. 7

Common Council Action

September 20, 2011

Prepared by:
Vandewalle & Associates
Madison/Milwaukee, Wisconsin

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SECTION I. INTRODUCTION

The City of Middleton is proposing to amend the TID #3 boundary for the fourth and final time by subtracting properties from the district. This amended project plan and boundary reflects that subtraction. In addition, the table on page 3 estimates the equalized value of these properties that will be taken out of the district and put back on the general tax rolls. The equalized values in the Plan Commission Public Hearing draft are calculated on the best estimate available at the writing of the plan or a range of 100% to 102%. Since the public hearing was held, the Wisconsin Department of Revenue issued its annual report on August 15, 2011.

For purposes of estimating the equalized value of the property to be subtracted from the TID, the equalization ratio reflected in the August 15, 2011 report will be used. The final 2011 equalization ratio is not available until October 31, 2011. The table listing the subtracted properties is equalizing the assessed valuation at a ratio of 99.4248%. The final equalized value of the Amendment #7 subtraction to TID #3 will not be available until the State of Wisconsin Department of Revenue releases the annual TIF Value Limitation Report on August 15, 2012. Consequently, the exact total of equalized value subtracted from TID #3 will not be available until August 15, 2012.

With the approval of this fourth and final boundary amendment, unless current TID legislation changes to allow for more than the allowed four boundary amendments, TID #3 will not retire until the statutorily-required retirement date of 2020. There are two specific reasons why TID #3 cannot retire prior to the 2020 deadline: (1) Development agreements exist which affects some of the properties within the current district boundary and which will not be satisfied until 2020; and (2) Financing for some of the general obligation bonds and development agreement financing mechanisms will also not be paid in full until 2020.

Another purpose of this project plan is to identify projects that the City may wish to undertake outside of the current TID #3 boundary but within the statutorily-required ½ mile radius. These projects can be found in Section V: Proposed Public Works and Estimated Costs.

SECTION II. DESCRIPTION OF HOW TAX INCREMENT DISTRICT NO. 3 WILL PROMOTE THE ORDERLY DEVELOPMENT OF THE CITY OF MIDDLETON

No change has been made to this section in this amendment.

SECTION III. TAX INCREMENT BOUNDARY AND EQUALIZED VALUES

The first boundary amendment took place in 1996, which added parcels to the northwest portion of the district. In 2006, the City amended the boundary a second time with the subtraction of approximately $150,000,000 of value from the district. This subtraction was effective under new

legislation passed that allowed a municipality to amend a district's boundary up to a total of four times and also allow subtraction of parcels as an eligible activity. Prior to the 2005 legislation, a municipality could only add parcels to an existing TID boundary. The third amendment, also a subtraction of approximately $47,000,000 from the district, was adopted in 2009 effective tax collection 2011.

Due to the continued economic climate and the change in the State of Wisconsin's budgetary considerations and their impact on local communities, the City deems it advisable to undertake the fourth and final boundary amendment. The purpose of this last boundary amendment is to subtract an additional equalized real estate and personal property value of approximately $73,000,000 to $74,000,000. Current budget constraints and the impact of changing legislation and funds to the City from the State necessitate more tax revenues for general City expenditures. Subtracting an additional $73,000,000 - $74,000,000 of equalized value of real estate and personal property will assist the City in meeting its budgetary requirements.

The table, on the following page, identifies the parcels proposed for subtraction. The table includes the current TID #3 map number (please refer to Map 1: Proposed Property Subtraction), the Parcel number, assessed real estate values (land, improvements and total values) and estimated equalized total real estate values; assessed personal property values and equalized personal property values as well as current zoning classification. It also identifies the year in which the parcels were included in the TID and the original map numbers, parcel numbers and values and calculates an estimated net subtraction based on those values.

The table has used 2011 real estate and personal property assessed valuations. The equalization ratio used to estimate the subtraction total is 99.4248%. This equalization ratio appears in the August 15, 2011 TIF Limit Valuation Report on the Department of Revenue's website. As stated above, the final certified equalization ratios for 2011 will not be available until after October 31, 2011. The project plan presented for Council approval uses the most current information available from the 2011 State of Wisconsin Equalization report. If the final certified equalization ratio is different from the August 15, 2011 published ratio, the total deduction from the district may be slightly modified. The total value of the subtraction from the TID may also be different due to the TIF annual report submitted for DOR certification in August 2012.

As previously stated, this is the last boundary amendment that the City can undertake unless the legislation changes or the City requests and the legislature approves additional boundary amendment(s). Developer agreements for two properties within TID #3 run until the end of the statutory retirement period for the district, or 2020. The City will need to carefully monitor future needs of the TID in reference to finalizing projects and completing those projects expenditures by 2015 as well as future needs of the City in its budgetary process.

CITY OF MIDDLETON TID #3 A#7 SUBTRACTION

Common Council Action

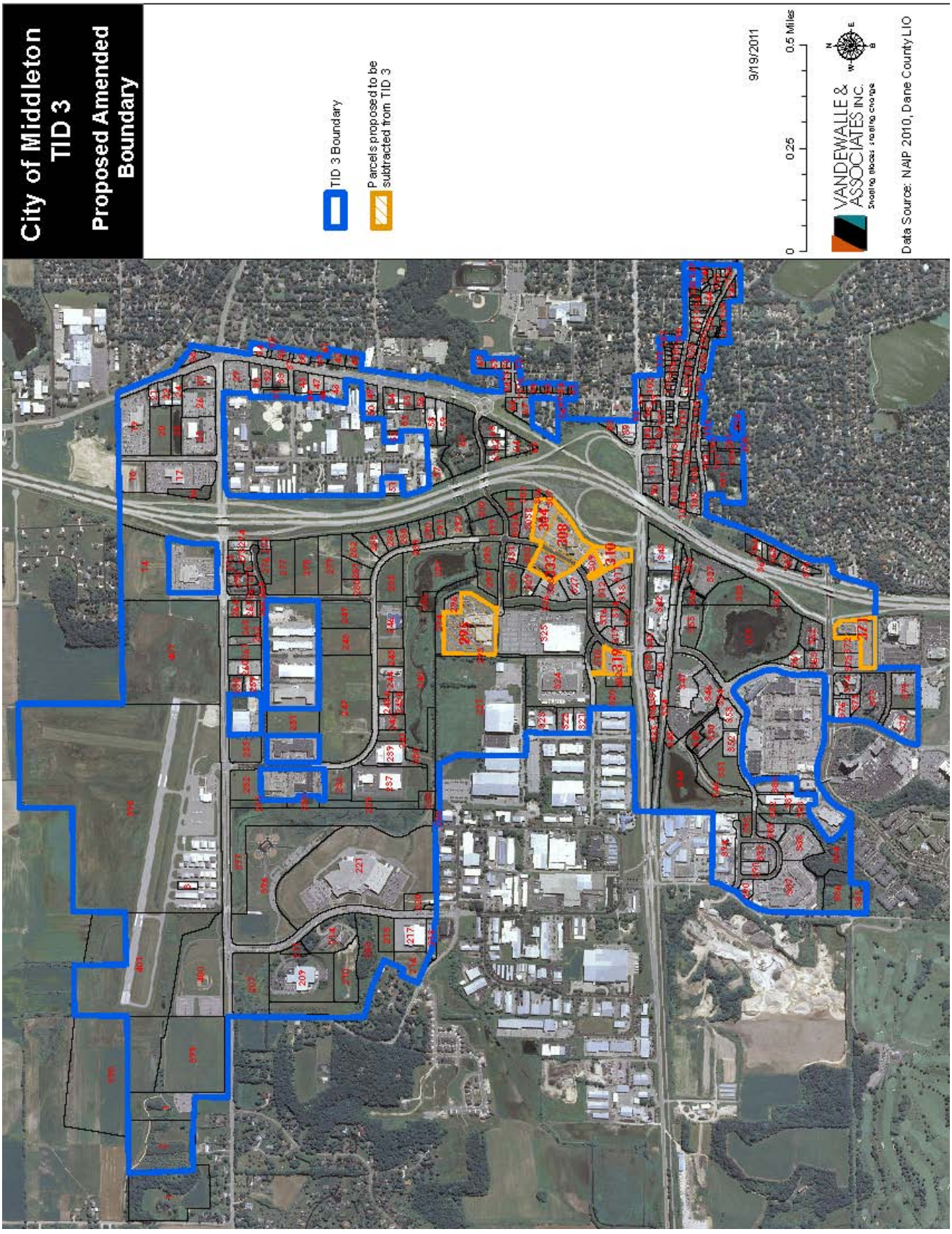
ID	PARCEL #	CUR PARCEL	OWNER	PARCEL ADDRESS	2011 LAND	2011 IMPRVMT	2011 TOTAL	1993/1999 MAP #	1993/1999 PARCEL #	1993/1999 LAND	1993/1999 IMPRVMT	1993/1999 TOTAL	**NET SUBTRACT**	Acres	YEAR PARCEL IN DISTRICT
295	70810115062	Active	PHEASANT WEST LLC	7974 UW HEALTH CT	$1,677,800	$15,952,200	$17,630,000	260	70810180100	$18,124	$0	$18,124	**$17,611,876**	10.0050	1993
304	70811235402	Active	BONNIE VIEW LLC		$1,033,500	$6,164,300	$7,197,800	16/175	70811291239	$304,440	$0	$304,440	**$6,893,360**	2.8320	1993
308	70811241052	Active	BRESLIVE LLC	2275 DEMING WAY	$1,576,600	$9,791,700	$11,368,300	16/175	70811291239	$32,506	$0	$32,506	**$11,335,794**	4.9892	1993
310	70811241752	Active	WISCONSIN QSL REAL ESTATE LLC	2259 DEMING WAY	$988,000	$2,166,300	$3,154,300	242	70811290007	$2,863	$0	$2,863	**$3,151,437**	2.3751	1993
319	70810160102	Active	PLAZA 14 DEVELOPMENT II LLC		$1,089,200	$1,023,900	$2,113,100	258	70810195603	$15,156	$0	$15,156	**$2,097,944**	2.2553	1993
333	70811230302	Active	LODGING INVESTORS LLC		$1,067,400	$3,392,100	$4,459,500	14/15	70811291015	$106,585	$0	$106,585	**$4,352,915**	2.9474	1993
371	70815100752	Active	WALL LAND INVESTMENT LLC		$1,450,100	$18,290,600	$19,740,700	16	7081510011	$405,073	$0	$405,073	**$19,335,627**	2.7524	1999
					$8,882,600	$56,781,100	$65,663,700			$884,746	$0	$884,746	**$64,778,954**	28.16	
									NET SUBTRACTION	$7,997,854	$56,781,100	$64,778,954			

CITY OF MIDDLETON
TID #3 A#7 PERSONAL PROPERTY EQUALIZED

MAP #	PARCEL #	ACCT #	BUSINESS	PARCEL ADDRESS	BOATS & OTHER WTRCRFT	MACHINE, TOOLS, PATTNS	FURNIT, FIXTURES, EQUPMNT	ALL OTHER	TOTAL PERSONAL PROP
295	70810115602	50-50165	UW Health Foundation	UW Health Ct 7974	$0	$9,400	$1,854,500	$601,600	$2,465,500
304	70811235402	50-27570	Meicher & Associates	Deming Way 2349	$0	$0	$184,100	$183,300	$367,400
304	70811235402	50-46048	Transformation Surgery	Deming Way 2349	$0	$565,800	$31,800	$218,100	$815,700
304	70811235402	50-46051	UW Health Foundation	Deming Way 2349	$0	$239,700	$77,300	$25,500	$342,500
304	70811235402	50-46052	UW Health Foundation	Deming Way 2349	$0	$274,900	$100,300	$12,900	$388,100
304	70811235402	50-50199	Baxter Health Care	Deming Way 2349	$0	$6,300	$0	$0	$6,300
308	70811241052	50-24300	Lasting Skin Solutions	Deming Way 2275	$0	$45,600	$51,200	$104,500	$201,300
308	70811241052	50-25060	Madison Vein & Laser	Deming Way 2275	$0	$5,700	$10,600	$129,000	$145,300
308	70811241052	50-44210	The Aesthetic Surgery	Deming Way 2275	$0	$16,000	$31,300	$17,300	$64,600
308	70811241052	50-34253	Park Bank	Deming Way 2275	$0	$0	$71,800	$234,200	$306,000
308	70811241052	50-50098	Core Athletics	Deming Way 2275	$0	$18,300	$12,300	$0	$30,600
308	70811241052	50-50698	Casmir Jones SC	Deming Way 2275	$0	$0	$61,600	$1,700	$63,300
308	70811241052	50-24300	Schuchardt Laser Inc	Deming Way 2275	$0	$45,600	$51,200	$104,500	$201,300
310	70811241752	50-37145	Quaker Steak and Lube	Deming Way 2259	$0	$239,200	$68,700	$4,700	$312,600
~~319~~	70810160102	50-16300	Great Clips	Murphy Dr 8315	$0	$0	$15,000	$25,500	$40,500
319	70810160102	50-19500	Subway	Murphy Dr 8315	$0	$0	$39,800	$35,400	$75,200
319	70810160102	50-02845	Arbys	Murphy Dr 8321	$0	$0	$121,200	$134,100	$255,300
333	70811230302	50-50099	Courtyard Inn	2266 Deming Way	$0	$0	$721,000	$91,100	$812,100
371	70815100752	50-45150	T Wall Properties	Greenway Blvd 8215	$0	$0	$185,400	$2,400	$187,800
371	70815100752	50-50153	Alice.com	Greenway Blvd 8215	$0	$0	$118,200	$8,600	$126,800
371	70815100752	50-50154	Clifton Gunderson	Greenway Blvd 8215	$0	$0	$938,100	$300	$938,400
371	70815100752	50-50157	Miron Construction	Greenway Blvd 8215	$0	$0	$64,500	$500	$65,000
371	70815100752	50-50596	Krueger & Hernandez	Greenway Blvd 8215	$0	$0	$3,100	$300	$3,400
371	70815100752	50-50767	Netech Corp	Greenway Blvd 8215	$0	$0	$15,600	$1,500	$17,100
371	70815100752	50-50729	Northwestern Mutual	Greenway Blvd 8215	$0	$0	$10,000	$0	$10,000
371	70815100752	50-50731	Sony Network Entertainment	Greenway Blvd 8215	$0	$7,100	$0	$0	$7,100
			TOTAL PERSONAL PROPERTY ASSESSED		$0	$1,473,600	$4,838,600	$1,937,000	$8,249,200

EQUALIZED	***0.9942***	***$65,153,718***
+PPROP	***0.9942***	***$8,296,924***
TOTAL SUBT		***$73,450,642***

NOTE: Map #319 has a new tax ID due to lot reconfiguration: 070810160402.


City of Middleton
TID 3
Proposed Amended Boundary
TID 3 Boundary
Parcels proposed to be subtracted from TID 3
9/19/2011
0
0.25
0.5 Miles
VANDEWALLE & ASSOCIATES INC.
Data Source: NAIP 2010, Dane County LIO

SECTION IV. EXISTING USES AND CONDITIONS OF REAL PROPERTY

No changes to this section.

SECTION V: PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

Four of the main objectives of the original and subsequent amendments to TID #3 in the City of Middleton were: (1) stormwater management and water quality improvements (a part of the "Clean Lakes Initiative"; (2) job creation and subsequent improvements needed to service existing and new businesses and industry; (3) blight elimination through relocation of incompatible land uses to more appropriate locations; and (4) business relocation and expansion through financial participation by the City. The following list of projects and estimated costs are extensions of projects contained within the original and/or amended project plans and further identified here with updated costs. In addition, some of these activities are proposed to take place within ½ mile radius of the TID #3 boundary. Those projects proposed to be undertaken under this new legislative change are designated below.

In an effort to be very conservative on expending additional funds, some of the projects list estimated costs but some of the projects listed do not have a cost associated with that project. The City has based the financial feasibility of TID #3 expending additional costs anticipating no new increment developed within the district for the remainder of the life (2020). This is a very conservative approach to tax revenue generation and does impact future expenditures. Projects listed below that do not have any cost would only be undertaken if excess tax revenues were generated allowing the City to make additional expenditures. By listing these projects, the City does have the flexibility to undertake them if there is sufficient tax revenues generated to pay for those project costs.

1. Business relocation and expansion. Implementation of TID #3 has created over $600,000,000 of new real estate and personal property value and 4000 new living wage jobs. The City wishes to continue offering financial participation with the private sector to encourage relocation and expansion of existing businesses into the TID #3 employment center as well as eliminating blighted conditions of incompatible land uses. Some of these expenditures may take place within the ½ mile radius of the TID #3 boundary.

   Estimated cost: $10,000,000

2. Extension of bike trail. There has been significant construction of pedestrian/bike trails within TID #3 to connect businesses, commercial and residential areas. The TID #3 project plan originally envisioned the employment center serviced by modes of transportation other than the automobile. Public transportation and extension of bike/ped trails has greatly enhanced the desirability of TID #3 and the success of this is evidenced

in the build-up of this area. This construction project could extend into the areas outside the TID boundary within ½ mile along the USH 14 and 12 corridors.

Estimated cost: To be determined

3. Increased vehicular traffic along the USH 14 and Deming Way corridor and the moratorium by the State of Wisconsin on additional rail crossings may necessitate the reconstruction of Deming Way/USH 14 intersection and rail crossing. The original project plan anticipated transportation movement and safety improvements in this area. This project cost is not anticipated to be expended until further development along Deming Way and USH 14 warrants the expenditure.

   Estimated cost: To be determined

4. Stormwater management and water quality control projects. The original TID #3 project plan and initial improvements were for stormwater management and water quality control. The Pheasant Branch channelization project was one of the first projects undertaken in TID #. Implementation of this project yielded over 100 acres of land that were previously in the floodplain and are now developed or are developable (Discovery Springs, etc.). The confluence pond was a result of the channelization and water quality project. Additional expenditures are needed to continue with the stormwater management and "Clean Lakes Initiative" implementation. Additional expenditures north of TID #3 within the ½ mile radius may also be needed to ensure control of stormwater coming into the TID #3 district to lessen impact on the improvements already made.

   Estimated cost: $2,500,000

5. The original and amended project plan for TID #3 anticipated the potential construction of a parking ramp in the Downtown. Since the inception of TID #3, Middleton's City Centre and Downtown area has seen tremendous revitalization and relocation and development of businesses. In addition, the City has made a long-term investment in the Downtown with rehabilitation of the City Hall, new Library and other public uses. Because of this revitalization, parking is becoming more difficult and construction of a ramp would allow for more infill development.

   Estimated cost: $3,000,000

6. Another project cost which was anticipated in original TID #3 project plan was the undergrounding of utilities along the major transportation corridors. While no specific

project cost is being proposed, this amendment identifies that the City may choose to undertake this project if there are sufficient tax revenues to pay for this project.

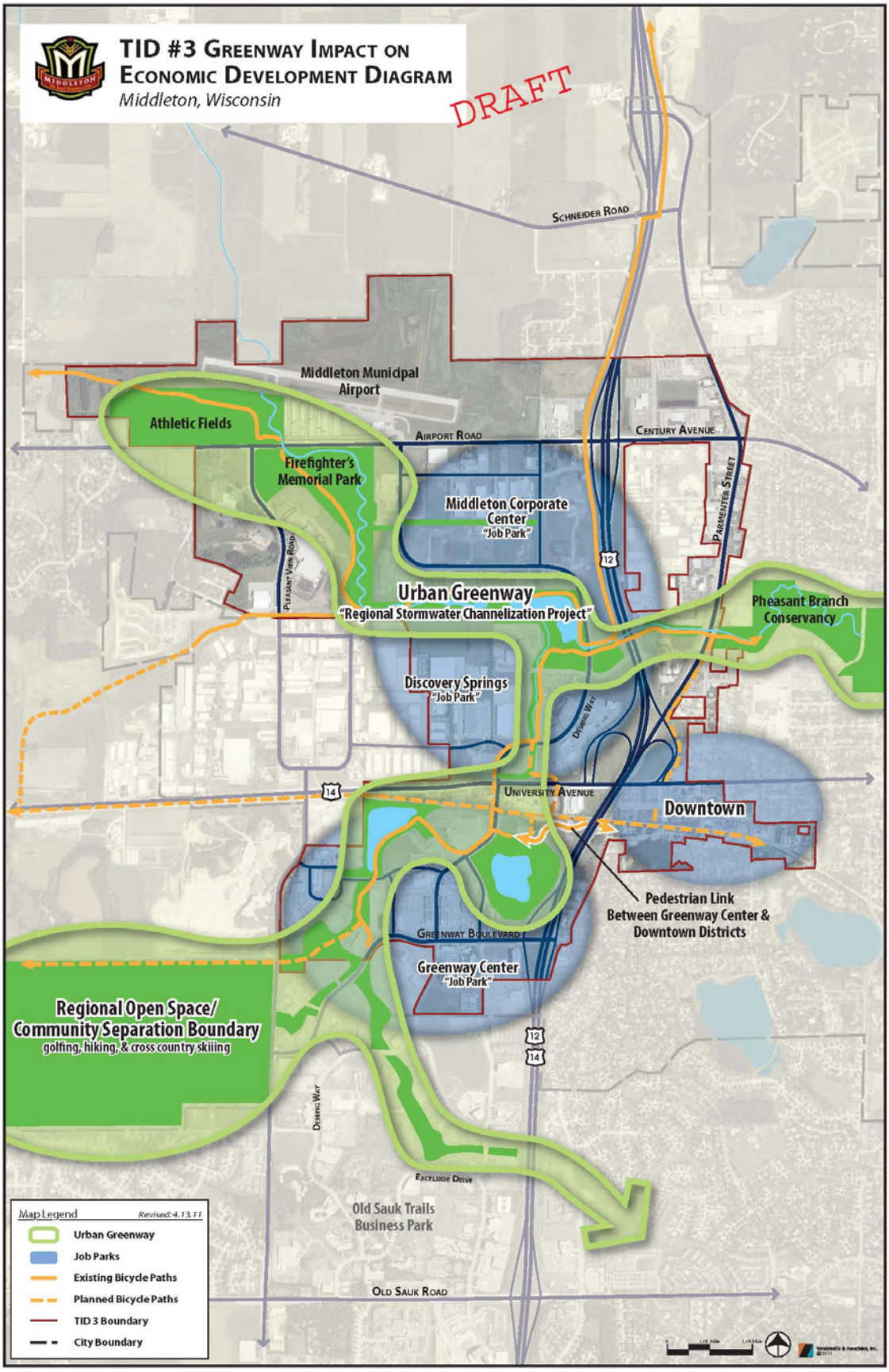
Estimated cost: To be determined

7. Economic development was one of the main objectives to be accomplished in TID #3. As stated above, tax base and job creation has been extremely successful. Part of this is due to the aesthetics created in the entire TID and use of that as an economic development tool. The Urban Greenway Impact on Economic Development concept is a graphic depicting the City's recognition of the importance of the greenway connections and its impact on business relocation and stimulation. Project costs may be expended within the ½ mile radius.

   Estimated cost: $5,000,000

   Total Estimated Additional Project Costs with Current Increment: $20,500,000
   Total Estimated Potential Project Costs with Current and New Increment: $45,500,000

If all of the identified project costs were expended, an additional expenditure of $45,500,000 to TID #3 will be added to the $66,515,000 already borrowed for and spent. TID #3 Amendment #3 identified the potential of $67,914,000 of project costs. Expenditure of the complete $45,500,000 would increase Amendment #3's estimate of $67,914,000 to $113,414,000. However, any project expenditures over the listed additional $20,500,000 would be undertaken only if there was new tax increment generated after 2011 in the TID #3 boundary. By listing these project costs, the City reserves the right to expend additional funds beyond the $20,500,000 up to the $45,500,000 if sufficient increment is generated.


TID #3 Greenway Impact on Economic Development Diagram
Middleton, Wisconsin
DRAFT
Schneider Road
Middleton Municipal Airport
Athletic Fields
Airport Road
Century Avenue
Firefighter's Memorial Park
Middleton Corporate Center "Job Park"
Parmenter Street
Pleasant View Road
12
Urban Greenway
"Regional Stormwater Channelization Project"
Pheasant Branch Conservancy
Discovery Springs "Job Park"
Deming Way
14
University Avenue
Downtown
Pedestrian Link Between Greenway Center & Downtown Districts
Greenway Boulevard
Greenway Center "Job Park"
Regional Open Space/ Community Separation Boundary
golfing, hiking, & cross country skiing
12
14
Deming Way
Excelsior Drive
Old Sauk Trails Business Park
Old Sauk Road
Map Legend
Revised: 4.13.11
Urban Greenway
Job Parks
Existing Bicycle Paths
Planned Bicycle Paths
TID 3 Boundary
City Boundary

SECTION VI. NON TAX REVENUES

No change to this section.

SECTION VII. ECONOMIC FEASIBILITY ANALYSIS

The table below reflects the estimated revenues, payments and cash flow of TID #3 from 2011 to 2020, date of mandatory retirement of the District. This cash flow includes $23,700,000 of project costs to be expended in TID #3 including a portion of those project costs within the ½ mile radius area of the TID #3 boundary as described in Section V. public improvement project costs.

The anticipated revenue stream anticipates no further tax increment generation within the boundaries of TID #3. This is a very conservative forecast as TID #3 has significant vacant land that is already serviced with utilities and roads and is ready for development. Any new increment generation that takes place within the TID #3 boundary will allow the City a combination of accelerating repayment of existing or expending additional funds in the projects listed in Section V of this amended project plan. The City anticipates borrowing funds for project costs as the funds become available. The last date for project cost expenditures is September 30, 2015.

CITY OF MIDDLETON
TID #3 AMENDMENT #7

COUNCIL ACTION
20-Sep-11

ECONOMIC FEASIBILITY/CASHFLOW TABLE

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
BEGINNING BALANCE Jan. 1	$3,640,705	$2,405,054	$1,820,638	$898	$399,709	$790,886	$3,110,002	$6,000,044	$8,569,165	$11,714,596
REVENUES	$8,642,127	$8,439,008	$7,026,437	$7,092,811	$7,159,849	$7,227,557	$7,794,853	$7,466,012	$8,040,772	$12,575,230
EXISTING DEBT/NEW PROJECTS/OTHER DISBURSEMENTS	-$9,877,778	-$9,023,424	-$8,846,177	-$6,694,000	-$6,768,672	-$4,908,441	-$4,904,811	-$4,896,891	-$4,895,341	-$4,612,457
ENDING BALANCE - Dec. 31/AVAILABLE FOR NEW PROJECTS	$2,405,054	$1,820,638	$898	$399,709	$790,886	$3,110,002	$6,000,044	$8,569,165	$11,714,596	$19,677,369

SECTION VIII. CONSISTENCY OF ACTIVITIES WITHIN TAX INCREMENT DISTRICT #3 WITH THE CITY ZONING ORDINANCE, MASTER PLAN AND OTHER DEVELOPMENT ORDINANCES

No change to this section.

SECTION IX. STATEMENT ON RELOCATION

No change to this section

OFFICE OF THE CITY ADMINISTRATOR

CITY OF MIDDLETON
7426 HUBBARD AVENUE
MIDDLETON, WI 53562-3118

PH 608.821-8358 FAX 608.827.1057
E-MAIL: mdavis@ci.middleton.wi.us
WEB: www.CityofMiddleton.us

June 24, 2011

Kurt Sonnentag, Mayor
City of Middleton
7426 Hubbard Ave.
Middleton, WI 53562

Re: Tax Increment District #3, Amendment #7, City of Middleton, Wisconsin

Dear Kurt:

The City of Middleton is proposing to execute its fourth and final boundary amendment for our Tax Increment District #3. The boundary amendment will be a subtraction only of about $74 million in taxable value; therefore, no additional parcels are proposed to be added. **The great news for our taxing jurisdictions is that Middleton's subtraction will yield more funds for badly needed operating budgets starting in 2013.**

Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the City will present for consideration its proposed TID #3 boundary amendment. The TID #3 project plan does anticipate additional public improvements to be undertaken prior to the ending of the spending period or September 30, 2015. TID #3 Amendment #7 increases the proposed project costs from $67,914,000 to a potential $113,414,000 if all the proposed project costs are undertaken or an increase of $45,500,000.

The public hearing is scheduled for Monday, July 26, 2011 beginning at 7:00 p.m. Prior to the public hearing, we request that the Joint Review Board meet at 6:30 p.m. in order to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 6:30 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of amending the TID #3 boundary and project plan. We also encourage that representative to attend the Plan Commission public hearing immediately afterward to hear public input.

Please give your representative a copy of this letter as well as the notice, agenda and copy of the amended project plan.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting. If we may address any questions, please contact John Lehman, Assistant City Administrator/Finance Director at his direct number of 821-8356 or at jlehman@ci.middleton.wi.us.

Sincerely,

Mike Davis,
City Administrator & Director of Community Development

Enclosure: Public Hearing Notice
Joint Review Board Agenda
TID #3 Amendment #7 draft project plan

OFFICE OF THE CITY ADMINISTRATOR

CITY OF MIDDLETON
7426 HUBBARD AVENUE
MIDDLETON, WI 53562-3118

PH 608.821-8358 FAX 608.827.1057
E-MAIL: mdavis@ci.middleton.wi.us
WEB: www.CityofMiddleton.us

June 24, 2011

Joe Parisi, County Executive
City-County Building
210 Martin Luther King, Jr. Blvd.
Madison, WI 53703

Re: Tax Increment District #3, Amendment #7, City of Middleton, Wisconsin

Dear Joe:

The City of Middleton is proposing to execute its fourth and final boundary amendment for our Tax Increment District #3. The boundary amendment will be a subtraction only of about $74 million in taxable value; therefore, no additional parcels are proposed to be added. **The great news for our taxing jurisdictions is that Middleton's subtraction will yield more funds for badly needed operating budgets starting in 2013.**

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Sincerely,

Mike Davis

Mike Davis,
City Administrator & Director of Community Development

Enclosure: Public Hearing Notice
Joint Review Board Agenda
TID #3 Amendment #7 draft project plan

OFFICE OF THE CITY ADMINISTRATOR

CITY OF MIDDLETON
7426 HUBBARD AVENUE
MIDDLETON, WI 53562-3118

PH 608.821-8358 FAX 608.827.1057
E-MAIL: mdavis@ci.middleton.wi.us
WEB: www.CityofMiddleton.us

June 24, 2011

Dr. Bettsey Barhorst
Madison College
3550 Anderson St.
Madison, WI 53704

Re: Tax Increment District #3, Amendment #7, City of Middleton, Wisconsin

Dear Dr. Barhorst:

The City of Middleton is proposing to execute its fourth and final boundary amendment for our Tax Increment District #3. The boundary amendment will be a subtraction only of about $74 million in taxable value; therefore, no additional parcels are proposed to be added. **The great news for our taxing jurisdictions is that Middleton's subtraction will yield badly needed funds for operating budgets starting in 2013.**

Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the City will present for consideration its proposed TID #3 boundary amendment. The TID #3 project plan does anticipate additional public improvements to be undertaken prior to the ending of the spending period or September 30, 2015. TID #3 Amendment #7 increases the proposed project costs from $67,914,000 to a potential $113,414,000 if all the proposed project costs are undertaken or an increase of $45,500,000.

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Sincerely,

Mike Davis,
City Administrator & Director of Community Development

Enclosure: Public Hearing Notice
Joint Review Board Agenda
TID #3 Amendment #7 draft project plan

OFFICE OF THE CITY ADMINISTRATOR

CITY OF MIDDLETON
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E-MAIL: mdavis@ci.middleton.wi.us
WEB: www.CityofMiddleton.us

June 24, 2011

Don Johnson, Superintendent
Middleton-Cross Plains School District
7106 South Ave.
Middleton, WI 53562

Re: Tax Increment District #3, Amendment #7, City of Middleton, Wisconsin

Dear Don:

The City of Middleton is proposing to execute its fourth and final boundary amendment for our Tax Increment District #3. The boundary amendment will be a subtraction only of about $74 million in taxable value; therefore, no additional parcels are proposed to be added. **The great news for our taxing jurisdictions is that Middleton's subtraction will yield more funds for badly needed operating budgets starting in 2013.**

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Sincerely,

Mike Davis,
City Administrator & Director of Community Development

Enclosure: Public Hearing Notice
Joint Review Board Agenda
TID #3 Amendment #7 draft project plan

From: Mike Davis [mailto:mdavis@ci.middleton.wi.us]
Sent: Mon 6/27/2011 10:18 AM
To: parisi@countyofdane.com; Betsey Barhorst (bbarhorst@matcmadison.edu); djohnson@mcpasd.k12.wi.us; Carol Jensen (cajensen89@charter.net); Mayor
Cc: twohlleber@mcpasd.k12.wi.us; worzala@countyofdane.com; John Lehman; Eileen Kelley; Susan Hoeft; Larry Bechler (lbechler@murphydesmond.com); Common Council; 'dbarmore@tds.net' (dbarmore@tds.net); Marilyn Mosigin; KAcree@murphydesmond.com
Subject: TID Boundary Amendment Public Hearing Date

Dear Municipal Partners of Middleton's Joint Review Board,

Mayor Sonnentag brought to my attention that the notice I sent out on Friday stated that the joint review board meeting and public hearing would be on Monday, July 26. That is incorrect. **The meetings will be on Tuesday, July 26, at 6:30 p.m. (Joint Review Board) and 7 p.m. (Public Hearing), respectively.** Fortunately, the notice and the agenda are correct. My apologies for the error.

Mike Davis
City Administrator & Director of Community Development
7426 Hubbard Avenue
Middleton, WI 53562
(608) 821-8358

CITY OF MIDDLETON

TIF DISTRICT NO. 3 AMENDMENT NO. 7

JOINT REVIEW BOARD

AGENDA

July 26, 2011

6:30 p.m.

City Hall Council Chambers

7426 Hubbard Avenue, City of Middleton

1. Call to order
2. Election of Chairperson
3. Election of Fifth Member-at-large
4. Initial explanation of TID #3 Amendment #7 boundary subtraction and project plan amendment
5. Other items as allowed by law
6. Set next meeting
7. Adjourn

Publish in newspaper
Publish on July 7 & 14, 2011

PUBLIC NOTICE

CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the City Middleton Plan Commission to be held on or about 7:00 p.m., Tuesday, July 26, 2011 at City Hall, 7426 Hubbard Avenue, Middleton, Wisconsin, a Public Hearing will be held on the proposed project plan amendment for the City of Middleton Tax Increment District #3 (TID #3). The purpose of the TID #3 Amendment #7 project plan is to subtract properties from the district boundary. The Project Plan lists an increase of project costs from the estimated $67,414,000 listed in TID #3, Amendment #3, to $113,414,000, or an increase of $45,500,000.

A copy of the proposed Project Plan and Boundary amendment for TID #3 Amendment #7 is available and will be provided upon request at the City Clerk's office at City Hall between the hours of 7:45 am to 4:30 pm, Monday through Friday.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed Project Plan amendment.

At a meeting of the Joint Review Board (JRB) for the proposed amendment to the City of Middleton TID #3 project plan at 6:30 p.m., Monday, July 26, 2011 at City Hall, City of Middleton, the chairperson and a fifth member-at-large will be chosen. This is the organizational meeting.

STATE OF WISCONSIN AFFIDAVIT OF PUBLICATION

being duly sworn, doth depose and say that he/she is an authorized representative of the:

NEWS-SICKLE-ARROW
SAUK PRAIRIE STAR
MIDDLETON TIMES-TRIBUNE
MOUNT HOREB MAIL
POST MESSENGER RECORDER
MARQUETTE COUNTY TRIBUNE
REEDSBURG INDEPENDENT

a weekly newspaper published by News Publishing Co. Inc. at

Middleton

in Dane County, Wisconsin and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

July 7, 2011
July 14, 2011

PUBLIC NOTICE
CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the City Middleton Plan Commission to be held on or about 7:00 p.m., Tuesday, July 26, 2011 at City Hall, 7426 Hubbard Avenue, Middleton, Wisconsin, a Public Hearing will be held on the proposed project plan amendment for the City of Middleton Tax Increment District #3 (TID #3). The purpose of the TID #3 Amendment #7 project plan is to subtract properties from the district boundary. The Project Plan lists an increase of project costs from the estimated $67,414,000 listed in TID #3, Amendment #3, to $113,414,000, or an increase of $45,500,000.

A copy of the proposed Project Plan and Boundary amendment for TID #3 Amendment #7 is available and will be provided upon request at the City Clerk's office at City Hall between the hours of 7:45 am to 4:30 pm, Monday through Friday.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed Project Plan amendment.

At a meeting of the Joint Review Board (JRB) for the proposed amendment to the City of Middleton TID #3 project plan at 6:30 p.m., Tuesday, July 26, 2011 at City Hall, City of Middleton, the chairperson and a fifth member-at-large will be chosen. This is the organizational meeting.

Publish: 7/07/11, 7/14/11 **WNAXLP**

SIGNED Sandi Garfoot
DATED 9-19-11

Diane S Baumgartner
Notary Public, State of Wisconsin

DIANE S BAUMGARTNER NOTARY PUBLIC STATE OF WISCONSIN

My Commission Expires 9/21/14

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MINUTES
CITY OF MIDDLETON
TIF DISTRICT NO. 3 AMENDMENT NO. 7
JOINT REVIEW BOARD

TUESDAY JULY 26, 2011 6:30 P.M.

Present: Mayor Kurt Sonnentag; Ellen Lindgren, Middleton Cross Plains School District; Hans Hilbert, Representing Dane County; Lorin Toepper, MATC; Carol Jensen, City of Middleton resident; Mike Davis, City of Middleton Administrator; John Lehman, City Finance Director; Eileen Kelley, City Planning Director; Susan Hoeft, City TID consultant; Abby Attoun, City Assistant Director of Community Development; Tyler Burkart, City Administrative Intern.

1. Call to Order

Mayor Kurt Sonnentag called the meeting to order at 6:30 pm.

2. Election of Chairperson

Moved by Ellen Lindgren, seconded by Lorin Toepper, to nominate Kurt Sonnentag as chair. Motion carried.

3. **Election of Fifth Member-at-large**

Moved by Lindgren, seconded by Toepper, to elect Carol Jensen as the fifth member of the Joint Review Board. Motion carried.

4. Initial Explanation of TID #3 Amendment #7 Boundary Subtraction and Project Plan Amendment

Susan Hoeft presented information regarding the three (3) main goals the City is trying to accomplish with Amendment #7: to subtract between $73 million and $74 million dollars of equalized real estate value and personal property value out of the TID #3 boundary; to further refine project costs; and to identify projects outside the TID area but within the ½ mile radius of the boundary.

5. **Set Next Meeting**

Joint Review Board members selected Tuesday, Sept. 6, 2011 at 4:30 p.m. as their next meeting date.

6. Adjourn

Moved by Toepper, seconded by Lindgren, to adjourn. Motion carried.

For more information, contact: *Eileen Kelley, City Planning Director & Zoning Administrator*
Phone: 821-8370 Fax: 827-1080 E-mail: ekelley@ci.middleton.wi.us

MINUTES
MIDDLETON PLAN COMMISSION
TUESDAY JULY 26, 2011 7:00 P.M.

PRESENT: Sonnentag, Hilbert, Hungness, Barmore, Elskamp, Hubbard, Zellers
ALSO PRESENT: Kelley, Attoun-Tucker, Opitz

1. Minutes of 7-12-11

Moved by Hubbard, seconded by Elskamp, to approve the minutes of 7-12-11. Motion carried 7-0.

2. Approval of Proposed Project Plan Amendment and Boundary – Tax Increment Financing District #3, Amendment #7 (PC #1234g)

City consultant Susan Hoeft provided an overview of Tax Increment Financing District #3, Amendment #7.

Chairman Sonnentag opened the public hearing at 7:10 p.m.

Gurdip Brar, District #2 Alderman, asked about potential new increment.

Lila Moravec, 6421 Maywood Ave., asked if people present would be able to talk about the Amherst project later in the agenda.

Chairman Sonnentag closed the hearing at 7:16 p.m.

Moved by Hilbert, seconded by Barmore, to approve the Resolution Amending the Boundaries and Project Plan Tax Increment District No. 3, and recommend approval to the Common Council. Motion carried 7-0.

3. Design Review Revision for Roof – Captain Bill's Restaurant, 2701 Century Harbor Rd. (PC #1300)

Moved by Hilbert, seconded by Zellers, to approve the design review revision as submitted, using reclaimed galvanized metal roofing panels on the porte-cochere. Motion carried 7-0

4. Specific Implementation Plan (SIP) Modification, Discovery Springs Planned Development District (PDD) – Sign Package, Madison Vein & Laser Institute, 2275 Deming Way (PC #1872)

Moved by Hungness, seconded by Elskamp, to approve the sign package as submitted as a minor SIP modification. Motion carried 7-0.

5. Review Proposals for the Amherst Rd. Residential Redevelopment Project, 2404, 2406, 2408, 2410, 2412, 2414, 2416, 2418, 2420 and 2422 Amherst Road (PC #2272)

Staff provided an overview of the two proposals, and Plan Commission members discussed the proposals and the process for reviewing and evaluating them. Hilbert asked if Habitat

for Humanity would be involved in construction of the duplexes and triplexes in the Wisconsin Partnership for Housing Development proposal, and Barmore asked if Zingg Design would design each of the units in that proposal. Sonnentag said it seems as if the Goff proposal, at first glance, might be more compatible with the neighborhood. Hilbert indicated that he would really like the City to commit to affordable housing. Elskamp and Hilbert both said they want to ensure marketability of the projects. Zellers stated that the answer to the density issue is probably somewhere in between the two proposals, with garages and adequate storage areas.

Moved by Hungness, seconded by Hilbert, to provide an opportunity for public comment at the Tuesday, August 23, 2011 Plan Commission meeting, with presentations of the two proposals first. Motion carried 7-0.

6. City/Developer Agreement - Hidden Oaks, Phase IV (PC #2293)

Moved by Barmore, seconded by Zellers, to approve and recommend approval to the Common Council, contingent upon resolution of staff comments dated July 21, 2011, and review and approval by the City Attorney. Motion carried 7-0.

7. Specific Implementation Plan (SIP) Modification, Discovery Springs PDD – Monument Sign for Plaza 14, 8313 Murphy Dr. (PC #1972)

Moved by Zellers, seconded by Elskamp, to approve the monument sign as a minor SIP modification contingent on the use of plantings to soften the sign base, with staff approval of the landscaping plan. Motion carried 7-0.

8. Specific Implementation Plan (SIP) Modification, Discovery Springs PDD – Additional Monks Wall Sign, 8313 Murphy Dr. (PC #1972)

Moved by Zellers, seconded by Barmore, to approve as a minor SIP modification. Motion carried 7-0.

9. Specific Implementation Plan (SIP) Modification, Discovery Springs PDD – Sign Package for Tires Plus, 8341 Murphy Dr. (PC #2268)

Moved by Hilbert, seconded by Hungness, to approve the following as a minor SIP modification:

- The proposed wall signs except for B2, leaving the cream band to appear as the elevation near the northwest corner of the building.
- The ten 6 sq. ft. signs over the garage bay entrances
- The monument sign with a base not to exceed a height of 4 feet and with the use of plantings to soften the base, with staff approval of the landscaping plan.

Motion carried 7-0.

10. Concept Review – Request for Rezoning – Highland Property Group, 2-Lot Infill on Corner of South Ave. & Middleton St. (PC #2294)

Following discussion, moved by Barmore, seconded by Elskamp, to grant concept approval. Motion carried 7-0.

11. Future Urban Development Area (FUDA) Planning Update (PC #2261)

Staff provided a brief update. No action was necessary.

Moved by Hilbert, seconded by Elskamp, to adjourn. Motion carried 7-0.

EILEEN KELLEY

Note: These minutes were prepared by Eileen Kelley, Planning Director & Zoning Administrator. These minutes are based on the notes of the recorder and are subject to change at a subsequent meeting.

PLAN COMMISSION OF THE CITY OF MIDDLETON

RESOLUTION AMENDING THE BOUNDARIES AND PROJECT PLAN TAX INCREMENT DISTRICT NO. 3 CITY OF MIDDLETON, WISCONSIN

WHEREAS, the City of Middleton Plan Commission has prepared an Amendment to the Project Plan for Tax Increment District No. 3, which subtracts territory from the District in a way that does not remove contiguity from the District and refines and increases the potential project costs to be expended in Tax Increment District No. 3; and

WHEREAS, a public hearing was properly noticed and held by the Plan Commission on July 26, 2011, wherein interested parties were afforded a reasonable opportunity to express their views on the proposed Project Plan amendment and the proposed boundary amendments thereof; and

WHEREAS, the City of Middleton has notified the Chief Executive Office of the Middleton-Cross Plains School District, the Dane County Board and the Madison Area Technical College, representing the entities having power to levy taxes on property located within TID No. 3 pursuant to Wis. Stats. Section 66.1105(4)(a); and

WHEREAS, pursuant to such procedure and after due reflection and consideration, the Plan Commission desires to favorably recommend to the Common Council of the City of Middleton the amendment to the boundaries of Tax Increment District No. 3, the lands of which are shown on a map on the attached Exhibit A, which is entitled "City of Middleton TID No. 3 Map 1: Proposed Amended Boundary," and the Boundary and Project Plan;

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the City of Middleton as follows:

1. Amendment No. 7 to Tax Increment District No. 3, including the text and boundary map included therein in the form attached hereto as Exhibit "A" is hereby adopted.

2. Such Amended Project Plan for Tax Increment District No. 3 remains feasible after subtraction of the properties as set forth in the said Project Plan amendment.

3. The Amended Project Plan for TID No. 3 is in conformity with the Comprehensive Plan of the City of Middleton.

BE IT FURTHER RESOLVED that the Plan Commission recommends that the Common Council approve the amendment to the boundaries of Tax Increment District No. 3, City of Middleton Wisconsin, and Amendment No. 7 of the Boundary and Project Plan for Tax Increment Districvt No. 3 pursuant to the provisions of Wis. Stats. Section 66.1105(4)(h)1.

This Resolution was duly adopted at a regular meeting of the Plan Commission of the City of Middleton on the 26th day of July, 2011.

PLAN COMMISSION

By: _____
Kurt Sonnentag,
Plan Commission Chair

ATTEST:

By: _____
Eileen Kelley,
Plan Commission Secretary

Ayes: 7
Noes: 0
Adopted: 7-26-11

RESOLUTION NO. 2011-43

RESOLUTION AMENDING TAX INCREMENT DISTRICT NO. 3 PROJECT PLAN AND BOUNDARIES

WHEREAS, the City of Middleton Plan Commission has prepared and adopted an Amendment to the Project Plan for Tax Increment District No. 3, which subtracts territory from the District in a way that does not remove contiguity from the District and refines and increases the potential project costs to be expended in Tax Increment District No. 3; and

WHEREAS, a public hearing as properly noticed and held by the Plan Commission on July 26, 2011, wherein interested parties were afforded a reasonable opportunity to express their views on the proposed Project Plan amendment and the proposed boundary amendments thereof; and

WHEREAS, the City of Middleton has notified the Chief Executive Office of the Middleton-Cross Plains School District, the Dane County Board and the Madison Area Technical College, representing the entities having power to levy taxes on property located within TID No. 3 pursuant to Wis. Stats. § 66.1105(4)(a); and

WHEREAS, the City Plan Commission has submitted such Amended Project Plan to the Common Council of the City of Middleton;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Middleton as follows:

1. Amendment No. 7 to Tax Increment District No. 3, including the text and boundary map included therein in the form attached hereto as Exhibit "A" is hereby approved in accordance with Wis. Stats. § 66.1105(4)(h)2.

2. Such Amended Project Plan for Tax Increment District No. 3 remains feasible after subtraction of the properties as set forth in the said Project Plan amendment.

3. The Amended Project Plan for TID No. 3 is in conformity with the Comprehensive Plan of the City of Middleton, as well as other policies and laws of the City of Middleton.

This Resolution shall take effect upon approval by the Joint Review Board pursuant to Wis. Stats. § 66.1105(4m).

This Resolution was duly adopted at a regular meeting of the Common Council of the City of Middleton on the 20th day of September, 2011.

CITY OF MIDDLETON

By: Kurt J. Sonnentag
Kurt J. Sonnentag, Mayor

ATTEST:

John M. Lehman
John Lehman, Acting Clerk

Ayes: 7
Noes: 0
Adopted: YES 9/20/11

4848-4962-5098, v. 1

STATE OF WISCONSIN AFFIDAVIT OF PUBLICATION

Sandi Garfoot

being duly sworn, doth depose and say that he/she is an authorized representative of the:

NEWS-SICKLE-ARROW
SAUK PRAIRIE STAR
MIDDLETON TIMES-TRIBUNE
MOUNT HOREB MAIL
POST MESSENGER RECORDER
MARQUETTE COUNTY TRIBUNE
REEDSBURG INDEPENDENT

a weekly newspaper published by News Publishing Co. Inc. at Middleton in Dane County, Wisconsin and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on Sept 22, 2011

PUBLIC NOTICE
CITY OF MIDDLETON

TO WHOM IT MAY CONCERN:

At a meeting of the Joint Review Board for the City of Middleton TID No. 3, Amendment No. 7, to be held at 1:00 p.m., Thursday, September 29, 2011 at City Hall, 7426 Hubbard Ave., Middleton, Wisconsin, discussion and action will be taken on the proposed resolution ratifying the City Council resolution amending TID No. 3.

A copy of TID #3 Amendment #7 Project Plan is available at the City Clerk's office.

At the Joint Review Board meeting, interested parties will be afforded a reasonable opportunity to express their views on the proposed Project Plan and Boundary amendment.

Publish: 9/22/11 WNAXLP

SIGNED Sandi Garfoot

DATED 9-22-11

DIANE S BAUMGARTNER NOTARY PUBLIC STATE OF WISCONSIN

Diane S Baumgartner
Notary Public, State of Wisconsin

My Commission Expires 9/21/14

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Printers Fee $_____

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Total $_____

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JOINT REVIEW BOARD

TIF DISTRICT NO. 3
AMENDMENT NO. 7

CITY OF MIDDLETON

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents are listed in Section 66.1105(4m)(c)(1), Wis. Stats.

(i) The local legislative body shall provide the joint review board with the following information and projections:

1. The specific items that constitute the project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.

Response:

Amendment #7 refines the list of project costs found in the original TID No. 3 project plan, adopted in 1993 and also in Amendment #3, adopted in March, 2002. The project costs in Amendment #7 continue with improvements that were identified in these earlier project plans. These improvements include, but are not limited to, stormwater and water quality management projects, vehicular, bike and pedestrian improvements, economic development and business recruitment participation and downtown improvements, more specifically parking improvements.

The City proposes that the total estimated project costs to be incurred by 2015 (mandatory end of spending period) be changed from $67,914,000 as identified in Amendment #3, to $113,414,000 or a potential increase of $45,500,000.

With the conservative assumption that no additional increment will be generated within the remaining life of the TID (mandatory retirement is 2020), an additional approximate $20,000,000 of tax increment revenues are estimated to be generated. The City will carefully monitor additional tax increment revenues and propose project costs that will be paid by actual collection of tax increment revenues.

2. The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.

Response:

TID #3 currently has a reported equalized increment value of $268,038,300 as of January 1, 2011. Due to a 70.57 correction and reflected in the August 15, 2011 Department of Revenue's TIF Limit Valuation Report, the $268,038,300 is $61,231,100 less than the actual total increment value. The August 15, 2012 report should reflect the reinstatement of the $61,231,100 for a total equalized value increment of $329,269,400. In addition, parcels inadvertently omitted in previous reporting will add an additional estimated $65-70,000,000 to the total increment value. These changes and corrections plus any other changes that took place during 2011 will bring the 2012 total increment value closer to the 2010 reported total equalized increment value of $409,373,600. For conservative estimating purposes of Amendment #3, no further increment is anticipated to be constructed and generated in the life of the TID.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefit by improvements within the tax incremental district.*

Response:

Given the annual tax increment revenues generated, TID #3 could retire a portion of its current debt in 2015. However, existing development agreements require keeping TID #3 open until its statutorily-mandated retirement date or 2020. Amendment #7 is the last boundary amendment currently allowed by law for TID #3. This amendment will bring an additional $73-74 million of tax base back onto the tax rolls. The total value of properties back on the general tax rolls with the three subtractions totals approximately $225,000,000.

Due to the continued economic climate and change in the State of Wisconsin's budgetary considerations and their impact on local communities, the City is using its last boundary amendment to help ease the general fund financial burden by transferring almost $74,000,000 to the tax rolls for general tax relief. Consequently, tax revenues collected in TID #3 will be less than anticipated at the last boundary amendment and retirement of the district will take the full statutorily-allowed time frame or 2020. The City will continue to responsibly use TID #3 tax revenues to encourage and expand business, create new jobs and use sustainable methods for redevelopment, continue with stormwater and water quality management which benefits the entire region and continue to be a business leader in the region. Use of TID revenues will make all of this possible as has been demonstrated since the 1993 creation of TID #3.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The January 1, 2011 total equalized value of TID #3 was $332,746,200 and the total increment valued at $268,038,600. As explained above, these values will be increased in 2012 with the reinstating of properties inadvertently omitted from the TID in previous reporting. Assuming that the district will remain open until 2020 and that no further development occurs within the district, it is possible that an estimated additional $19,677,369 of tax revenues will be generated with 2011-2020 tax revenue collections (see table at end of project plan). The share of project tax increments estimated to be paid by the owners of taxable property in each of the taxing jurisdictions could be estimated as follows:

State of Wisconsin	.895%	$176,112
Dane County	14.32%	$2,817,799
Middleton/CP School District	49.293%	$9,699,566
Madison Area Technical College	7.773%	$1,529,522
City of Middleton	27.72%	$5,454,567

(Discrepancies may occur due to rounding)

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

The long-term benefits to not only the City of Middleton residents but those in the overlying taxing jurisdictions have been evident since creation of TID #3 in 1993. Over 4000 jobs have been created as well as $600,000,000 of new tax base. The implementation of stormwater and water quality management projects has significantly enhanced the areas in TID #3 as well as downstream into Lake Mendota and further. Blight elimination through redevelopment and appropriate new development affects the entire community and region. Lastly, subtracting up to an additional $74,000,000 of value and putting this value back on the general tax rolls will bring immediate and direct economic relief to the owners of taxable property in the overlying taxing jurisdictions. This single benefit alone fulfills the spirit of the Tax Increment Financing law.

JOINT REVIEW BOARD

TIF DISTRICT NO. 3
AMENDMENT NO. 7

CITY OF MIDDLETON

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

A. *Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;*

B. *Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and*

C. *Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying tax districts.*

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 3, Amendment No. 7, in the City of Middleton. The criteria are addressed in turn below.

A. TIF District No. 3 was created for multiple purposes which included, but were not limited to the following: job creation (living wage jobs); tax base creation; diversifying the tax base from higher percentages of residential to more commercial and industrial/business, development to the City's standards of under-utilized properties through stormwater and water quality management projects, controlling the aesthetics of the properties along the Highway 12 corridor; providing services for appropriate development; business recruitment and enhancing land use patterns and relocating inappropriate land uses to further enhance development of abutting properties.

B. While the economic benefits of creating TIF District No. 3 were numerous and will benefit not only the City of Middleton but also the overlying taxing jurisdictions as well, the amount of revenue generated from increased employment and income taxes as well as increases in property values is insufficient to compensate for the project expenditures and debt service associated with borrowing for those project costs. As the City has demonstrated since creation of TID #3 in 1993, through the economically responsible use of tax increment financing, can these project costs be paid.

C. Amendment of TID #3 to subtract an additional $73-74 million of value for general fund and tax roll use is an immediate and direct benefit to the owners of property within the taxing jurisdictions. Continuation of projects undertaken within TID #3 will also have a far reaching impact on all property owners within the district.

RESOLUTION APPROVING CITY COUNCIL RESOLUTION
AMENDING TIF DISTRICT NO. 3 BOUNDARY & PROJECT PLAN
CITY OF MIDDLETON, WISCONSIN

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin, has reviewed the public record, planning documents and resolution related to the amended boundary and project plan for TIF District No. 3, City of Middleton, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 3, City of Middleton, Wisconsin has received in an open meeting additional information from the City of Middleton staff regarding the amended boundary and project plan for Tax Incremental District No. 3, City of Middleton, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. The development expected in TIF District No. 3, City of Middleton, Wisconsin, would not occur without the use of tax incremental financing;

2. The economic benefits of TIF District No. 3, City of Middleton, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 29th day of September, 2011.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT No. 3
AMENDMENT No. 7
CITY OF MIDDLETON, WISCONSIN

_____
Kurt Sonnentag, Chair

*

VANDEWALLE & ASSOCIATES INC.

June 14, 2012

Eileen Kelley
City of Middleton
7426 Hubbard Avenue
Middleton, WI 53562

Re: TID #3 Project Plan Amendment for Conformity with Revised Statutes

Dear Eileen:

On behalf of Vandewalle & Associates, I am pleased to present this proposal for TID amendment services. I am a principal planner with the firm with more than 25 years of municipal planning and administration experience and will lead this project in consultation with Susan Hoeft.

Below please find a scope of services to amend TID #3 to extend the life consistent with the recent state authorizing legislation. This includes the tasks we will complete and those anticipated to be performed by City staff and your attorney for the greatest efficiencies. In addition, I've also included a tentative schedule if the project were to begin in early July. The schedule is a bit aggressive but concludes a full month prior to the DOR amendment filing deadline so there is flexibility if some of the meeting dates need to be moved out in order to ensure quorums.

Responsibilities of Vandewalle & Associates

1. Meet with the City staff and attorney for an initial information gathering session.
2. Prepare revised project plan for Plan Commission, Common Council, and Joint Review Board approvals. The revised project plan is expected to be limited to brief text and updated tables (budget and projections) as necessary to reflect the time extension.
3. Prepare draft notices, taxing jurisdiction letters, and agendas for all public meetings pertaining to the TID amendment.
4. Provide one paper copy and an electronic file of each version of the revised project plan to City staff for reproduction and distribution.
5. Attendance and participation in all public meetings included on the attached schedule.
6. Organize final project plan and all appendices for submittal to DOR.
7. Assistance in preparation of the Clerk and Assessor's Amendment Packet may be provided on a time and materials basis outside the scope of this proposal.

Responsibilities of the City Staff and Attorney

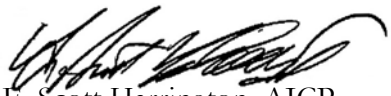
1. Provide information to V&A to assist in preparation of the revised project plan. Information may include tax parcel information, base mapping, proposed public improvement project descriptions and estimated costs, TIF financial statements and records, and other information needed to complete the project plan.
2. Reproduction and distribution of all documents and correspondence to the Joint Review Board, Plan Commission, and Common Council with appropriate attachments.
3. Transmittal of Class 2 notices to the newspaper and securing Proofs of Publication.
4. Making copies of the plan available for public viewing and providing copies as requested.
5. Assistance in the presentation of project plan to Joint Review Board, Plan Commission, and Common Council.
6. Preparation of legal opinion as to compliance of the State of Wisconsin statutory process.
7. Final submittal or all required documents to DOR.
8. Preparation of Clerk and Assessor's Amendment Packet for submittal to DOR by October 31, 2012.
9. Any other tasks necessary to complete the statutory and City processes.

Vandewalle & Associates will perform the above services on a time and materials for a fee not to exceed $3,500. Any additional services may be provided on an hourly basis consistent with the attached fee schedule.

If you have any questions or need additional information, please do not hesitate to call. I look forward to working with you on this project.

Sincerely,

VANDEWALLE & ASSOCIATES, INC.



E. Scott Harrington, AICP
Principal Planner

Middleton TID #3 Project Plan Amendment Tentative Schedule

DATE	ACTIVITY
June 26	Plan Commission review of TIF Amendment proposal
July 2	Common Council approval of contract to prepare TIF Amendment
Week of July 2	Project initiation and initial work session with City staff.
July 3 – July 13	Prepare draft project plan amendment, including: ▪ Gather information about proposed projects ▪ Review existing TIF financials and prepare revised projections ▪ Revise project plan text ▪ Prepare draft letters, notices and resolutions for review by City Attorney
Week of July 16	Work session with City staff to finalize public hearing draft of project plan.
July 23	Send a copy of the public hearing notice by first class mail to the chief executive officer of all local governmental entities having the power to levy taxes on property located within the district (*must be mailed prior to publication of the notice in the paper*).
Week of July 23	Transmit to local paper the Notice of Public Hearing indicating when the public hearing on the proposed amended project plan will be held (8/14) and the dates the notice is to be published (7/30 & 8/6).
July 30	Publication of first Notice of Public Hearing on project plan (*1 week prior to second Notice of Public Hearing).*
August 6	Publication of second Notice of Public Hearing on project plan & Notice for Joint Review Board meeting (*1 week prior to public hearing).*
August 14 (1/2 hour prior to PC Hearing)	A joint review board shall be created as per statutes with the first board meeting held. The chairperson and one member-at-large will be selected at this meeting.
August 14 (same night as JRB meeting)	Plan Commission special meeting for TIF Public Hearing at which interested parties are afforded a reasonable opportunity to express their views on the proposed project plan amendment. Following the Public Hearing, the Plan Commission shall adopt a resolution for consideration and approval by the City Council.
Week of August 20	Send electronic amended project plan with appendices to JRB members.
Week of August 20	Transmit to local paper the JRB public hearing notice indicating when the public hearing will be held (9/6) and the date the notice is to be published (by 8/31).
Week of August 27	Publication of notice of Joint Review Board meeting (*at least 5 days prior to meeting).*
September 4	Approval by the City Council of project plan. Such approval shall be by resolution which must contain specific statutory findings.
September 6	The Joint Review Board shall review the public record, planning documents, the resolutions passed by the City Council under sub.(4)(gm) or (h). No tax incremental district may be amended unless the board approves the resolution adopted under sub.(4)(gm) or (h) by a majority vote **within 30 days** after receipt of the Resolution(s) from the City Council. The board must submit its decision to the City no more than 7 days after the vote.
Week of September 17	City Attorney opinion due prior to DOR submittal.
Week of September 24	Within 60 days after adoption, the City Clerk must give written notice of the tax increment district resolution and a complete project plan to the Department of Revenue. Copies of the approved resolutions shall be submitted to the Department.

Vandewalle & Associates
FEE SCHEDULE

Hourly Rates

Company President	$195 *to* $250
Principal	$120 *to* $220
Associate	$70 *to* $120
Assistant	$65 *to* $80
GIS Analyst/Cartographer	$65 *to* $80
Communications Specialist	$60 *to* $85
Project Assistant	$35 *to* $65

Rates subject to change with 30 day written notice.