

CITY OF RIVER FALLS
PIERCE COUNTY, WISCONSIN

Documents related to the
CREATION OF
TAX INCREMENTAL DISTRICT NO. 8
(a blighted area district)

CREATION RESOLUTION ADOPTION DATE:
May 11, 2010

Prepared by:



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CITY OF RIVER FALLS
PIERCE COUNTY, WISCONSIN

FOR THE CREATION OF
TAX INCREMENTAL DISTRICT NO. 8
(a blighted area district)

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PROJECT PLAN

for the creation of

Tax Incremental District No. 8
(a blighted area district)

in the

CITY OF RIVER FALLS
PIERCE COUNTY, WISCONSIN



<i>Organizational Joint Review Board Meeting Held:</i>	<i>April 6, 2010</i>
<i>Public Hearing Held:</i>	<i>April 6, 2010</i>
<i>Adopted by Plan Commission:</i>	<i>April 6, 2010</i>
<i>Adopted by Common Council:</i>	<i>May 11, 2010</i>
<i>Approved by Joint Review Board:</i>	<i>June 23, 2010</i>



EHLERS
LEADERS IN PUBLIC FINANCE

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Tax Incremental District No. 8 Creation Project Plan

City of River Falls Officials

Common Council

Don Richards	Mayor
Randy Kusilek	Member
David Cronk	Member
Scott Morrissette	Member
Tom Caflisch	Member
Jim Nordgren	Member
David Reese	Member
Bob Hughes	Member

City Staff

Scot Simpson	City Administrator
Julie Bergstrom	City Finance Director- Treasurer
Lu Ann Hecht	City Clerk
William G. Thiel	City Attorney

Plan Commission

Don Richards	Chair
Susan Reese	Member
Reid Wronski	Member
David Cronk	Member
Thomas Heimerl	Member
Sandy Bowen	Member
Todd Schultz	Member
Ellen Smith	Member
Erin Tomlinson	Member

Joint Review Board

Don Richards

Bill Warner

John Kleven

Manville Q. Kenney

Paul Schwebach

City Representative

Pierce County

Chippewa Valley Technical College District

School District of River Falls

Public Member

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1. EXECUTIVE SUMMARY

DESCRIPTION OF DISTRICT

- Type of District, Size and Location. TID No. 8 (the "District") is proposed to be created as a blighted area district. A map of proposed District boundaries is located in Section 3 of this Project Plan.
- Estimated Total Project Expenditures. The City anticipates making total project expenditures of approximately \$1,898,500 to undertake the projects listed in this Project Plan. The City anticipates completing the projects in multiple phases based on development objectives. The Expenditure Period of this District is 22 years from the date of adoption of the Creation Resolution by the Common Council. The projects to be undertaken pursuant to this Project Plan are expected to be financed with tax increments of the District and general obligation bonds to be issued by the City, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of project financing by phase is located in Section 10 of this Project Plan.
- Economic Development. As a result of the creation of this District, the City projects that additional land and improvements value of approximately \$6,000,000 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment, and associated values is located in Section 10 of this Project Plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.

The City has entered into a development agreement (the "Agreement") with Gerrard Corporation (the "Developer") to allow for the initial phases of development within the boundaries of the District. The Agreement calls for the construction of two 12-unit, 42-bed residential complexes, which will primarily serve as student housing. The complexes will be completed in two phases, with the first phase substantially completed in 2010 and the second phase substantially completed in 2012. While Phases III & IV are contemplated within the context of the Agreement, there is no obligation on the part of the Developer to initiate or complete those projects.

- Expected Termination of District. Based on the Economic Feasibility Study located in Section 10 of this Project Plan, this District would be expected to generate sufficient tax increments to recover all project costs by the year 2036; 1 year earlier than the 27 year maximum life of this District.

SUMMARY OF FINDINGS

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

1. **That "but for" the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City.** In making this determination, the City has considered the following information:
 - In order to make the areas included within the District suitable for development and/or redevelopment, the City will need to make a substantial investment to pay for the costs of: property, right-of-way and easement acquisition, site preparation, installation of utilities; installation of streets and related streetscape items; development incentive payments, facade, grants and loans, and other associated costs. Due to the extensive initial investment in public infrastructure that is required in order to allow development to occur, the City has determined that development and/or redevelopment of the area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development and/or redevelopment of the area is unlikely to occur.
2. **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 the improvements.** In making this determination, the City has considered the following information:
 - As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
 - If approved, the District creation would become effective for valuation purposes as of January 1, 2010. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation or appreciation of property values occurring after January 1, 2010, would be collected by the District and used to repay the costs of TIF-eligible projects undertaken within the District.
 - Since the development expected to occur is unlikely to take place without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the City reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the "but for" test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of this Project Plan.

4. Not less than 50% by area of the real property within the District is a blighted area within the meaning of Section 66.1105(2)(a) of the Wisconsin Statutes. Furthermore, any property standing vacant for the entire seven years preceding adoption of the Creation Resolution does not comprise more than 25% of the area in the District in compliance with Section 66.1105(4)(gm)1 of the Wisconsin State Statutes.
5. Based upon the findings, as stated above, the District is declared to be a blighted area district based on the identification and classification of the property included within the district.
6. The project costs relate directly to promoting the elimination of blight consistent with the purpose for which the District is created.
7. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
8. The equalized value of taxable property of the District plus the value increment of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that approximately 3.00% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin Statutes.
10. The Project Plan for the District in the City is feasible, and is in conformity with the master plan of the City.

2. TYPE & GENERAL DESCRIPTION OF DISTRICT

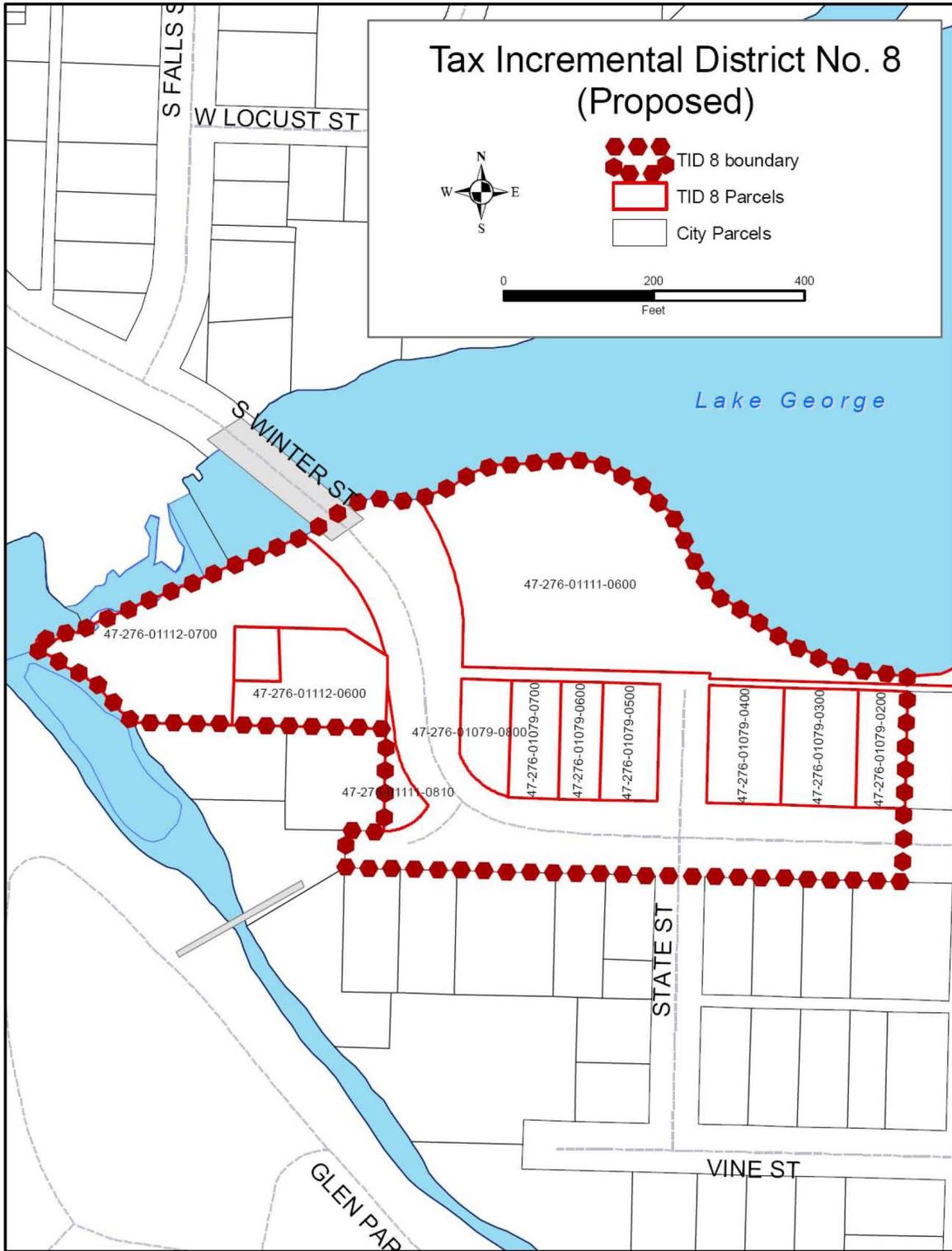
The District is being created by the City of River Falls under the authority provided by Wisconsin Statutes, Section 66.1105. The District is created as a "Blighted Area District" based upon a finding that at least 50%, by area, of the real property within the District is blighted. In Section 5 of this Project Plan, the City has identified those properties within the District that meet the criteria of "blighted areas" as defined in State Statutes, Section 66.1105(2)(a)1, and relies on these characterizations as the basis for making the above finding.

Property standing vacant for seven years immediately preceding adoption of the Creation Resolution for this District will not comprise more than 25% of the area in the District in compliance with Section 66.1105(4)(gm)1. of the Wisconsin State Statutes. A calculation demonstrating compliance with this test is found as part of the Preliminary Parcel List in Section 5 of this Project Plan.

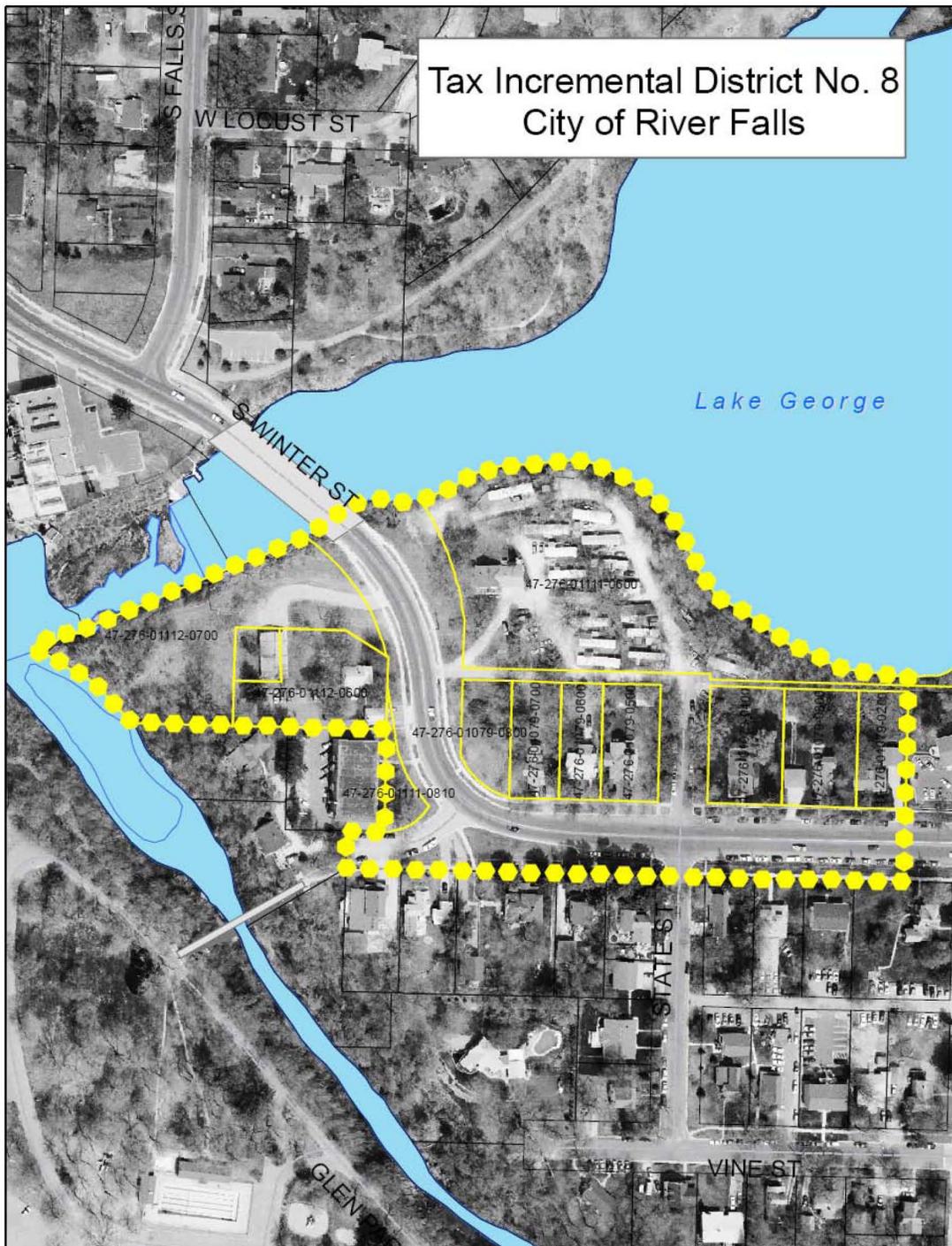
A map depicting the boundaries of the District is found in Section 3 of this Project Plan. A map depicting the proposed uses of the District is found in Section 8 of this Project Plan. The City of River Falls intends that tax increment financing (TIF) will be used to assure that private development occurs within the District consistent with the City's development and redevelopment objectives. This will be accomplished by installing public improvements, and making necessary related expenditures, to promote development and redevelopment within the District. The goal is to increase the tax base and to provide for and preserve employment opportunities within the City. The project costs included in this Project Plan relate directly to the elimination of blight and are consistent with the purpose for which the District is created.

Based upon the findings as stated within this Project Plan, the District is declared to be a blighted area district based on the identification and classification of the property included within the District.

3. MAP OF PROPOSED DISTRICT BOUNDARY



4. MAP SHOWING EXISTING USES AND CONDITIONS



5. PRELIMINARY PARCEL LIST & ANALYSIS

MAP REF. #	PARCEL NO.	STREET ADDRESS	OWNER	ASSESSED VALUE - PERS PROP	ASSESSED VALUE - LAND	ASSESSED VALUE - IMP	TOTAL ASSESSED VALUE (LAND & IMP)	ASSESSMENT CLASSIFICATION	LAND RATIO (BY CLASS)	IMPROVEMENTS RATIO (BY CLASS)	EQUALIZED VALUE
ORIGINAL DISTRICT AREA DATA											
	276-01112-0700	407 S. Falls	City of River Falls	0	0	0	0	Exempt			
	276-01112-0600	415 S. Winter	Sykora, Peter	0	54,500	103,300	157,800	1 - Residential	113.13%	108.16%	143,680
	276-01111-0810	No address	City of River Falls	0	0	0	0	Exempt			
	276-01079-0800	221 W. Cascade	City of River Falls	0	0	0	0	Exempt			
	276-01079-0700	213 W. Cascade	Abrahamson Trust	0	37,700	95,900	133,600	1 - Residential	113.13%	108.16%	121,988
	276-01079-0600	209 W. Cascade	Foster Associates	0	35,400	136,800	172,200	1 - Residential	113.13%	108.16%	157,769
	276-01079-0500	203 W. Cascade	Foster Associates	0	40,000	134,000	174,000	1 - Residential	113.13%	108.16%	159,247
	276-01079-0400	141 W. Cascade	Keith, Estella	0	50,600	130,800	181,400	1 - Residential	113.13%	108.16%	165,658
	276-01079-0300	131 W. Cascade	Breen, Gerald/Joyce	0	50,600	141,600	192,200	1 - Residential	113.13%	108.16%	175,643
	276-01079-0200	129 W. Cascade	Tan, Lillian	0	37,700	135,300	173,000	1 - Residential	113.13%	108.16%	158,416
	276-01111-0600	404 S. Winter	Foster Associates	0	265,200	5,000	270,200	2 - Commercial	94.01%	91.61%	287,553
			SUBTOTAL PERSONAL PROPERTY >	0						0.00%	
											1,369,954

ESTIMATED BASE VALUE

6. EQUALIZED VALUE TEST

The following calculations demonstrate that the City is in compliance with s.66.1105(4)(gm)4.c. Wis. Stats., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing Tax Incremental Districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing Tax Incremental Districts within the City, plus the base value of the proposed District, totals \$36,655,654. This value is less than the maximum of \$102,346,476 in equalized value that is permitted for the City of River Falls. The City is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

<i>City of River Falls, WI</i>			
Tax Increment District No. 8			
Valuation Test Compliance Calculation			
Anticipated Creation Date:	5/11/2010	Valuation Data Establishing 12% Limit Based on Anticipated Creation Date	Estimated Valuation Data Establishing Base Value
Property Appreciation Factor:	3.00%	Valuation Data Currently Available	Estimated Valuation Data Establishing Base Value
		ACTUAL	ESTIMATED
As of January 1,		2009	2010
Total Equalized Value (TID IN)		852,887,300	878,473,919
Limit for 12% Test		102,346,476	105,416,870
Increment Value of Existing TID's			
TID No. 4 Increment		12,219,700	12,586,291
TID No. 5 Increment		22,451,100	23,124,633
TID No. 6 Increment		614,900	633,347
Total Existing Increment		35,285,700	36,344,271
Projected Base Value of New District		1,369,954	1,411,052
Existing TID New Construction Factor			
TOTAL VALUE SUBJECT TO TEST/LIMIT		36,655,654	37,755,323
COMPLIANCE		PASS	PASS
			37,797,655
			PASS
			Percentage Increase in Base Value at Which EV Test will Fail
			4795.11%

7. STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS

The following is a list of public works and other projects that the City expects to implement in conjunction with this District. Any costs necessary or convenient to the creation of the District or directly or indirectly related to the public works and other projects are considered "project costs" and eligible to be paid with tax increment revenues of the District.

PROPERTY, RIGHT-OF-WAY AND EASEMENT ACQUISITION

- **PROPERTY ACQUISITION FOR DEVELOPMENT AND/OR REDEVELOPMENT.** In order to promote and facilitate development and/or redevelopment the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Project Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in State Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.
- **PROPERTY ACQUISITION FOR CONSERVANCY AND RECREATION ACTIVITIES.** In order to promote the objectives of this Project Plan, the City intends to acquire property within the District that it will designate for conservancy or for addition to the existing park system, including piers and other natural water features. These conservancy recreation objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife, maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; providing adequate areas for management of stormwater; and providing for access to surrounding lakes and waterways through the construction of piers and other permanent water features. The cost of property acquired for these purposes, and any costs associated with the transaction, are eligible Project Costs.
- **ACQUISITION OF RIGHTS-OF-WAY.** The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.
- **ACQUISITION OF EASEMENTS.** The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.
- **RELOCATION COSTS.** If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

SITE PREPARATION ACTIVITIES

- **ENVIRONMENTAL AUDITS AND REMEDIATION.** There have been no known environmental studies performed within the proposed District. If, however, it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.
- **DEMOLITION.** In order to make sites suitable for development and/or redevelopment, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.
- **SITE GRADING.** Land within the District may require grading to make it suitable for development and/or redevelopment, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

UTILITIES

- **SANITARY SEWER SYSTEM IMPROVEMENTS.** To allow development and/or redevelopment to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.
- **WATER SYSTEM IMPROVEMENTS.** To allow development and/or redevelopment to occur, the City may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.
- **STORMWATER MANAGEMENT SYSTEM IMPROVEMENTS.** Development and/or redevelopment within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the City may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves;

service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

- **ELECTRIC SERVICE.** In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.
- **GAS SERVICE.** In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.
- **COMMUNICATIONS INFRASTRUCTURE.** In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

STREETS AND STREETScape

- **STREET IMPROVEMENTS.** To allow development and/or redevelopment to occur, the City may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.
- **STREETSCAPING AND LANDSCAPING.** In order to attract development and/or redevelopment consistent with the objectives of this Project Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.
- **PEDESTRIAN AND BICYCLE PATHS.** In order to afford mobility and access to the area, as well as to enhance the parks and green spaces with the District, the City intends to construct, replace and refurbish pathways for use by pedestrians and bicycles, including any amenities related to those improvements.

CDA OR RDA TYPE ACTIVITIES

- **CONTRIBUTION TO COMMUNITY DEVELOPMENT OR REDEVELOPMENT AUTHORITY.** As provided for in Wisconsin Statutes, Sections 66.1105(2)(f)1.h and 66.1333(13), the City may provide funds to its CDA OR RDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA or RDA for these purposes are eligible Project Costs.
- **REVOLVING LOAN/GRANT PROGRAM.** To encourage private redevelopment consistent with the objectives of this Project Plan, the City, through its CDA OR RDA, will provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA OR RDA in the program manual. Any funds returned to the CDA OR RDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds will be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA OR RDA for purposes of implementing this program are considered eligible Project Costs.

MISCELLANEOUS

- **CASH GRANTS (DEVELOPMENT INCENTIVES).** The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.
 - **PROJECTS OUTSIDE THE TAX INCREMENT DISTRICT.** Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to make the following project cost expenditures outside the District:
 - Construction of a multi-use paved trail, including acquisition of property for such, all planning and design costs and other trail amenities
 - Improvements and upgrades to public fishing piers and other permanent waterfront amenities, including all appurtenances complimentary improvements
 - Park shelters
 - Acquisition of land for the purpose of trail right of way, parkland, conservancy and additional public parking space
 - Street and bridge lighting
 - Crosswalk and other street-related pedestrian traffic safety enhancements
 - **PROFESSIONAL SERVICE AND ORGANIZATIONAL COSTS.** The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination
-

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

- **ADMINISTRATIVE COSTS.** The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees in connection with the implementation of the Project Plan.
- **FINANCING COSTS.** Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Project Plan are eligible Project Costs.

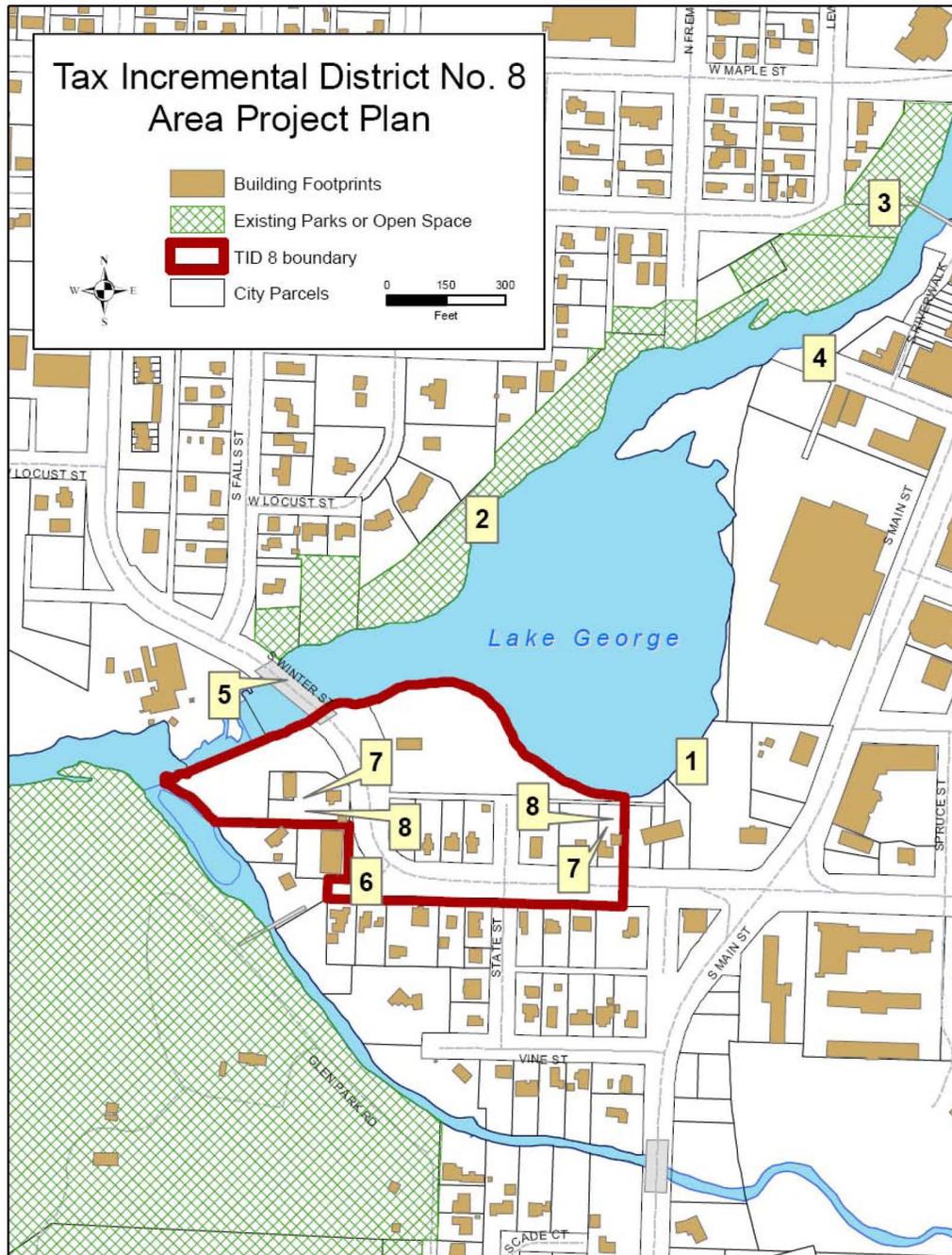
With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for the public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments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

In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statute Section 66.1105, in the written opinion of nationally recognized bond counsel retained by the City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan.

The City reserves the right to implement only those projects that remain viable as the Project Plan period proceeds.

Project costs are any expenditures made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Project Plan. Project costs will be diminished by any income, special assessments or other revenues, including user fees or charges. To the extent the costs benefit the municipality outside the District, a proportionate share of the cost is not a project cost. Costs identified in this Project Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Proration of costs in the Project Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

8. MAP SHOWING PROPOSED IMPROVEMENTS



1. Extension of pathway between University Falls Project and Econofoods	5. Winter Street Bridge Lighting Replacement
2. Upgrades to Fishing Pier and White pathway	6. Crosswalk Safety Enhancements
3. Heritage Park Performance Space	7. Property Acquisition
4. Land Acquisition	8. Demolition

9. DETAILED LIST OF PROJECT COSTS

All costs are based on 2010 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2010 and the time of construction. The City also reserves the right to increase certain project costs to the extent others are reduced or not implemented, without amending the Project Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Project Plan.

This Project Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Project Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without amending the Project Plan.

PROPOSED TIF PROJECT COST ESTIMATES

	Phase I	Phase II	Future Phases	TOTALS
	2011	2013	2014 - 2032	
Projects				
Cash Grant - Development Incentive	270,000	216,000		486,000
* Land and/or Real Property Acquisition			520,000	520,000
* Street Lighting			50,000	50,000
* Pedestrian Safety Enhancements			50,000	50,000
Demolition			30,000	30,000
* Park, Pier and Greenspace Enhancements, including: grass, park amenities (benches, lighting, decorative pavers, etc.), installation of utility extensions for shelters, restrooms, appurtenances, etc.			383,000	383,000
* Planning, Design and Construction of Pedestrian Pathways and Bike Trails			270,000	270,000
Creation and Administrative Costs			109,500	109,500
Subtotal Needed for Projects	270,000	216,000	1,412,500	1,898,500
Notes:				
* - denotes projects for which all or some of the costs are to be located within 1/2 mile of the TIDs designated boundary area (1/2 mile projects are estimated at \$1,023,000)				

10. ECONOMIC FEASIBILITY STUDY & A DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS RELATED THERETO ARE TO BE INCURRED

The information and exhibits contained within this Section demonstrate that the proposed District is economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the projects contained within this Project Plan. A listing of "Available Financing Methods" follows.
- The City expects to complete the projects in one or more phases, and can adjust the timing of implementation as needed to coincide with the pace of private development. A discussion of the phasing and projected timeline for project completion is discussed under "Project Plan Implementation" within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to incur is included.
- The development anticipated to occur as a result of the implementation of this Project Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the District, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

AVAILABLE FINANCING METHODS

Implementation of this Project Plan will require that the City issue obligations to provide direct or indirect financing for the Projects to be undertaken. The following is a list of the types of obligations the City may choose to utilize:

General Obligation (G.O.) Bonds or Notes

The City may issue G.O. Bonds or Notes to finance the cost of Projects included within this Project Plan. Wisconsin Statutes limit the principal amount of G.O. debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values). The City expects it will have sufficient G.O. debt capacity during the implementation period of the District to finance projects using this method if it chooses. The City currently has available over \$34,000,000 in general obligation authority available to it under statute.

Bonds Issued to Developers ("Pay as You Go" Financing)

The City may issue a bond to one or more developers who provide financing for projects included in this Project Plan. Repayment of the amounts due to the developer under the bonds are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City's obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds issued to developers in this fashion are not

general obligations of the City and therefore do not count against the City's borrowing capacity.

Tax Increment Revenue Bonds

The City has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the City or as a Lease Revenue Bond by a Community Development Authority (CDA) or by a Redevelopment Authority (RDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the City and therefore do not count against the City's borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the City may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

Utility Revenue Bonds

The City can issue revenue bonds to be repaid from revenues of the sewer and/or water systems, including revenues paid by the City that represent service of the system to the City. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the City must demonstrate to bond underwriters its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

Special Assessment "B" Bonds

The City has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the City determines that special assessments are appropriate, the City can issue special assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the City's G.O. debt limit. If special assessments are levied, the City must reduce the total eligible Project Costs under this Project Plan in an amount equal to the total collected.

PROJECT PLAN IMPLEMENTATION

Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined on the following page. However, public debt and expenditures should be made at the pace private development occurs to assure increment is sufficient to cover expenses.

It is anticipated developer agreements between the City and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement, these agreements might include levying of special assessments against benefited properties.

The order in which public improvements are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Project Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities issued.

If financing as outlined in this Project Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.

IMPLEMENTATION & FINANCING TIMELINE

  		
Tax Increment District No. 8 Estimated Project Costs & Financing Plan		
	G.O. Bond	Total Project Costs
	2017	All Phases
Projects		
Land and/or Real Property Acquisition	520,000	520,000
Street Lighting	50,000	50,000
Pedestrian Safety Enhancements	50,000	50,000
Demolition	30,000	30,000
Park, Pier and Greenspace Enhancements, including:	383,000	383,000
Planning, Design and Construction of Pedestrian Pathways	270,000	270,000
Subtotal Needed for Projects	1,303,000	1,303,000
Finance Related Expenses		
Issue Costs	30,000	
Max. Underwriter's Discount	21,975	
Capitalized Interest	109,875	
Total Financing Required	1,464,850	
Rounding	150	
NET ISSUE SIZE	1,465,000	

DEVELOPMENT ASSUMPTIONS

Construction Year	PHASE I: Multi- use Residential	PHASE II: Multi- use Residential	Other Development	Annual Total
2010	1,500,000			1,500,000
2011				0
2012		1,500,000		1,500,000
2013				0
2014				0
2015			1,500,000	1,500,000
2016				0
2017			1,500,000	1,500,000
2018				0
2019				0
2020				0
2021				0
2022				0
2023				0
2024				0
2025				0
2026				0
2027				0
2028				0
2029				0
2030				0
2031				0
2032				0
2033				0
2034				0
2035				0
TOTALS	1,500,000	1,500,000	3,000,000	6,000,000

NOTES:

INCREMENT REVENUE PROJECTIONS

City of River Falls, WI

Tax Increment District No. 8 Tax Increment Projection Worksheet

Type of District: **Blighted Area**

Anticipated Creation Date: **5/11/2010**

Valuation Date: **Jan. 1, 2010**

Maximum Life (In Years): **27**

Expenditure Period (In Years): **22**

Revenue Periods/Final Rev Year: **26 | 2037**

End of Expenditure Period: **5/11/2032**

Latest Termination Date: **5/11/2037**

Eligible for Extension/No. of Years: **Yes | 3**

Eligible Recipient District: **Yes**

Projected Base Value: **1,369,954**

Pre-Amendment Base Value (Actual): **NA**

Property Appreciation Factor: **1.00%**

Current Tax Rate (Per \$1,000 EV): **\$21.47**

Tax Rate Adjustment Factor (Next 2 Years): **0.00%**

Tax Rate Adjustment Factor (Following 2 Years): **0.00%**

Tax Rate Adjustment Factor (Thereafter): **0.00%**

Discount Rate 1 for NPV Calculation: **5.50%**

Discount Rate 2 for NPV Calculation: **7.00%**

Apply Inflation Factor to Base?

Net Present Value Calculation

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment	Cumulative @ 5.50%	Cumulative @ 7.00%
1	2010	1,500,000	2011	0	1,500,000	2012	21.47	32,212	27,432
2	2011	0	2012	15,000	1,515,000	2013	21.47	32,534	51,115
3	2012	1,500,000	2013	15,150	3,030,150	2014	21.47	65,072	103,483
4	2013	0	2014	30,302	3,060,452	2015	21.47	65,723	151,149
5	2014	0	2015	30,605	3,091,056	2016	21.47	66,380	196,781
6	2015	1,500,000	2016	30,911	4,621,967	2017	21.47	99,256	261,456
7	2016	0	2017	46,220	4,668,186	2018	21.47	100,249	323,372
8	2017	1,500,000	2018	46,682	6,214,868	2019	21.47	133,463	401,505
9	2018	0	2019	62,149	6,277,017	2020	21.47	134,798	476,306
10	2019	0	2020	62,770	6,339,787	2021	21.47	136,146	547,916
11	2020	0	2021	63,398	6,403,185	2022	21.47	137,507	616,472
12	2021	0	2022	64,032	6,467,217	2023	21.47	138,882	682,104
13	2022	0	2023	64,672	6,531,889	2024	21.47	140,271	744,936
14	2023	0	2024	65,319	6,597,208	2025	21.47	141,674	805,088
15	2024	0	2025	65,972	6,663,180	2026	21.47	143,091	862,674
16	2025	0	2026	66,632	6,729,812	2027	21.47	144,522	917,804
17	2026	0	2027	67,298	6,797,110	2028	21.47	145,967	970,583
18	2027	0	2028	67,971	6,865,081	2029	21.47	147,426	1,021,110
19	2028	0	2029	68,651	6,933,732	2030	21.47	148,901	1,069,482
20	2029	0	2030	69,337	7,003,069	2031	21.47	150,390	1,115,791
21	2030	0	2031	70,031	7,073,100	2032	21.47	151,894	1,160,125
22	2031	0	2032	70,731	7,143,831	2033	21.47	153,413	1,202,567
23	2032	0	2033	71,438	7,215,269	2034	21.47	154,947	1,243,200
24	2033	0	2034	72,153	7,287,422	2035	21.47	156,496	1,282,099
25	2034	0	2035	72,874	7,360,296	2036	21.47	158,061	1,319,339
26	2035	0	2036	73,603	7,433,899	2037	21.47	159,642	1,354,990
		6,000,000	1,433,899		Future Value of Increment		3,238,915		

CASH FLOW

City of River Falls, WI

Tax Increment District No. 8
Cash Flow Pro Forma



Year	Revenues				Expenditures						Balances		Project Cost Principal Outstanding	Year	
	Tax Increments	Investment Earnings	Other Revenue	Total Revenues	G.O. Bond \$1,465,000 2015			Creation & Admin.	Dev. Incentives / Cash Grant	Dev. Incentives / Cash Grant	Total Expenditures	Annual			Cumulative
		0.50%			Prin (12/1)	Est. Rate	Interest								
2010		0		0				15,000			15,000	(15,000)	(15,000)	1,465,000	2010
2011		0		0				4,500			4,500	(4,500)	(19,500)	1,465,000	2011
2012	32,212	0		32,212				4,500	32,212		36,712	(4,500)	(24,000)	1,465,000	2012
2013	32,534	0		32,534				4,500	32,212		36,712	(4,178)	(28,177)	1,465,000	2013
2014	65,072	0		65,072				4,500	65,072		69,572	(4,500)	(32,677)	1,465,000	2014
2015	65,723	0		65,723				4,500	65,723		70,223	(4,500)	(37,178)	1,465,000	2015
2016	66,380	0		66,380				4,500	66,380		70,880	(4,500)	(41,678)	1,465,000	2016
2017	99,256	0	36,625	135,881			36,625	4,500	8,401	58,643	108,169	27,712	(13,966)	1,465,000	2017
2018	100,249	0	73,250	173,499			73,250	4,500		67,714	145,464	28,035	14,069	1,465,000	2018
2019	133,463	70		133,534			73,250	4,500		68,391	146,141	(12,607)	1,461	1,465,000	2019
2020	134,798	7		134,805	30,000	5.000%	73,250	4,500		21,252	129,002	5,803	7,264	1,435,000	2020
2021	136,146	36		136,182	55,000	5.000%	71,750	4,500			131,250	4,932	12,197	1,380,000	2021
2022	137,507	61		137,568	55,000	5.000%	69,000	4,500			128,500	9,068	21,265	1,325,000	2022
2023	138,882	106		138,989	60,000	5.000%	66,250	4,500			130,750	8,239	29,504	1,265,000	2023
2024	140,271	148		140,419	60,000	5.000%	63,250	4,500			127,750	12,669	42,172	1,205,000	2024
2025	141,674	211		141,885	65,000	5.000%	60,250	4,500			129,750	12,135	54,307	1,140,000	2025
2026	143,091	272		143,362	65,000	5.000%	57,000	4,500			126,500	16,862	71,169	1,075,000	2026
2027	144,522	356		144,877	70,000	5.000%	53,750	4,500			128,250	16,627	87,797	1,005,000	2027
2028	145,967	439		146,406	75,000	5.000%	50,250	4,500			129,750	16,656	104,452	930,000	2028
2029	147,426	522		147,949	80,000	5.000%	46,500	4,500			131,000	16,949	121,401	850,000	2029
2030	148,901	607		149,508	80,000	5.000%	42,500	4,500			127,000	22,508	143,909	770,000	2030
2031	150,390	720		151,109	85,000	5.000%	38,500	4,500			128,000	23,109	167,018	685,000	2031
2032	151,894	835		152,729	95,000	5.000%	34,250				129,250	23,479	190,497	590,000	2032
2033	153,413	952		154,365	100,000	5.000%	29,500				129,500	24,865	215,362	490,000	2033
2034	154,947	1,077		156,023	115,000	5.000%	24,500				139,500	16,523	231,885	375,000	2034
2035	156,496	1,159		157,656	120,000	5.000%	18,750				138,750	18,906	250,791	255,000	2035
2036	158,061	1,254		159,315	125,000	5.000%	12,750				137,750	21,565	272,356	130,000	2036
2037	159,642	1,362		161,003	130,000	5.000%	6,500				136,500	24,503	296,859	0	2037
Total	3,238,915	10,194	109,875	3,358,984	1,465,000		1,001,625	109,500	270,000	216,000	3,062,125	296,859			

NOTES:

Projected TID Closure

11. ANNEXED PROPERTY

There are no lands proposed for inclusion within the District that were annexed by the City on or after January 1, 2004.

12. ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

Pursuant to Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin State Statutes, the City estimates that 3.00% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

13. PROPOSED CHANGES IN ZONING ORDINANCES

The City of River Falls does not anticipate that the District will require any changes in zoning ordinances.

Per a Development Agreement, dated February 2, 2010, the City will consider the rezoning of all streets, alleys and rights of way to Planned Development District.

14. PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND CITY OF RIVER FALLS ORDINANCES

It is expected that this Project Plan will be complementary to the City's Master Plan. There are no proposed changes to the master plan, map, building codes or other City of River Falls ordinances for the implementation of this Project Plan.

15. RELOCATION

It is not anticipated there will be a need to relocate any persons or businesses in conjunction with this Project Plan.

In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable state statutes as required in Wisconsin Statutes, Chapter 32.

16. ORDERLY DEVELOPMENT AND/OR REDEVELOPMENT OF THE CITY OF RIVER FALLS

The District contributes to the orderly development and/or redevelopment of the City by providing the opportunity for continued growth in tax base, job opportunities, and residential housing.

17. A LIST OF ESTIMATED NON-PROJECT COSTS

Non-Project costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds. Examples would include:

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

The City does not expect to incur any non-project costs in the implementation of this Project Plan.

18. OPINION OF ATTORNEY FOR THE CITY OF RIVER FALLS ADVISING WHETHER THE PROJECT PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES, SECTION 66.1105



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May 12, 2010

Hon. Don Richards, Mayor
City of River Falls
123 East Elm Street
River Falls WI 54022

Re: **City of River Falls, Wisconsin
Tax Incremental District No. 8**

Dear Mayor Richards:

As City Attorney for the City of River Falls, I have reviewed the Project Plan and various resolutions passed by the Plan Commission, Common Council, and Joint Review Board regarding Tax Incremental District No. 8 located in the City of River Falls. In my opinion, the Project Plan and the actions taken by the Plan Commission, Common Council, and Joint Review Board comply with §66.1105(4), Wis. Stats.

Very truly yours,

WELD, RILEY, PRENN & RICCI, S.C.

William G. Thiel

WGT/db

W. Ehlers & Associates, Inc.

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EXHIBIT A - CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS

City of River Falls, WI

Tax Increment District No. 8 Tax Increment Projection Worksheet

Type of District
Anticipated Creation Date
Valuation Date
Maximum Life (In Years)
Expenditure Period (In Years)
Revenue Periods/Final Rev Year
End of Expenditure Period
Latest Termination Date
Eligible for Extension/No. of Years
Eligible Recipient District

Blighted Area
5/11/2010
Jan. 1, 2010
27
22
26 2037
5/11/2032
5/11/2037
Yes 3
Yes

Projected Base Value
Pre-Amendment Base Value (Actual)
Property Appreciation Factor
Current Tax Rate (Per \$1,000 EV)
Tax Rate Adjustment Factor (Next 2 Years)
Tax Rate Adjustment Factor (Following 2 Years)
Tax Rate Adjustment Factor (Thereafter)

Discount Rate 1 for NPV Calculation
Discount Rate 2 for NPV Calculation

1,369,954
NA
1.00%
\$21.47
0.00%
0.00%
0.00%
5.50%
7.00%

Apply Inflation Factor to Base?



Net Present Value Calculation

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment	
2010	1,500,000	2011	0	1,500,000	2012	21.47	32,212	
2011	0	2012	15,000	1,515,000	2013	21.47	32,534	
2012	1,500,000	2013	15,150	3,030,150	2014	21.47	65,072	
2013	0	2014	30,302	3,060,452	2015	21.47	65,723	
2014	0	2015	30,605	3,091,056	2016	21.47	66,380	
2015	1,500,000	2016	30,911	4,621,967	2017	21.47	99,256	
2016	0	2017	46,220	4,668,186	2018	21.47	100,249	
2017	1,500,000	2018	46,682	6,214,868	2019	21.47	133,463	
2018	0	2019	62,149	6,277,017	2020	21.47	134,798	
2019	0	2020	62,770	6,339,787	2021	21.47	136,146	
2020	0	2021	63,398	6,403,185	2022	21.47	137,507	
2021	0	2022	64,032	6,467,217	2023	21.47	138,882	
2022	0	2023	64,672	6,531,889	2024	21.47	140,271	
2023	0	2024	65,319	6,597,208	2025	21.47	141,674	
2024	0	2025	65,972	6,663,180	2026	21.47	143,091	
2025	0	2026	66,632	6,729,812	2027	21.47	144,522	
2026	0	2027	67,298	6,797,110	2028	21.47	145,967	
2027	0	2028	67,971	6,865,081	2029	21.47	147,426	
2028	0	2029	68,651	6,933,732	2030	21.47	148,901	
2029	0	2030	69,337	7,003,069	2031	21.47	150,390	
2030	0	2031	70,031	7,073,100	2032	21.47	151,894	
2031	0	2032	70,731	7,143,831	2033	21.47	153,413	
2032	0	2033	71,438	7,215,269	2034	21.47	154,947	
2033	0	2034	72,153	7,287,422	2035	21.47	156,496	
2034	0	2035	72,874	7,360,296	2036	21.47	158,061	
2035	0	2036	73,603	7,433,899	2037	21.47	159,642	
6,000,000							1,433,899	3,238,915

Future Value of Increment **3,238,915**

Estimated Share by Taxing Jurisdiction of Projected Tax Increments to be paid by Owners of Taxable Property in each of the Taxing Jurisdictions Overlying the Tax Increment District

Revenue Year	City - Village	County	School District	Tech College	Total			
	24.84%	22.07%	45.35%	7.74%				
2012	8,003	7,108	14,609	2,493	32,212			
2013	8,083	7,179	14,755	2,518	32,534			
2014	16,166	14,359	29,511	5,036	65,072			
2015	16,328	14,503	29,806	5,086	65,723			
2016	16,491	14,648	30,104	5,137	66,380			
2017	24,658	21,902	45,014	7,682	99,256			
2018	24,905	22,121	45,464	7,758	100,249			
2019	33,157	29,450	60,528	10,329	133,463			
2020	33,488	29,745	61,133	10,432	134,798			
2021	33,823	30,042	61,744	10,536	136,146			
2022	34,161	30,343	62,362	10,642	137,507			
2023	34,503	30,646	62,985	10,748	138,882			
2024	34,848	30,953	63,615	10,856	140,271			
2025	35,196	31,262	64,251	10,964	141,674			
2026	35,548	31,575	64,894	11,074	143,091			
2027	35,904	31,890	65,543	11,185	144,522			
2028	36,263	32,209	66,198	11,297	145,967			
2029	36,625	32,531	66,860	11,410	147,426			
2030	36,992	32,857	67,529	11,524	148,901			
2031	37,362	33,185	68,204	11,639	150,390			
2032	37,735	33,517	68,886	11,755	151,894			
2033	38,113	33,852	69,575	11,873	153,413			
2034	38,494	34,191	70,271	11,992	154,947			
2035	38,879	34,533	70,973	12,111	156,496			
2036	39,267	34,878	71,683	12,233	158,061			
2037	39,660	35,227	72,400	12,355	159,642			
804,650					714,707	1,468,895	250,663	3,238,915

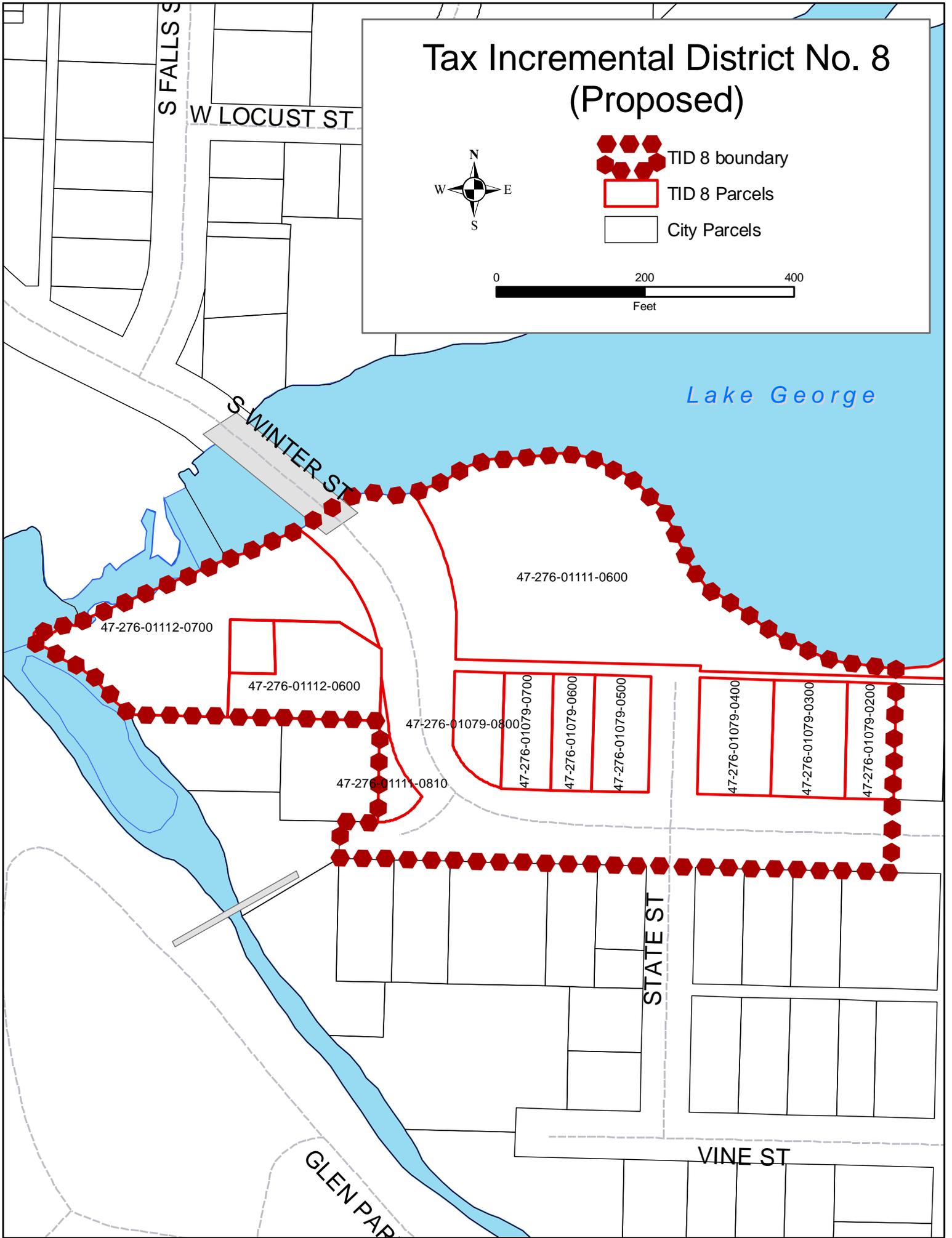
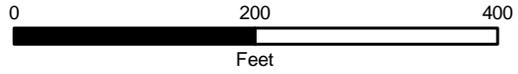
NOTE: The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.



Tax Incremental District No. 8 (Proposed)



-  TID 8 boundary
-  TID 8 Parcels
-  City Parcels



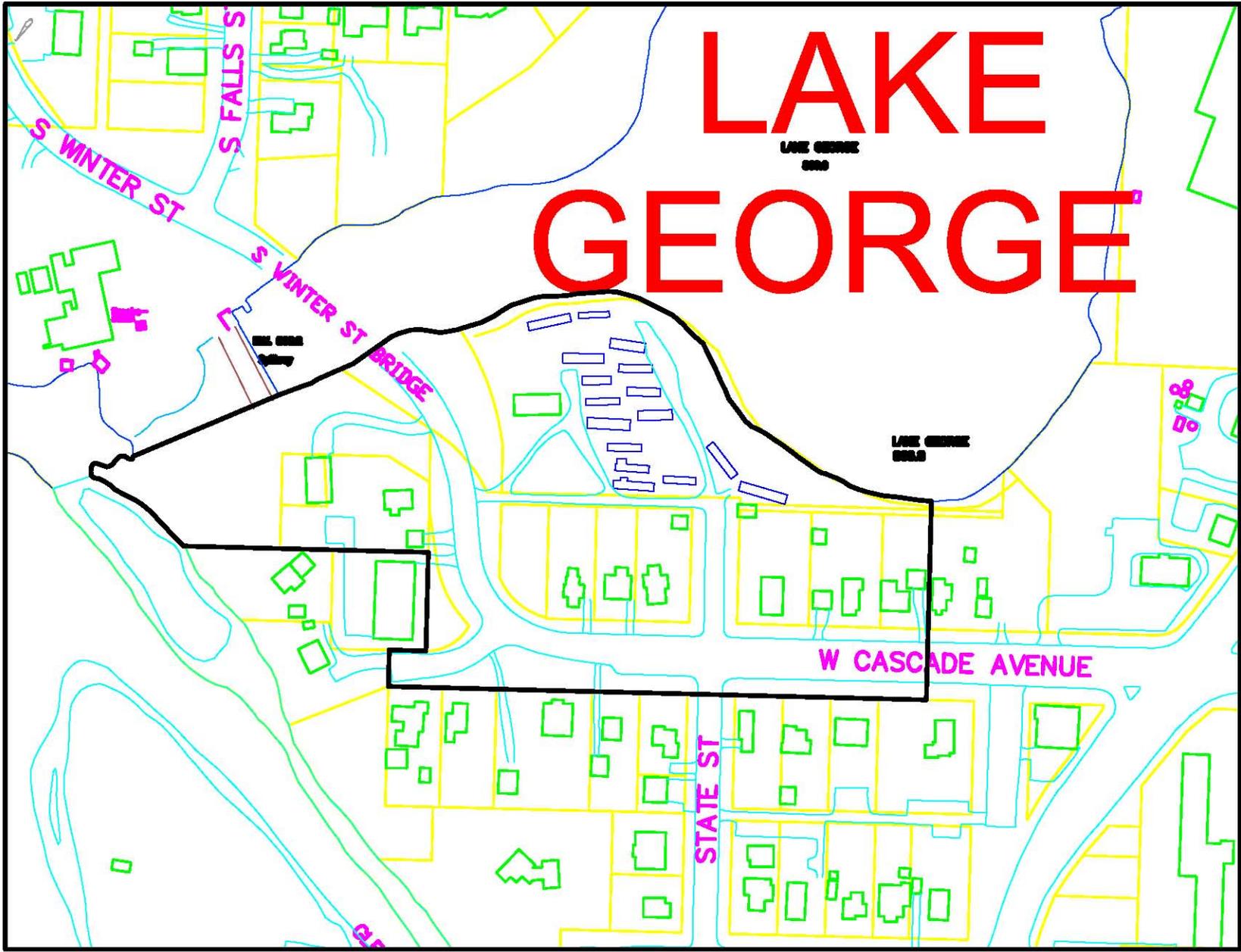
LEGAL DESCRIPTION FOR TID 8

A parcel of land located in part of the SE1/4 of the NW1/4 and part of the NE1/4 of the SW1/4 of Section 1, T27N, R19W, City of River Falls, Pierce County, Wisconsin; described as follows:

Beginning on the south line of West Cascade Avenue at a point that is on the southerly extension of the east line of Lot 3, Block 1, O.S. Powell's First Addition; thence west along said south line of West Cascade Avenue 743 feet more or less to the east line of Outlot 191 of the Amended Assessor's Plat of the City of River Falls; thence north along said east line of Outlot 191 49.5 feet more or less to the south line of Outlot 190 of said Assessor's plat; thence east along said south line of Outlot 190 50 feet more or less to the southeast corner thereof; thence north along the east line of said Outlot 190 137.1 feet more or less to the southeast corner of Outlot 198 of said Assessor's plat; thence west along the south line of said Outlot 198 340 feet more or less to the shoreline of the South Fork; thence northwesterly along said shoreline 130 feet more or less to the shoreline of the Kinnickinnic River; thence northeasterly, easterly and southeasterly along the shoreline of the Kinnickinnic River and Lake George 1350 feet more or less to a point that is on the northerly extension of said east line of Lot 3, Block 1, O.S. Powell's First Addition; thence south along the east line of said Lot 3 and said northerly and southerly extensions thereof 275 feet more or less to the point of beginning.

Above described parcel contains 9 acres more or less.

LAKE GEORGE



Affidavit of Publication

STATE OF WISCONSIN } as, Steven N. Dzubay
 County of Pierce }

being duly sworn on oath, says that he is the publisher of the River Falls Journal, a weekly newspaper published in River Falls in Pierce County, State of Wisconsin, and that a notice of which (copy attached) was published in said newspaper 2 successive weeks, once in each week, to wit; commencing March 18 2010 and ending March 25 2010 and further, that the attached printed copy of such notice was taken from the said River Falls Journal, the newspaper in which the same was published.

Star O'Leary

Subscribed and sworn to before me
 this twenty-fifth day
 of March, 2010

Susanne R. Loosmore
 Notary Public, Pierce County, WI
 My commission expires Aug. 25, 2013

FEES:	
First Insertion:	
<u>6.5</u> inches, @\$ <u>7.37</u> /in=	<u>47.91</u>
Additional Insertions:	
<u>1</u> <u>6.5</u> inches @ \$ <u>5.79</u> /in=	<u>37.63</u>
Affidavit fee \$	<u>1.00</u>
Total \$	<u>86.54</u>

PLAN COMMISSION OF THE CITY OF RIVER FALLS, WISCONSIN NOTICE OF PUBLIC HEARING ON CREATING A TAX INCREMENTAL DISTRICT AND A PROPOSED PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 8

Notice is hereby given that the Plan Commission of the City of River Falls will hold a public hearing on April 6, 2010, at the River Falls City Hall, located at 222 Lewis Street, Council Chambers, at 6:30 p.m., for the purpose of providing the community a reasonable opportunity to comment upon the proposed creation of the Project Plan for Tax Incremental District No. 8 (the "District"). The proposed boundaries of the District are to be within an area generally described as follows: the area South of Lake George, lying easterly of South Winter Street and North of West Cascade Avenue to 129 West Cascade Avenue.

The District is expected to be a blighted area district based on the identification and classification of the property proposed to be included within the District.

Proposed projects costs may include, but are not limited to: property acquisition for development, property acquisition for conservancy, acquisition of rights-of-way, acquisition of easements, relocation costs, environmental audits and remediation, demolition, site grading, sanitary sewer system improvements, water system improvements, stormwater management system improvements, electric service, gas service, communications infrastructure, street improvements, streetscaping and landscaping, contribution to Community Development Authority, revolving loan/grant program, rail spur, cash grants to owners or lessees of developers of land located within the District (development incentives), professional and organizational services, administrative costs, and finance costs. The proposed costs include projects within the proposed boundary and within a 1/2 mile radius of the proposed boundary of the District.

All interested parties will be given a reasonable opportunity to express their views on the proposed creation of the District, the proposed boundaries of the District, and the proposed Project Plan thereof. A copy of the Project Plan, including a description of the proposed boundaries, will be available for viewing in the offices of the City Clerk at the River Falls City Hall, located at 222 Lewis Street, Suite 202, during normal business hours and will be provided upon request.

Such hearing shall be public and citizens and interested parties shall then be heard. This hearing may be adjourned from time to time.

By Order of the Plan Commission of the
 City of River Falls, Wisconsin

(Pub. 3/18/10, 3/25/10) WNAJLP

Ad # 145837

Susanne R. Loosmore
 Notary Public
 State of Wisconsin



March 17, 2010

276-01112-0600
Peter Sykora
617 Sykora Lane
River Falls, WI 54022

RE: Notice of Public Hearing Proposed Tax Incremental Financing District No. 8 Boundaries and Project Plan

Dear Property Owner:

The Plan Commission has developed a draft plan for the City of River Falls's proposed creation of Tax Incremental District No. 8 (the "District") in order to promote blight removal within the proposed District boundaries. In accordance with Wisconsin State Statutes, the Plan Commission has preliminarily determined that at least 50% of the area identified within the designated boundaries of the District qualify under the statute as being in need of blight elimination.

This designation is being made for the purposes of allowing for the possible use of Tax Incremental Financing to assist in the construction of public improvements and to provide other incentives for development and redevelopment in the proposed District boundaries. This designation will not affect your property valuation and is not a precursor to acquiring private property by the City via eminent domain or any other means. The goal of the Tax Incremental Financing program is to enhance the value of the properties affected.

You have been identified as an owner of real property located within the boundaries of the proposed the District. Because your property falls within the boundary of the proposed District, you are being provided notice as required by Wisconsin State Statutes, Section 66.1105(4)(h)(1). **A public hearing on this matter is scheduled for April 6, 2010 at 6:30 p.m. at the River Falls City Hall, located at 222 Lewis Street, in the Council Chambers. A copy of the public hearing notice is also attached.**

You are encouraged to attend this hearing if you have questions as the Tax Incremental Financing program will be explained and the Project Plan discussed. All citizens interested in commenting on the plan will be afforded a reasonable opportunity to be heard.

Additional information, including the report findings of the properties to determine the designation as defined by Wisconsin State Statutes, 66.1105(2)(a)1., is available for your inspection and review at City Hall.

Sincerely,

Scot Simpson, City Administrator
CITY OF RIVER FALLS

cc: Sean Lentz Ehlers & Associates, Inc.
William G. Thiel, City Attorney



March 17, 2010

276-01079-0700
Abrahamson Trust
N8853 1047th Street
River Falls, WI 54022

RE: Notice of Public Hearing Proposed Tax Incremental Financing District No. 8 Boundaries and Project Plan

Dear Property Owner:

The Plan Commission has developed a draft plan for the City of River Falls's proposed creation of Tax Incremental District No. 8 (the "District") in order to promote blight removal within the proposed District boundaries. In accordance with Wisconsin State Statutes, the Plan Commission has preliminarily determined that at least 50% of the area identified within the designated boundaries of the District qualify under the statute as being in need of blight elimination.

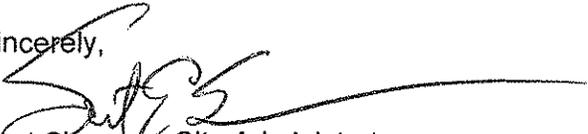
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Sincerely,


Scot Simpson, City Administrator
CITY OF RIVER FALLS

cc: Sean Lentz Ehlers & Associates, Inc.
William G. Thiel, City Attorney



March 17, 2010

276-01079-0600
Foster Associates
PO Box 532
River Falls, WI 54022

RE: Notice of Public Hearing Proposed Tax Incremental Financing District No. 8 Boundaries and Project Plan

Dear Property Owner:

The Plan Commission has developed a draft plan for the City of River Falls's proposed creation of Tax Incremental District No. 8 (the "District") in order to promote blight removal within the proposed District boundaries. In accordance with Wisconsin State Statutes, the Plan Commission has preliminarily determined that at least 50% of the area identified within the designated boundaries of the District qualify under the statute as being in need of blight elimination.

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Sincerely,

Scot Simpson, City Administrator
CITY OF RIVER FALLS

cc: Sean Lentz Ehlers & Associates, Inc.
William G. Thiel, City Attorney



March 17, 2010

276-01079-0500
Foster Associates
PO Box 532
River Falls, WI 54022

RE: Notice of Public Hearing Proposed Tax Incremental Financing District No. 8 Boundaries and Project Plan

Dear Property Owner:

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Sincerely,


Scot Simpson, City Administrator
CITY OF RIVER FALLS

cc: Sean Lentz Ehlers & Associates, Inc.
William G. Thiel, City Attorney



March 17, 2010

276-01111-0600
Foster Associates
PO Box 532
River Falls, WI 54022

RE: Notice of Public Hearing Proposed Tax Incremental Financing District No. 8 Boundaries and Project Plan

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Additional information, including the report findings of the properties to determine the designation as defined by Wisconsin State Statutes, 66.1105(2)(a)1., is available for your inspection and review at City Hall.

Sincerely,


Scot Simpson, City Administrator
CITY OF RIVER FALLS

cc: Sean Lentz Ehlers & Associates, Inc.
William G. Thiel, City Attorney



March 17, 2010

276-01079-0400
Estella Keith
141 West Cascade Avenue
River Falls, WI 54022

RE: Notice of Public Hearing Proposed Tax Incremental Financing District No. 8 Boundaries and Project Plan

Dear Property Owner:

The Plan Commission has developed a draft plan for the City of River Falls's proposed creation of Tax Incremental District No. 8 (the "District") in order to promote blight removal within the proposed District boundaries. In accordance with Wisconsin State Statutes, the Plan Commission has preliminarily determined that at least 50% of the area identified within the designated boundaries of the District qualify under the statute as being in need of blight elimination.

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Additional information, including the report findings of the properties to determine the designation as defined by Wisconsin State Statutes, 66.1105(2)(a)1., is available for your inspection and review at City Hall.

Sincerely,



Scot Simpson, City Administrator
CITY OF RIVER FALLS

cc: Sean Lentz Ehlers & Associates, Inc.
William G. Thiel, City Attorney



March 17, 2010

276-01079-0300
Gerald and Joyce Breen
131 West Cascade Avenue
River Falls, WI 54022

RE: Notice of Public Hearing Proposed Tax Incremental Financing District No. 8 Boundaries and Project Plan

Dear Property Owner:

The Plan Commission has developed a draft plan for the City of River Falls's proposed creation of Tax Incremental District No. 8 (the "District") in order to promote blight removal within the proposed District boundaries. In accordance with Wisconsin State Statutes, the Plan Commission has preliminarily determined that at least 50% of the area identified within the designated boundaries of the District qualify under the statute as being in need of blight elimination.

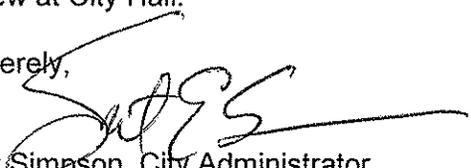
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Additional information, including the report findings of the properties to determine the designation as defined by Wisconsin State Statutes, 66.1105(2)(a)1., is available for your inspection and review at City Hall.

Sincerely,


Scot Simpson, City Administrator
CITY OF RIVER FALLS

cc: Sean Lentz Ehlers & Associates, Inc.
William G. Thiel, City Attorney



March 17, 2010

276-01079-0200
Lillian Tan
129 West Cascade Avenue
River Falls, WI 54022

RE: Notice of Public Hearing Proposed Tax Incremental Financing District No. 8 Boundaries and Project Plan

Dear Property Owner:

The Plan Commission has developed a draft plan for the City of River Falls's proposed creation of Tax Incremental District No. 8 (the "District") in order to promote blight removal within the proposed District boundaries. In accordance with Wisconsin State Statutes, the Plan Commission has preliminarily determined that at least 50% of the area identified within the designated boundaries of the District qualify under the statute as being in need of blight elimination.

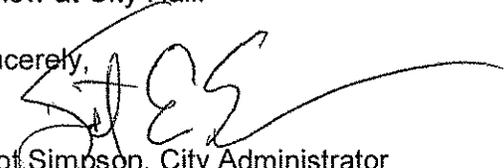
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Sincerely,


Scot Simpson, City Administrator
CITY OF RIVER FALLS

cc: Sean Lentz Ehlers & Associates, Inc.
William G. Thiel, City Attorney



March 17, 2010

Paul Barkla, County Board Chair / Executive
Pierce County
Pierce County Courthouse
414 W. Main St.
Ellsworth, WI 54011

Bruce Barker, President,
Chippewa Valley Technical College District
620 W. Clairemont Ave.
Eau Claire, WI 54701

Board of Education
c/o Tom Westerhaus, District Administrator
School District of River Falls
852 East Division Street
River Falls, WI 54022

**RE: City of River Falls, Wisconsin
Proposed Creation of a Tax Incremental District and Proposed Project Plan for Tax
Incremental District No. 8**

Enclosed is a copy of the Notice of Hearing on the proposed boundaries and Project Plan for the creation of Tax Incremental District No. 8 (the "District") within the City of River Falls. This notice is being sent as required by Section 66.1105(4)(a) and (e), Wisconsin Statutes, to notify you of the hearing, which will be held by the Plan Commission of the City to consider the creation of the District, proposed boundaries and Project Plan for said District.

Any City that seeks to create a tax incremental district shall convene a Joint Review Board (the "JRB") to review the proposal. The Board shall consist of the following five members (see separate attachment for guidelines in appointment), per Wisconsin State Statutes 66.1105(4m):

- one representative chosen by the School District that has power to levy taxes on the property within the District
- one representative chosen by the Wisconsin Technical College District System that has power to levy taxes on the property within the District
- one representative chosen by the County that has power to levy taxes on the property within the District
- one representative chosen by the City
- one public member

We request that you appoint a member prior to the **JRB's first meeting, which is scheduled to be held on April 6, 2010, at 6:00 P.M. at the River Falls City Hall, located at 222 Lewis Street.** At this time the JRB will discuss its role under the Wisconsin Statutes regarding review of the public record and review of the plan documents.

The main purpose of the April 6 meeting is to select a chairperson and the public member. At this meeting, the JRB will set a date to meet again for the purpose of considering approval of the District. A copy of the draft Project Plan will be distributed at this meeting. **Please call either Susan Landrum or me at 1-800-552-1171; or, e-mail Susan at slandrum@ehlers-inc.com as soon as possible to let us know who will be the appointed representative at this meeting, a phone number where they can be reached, or if you cannot send a representative to this meeting.**

As part of its deliberations, the JRB must review the public records, planning documents and the resolutions passed by the Plan Commission and Common Council. Its decision, by majority vote, must be made and submitted to the City within 30 days of receipt of the adopted Common Council resolution. The decision to approve or deny creation of the District shall be based on the following criteria:

- A. Whether 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 the improvements; and
- C. Whether the benefits of the proposal outweigh any loss, if it occurs, in the tax revenues of the overlying districts.

Should the JRB reject the tax incremental financing proposal, it must submit (in writing) a description as to why the proposal fails to meet one or more of these criteria.

The City will provide administrative support for the JRB. **The City is ready to answer any questions regarding the proposal and urges all JRB members to attend the public hearing on April 6, 2010, at 6:30 P.M. at the River Falls City Hall.**

For your information, a map of the proposed area, a copy of the development agreement, and a draft of a suggested agenda for the initial meeting of the JRB is attached. Should you have any questions, or need any additional information regarding this proposal, please contact us.

Sincerely,
EHLERS & ASSOCIATES, INC.



Sean Lentz
Financial Advisor

cc: Don Richards, Mayor
Julie Bergstrom, Finance Director- Treasurer
Lu Ann Hecht, City Clerk
William G. Thiel, Weld, Riley, Prens & Ricci, S.C.
Susan Landrum, Ehlers & Associates, Inc.

AGENDA

JOINT REVIEW BOARD

CITY OF RIVER FALLS

TAX INCREMENTAL DISTRICT NO. 8 CREATION

April 6, 2010 at 6:00 P.M.

River Falls City Hall
222 Lewis Street

1. Roll Call to order
2. Election of Chairperson
3. Consideration and appointment of the Joint Review Board's public member
4. Discuss responsibilities of the Joint Review Board
5. Discuss and review Project Plan
6. Set next meeting date
7. Adjourn

**PLAN COMMISSION OF THE
CITY OF RIVER FALLS, WISCONSIN**

**NOTICE OF PUBLIC HEARING ON
CREATING A TAX INCREMENTAL DISTRICT
AND A PROPOSED PROJECT PLAN FOR
TAX INCREMENTAL DISTRICT NO. 8**

Notice is Hereby Given that the Plan Commission of the City of River Falls will hold a public hearing on April 6, 2010, at the River Falls City Hall, located at 222 Lewis Street, Council Chambers, at 6:30 p.m., for the purpose of providing the community a reasonable opportunity to comment upon the proposed creation of the Project Plan for Tax Incremental District No. 8 (the "District"). The proposed boundaries of the District are to be within an area generally described as follows: the area South of Lake George, lying easterly of South Winter Street and North of West Cascade Avenue to 129 West Cascade Avenue.

The District is expected to be a blighted area district based on the identification and classification of the property proposed to be included within the District.

Proposed projects costs may include, but are not limited to: property acquisition for development, property acquisition for conservancy, acquisition of rights-of-way, acquisition of easements, relocation costs, environmental audits and remediation, demolition, site grading, sanitary sewer system improvements, water system improvements, stormwater management system improvements, electric service, gas service, communications infrastructure, street improvements, streetscaping and landscaping, contribution to Community Development Authority, revolving loan/grant program, rail spur, cash grants to owners or lessees or developers of land located within the District (development incentives), professional and organizational services, administrative costs, and finance costs. The proposed costs include projects within the proposed boundary and within a ½ mile radius of the proposed boundary of the District.

All interested parties will be given a reasonable opportunity to express their views on the proposed creation of the District, the proposed Boundaries of the District, and the proposed Project Plan thereof. A copy of the Project Plan, including a description of the proposed boundaries, will be available for viewing in the offices of the City Clerk at the River Falls City Hall, located at 222 Lewis Street, Suite 202, during normal business hours and will be provided upon request.

Such hearing shall be public and citizens and interested parties shall then be heard. This hearing may be adjourned from time to time.

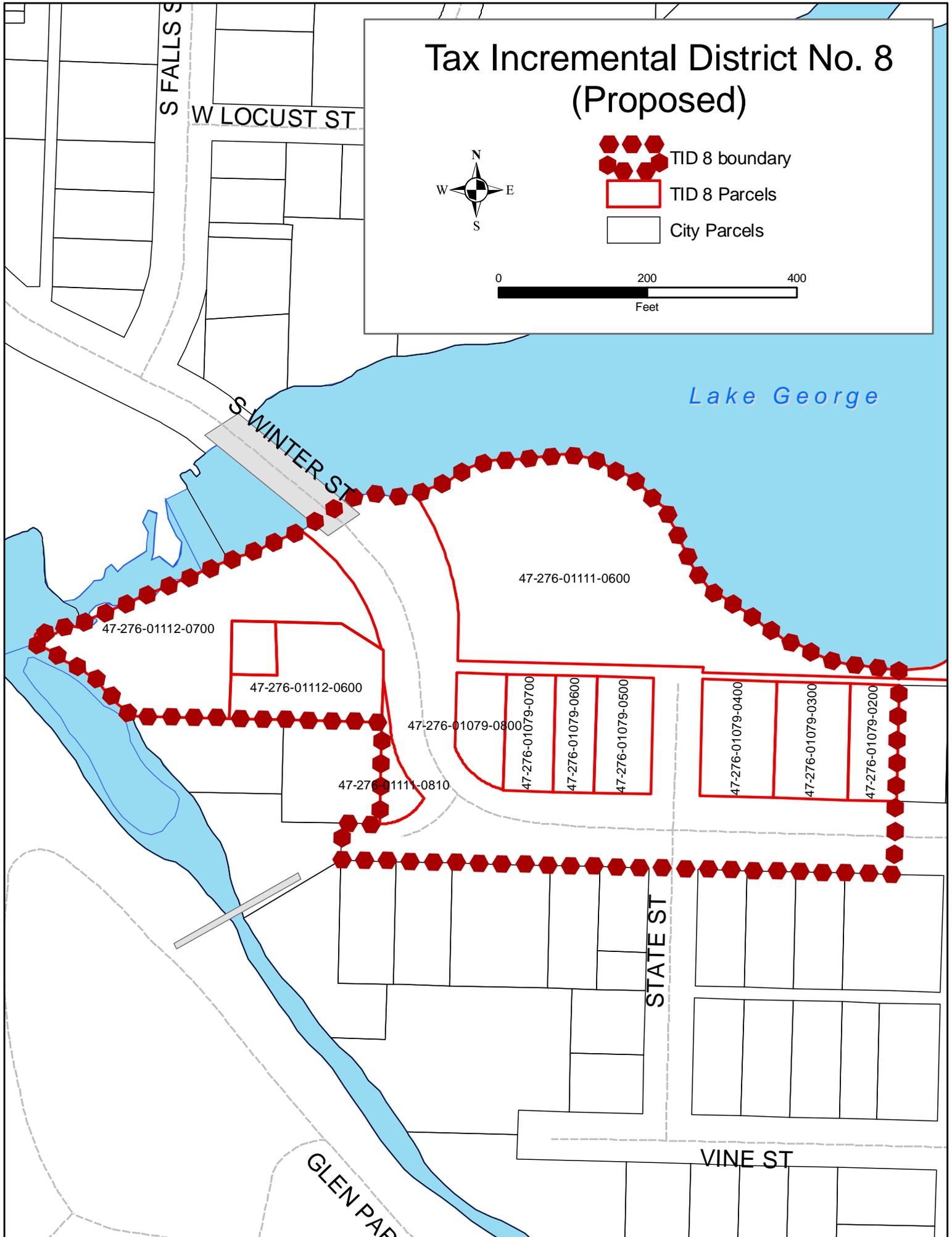
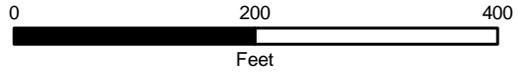
By Order of the Plan Commission of the
City of River Falls, Wisconsin

Published March 18, 2010 and March 25, 2010

Tax Incremental District No. 8 (Proposed)



-  TID 8 boundary
-  TID 8 Parcels
-  City Parcels



47-276-01112-0700

47-276-01112-0600

47-276-01111-0600

47-276-01079-0800

47-276-01079-0700

47-276-01079-0600

47-276-01079-0500

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47-276-01079-0300

47-276-01079-0200

47-276-01111-0810

STATE ST

VINE ST

GLEN PAR

S FALLS ST

W LOCUST ST

S WINTER ST

JOINT REVIEW BOARD RESPONSIBILITIES

1. Review public record
2. Review planning documents
3. Review Common Council resolution
4. Decision to approve or deny
 - A. Whether 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, measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements;
 - C. Whether the benefits of the proposal outweigh any loss, if any occurs, in the tax revenues of the overlying taxing districts.

Attendance at public hearing is optional, but recommended.

GUIDELINE IN APPOINTMENT OF JOINT REVIEW BOARD

WI State Statutes Section 66.1105(4m)(ae)1.

School Board President or designee (e.g. District Finance Director, etc.)

County Executive, County Board Chair, or designee (e.g. County Treasurer, etc.)

Technical College Director or designee (e.g. District CFO, etc.)

Mayor or designee (e.g. Economic Development Director, City Treasurer, etc.)

When designees are used, preference shall be given to persons with knowledge of local government finance.

If a District is located in a union high school district, the seat that is held by the school district representative shall be held by 2 representatives, each of whom has one-half of a vote.

If more than one school district, union high school district, elementary school district, technical college district, or county has the power to levy taxes on the property within the District, the entity which is located on the property of the District that has the greatest value shall choose that representative.

The public member and the board's chairperson shall be selected by a majority of the other board members before the public hearing.

YOU HAVE BEEN CHOSEN!

If you are reading this pamphlet, you have been designated to serve on the Joint Review Board (JRB) for a Tax Incremental District (TID) in your community. You will serve a specific role, representing one of the overlying taxing jurisdictions that will help to fund the projects planned for the TID.

Tax Incremental Financing (TIF) is a partnership. The taxing jurisdictions (municipal, county, school, technical college, special districts) that overlay a group of parcels, work together to encourage development on those parcels. Tax revenue generated from the new development is used to pay for improvements that helped bring the new development to the site. Once the projects are paid off, the TID is closed and each jurisdiction has a larger tax base.

When creating a TID, or amending an existing one, the JRB has the power of final approval. They can approve or deny the creation or amendment of the district based on their review. Minutes should be taken and votes should be recorded at the JRB meetings, and these should be added to the record for the TID. The JRB must respond to the municipal officials within seven days of making a decision, and, when they reject a plan, they must cite in writing specific decision criteria that were found to be lacking.

DUTIES & RESPONSIBILITIES

Generally, the Joint Review Board members represent the interests of the taxing jurisdiction on whose behalf they are serving. For example, a school's representative will look at the TIF plans and consider the impact on the finances of the school district. Members' opinions can differ, and for this reason, there can be disagreement among members.

Specifically, JRB members are, by majority vote, **required to make a positive assertion that the development would not occur without the creation of a TID** [Wi. s. 66.1105(4m)(b) 2. & s. 60.85(4)(am)]. Local officials are required to provide the following information:

1. The specific items that constitute the project costs: the total dollar amount, and the total amount of tax increments.
2. The total value increment and the date to be terminated.
3. The reasons why the project costs may not or should not be paid solely by the TID taxpayers.
4. The share of projected tax increments from each overlying taxing district.
5. The benefits that the overlying jurisdictions will receive.
6. A copy of the plan commission and board/council TID resolutions.
7. Copies of planning documents and public record.

If you don't get something, ask for it!

DECISION CRITERIA

The criteria upon which the JRB approve or deny is laid out explicitly in the TIF Law [Wi. s. 66.1105(4m)(c) & s. 60.85(4)(c)]. The three criteria are:

1. Whether the development expected in the TID would occur without the use of tax incremental financing.
2. Whether the economic benefits of the TID, as measured by increased employment, business and personal income, and property value, are insufficient to compensate for the cost of improvements.
3. Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

The first criterion, the "but for" test, is the most important part of the JRB deliberations. The JRB is required to assert that the planned development would not occur without the use of TIF. If the "but for" test is not met, the TID cannot be approved. The "but for" concept justifies the investment of all the overlying taxing jurisdictions in a project. If a development would have happened without TIF there is no reason for the taxpayers outside the municipality to be involved with financing.

The JRB may also hold additional public hearings as part of their deliberations.

QUESTIONS FOR JOINT REVIEW BOARD MEMBERS

Would the expected development occur without the aid of TIF?

What are the expected economic benefits of the TID in terms of jobs, incomes, and property values?

How much of the total projected tax increment revenue comes from my overlying taxing district?

How does this planned development fit in with the rest of the development in my district?

Is there a better alternative use for the development site? Is there a better alternative use for the tax revenue? Is there a better alternative use for the limited TIF capacity?

What is the general public sentiment among the residents of my district concerning this TID?

How will my jurisdiction know what is spent and received for this TID?

How will the planned development affect the demand for services from my district's residents (schools, police, fire, EMS)?

What guarantees are in place to ensure that the anticipated tax revenue is actually collected?

Send questions you may have for DOR to tif@dor.state.wi.us

JRB MEMBERSHIP

Changes made in 2004 to the TIF Law added very specific language regarding the membership of Joint Review Boards. The goal is to ensure that the members have appropriate background and experience to accurately evaluate TIF project plans.

Please Note: If the TID is served by a school district and a union high school district, the school district member shares the school vote evenly with a representative from the union high school district.

DOR REVIEW

The 2004 TIF Law changes created the DOR Review. This allows JRB members, by majority vote, to request that the Department of Revenue review the objective facts and planning documents involved with a TID plan.

To request a DOR Review, a letter and materials should be sent to the DOR prior to JRB decision with the following elements:

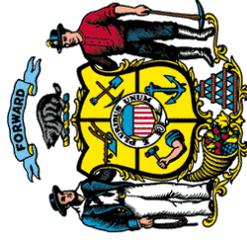
- Municipality name and TID number,
- A list of JRB members, the date of the meeting and a record of the vote,
- A copy of **all** the documents that are to be reviewed by DOR, and
- Specifically name what item or fact is believed to be incomplete or inaccurate identified under Wi. S. 66.1105(4)(gm).

WISCONSIN TAX INCREMENTAL FINANCING

A Guide For Joint Review Board Members

Wi. s. 66.1105
or
Wi. s. 60.85

Published 12/05



State of Wisconsin
Bureau of Property Tax

City of River Falls
Joint Review Board
Tax Incremental District No. 8
April 6, 2010

Sean Lentz, Financial Advisor, Ehlers & Associates, Inc. called the meeting to order at 6:05 p.m. in the Foster Conference Room of City Hall, 222 Lewis Street.

Members present: John Holst, Pierce County Representative; John Kleven, Chippewa Valley Technical College Representative; Don Richards, City of River Falls Representative;

Members absent: Manny Kenney, River Falls School District Representative.

Others present: Scot Simpson, City Administrator; Julie Bergstrom, Finance Director/Treasurer; Bill Warner.

Motion by Holst, second by Kleven, to appoint Don Richards as Chairperson. Upon voice vote; Unanimous.

Kleven nominated Paul Schwebach as the Public Member. With no other nominations, Chairperson Richards called for a vote. Upon voice vote; Unanimous, to appoint Paul Schwebach as Public Member.

Lentz gave overview of the duties of the Joint Review Board. Simpson explained the development plan and the “pay as you go” process.

Lentz stated he is going over the Project Plan at the Public Hearing to be held at 6:30, directly following this meeting. He asked Board Members to attend the Public Hearing.

Lentz explained that the next meeting of the Joint Review Board would have to be after the Council meeting of May 11, 2010. He collected contact information from members and will notify them of the next meeting.

Chairperson Richards adjourned the meeting at 6:27 p.m.

Respectfully submitted,

Lu Ann Hecht
City Clerk

PLAN COMMISSION RESOLUTION No. PC101563

**DESIGNATING THE PROPOSED BOUNDARIES AND APPROVING
A PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 8 IN
THE CITY OF RIVER FALLS, WISCONSIN**

WHEREAS, the City of River Falls has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS, Tax Incremental District No. 8 (the "District") is proposed to be created by the City of River Falls (the "City") as a blighted area district in accordance with the provisions of Section 66.1105 of the Wisconsin Statutes (the "Tax Increment Law"); and

WHEREAS, the Plan Commission has prepared a Project Plan for the District that includes:

- a. A statement listing the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n. of the Wisconsin Statutes, outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the district promotes the orderly development of the City advising that the plan is complete and complies with Section 66.1105(4)(f). of the Wisconsin Statutes.

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on April 6, 2010, held a public hearing concerning the Project Plan and boundaries and proposed creation of the District providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, prior to its publication, a copy of the notice of said hearing was sent to owners of all property in the proposed district, to the chief executive officer of Pierce County, the School District of River Falls, and the Chippewa Valley Technical College District, and the other entities having the power to levy taxes on property located within the proposed District, in accordance with the procedures specified in the Tax Increment Law.

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the City of River Falls that:

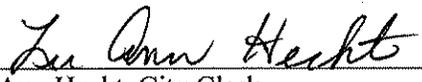
1. It recommends to the Common Council that the District be created with boundaries as designated in the Project Plan.
2. It approves the Project Plan for the District, attached as Exhibit A, and recommends its approval to the Common Council.
3. Creation of the District promotes orderly development in the City.
4. That the City Clerk is hereby directed to provide the City Mayor and Common Council with certified copies of this resolution, upon its adoption by the Plan Commission.

Adopted this 6th day of April, 2010.



Don Richards, Mayor

Attest:



Lu Ann Hecht, City Clerk



222 Lewis Street
River Falls, WI 54022

715.425.0900
FAX 715.425.0915

MINUTES
Community Development
Plan Commission Meeting
April 6, 2010
6:30 p.m.
Council Chambers

CALL TO ORDER/ROLL CALL – meeting convened at 6:30 p.m.

Members present: Mayor Don Richards, Tom Heimerl, Susan Reese, David Cronk, Reid Wronski, Sandy Bowen, and Erin Tomlinson. There was a quorum present at all times.

Members absent: Todd Schultz.

Staff present: Scot Simpson, City Administrator; Buddy Lucero, Planning Director; Carl Gaulke, Municipal Utility General Manager; Julie Bergstrom, Finance Director; Ryan Mathisrud, Planning Intern.

Others present: Sean Lentz, Ehlers and Associates.

Approval of Agenda/Minutes

MSC Cronk /Smith to approve the minutes of March 2, 2010 as submitted. Unanimous.

PUBLIC COMMENTS

The Mayor asked for anyone wishing to speak about something that wasn't on the agenda. There were no comments.

PUBLIC HEARING

Proposed Project Plan, Boundaries and Creation of Tax Incremental District No. 8

Mayor Richards recessed the Plan Commission at 6:32 p.m. and went into a public hearing.

Sean Lentz, Ehlers & Associates introduced himself and spoke briefly about Tax Increment Financing in general. He stated that Tax Increment Financing (TIF) is authorized by Wisconsin Statutes. It is used to spur expansion of the tax base by promoting industrial development, mixed use development, redevelopment or eliminate blight. The district boundaries must be contiguous within the City. The key underpinning is called the "but for" test and is recognized as the chief tool to promote development and redevelopment initiatives. The "but for" analysis is one of the assessments used: "But for" the use of TIF, the proposed development would not occur as proposed, within the same time frame, or with the same level of value.

Lentz explained how TIF would work for the proposed project. He explained how taxing will work in the district in regards to the base value and the new increment value. There is no difference in how the values are taxed. The difference is how that revenue is used.

Reese asked for clarification on the up-front costs (right-of-way and easement acquisition, site-preparation, utility installations).

The Mayor stated there is an estimated \$6 million value to the project, and questioned whether or not that was for the entire project or just the first two phases. The \$6 million is above the base and comprised of the four phases.

By statute the district must be categorized. This district was identified as a Blight Elimination District – the blight definition is for the purposes of creating a Tax Increment District only. The Mayor questioned if there has to be an actual blight. Lentz advised that it meets the broader statutory definition. The maximum term for the District is 27 years, with the first 22 years being the expenditure period. A budget must be prepared and included in the project plan.

Reese questioned whether the City or the developer pays for the improvements. Lentz stated that in Phase 1 and 2 the Development Agreement states that the developer pays for those improvements, and when the Phases are complete, the incentives are paid back to the developer once tax revenue from the project is in hand. Simpson added that there are improvements that are not on the list that the developer is fully responsible for such as the trail, sanitary sewer improvements, and storm water improvements.

The goal of the Tax Increment District is to promote redevelopment and blight elimination. Lentz gave an update and outline of the creation process. A resolution is included in the packet to approve the district boundary and the project plan.

The boundary of the district was clarified as the proposed boundary extends beyond the development site. The bulk of the area is associated with the Development Agreement. State Statutes allow for improvements within a half-mile of the project. The area included in the boundary is for future improvements that may be necessary when other phases are developed.

There were no questions from the audience.

MSC Wronski/Tomlinson to approve the Resolution Designating the Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 8 in the City of River Falls, Wisconsin. Unanimous.

At 7:02 p.m. the Plan Commission reconvened into Open Session.

CURRENT PLANNING PROJECTS

Resolution to Create Section 6.05 of the City of River Falls Municipal Code (Chicken Ordinance)

Intern Ryan Mathisrud stated at the last meeting a presentation was made to the Commission regarding a request of residents to have chickens within the City limits. A draft ordinance was prepared for their review and discussion. At that time it was the consensus of the Plan Commission to move forward with an ordinance. The resolution that is presented at this meeting is to forward the draft ordinance to Council for their review and action.

Bowen questioned if the fully enclosed coop also meant that the top of the coop would be enclosed. Mathisrud answered that it does. Bowen also questioned waste disposal. Mathisrud stated that the amount of chickens allowed, 6, would produce a small amount and could be composted or thrown out like other types of pet waste.

Cronk clarified that chickens can lay egg without a rooster. The ordinance allows for chickens only.

Reese asked if the permit was a one-time permit or if it is annual. The permit cost will be a nominal fee of \$5 to \$10 annually. There is no requirement for the applicant to contact neighbors. The applicants will not be allowed to sell eggs.

Smith questioned if fences would be required and if not, how do you keep the movable cages within the yard. Lucero stated this would be monitored like any other item. Smith questioned if there were slaughtering restrictions in the ordinance. Mathisrud stated this isn't addressed in the ordinance but there are services for this. Smith questioned diseases. Mathisrud stated this is handled with normal veterinarian care and there is a low probability of disease.

The Mayor talked about when other communities adopted an ordinance there were very few applicants.

Bowen questioned whether or not the coops would keep the chickens warm in the winter and cool in the summer. Mathisrud responded that as long as there is an area of the coop that is fully enclosed, the birds would survive.

Reese questioned the annual permit and felt that it should be clarified in the ordinance. Staff will clarify Line 15 in the draft ordinance.

MSC Tomlinson/Cronk to approve the Resolution to Create Section 6.05 of the City of River Falls Municipal Code (Chicken Ordinance), with an amendment to clarify the annual permit. Wronski clarified that the ordinance is a recommendation to the Council. Motion carried unanimously.

CALENDAR

Lucero stated that a couple articles were handed out regarding development to Plan Commissioners.

UPDATE

Bowen asked about the future Kwik Trip.

MSC Cronk/Heimerl to adjourn. The meeting adjourned at 7:18 p.m.

Respectfully submitted,



Robin Sekrank, Recording Secretary

**COMMON COUNCIL FOR THE
CITY OF RIVER FALLS, WISCONSIN**

RESOLUTION NO. 5371

**RESOLUTION APPROVING THE PROJECT PLAN AND ESTABLISHING THE
BOUNDARIES FOR CREATION OF TAX INCREMENTAL DISTRICT NO. 8,
CITY OF RIVER FALLS, WISCONSIN**

WHEREAS, the City of River Falls has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS Tax Incremental District No. 8 (the "District") is proposed to be created by the City of River Falls (the "City") as a blighted area district in accordance with the provisions of Section 66.1105 of the Wisconsin Statutes (the "Tax Increment Law"); and

WHEREAS, the Plan Commission has prepared a Project Plan for the District that includes:

- a. A statement listing the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Sections 66.1105(2)(f)1.k., and 66.1105(2)(f)1.n., of the Wisconsin Statutes, outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the district promotes the orderly development of the City;
- k. An opinion of the City attorney or of an attorney retained by the City advising that the plan is complete and complies with Section 66.1105(4)(f)., of the Wisconsin Statutes.

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on April 6, 2010, held a public hearing concerning the Project Plan and boundaries and proposed creation of the District providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, prior to its publication, a copy of the notice of said hearing was sent to owners of all property in the proposed district, to the chief executive officer of Pierce County, the School District of River Falls, and the Chippewa Valley Technical College District, and the other entities having the power to levy taxes on property located within the proposed District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, after said public hearing, the Plan Commission adopted, and subsequently recommend approval to the Common Council that it create such District.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of River Falls that:

1. The boundaries of the District are hereby established as specified in the Project Plan, which is attached as Exhibit A of this resolution, and;
2. The District is created effective as of January 1, 2010, and;
3. The Common Council finds and declares that:
 - (a) Not less than 50% by area of the real property within the District is a blighted area within the meaning of Section 66.1105(2)(a)1. of the Wisconsin Statutes. Furthermore any property standing vacant for the entire seven years preceding the adoption of this resolution does not comprise more than 25% of the area in the District in compliance with Section 66.1105(4)(gm)1., of the Wisconsin Statutes; and
 - (b) Based upon the findings, as stated in (a) above, the District is declared to be a blighted area district based on the identification and classification of the property included within the District; and
 - (c) The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District; and
 - (d) The equalized value of the taxable property in the District plus the value increment of all other existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City; and
 - (e) The City estimates that approximately none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Sections 66.1105(5)(b) of the Wisconsin Statutes; and
 - (f) The project costs relate directly to promoting the elimination of blight consistent with the purpose for which the District is created; and
4. The Project Plan for the District, attached as Exhibit A, is approved, and the City further finds that the Project Plan is feasible and in conformity with the master plan of the City.

BE IT FURTHER RESOLVED THAT the City Clerk is hereby authorized and directed to apply to the Wisconsin Department of Revenue, in such form as may be prescribed, for a "Determination of Tax Incremental Base", as of January 1, 2010, pursuant to the provisions of Section 66.1105(5)(b) of the Wisconsin Statutes.

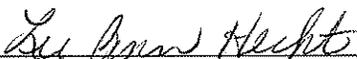
BE IT FURTHER RESOLVED THAT the City Assessor is hereby authorized and directed to identify upon the assessment roll returned and examined under Section 70.45 of the Wisconsin Statutes, those parcels of property which are within the District, specifying thereon the name of the said District, and the City Clerk is hereby authorized and directed to make similar notations on the tax roll made under Section 70.65 of the Wisconsin Statutes, pursuant to Section 66.1105(5)(f) of the Wisconsin Statutes.

Adopted this 11th day of May, 2010.



Don Richards, Mayor

Attest:



Lu Ann Hecht, City Clerk

**CITY OF RIVER FALLS, WISCONSIN
COMMON COUNCIL PROCEEDINGS**

May 11, 2010

Mayor Richards called the meeting to order at 6:30 p.m. in the City Council Chambers located in City Hall.

City Council Members Present: Tom Cafilisch, David Cronk, Bob Hughes, Randy Kusilek, Scott Morrisette, Jim Nordgren, David Reese

Staff Present: Bill Thiel, City Attorney; Scot Simpson, City Administrator; Carl Gaulke, Utility General Manager; Julie Bergstrom, Finance Director; Roger Leque, Police Chief; Terry Kusilek, Streets Supervisor; Reid Wronski, City Engineer; Nancy Miller, Library Director; Cindi Danke, Recreation Coordinator; Lu Ann Hecht, City Clerk

Others Present: Greg Andrews, David Trechter, Rosanne Bump, Todd Schulte, Bob Ebert, Josh, Hudek, Mel Pittman

APPROVAL OF MINUTES:

April 20, 2010, Organizational Meeting Minutes

MSC Cronk/Nordgren to approve minutes as submitted. Unanimous.

April 27, 2010, Regular Meeting Minutes

MSC Nordgren/Cronk to approve minutes as submitted. Unanimous.

APPROVAL OF BILLS:

City – \$387,890.90

Utility - \$385,162.50

MSC Cronk/Nordgren move to approve the bills subject to comptroller. Unanimous.

PUBLIC COMMENT, PETITIONS, REQUESTS AND COMMUNICATIONS:

Todd Schultz, 657 Meadowbrook Lane, came to speak about urban chickens. He urged Council to not allow urban chickens. He felt the City has a great Police Department but it is understaffed, and he doesn't feel like they would have time to enforce the ordinance. He would not want to purchase a home next to someone who owned chickens. He felt the City shouldn't pass an ordinance which it could not enforce.

Bob Ebert, 1231 Bartosh Lane, he didn't think the Police Department would be enforcing this ordinance but rather that it would be a zoning issue to enforce. He said the chickens would need to be contained in a pen inside the yard.

Rosanne Bump, River Falls Chamber of Commerce, came before Council to let the community know about the upcoming summer events which include Town 'N' Country Day, Showdown on the Kinni, River Falls Days, and Kinni River Trout Trot. She expressed her appreciation for the City's assistance.

Hughes asked if someone wanted to speak on an agenda item, could s/he speak when the item came up. The Mayor said yes.

PUBLIC HEARING:

Public Hearing and Disposition of Combination "Class B" Liquor and Beer License, Hanson Bros. Golf Holdings, LLC, for River Falls Golf Club at 1011 County Road M

Mayor Richards recessed Council at 6:42 p.m. and went into a public hearing. At 6:43 p.m. with no one wishing to speak for or against this issue, Council reconvened into Open Session for disposition. MSC Cafilisch/Cronk move to approve license. Unanimous.

CONSENT AGENDA:

Resolution No. 5362 - Designating Official Newspaper

Resolution No. 5363 - Approving Joint Powers Agreement with the River Falls School District

Resolution Approving Grow to Share Agreement →→*Pulled by Morrisette*

Resolution No. 5364 - Approving Professional Service Agreement for Plumbing Supervisor Services

Resolution Regarding Purchase of 2010 Smithco Ball Field Rake→→*Pulled by Hughes*

Resolution Approving Non-Union Pay Plan Modifications→→ *Pulled by Hughes*

Resolution No. 5365 - Approving Request for City Assistance from River Falls Chamber of Commerce

Resolution Regarding Request for City Assistance from Pierce County Farm Technology Days→→*Pulled by Morrissette*

Resolution Approving the Project Plan and Establishing the Boundaries for Creation of Tax Incremental District No. 8, City of River Falls, Wisconsin→→ *Pulled by Hughes*

Resolution Approving 2011-2015 Capital Improvement Plan→→ *Pulled by Hughes*

Resolution No. 5366 - Approving Updated Event Coordinator Job Description

MSC Cronk/Hughes move to approve the remainder of the Consent Agenda. Unanimous.

Resolution No. 5367 - Approving Grow to Share Agreement

Morrissette wanted a stipulation added that any subletting done by the Grow to Share Organization must first have approval by the City. Attorney Thiel thought that was reasonable.

MS Morrissette/Cafilisch move approval of the lease contingent upon the approval of a subletting clause by review of the City.

Hughes made a motion to amend the lease that the termination is 30 days plus the current growth cycle.

Thiel said the 30 days is in favor of both the lessee and lesser as the lessee could say they want out in 30 days too. It doesn't just benefit the City. Hughes felt paying an extra dollar wasn't a drawback.

Reese wanted a definition of a current growth cycle. Morrissette asked if the Grow to Share people were okay with the stipulations that were in place.

Josh Hudek, Grow to Share, said the growth cycle is ambiguous and is not needed. He said there would be no subleasing done so the clause is not necessary. He recommended approving the lease as it stands.

The Mayor clarified there was a motion to amend with no second. The Mayor asked for a vote on the original motion as amended. It passed unanimously.

Resolution No. 5368 - Regarding Purchase of 2010 Smithco Ball Field Rake

Hughes asked the cost for replacing the worn parts. Wronski did not have a figure as it is difficult to get parts for a 21 year old machine. He said the machine is used regularly at several different locations. Hughes asked about purchasing an 'identical unit'. Wronski clarified that it is the identical manufacturer and is not the same piece of equipment – it is new. He said they were able to get competitive quotes on this item.

MSC Cafilisch/Morrissette move to approve resolution. The motion passed 6-1 with Hughes voting against.

Resolution No. 5369 - Approving Non-Union Pay Plan Modifications

Hughes asked if the pay differences internally were due to seniority. Simpson said essentially yes. Hughes felt this created an internal equity problem between sergeants as the pay between a new sergeant and more senior sergeants as the pay would be close to the same. Simpson said that was a good point but the job duties of new

and more senior sergeants are similar, and he didn't feel that was a good enough reason not to resolve the equity issue between supervisors and their direct reports. Hughes disagreed.

Hughes asked why the City was moving the Fire Chief position to a regular full time position. Simpson said a community process was done to determine if the City wanted to proceed with a full time Fire Chief. There was consensus throughout that project to proceed with the Fire Chief. This will place the position into the pay plan.

MSC Cafilisch/Nordgren move to approve resolution. The motion passed 6-1 with Hughes voting against.

Resolution No. 5370 - Regarding Request for City Assistance from Pierce County Farm Technology Days
Morrissette asked if the organizational committee would consider donating any remaining funds after the show to the City to offset in kind services that were provided. The Mayor invited Greg Andrews to respond.

Greg Andrews, Executive Secretary, Farm Technology Days, introduced members of the Executive Committee: Chair Mel Pittman, Duane Benedict and Treasurer, Peter Stern. Andrews explained all opportunities are available. He said applications are usually taken after the show. Andrews said if there is a positive balance that money stays in the community and all the funds are divested and returned within six to nine months.

Nordgren asked if Andrews was familiar with divestments from previous Farm Technology Days shows. Andrews said yes and listed examples of scholarships, fairgrounds improvements, FFA Chapters, educational opportunities, etc. Nordgren asked if any previous funds were divested to offset costs police/emergency services. Stern said similar requests have been made from county highway department. Andrews felt serious consideration would be made for requests from the City by the committee.

Hughes asked if the services the City will provide for Farm Tech Days are similar to River Falls Days. Simpson said yes but there are resources invested in this event.

MSC Morrissette/Nordgren move to approve resolution. Unanimous.

Resolution No. 5371 - Approving the Project Plan and Establishing the Boundaries for Creation of Tax Incremental District No. 8, City of River Falls, Wisconsin

Hughes asked about the consequences if this item was voted down. Attorney Thiel said a street has been vacated and an agreement is in place. This resolution approves a financing mechanism but he would have to check the development agreement further for details.

Simpson said this was the last step in the development process and said if the Council didn't approve the TID, there would be no way to provide the funding.

Cafilisch addressed Hughes saying that all the information has been provided in the past at workshops and meetings which Hughes did not attend.

Hughes said he did attend the Plan Commission meeting but felt his questions were not adequately answered. He disagreed with the tax incremental financing and has a difference of opinion.

MSC Cafilisch/Cronk move to approve resolution. The motion passed 6-1 with Hughes voting against.

Resolution No. 5372 - Approving 2011-2015 Capital Improvement Plan

Hughes pulled the resolution but had no comment. **MSC Nordgren/Morrissette move to approve resolution. The motion passed 6-1 with Hughes voting against.**

ORDINANCES AND RESOLUTIONS

Resolution No. 5373 - Approving Our Neighbor's Place Loan

MS Cafilisch/Nordgren move to approve resolution. Reese asked if at closing, they would have \$240,000 and the City's loan for funding. Simpson said that was his understanding. The Mayor asked David Trechter if he wanted to speak.

City of River Falls, Wisconsin

May 11, 2010

Page 4

David Trechter, W10453 880th Avenue, said the City won't provide any money until they had the other money in place. Reese asked if the resolution expired if they didn't close by December 31. Attorney Thiel said that was his understanding.

Morrisette had a concern over the three year repayment. He felt that was too strict and thought a 20 year repayment schedule with a nominal rate of interest and the possibility of a rebate on the interest would be better.

Trechter said about \$70,000 has been raised so far. They have started writing grants to local foundations. He said they are looking at launching a capital campaign in River Falls. They would like to get the mortgage taken care of as soon as possible.

Morrisette was concerned that the economic times are different now and proposed a 20 year repayment schedule with four percent interest with a consideration of a rebate of two percent in the first three years.

Trechter said the motion would allow the City Administrator and Our Neighbor's Place to renegotiate the terms of the deal.

Reese wanted the current Council to be responsible for this project and if in the future the loan wasn't being repaid, that foreclosure would begin in 90 days. Kusilek agreed. Simpson said a term could be put in the contract but it would not change any political ramifications.

Trechter said they are betting on the generosity of the community to ensure the success of the project.

Morrisette continued to express concern over the repayment. Trechter said they have the ability to work something out with the City Administrator if needed. Hughes expressed confidence in the project.

Nordgren asked if the Council was capable of revising the document. Simpson said the Council has wide latitude and explained the two options.

The Mayor asked if Trechter was the most comfortable with the agreement as it is. Trechter said they are interested in working together with the City on this project.

Nordgren called the question. The motion passed unanimously.

REPORTS:

Cascade Avenue Update

Wronski gave a presentation to Council on Cascade Avenue. The project will replace the road, the infrastructure and lighting. Wronski explained the scope of the outreach of the project which included several public meetings, email notices, direct mailings, articles in the RF Journal and UWRF newspapers and more. He reviewed the stakeholders and outlined the concerns about Cascade which include excessive vehicle speed, pedestrians walking out in front of cars, no turn lanes, not enough parking and more. Wronski talked about the goals and solutions. He discussed the differences between roundabouts and signal lights and why roundabouts were chosen for Cascade. A resolution approving the project was passed unanimously by Council and the Plan Commission on January 29, 2008. Preliminary design began in November 2008.

Wronski reviewed the design of the project and the thought and detail that went into it. He talked about working with the University and their master plan. Wronski reviewed the utility upgrades. In 2008, the project costs were estimated to be approximately \$5-\$8.4 million. He discussed grants. One grant has been received.

The next steps include finalizing agreements with WisDot and UWRF, applying for grants, right of way acquisition and the final design and construction. He said the earliest construction would be 2012.

The Mayor clarified that the parking on Third Street would begin before the road construction. Wronski said yes.

Hughes brought up some dissenting opinions about the project. He felt people who weren't in favor of the project were pushed out. He said the issue for UWRF students is parking, and he went into greater detail. Hughes also had concerns about the roundabouts.

Reese said this item was listed as a report on the agenda, and he wondered about the rest of Council making comments and establishing a time limit for comments.

Attorney Thiel said when an item is listed as a report, it forecloses the opportunity of citizens who may be interested in a topic relative to action or further discussion if the Council engages in a lengthy question and answer period. He said the Mayor is correct and should limit any give and take. Thiel suggested that the topic could be placed on a future agenda if appropriate.

Reese said it was a report and felt comments are appropriate, but it should be placed on a future agenda if the Council wanted to discuss the item at length.

Hughes said there are people present who wanted to speak on the issue, and that is why he asked if people could speak items listed in the agenda. He wanted the people to be able to speak on the item.

The Mayor said in light of the time spent on the topic already and per the City Attorney's advice, he would forego their opportunity at this time and move onto the next item.

Hughes thanked the Mayor for confirming that people are pushed out who have a dissenting opinion on the Cascade Avenue project.

PFC Membership Information Request

Simpson said there was a question regarding the Police and Fire Commission membership requirements. He said when Carole Mottaz's appointment came before Council, staff had indicated according to Council's policy which does not require residency, that her appointment could be considered. At that time, staff had an attorney opinion from Attorney Goff which stated that was acceptable. Staff has asked for clarification from Attorney Thiel. Simpson summarized Thiel's opinion which stated Mr. Leitch and Ms. Mottaz may continue to serve their terms on the PFC but future appointments should be residents of the City. He said the Mayor has indicated a desire to leave Ms. Mottaz and Mr. Leitch on the commission.

Nordgren asked about the length of the remaining terms. Simpson said four and five years. Caflich stated he specifically asked about residency at the time of Mottaz's appointment, and it was indicated she didn't have to be a resident. Caflich asked the Mayor to please reconsider his appointment in light of Attorney Thiel's opinion. The Mayor said he would not reconsider the appointment.

City Administrator's Report

Reese asked about the chicken ordinance. Simpson said it would most likely be on the agenda on June 8.

ITEMS FOR DISCUSSION:

Ambulance Membership

Simpson said a question was raised at the Organizational Meeting regarding the membership status of the council member who had been historically appointed to the Ambulance Commission. The Council did not want to appoint a member to the commission until further clarification. Simpson said the Council member appointment has not been a full voting member and the ordinance does not lay out voting membership for a Council member. Simpson laid out options for Council including leaving it the same, add a Council member to the commission or add two more members.

Cafilisch was in favor of adding a voting Council member to the Ambulance Commission. Cronk agreed. Nordgren felt the Council should look at having the member appointed to the Ambulance Commission also attend the PFC meeting. Morrissette asked if having six members would cause a problem for voting. Simpson made some clarifications.

The consensus of Council was to proceed. Simpson said he would bring information back to the Council for review.

ANNOUNCEMENTS:

Mayor's Appointment

LIBRARY BOARD

Bob Hughes, Council Representative, to Library Board

EXTRATERRITORIAL BOARD OF APPEALS

Tom Heimerl - as a regular member

Gary Horvath - as an alternate member

Morris Marsolek - as an alternate member

MS Nordgren/Morrissette move to approve appointments. Hughes thanked the Mayor for the appointment to the Library Board. **The appointments were approved unanimously.**

National Historic Preservation Month Proclamation

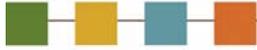
The Mayor read the proclamation.

MSC Cronk/Nordgren moved to adjourn the meeting at 8:05 p.m. Unanimous.

Respectfully submitted,



Kristi McKahan, Deputy City Clerk



June 18, 2010

Bill Warner, JRB Representative
Pierce County EDC Executive Director
UW-River Falls, RDI Building
410 South Third Street
River Falls, WI 54022
bill@pcedc.com

Paul Schwebach
River Falls JRB Public Member
1120 Wasson Circle
River Falls, WI 54022
pschwebach@anchorbank.com

Manny Kenney, JRB Representative
Treasurer, Finance Committee Chair
River Falls School District Board of Education
852 East Division Street
River Falls, WI 54022
mannykenney@yahoo.com

Don Richards, Mayor and JRB Representative
City of River Falls
123 East Elm Street
River Falls, WI 54022
drichards@rfcity.org

John Kleven, JRB Representative
Chippewa Valley Technical College
500 South Wasson Lane
River Falls, WI 54022
jkleven4@cvtc.edu

RE: City of River Falls, Tax Incremental District No. 8

This letter is to confirm that a meeting of the Joint Review Board (the "JRB") will be held on June 23, 2010, at 10:00 a.m., at the River Falls City Hall, located at 222 Lewis Street. The purpose of this meeting is for the JRB to consider approval of the resolution adopted by the River Falls Common Council creating Tax Increment District No. 8, and approving its Project Plan.

Please call either Susan Landrum or me at 1-800-552-1171; or, e-mail Susan at slandrum@ehlers-inc.com, as soon as possible to confirm your attendance at this meeting.

To assist the JRB in its deliberation, copies of the Plan Commission resolution which was adopted on April 6, 2010, and the Common Council resolution which was adopted on May 11, 2010, are enclosed with this letter, and along with the District Project Plan, constitute the public record in this matter. Signed copies of the resolutions are on file and available at the River Falls City Hall. Also enclosed are an agenda for this meeting, minutes from the organizational JRB meeting, as well as a proposed "Resolution Creating Tax Incremental District No. 8, River Falls, Wisconsin" for consideration by the JRB. Enclosed please find a copy of the final Project Plan.

In considering whether to approve the City's Resolution creating Tax Incremental District No. 8, the JRB, as required by Section 66.1105(4m)(c), Wisconsin Statutes, is to consider the following:

- 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 the improvements;
- C. Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

To assist the JRB in its analysis of the enclosed information, we are providing the following brief narrative as it relates to each of the criteria outlined above.

FINDING #1. WOULD DEVELOPMENT OCCUR WITHOUT TAX INCREMENTAL FINANCING?

The City has determined that "but for" the creation of this Tax Incremental District, the development projected to occur as detailed in the Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In making this determination, the City has considered the following information:

- In order to make the areas included within the District suitable for development and/or redevelopment, the City will need to make a substantial investment to pay for the costs of: property, right-of-way and easement acquisition, site preparation, installation of utilities; installation of streets and related streetscape items; development incentive payments, facade, grants and loans, and other associated costs. Due to the extensive initial investment in public infrastructure that is required in order to allow development to occur, the City has determined that development and/or redevelopment of the area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development and/or redevelopment of the area is unlikely to occur.

FINDING #2. ECONOMIC BENEFIT

The City finds that 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 the improvements. In making this determination, the City has considered the following information:

- As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.

FINDING #3. DO THE BENEFITS OF THE PROPOSAL OUTWEIGH THE TAX INCREMENTS TO BE PAID?

- If approved, the District creation would become effective for valuation purposes as of January 1, 2010. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation or appreciation of property values occurring after January 1, 2010, would be collected by the Tax Increment District and used to repay the costs of TIF-eligible projects undertaken within the District.
- Since the development expected to occur is unlikely to take place without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the City reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the "but for" test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and is found in Appendix A of the District Project Plan.

CONCLUSION

Based on the information contained in the Project Plan, the findings of the Plan Commission and the Common Council as provided for in their respective resolutions, the City therefore respectfully requests favorable consideration of its Resolution by the JRB.

Sincerely,

EHLERS & ASSOCIATES, INC.



Sean Lentz
Financial Advisor

cc: Paul Barkla, County Board Chair (mspooz@webtv.net)
Tom Westerhaus, School District Administrator (tom.westerhaus@rfsd.k12.wi.us)
Bruce Barker, Technical College President (bbarker@cvtc.edu)
Julie Bergstrom, Finance Director- Treasurer (jbergstrom@rfcity.org)
Lu Ann Hecht, City Clerk (lhecht@rfcity.org)
William G. Thiel, Weld, Riley, Prens & Ricci, S.C. (wthiel@wrpr.com)

AGENDA

JOINT REVIEW BOARD CITY OF RIVER FALLS, WISCONSIN

TAX INCREMENTAL DISTRICT NO. 8 CREATION

June 23, 2010 at 10:00 a.m.

River Falls City Hall
222 Lewis Street

1. Call to order
2. Review and consideration of minutes from organizational meeting
3. Review the public record, planning documents, Plan Commission resolution approving the Project Plan, and the resolution passed by the Common Council approving the creation
4. Consideration of resolution approving Tax Incremental District No. 8 creation
5. Consideration to disband
6. Adjournment

**JOINT REVIEW BOARD
RESOLUTION APPROVING THE CREATION OF
TAX INCREMENTAL DISTRICT NO. 8,
CITY OF RIVER FALLS, WISCONSIN**

WHEREAS, the City of River Falls seeks to create Tax Incremental District No. 8 (the "District"); and

WHEREAS, Wisconsin Statutes, Section 66.1105 requires that a Joint Review Board (the "Board") shall convene to review the proposal; and

WHEREAS, the Board consists of one representative chosen by the School District; one representative chosen by the Wisconsin Technical College District System; and one representative chosen by the County, all of whom have the power to levy taxes on property within the District; and one representative chosen by the City and one public member; and

WHEREAS, the public member and Board's chairperson were selected by a majority vote of the other Board members before the public hearing under Section 66.1105 (4)(a) and (e), Wisconsin Statutes, was held; and

WHEREAS, all Board members were appointed and the first Board meeting held within 14 days after the notice was published under Section 66.1105 (4)(a) and (e), Wisconsin Statutes; and

WHEREAS, the Board has reviewed the public record, planning documents, the resolution adopted by the Plan Commission approving the District and adopting the Project Plan, and the resolution passed by the Common Council approving the creation of the District under Section 66.1105 (4)(gm), Wisconsin Statutes;

NOW, THEREFORE, BE IT RESOLVED by the Joint Review Board for Tax Incremental District No. 8 of the City of River Falls that:

1. The development expected in the District would not occur without the use of tax increment financing and the creation of a tax incremental district.
2. The economic benefits of the District, as measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.
4. Project costs to be made outside of, but within a one-half mile radius of the District pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, as identified in the Project Plan are approved.

BE IT FURTHER RESOLVED that the Board approves the creation of this District.

Passed and adopted this 23rd day of June, 2010.

Joint Review Board

Representing

Pierce County

School District of River Falls

Chippewa Valley Technical College District

City of River Falls

Public Member

City of River Falls
Joint Review Board
Tax Incremental District No. 8
April 6, 2010

Sean Lentz, Financial Advisor, Ehlers & Associates, Inc. called the meeting to order at 6:05 p.m. in the Foster Conference Room of City Hall, 222 Lewis Street.

Members present: John Holst, Pierce County Representative; John Kleven, Chippewa Valley Technical College Representative; Don Richards, City of River Falls Representative;

Members absent: Manny Kenney, River Falls School District Representative.

Others present: Scot Simpson, City Administrator; Julie Bergstrom, Finance Director/Treasurer; Bill Warner.

Motion by Holst, second by Kleven, to appoint Don Richards as Chairperson. Upon voice vote; Unanimous.

Kleven nominated Paul Schwebach as the Public Member. With no other nominations, Chairperson Richards called for a vote. Upon voice vote; Unanimous, to appoint Paul Schwebach as Public Member.

Lentz gave overview of the duties of the Joint Review Board. Simpson explained the development plan and the “pay as you go” process.

Lentz stated he is going over the Project Plan at the Public Hearing to be held at 6:30, directly following this meeting. He asked Board Members to attend the Public Hearing.

Lentz explained that the next meeting of the Joint Review Board would have to be after the Council meeting of May 11, 2010. He collected contact information from members and will notify them of the next meeting.

Chairperson Richards adjourned the meeting at 6:27 p.m.

Respectfully submitted,

Lu Ann Hecht
City Clerk

PLAN COMMISSION RESOLUTION No. PC101563

**DESIGNATING THE PROPOSED BOUNDARIES AND APPROVING
A PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 8 IN
THE CITY OF RIVER FALLS, WISCONSIN**

WHEREAS, the City of River Falls has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS, Tax Incremental District No. 8 (the "District") is proposed to be created by the City of River Falls (the "City") as a blighted area district in accordance with the provisions of Section 66.1105 of the Wisconsin Statutes (the "Tax Increment Law"); and

WHEREAS, the Plan Commission has prepared a Project Plan for the District that includes:

- a. A statement listing the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n. of the Wisconsin Statutes, outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the district promotes the orderly development of the City advising that the plan is complete and complies with Section 66.1105(4)(f). of the Wisconsin Statutes.

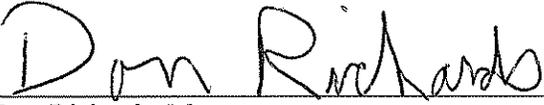
WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on April 6, 2010, held a public hearing concerning the Project Plan and boundaries and proposed creation of the District providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, prior to its publication, a copy of the notice of said hearing was sent to owners of all property in the proposed district, to the chief executive officer of Pierce County, the School District of River Falls, and the Chippewa Valley Technical College District, and the other entities having the power to levy taxes on property located within the proposed District, in accordance with the procedures specified in the Tax Increment Law.

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the City of River Falls that:

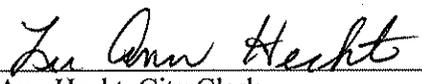
1. It recommends to the Common Council that the District be created with boundaries as designated in the Project Plan.
2. It approves the Project Plan for the District, attached as Exhibit A, and recommends its approval to the Common Council.
3. Creation of the District promotes orderly development in the City.
4. That the City Clerk is hereby directed to provide the City Mayor and Common Council with certified copies of this resolution, upon its adoption by the Plan Commission.

Adopted this 6th day of April, 2010.



Don Richards, Mayor

Attest:



Lu Ann Hecht, City Clerk

**COMMON COUNCIL FOR THE
CITY OF RIVER FALLS, WISCONSIN**

RESOLUTION NO. 5371

**RESOLUTION APPROVING THE PROJECT PLAN AND ESTABLISHING THE
BOUNDARIES FOR CREATION OF TAX INCREMENTAL DISTRICT NO. 8,
CITY OF RIVER FALLS, WISCONSIN**

WHEREAS, the City of River Falls has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS Tax Incremental District No. 8 (the "District") is proposed to be created by the City of River Falls (the "City") as a blighted area district in accordance with the provisions of Section 66.1105 of the Wisconsin Statutes (the "Tax Increment Law"); and

WHEREAS, the Plan Commission has prepared a Project Plan for the District that includes:

- a. A statement listing the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Sections 66.1105(2)(f)1.k., and 66.1105(2)(f)1.n., of the Wisconsin Statutes, outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the district promotes the orderly development of the City;
- k. An opinion of the City attorney or of an attorney retained by the City advising that the plan is complete and complies with Section 66.1105(4)(f)., of the Wisconsin Statutes.

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on April 6, 2010, held a public hearing concerning the Project Plan and boundaries and proposed creation of the District providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, prior to its publication, a copy of the notice of said hearing was sent to owners of all property in the proposed district, to the chief executive officer of Pierce County, the School District of River Falls, and the Chippewa Valley Technical College District, and the other entities having the power to levy taxes on property located within the proposed District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, after said public hearing, the Plan Commission adopted, and subsequently recommend approval to the Common Council that it create such District.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of River Falls that:

1. The boundaries of the District are hereby established as specified in the Project Plan, which is attached as Exhibit A of this resolution, and;
2. The District is created effective as of January 1, 2010, and;
3. The Common Council finds and declares that:
 - (a) Not less than 50% by area of the real property within the District is a blighted area within the meaning of Section 66.1105(2)(a)1. of the Wisconsin Statutes. Furthermore any property standing vacant for the entire seven years preceding the adoption of this resolution does not comprise more than 25% of the area in the District in compliance with Section 66.1105(4)(gm)1., of the Wisconsin Statutes; and
 - (b) Based upon the findings, as stated in (a) above, the District is declared to be a blighted area district based on the identification and classification of the property included within the District; and
 - (c) The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District; and
 - (d) The equalized value of the taxable property in the District plus the value increment of all other existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City; and
 - (e) The City estimates that approximately none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Sections 66.1105(5)(b) of the Wisconsin Statutes; and
 - (f) The project costs relate directly to promoting the elimination of blight consistent with the purpose for which the District is created; and
4. The Project Plan for the District, attached as Exhibit A, is approved, and the City further finds that the Project Plan is feasible and in conformity with the master plan of the City.

BE IT FURTHER RESOLVED THAT the City Clerk is hereby authorized and directed to apply to the Wisconsin Department of Revenue, in such form as may be prescribed, for a "Determination of Tax Incremental Base", as of January 1, 2010, pursuant to the provisions of Section 66.1105(5)(b) of the Wisconsin Statutes.

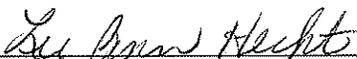
BE IT FURTHER RESOLVED THAT the City Assessor is hereby authorized and directed to identify upon the assessment roll returned and examined under Section 70.45 of the Wisconsin Statutes, those parcels of property which are within the District, specifying thereon the name of the said District, and the City Clerk is hereby authorized and directed to make similar notations on the tax roll made under Section 70.65 of the Wisconsin Statutes, pursuant to Section 66.1105(5)(f) of the Wisconsin Statutes.

Adopted this 11th day of May, 2010.



Don Richards, Mayor

Attest:



Lu Ann Hecht, City Clerk

**JOINT REVIEW BOARD
RESOLUTION APPROVING THE CREATION OF
TAX INCREMENTAL DISTRICT NO. 8,
CITY OF RIVER FALLS, WISCONSIN**

WHEREAS, the City of River Falls seeks to create Tax Incremental District No. 8 (the "District"); and

WHEREAS, Wisconsin Statutes, Section 66.1105 requires that a Joint Review Board (the "Board") shall convene to review the proposal; and

WHEREAS, the Board consists of one representative chosen by the School District; one representative chosen by the Wisconsin Technical College District System; and one representative chosen by the County, all of whom have the power to levy taxes on property within the District; and one representative chosen by the City and one public member; and

WHEREAS, the public member and Board's chairperson were selected by a majority vote of the other Board members before the public hearing under Section 66.1105 (4)(a) and (e), Wisconsin Statutes, was held; and

WHEREAS, all Board members were appointed and the first Board meeting held within 14 days after the notice was published under Section 66.1105 (4)(a) and (e), Wisconsin Statutes; and

WHEREAS, the Board has reviewed the public record, planning documents, the resolution adopted by the Plan Commission approving the District and adopting the Project Plan, and the resolution passed by the Common Council approving the creation of the District under Section 66.1105 (4)(gm), Wisconsin Statutes;

NOW, THEREFORE, BE IT RESOLVED by the Joint Review Board for Tax Incremental District No. 8 of the City of River Falls that:

1. The development expected in the District would not occur without the use of tax increment financing and the creation of a tax incremental district.
2. The economic benefits of the District, as measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.
4. Project costs to be made outside of, but within a one-half mile radius of the District pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, as identified in the Project Plan are approved.

BE IT FURTHER RESOLVED that the Board approves the creation of this District.

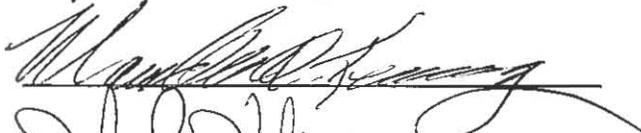
Passed and adopted this 23rd day of June, 2010.

Joint Review Board

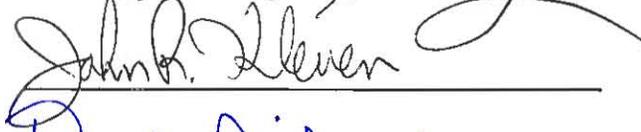
Representing



Pierce County



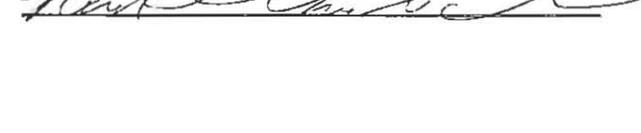
School District of River Falls



Chippewa Valley Technical College District



City of River Falls



Public Member

City of River Falls
Joint Review Board
Tax Incremental District No. 8
June 23, 2010

Mayor Don Richards called the meeting to order at 10:00 a.m. in the Foster Conference Room of City Hall, 222 Lewis Street.

Members present: Bill Warner, Pierce County Representative; John Kleven, Chippewa Valley Technical College Representative; Paul Schwebach, Public Member; Manny Kenney, River Falls School District Representative.

Others present: Scot Simpson, City Administrator; Julie Bergstrom, Finance Director/Treasurer; Sean Lentz, Financial Advisor, Ehlers & Associates, Inc.

APPROVAL OF MINUTES

April 6, 2010 Organizational Meeting

MSC Schwebach/Kleven to approve as submitted. Unanimous.

REVIEW OF TAX INCREMENT DISTRICT DOCUMENTS

Warner asked if any changes had been made to the Project Plan, Lentz replied that only the date had been changed.

Mayor Richards inquired about the timing of the project. Mr. Simpson replied that an increment payment must be made whether the building is up or not.

Mr. Kenney stated the School District had no questions or concerns regarding the plan.

Ms. Bergstrom stated that one Council Member voted against the TID. He is the newest member of the Council.

RESOLUTION APPROVING TAX INCREMENTAL DISTRICT NO. 8 CREATION

MSC Kenney/Schwebach to approve. Unanimous.

CONSIDERATION TO DISBAND

MSC Warner/Kleven Motion to disband City of River Falls Joint Review Board for TID #8. Unanimous.

Chairperson Richards adjourned the meeting at 10:08 a.m.

Respectfully submitted,



Lu Ann Hecht
City Clerk



December 22, 2010

Wisconsin Department of Revenue
Tax Incremental Financing Unit
Attn: Equalization Bureau
2135 S. Rim Rock Road
PO Box 8971, Mail Stop 6-97
Madison, WI 53708

RE: City of River Falls, Wisconsin - Tax Incremental District No. 8 Creation

On behalf of the City of River Falls, enclosed are the following documents necessary to complete the base value determination for Tax Incremental District No. 8 (the "District"):

- Legal Requirements Form (PE-605);
- Equalized Value Determination Request Form (PE-606);
- District Parcel List - Locally Assessable Property Form (PE-608);
- District Parcel List - Municipal Owned Property Form (PE-619);
- District Parcel List - State Assessed Manufacturing Property Form (PE608M);
- District Personal Property List - State Assessed Manufacturing Personal Property Form (PE-608MP);
- District Personal Property List - Base Year Locally Assessable Personal Property Form (PE-601A);
- District Statement of Assessment Form (PE-615A);
- District Assessor's Final Report - Base Year Valuation Form (PE-617A);
- Assessor's & Clerk's Signature Forms;
- Copy of notification letters to property owners;
- Copy of letter to other taxing entities notifying of the organizational meeting & public hearing;
- Affidavit of publication for public hearing notice;
- Minutes from Joint Review Board (JRB) Organizational Meeting;
- Plan Commission Resolution and meeting minutes;
- Common Council Resolution and meeting minutes;
- Copy of letter to JRB members notifying of the final meeting & providing the required documents;
- Joint Review Board Resolution & meeting minutes;
- Legal Metes & Bounds boundary description of the District;
- Map identifying District boundary, as well as parcel boundaries and parcel numbers within boundary;
- Final Project Plan document;

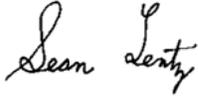
Wisconsin Department of Revenue
City of River Falls - Tax Incremental District No. 8
December 22, 2010
Page 2 of 2

- Development Agreement;
- Common Council Resolution approving the Development Agreement;
- Copy of payment transmittal confirmation from the Wisconsin Department of Revenue.
- Copy of 60-day notice email to DOR;

If you have any questions regarding the District, please contact Ehlers directly. Please send a letter of your findings in regards to the above material and a copy of the base value certification to Ehlers.

Sincerely,

EHLERS & ASSOCIATES, INC.



Sean Lentz
Financial Advisor



Susan Landrum
TIF Coordinator

cc: City of River Falls

County (please type) Pierce
Municipality City of River Falls
CoMun Code 47-276
Tax Incremental District Number 08

**LEGAL
REQUIREMENTS**

SEE INSTRUCTIONS ON BOTTOM OF PAGE 2 BELOW

ADOPTION OF PROJECT PLAN		
	INDICATE THE DATE(S) EACH ACTIVITY WAS COMPLETED	DATE
	Hearing notice sent by first class mail to chief executive of all local government entities having power to levy taxes on TID property and to school districts involved (by Planning Commission). Include copies.	3/17/10
	Owners of property found blighted or in need of rehabilitation notified of finding and date of project plan hearing (not required for industrial or mixed-use development districts).	3/17/10
	Hearing notice published as class 2 notice by Planning Commission. Include proof of publication.	Date of First Insertion 03/18/10
		Date of Second Insertion 03/25/10
	Public hearing held (by Planning Commission).	4/6/10
	Project Plan adopted (by Planning Commission).	4/6/10
ADOPTION OF TID PROJECT PLAN	Check items included in project plan.	
	<input checked="" type="checkbox"/> A listing of the kind, number and location of the proposed public works or improvements within the district.	
	<input checked="" type="checkbox"/> An economic feasibility study	
	<input checked="" type="checkbox"/> A detailed list of estimated project costs	
	<input checked="" type="checkbox"/> A description of the methods of financing and the time when such costs or monetary obligations are to be incurred.	
	<input checked="" type="checkbox"/> A map showing existing uses and conditions of the real property	
	<input checked="" type="checkbox"/> A map showing proposed improvements and uses	
	<input checked="" type="checkbox"/> Proposed changes in zoning ordinances, master plan, map, building codes and city ordinances	
	<input checked="" type="checkbox"/> A list of estimated non-projected costs	
	<input checked="" type="checkbox"/> A statement of a proposed method for the relocation of any displaced persons	
	<input checked="" type="checkbox"/> A statement indicating how creation of the tax incremental district promotes the orderly development of the municipality	
	<input checked="" type="checkbox"/> An opinion of the municipal attorney or of an attorney retained by the municipality advising whether the project plan is complete and complies with this section	
	Project plan adopted (by Local Legislative Body)	05/11/10
Check if included in the resolution		
<input checked="" type="checkbox"/> Findings that the project plan is feasible and in conformity with the master plan of the municipality (if any).		

CREATION OF TAX INCREMENTAL DISTRICT

INDICATE THE DATE(S) EACH ACTIVITY WAS COMPLETED		DATE
Hearing notice sent by first class mail to chief executive of all local government entities having power to levy taxes on TID property and to school districts involved.		03/17/10
Hearing notice published as class 2 notice by Planning Commission. Include proof of publication.	Date of First Insertion	03/18/10
	Date of Second Insertion	03/25/10
Public hearing held (by Planning Commission). May be part of project plan hearing.		04/06/10
CREATION RESOLUTION ADOPTED (by Local Legislative Body)		05/11/10
<p>Check items included in resolution.</p> <p><input checked="" type="checkbox"/> Boundaries designated (Note: Only whole parcels should be included. The TID must be contiguous. See further definitions and legal requirements in TIF Law, specifically s. 66.1105(2)(k) and 66.1105(4)(gm).</p> <p><input checked="" type="checkbox"/> Creation date established.</p> <p><input checked="" type="checkbox"/> Name assigned per s. 66.1105(4)(gm)3.</p> <p><input checked="" type="checkbox"/> Findings indicating that not less than 50%, by area, of the real property within such district meets at least one of the following criteria: (1) is a "blighted area"; (2) is in need of "rehabilitation or conservation work" within the meaning of s. 66.1337(2m)(a); (3) is suitable for "industrial sites" within the meaning of s. 66.1101; and has been zoned for industrial use, or (4) suitable for mixed-used development within the meaning of s.66.1105(2)(cm).</p> <p><input checked="" type="checkbox"/> Findings indicating that the improvement of such area is likely to enhance significantly the value of substantially all of the other real property in such district.</p> <p><input checked="" type="checkbox"/> Findings that the project cost relate directly to eliminating blight, directly serve to rehabilitate or conserve the area, directly serve to promote industrial development, or directly serve to promote mixed-use development, consistent with the purpose for which the tax incremental district is created. (If not exclusively blighted, rehabilitation or conservation, industrial or mixed-use, declaration shall be based on predominant classification with regard to area described.)</p> <p><input checked="" type="checkbox"/> Findings indicate that the equalized value of taxable property of the district plus the value increment of all existing districts does not exceed 12% of the total equalized value of taxable property within the municipality.</p> <p><input checked="" type="checkbox"/> Findings indicating that the percentage of territory within the tax incremental district which is estimated will be devoted to retail business at the end of the maximum expenditure period if that estimate is at over 35%.</p> <p><input checked="" type="checkbox"/> Findings confirming that any annexed territory was not within the boundaries of the city on January 1, 2004, unless at least 3 years have elapsed since territory annexed; or city entered into a cooperative plan boundary agreement (s.66.0307); or municipality entered into a cooperative plan boundary agreement (s.66.0307); or municipality and town enter into agreement pledging to pay town amount equal to the property taxes levied on the territory by the town for each of the next five years.</p> <p><input checked="" type="checkbox"/> Findings confirming that any real property within the district that is found suitable for industrial sites is zoned for industrial use and will remain zoned for industrial use for the life of the tax incremental district (not required for blight or rehab districts).</p> <p><input checked="" type="checkbox"/> Findings confirming that any real property standing vacant for an entire 7-year period immediately preceding adoption of the resolution creating the district may not comprise more than 25% of the area in the district, unless the district is suitable for industrial sites or mixed used development and the approved project plan promotes these uses.</p>		
Approval of TID by Joint Review Board (within 30 days after receiving creation resolution).		06/23/10
OVERLAPPING TIF DISTRICTS		
Are any parcels in this TID also in all or part of any other TIF district? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "YES," indicate which TIF district(s) are overlapped. _____		
ANNEXATION OF TID PARCELS		
Were any parcels in this TID annexed from another municipality after Jan. 1 in the creation year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "YES," indicate the date of the annexation and from what municipality. _____ If tax payment pledge between town and city made, include copy of agreement		
INSTRUCTIONS		
Fill in the 5-digit county-municipal code in the upper right-hand corner of the form. Fill in the county, municipality and TID located in the upper left-hand corner of the form. This form lists the necessary steps to legally create a tax incremental district. Indicate date of each action. Also answer the questions on OVERLAPPING TIF DISTRICTS and ANNEXATION OF TID PARCELS.		

EQUALIZED VALUE DETERMINATION REQUEST

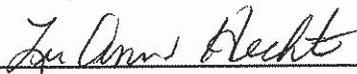
EFFECTIVE CREATION DATE: JANUARY 1, 2010

County Pierce
Municipality City of River Falls
CoMun Code 47-276
Tax Incremental District Number 8
RETURN TO: Wisconsin Dept of Revenue Tax Incremental Finance PO Box 8971, MS 6-97 Madison, WI 53708-8971

Check one:	
<input checked="" type="checkbox"/> Regular <small>(s.66.1105)</small>	Creation Resolution Adoption Date: <u>May 11, 2010</u>
<input type="checkbox"/> Town <small>(s.60.85)</small>	
<input type="checkbox"/> ER <small>(s.66.1106)</small>	Proposal Approval Date: _____ DNR Certification Date: _____

See Instructions on bottom of Page 2 below

PART I. TAXING JURISDICTIONS AFFECTED		
	Name of Taxing Jurisdictions	Jurisdiction Number
Municipality	City of River Falls	276
School District(s)	River Falls	4893
	N/A	
Technical College	Chippewa Valley	0100
County	Pierce	47
Union High School	N/A	
Lake Management District	Lake George	8030
Sanitary District	N/A	
Other	N/A	

PART II. DECLARATION			
I declare that this application and attachments have been examined by me and, to the best of my knowledge and belief, are true, correct, and complete. I hereby request the Department of Revenue to determine the equalized value of this tax incremental district.			
Clerk's signature	Telephone number	E-mail address	Date
	715-425-0900	lhecht@rfcity.org	12/15/10

PART III. INDIVIDUAL TO CONTACT FOR ADDITIONAL INFORMATION	
Name and Title	E-mail address
Ehlers & Associates, Inc.	<u>slandrum@ehlers-inc.com</u>
Address	Telephone number
3060 Centre Pointe Drive, Roseville, MN 55113	651-697-8531

PART IV. OTHER TAX INCREMENTAL DISTRICTS					
TID Number (Existing & Previous)	CREATION DATE	DISSOLUTION DATE	TID Number (Existing & Previous)	CREATION DATE	DISSOLUTION DATE
1	Prior to 1988	Prior to 1988			
2	Prior to 1988	Prior to 1988			
3	1988	1994			
4	1988	Existing			
5	1994	Existing			
6	2005	Existing			
7	2009	Existing			

**ALL FORMS AND ATTACHMENTS MUST BE COMPLETE AND CORRECT
TO THE SATISFACTION OF THE DEPARTMENT OF REVENUE**

INSTRUCTIONS

Identify the 5-digit county-municipal code in the upper right-hand corner. Identify the county, municipality, and TID number in the upper left-hand corner. Fill in the date the creation resolution was adopted by the village board or city council, and the effective creation date of the TID. EXAMPLE: If the resolution was adopted between October 1, 2005 and September 30, 2006 the effective date is January 1, 2006. If it was adopted between October 1, 2006 and September 30, 2007 the effective date is January 1, 2007.

PART I - Identify all taxing jurisdictions authorized to levy taxes on property within the tax incremental district. Include the name of the jurisdiction and its identifying number if known.

PART II - The clerk should sign in the area provided. (This is the official request for the department of revenue to certify a base value for the district.) Also include the date signed, your telephone number, and e-mail address if available.

PART III - Complete this area if an individual other than the clerk should be contacted for additional information.

PART IV - Identify all other tax incremental districts in the municipality, including those that still exist and those that have been terminated or dissolved. Enter the TID number, creation date, and date of dissolution (if applicable). If more space is needed, attach another sheet.

CLERK'S SIGNATURE

County
Pierce
Municipality
City of River Falls
TID Number
08

I, Lu Ann Hecht, clerk for the City of River Falls
do hereby swear and attest that I have reviewed the preceding documents and verified the
accuracy of the information contained therein.

Lu Ann Hecht
Signature

12/15/10
Date

This page allows the clerk to provide his/her endorsement of the information contained on the forms in this file. Please print your name in the first blank, "City" or "Village" or "Town" in the second blank, and the municipality name in the third blank. Finally, print the form, sign & date it. This form can be scanned and included with the email submission or can be faxed to the TIF office (608)264-6897 for inclusion in the packet when received. This will take the place of your signature on the individual forms, specifically the PE-606 (Equalized Value Determination Request), PE-608M (State Assessed Manufacturing Property) and PE-615A (Statement of Assessment), but serve the same purpose: to acknowledge that you have reviewed the documents and that they are correct.

ASSESSOR'S SIGNATURE

County
Pierce
Municipality
City of River Falls
TID Number
08

I, Mark Brown, assessor for the City of River Falls
do hereby swear and attest that I have reviewed the preceding documents and verified the
accuracy of the information contained therein.


Signature

12/14/2010
Date

This page allows the assessor to provide his/her endorsement of the information contained on the forms in this file. Please print your name in the first blank, "City" or "Village" or "Town" in the second blank, and the municipality name in the third blank. Finally, print the form, sign & date it. This form can be scanned and included with the email submission or can be faxed to the TIF office (608)264-6897 for inclusion in the packet when received. This will take the place of your signature on the individual forms, but serve the same purpose: to acknowledge that you have reviewed the documents and that they are correct. Note: PE-619 (Municipal Owned Property) and PE-617A (Assessor's Final Report) both require a percent (%) of fair market ratio to the assessment value, please remember to fill these percentages in.

County Pierce
Municipality City of River Falls
CoMun Code 47-276
Tax Incremental District Number 8

**TID PARCEL LIST
MUNICIPAL OWNED PROPERTY**

Effective Date: January 1, 2010

SEE INSTRUCTIONS

Check one:	
<input checked="" type="checkbox"/>	Regular (s.66.1105)
<input type="checkbox"/>	E.R. (s.66.1106)
<input type="checkbox"/>	Town (s.60.85)

Parcel Number	Classification	OTHER TAXING DISTRICTS						Overlapping TID #s	Values for Non-Excluded Properties			Acres/Lot Size	Property's Current Use
		School District	School District	VTAE	Union High School	Special District	County		Land	Improvements	Personal Property		
		River Falls (Name)	N/A (Name)	Chippewa Valley (Name)	N/A (Name)	Lake George (Name)	Pierce (Name)						
276-01112-0700	x	X		X		X	X						Storage Facility
276-01111-0810	x	X		X		X	X						Right of Way
276-01079-0800	x	X		X		X	X						Right of Way
Totals													

AFFIDAVIT OF VALUES

State of Wisconsin, Pierce County, City or Village of River Falls Town do solemnly swear

I, Mark Brown, Assessor for the River Falls Town, do solemnly swear that the values listed above, to the best information available to me, are, according to my best skill and judgment, an equitable valuation of municipal owned property [not excluded by s.66.1105(5)(bm)] at 100% percent level of fair market value.

County Pierce
Municipality City of River Falls
CoMun Code 47-276
TID Number 08
Special District Lake George Pro & Rehab

TID MANUFACTURING PERSONAL PROPERTY LIST

Creation Date: January 1, 2010

Check one:	
<input checked="" type="checkbox"/>	Regular (s.66.1105)
<input type="checkbox"/>	E.R. (s.66.1106)
<input type="checkbox"/>	Town (s.60.85)

See Instructions

Column 1 DOR Computer Number, Name & Site Location	Column 2 Overlaps TID #	Column 3 Boats & Other Watercraft	Column 4 Machinery, Tools, & Patterns	Column 5 Furniture, Fixtures, & Equipment	Column 6 All Other Personal Property	Column 7 Total
N/A						
Totals						

County Pierce
Municipality City of River Falls
CoMun Code 47-276
Tax Incremental District Number 08

**TID PARCEL LIST
LOCALLY ASSESSABLE PROPERTY**

January 1, 2010

SEE INSTRUCTIONS

Check one:	
<input checked="" type="checkbox"/>	Regular (s.66.1105)
<input type="checkbox"/>	E.R. (s.66.1106)
<input type="checkbox"/>	Town (s.60.85)

PARCEL NUMBER	Classification	OTHER TAXING DISTRICTS						Overlapping TID #s	ASSESSED VALUE OF REAL PROPERTY AS OF JANUARY 1, 2010		
		School District	School District	VTAE	Union High School	Special District	County		LAND	IMPROVEMENTS	TOTAL
		River Falls (Name)	N/A (Name)	Chippewa Valley (Name)	N/A (Name)	Lake George (Name)	Pierce (Name)				
276-01112-0600	1	X		X		X	X		54500	103300	157,800
276-01079-0700	1	X		X		X	X		37700	95900	133,600
276-01079-0600	1	X		X		X	X		35400	136800	172,200
276-01079-0500	1	X		X		X	X		40000	134000	174,000
276-01079-0400	1	X		X		X	X		50600	130800	181,400
276-01079-0300	1	X		X		X	X		50600	141600	192,200
276-01079-0200	1	X		X		X	X		37700	135300	173,000
276-01111-0600	2	X		X		X	X		265200	5000	270,200
TOTALS									571,700	882,700	1,454,400

County Pierce
Municipality City of River Falls
CoMun Code 47-276
TID Number 08
School/Special Districts Lake George Pro & Rehab

TAX INCREMENTAL FINANCE
BASE YEAR
PERSONAL PROPERTY LIST
EFFECTIVE CREATION DATE JANUARY 1, 2010

Check one:

Regular (s.66.1105)

E.R. (s.66.1106)

Town (s.60.85)

Owner's Name	Type of Business	Overlaps TID #	Boats & Other Watercraft	Machinery, Tools, & Patterns	Furniture, Fixtures, & Equipment	All Other Personal Property	Total
N/A							
Totals							

STATEMENT OF ASSESSMENT - YEAR 2010
TAX INCREMENTAL DISTRICT NO. 08

WHEN COMPLETING THIS DOCUMENT
 DO NOT WRITE OVER SHADED AREA

47-276
 CO MUN

FOR City of River Falls
 NAME OF MUNICIPALITY

Pierce COUNTY
 NAME OF COUNTY

Line No.		PARCEL COUNT		# of Acres Only Whole No. Col. C	Value of Land Column D	Value of Improvements Column E	Total Value of Land and Improvements Column F
		Land Col. A	Improvements Col. B				
1	Residential - Class 1	7	7	1	306,500	877,700	1,184,200
2	Commercial - Class 2	1	1	1	265,200	5,000	270,200
4	Agricultural - Class 4						
5	Undeveloped - Class 5						
5m	Agricultural Forest - Class 5m						
6	Forest - Class 6						
7	Other - Class 7						
8	TOTAL ALL COLUMNS	8	8	2	571,700	882,700	1,454,400
9	Number of Personal Owners in Roll				NOTE: If lines 10 through 13 contain any values please fill in line 9.		
10	Boats and Other Watercraft not Exempt						
11	Machinery, Tools and Patterns						
12	Furniture, Fixtures and Equipment						
13	All Other Personal Property Not Exempt						
14	TOTAL OF PERSONAL PROPERTY, TOTAL OF LINES 10 Through 13						
15	AGGREGATE ASSESSED VALUE OF ALL PROPERTY ON THIS ROLL SUBJECT TO THE GENERAL PROPERTY TAX (Total of Lines 8 & 14). Must Agree With Total Value of School						
	School District Codes (Col. A)	SCHOOL DISTRICT NAME (Col. B)					Assessed Value of School Districts in TID
20	4893	River Falls					1,454,400
21		N/A					
22							
23							
24							
25							
26							
27	TOTAL COL. C (Col C. must equal line 15 above.)						1,454,400
	SEPARATE UNION HIGH SCHOOL DISTRICTS (In addition to and independent of school districts entered above).						
28		N/A					
29							
	VOCATIONAL AND TECHNICAL SCHOOL DISTRICTS (In addition to and independent of school districts entered above.)						
30	0100	Chippewa Valley					1,454,400
31							
32							

**TAX INCREMENTAL DISTRICT
ASSESSORS FINAL REPORT 2010
BASE YEAR VALUATION**

	Town	} of <u>River Falls</u>
	Village	
X	City	

County of Pierce
TID Number 08

Line No.		PARCEL COUNT		No. of Acres Only Whole No. Col. C	Value of Land Col. D	Value of Improvements Column E	Total Value of Land and Improvements Column F	
		Land Col. A	Improvements Col. B					
1	Residential - Class 1	7	7	1	306,500	877,700	1,184,200	
2	Commercial - Class 2	1	1	1	265,200	5,000	270,200	
4	Agricultural - Class 4							
5	Undeveloped - Class 5							
5m	Agricultural Forest - Class 5m							
6	Forest - Class 6							
7	Other - Class 7							
8	TOTAL ALL COLUMNS	8	8	2	571,700	882,700	1,454,400	
9	Number of Personal Owners in Roll							
10	Boats and Other Watercraft not Exempt							
11	Machinery, Tools and Patterns							
12	Furniture, Fixtures and Equipment							
13	All Other Personal Property Not Exempt							
14	TOTAL OF PERSONAL PROPERTY, TOTAL OF LINES 10 Through 13							
15	Aggregate assessed value of all property within this TID subject to general property tax.							1,454,400

NOTE: If lines 10 through 13 contain any values, please fill in line 9.

At what percent of full value are you assessing all General Property? **100 %** Sign here  Date _____
(Must be filled in)

SPECIAL DISTRICT SUPPLEMENT - AREA A School District Name/# River Falls #4893

Line No.		PARCEL COUNT		No. of Acres Only Whole No. Col. C	Value of Land Col. D	Value of Improvements Column E	Total Value of Land and Improvements Column F	
		Land Col. A	Improvements Col. B					
1	Residential - Class 1	7	7	1	306,500	877,700	1,184,200	
2	Commercial - Class 2	1	1	1	265,200	5,000	270,200	
4	Agricultural - Class 4							
5	Undeveloped - Class 5							
5m	Agricultural Forest - Class 5m							
6	Forest - Class 6							
7	Other - Class 7							
8	TOTAL ALL COLUMNS	8	8	2	571,700	882,700	1,454,400	
9	Number of Personal Owners in Roll							
10	Boats and Other Watercraft not Exempt							
11	Machinery, Tools and Patterns							
12	Furniture, Fixtures and Equipment							
13	All Other Personal Property Not Exempt							
14	TOTAL OF PERSONAL PROPERTY, TOTAL OF LINES 10 Through 13							
15	Aggregate assessed value of all property within this TID subject to general property tax.							1,454,400

NOTE: If lines 10 through 13 contain any values, please fill in line 9.

SPECIAL DISTRICT SUPPLEMENT

AREA B (check one)

School District Sanitary District Public Inland Lake Protection and Rehabilitation District

Name and Number **Lake George Inland Rehabilitation & Protection District #47-8030**

Line No.		PARCEL COUNT		# of Acres Only Whole No. Col. C	Value of Land Col. D	Value of Improvements Column E	Total Value of Land and Improvements Column F	
		Land Col. A	Improvements Col. B					
1	Residential - Class 1	7	7	1	306,500	877,700	1,184,200	
2	Commercial - Class 2	1	1	1	265,200	5,000	270,200	
4	Agricultural - Class 4							
5	Undeveloped - Class 5							
5m	Agricultural Forest - Class 5m							
6	Forest - Class 6							
7	Other - Class 7							
8	TOTAL ALL COLUMNS	8	8	2	571,700	882,700	1,454,400	
9	Number of Personal Owners in Roll							
10	Boats and Other Watercraft not Exempt				NOTE: If lines 10 through 13 contain any values, please fill in line 9.			
11	Machinery, Tools and Patterns							
12	Furniture, Fixtures and Equipment							
13	All Other Personal Property Not Exempt							
14	TOTAL OF PERSONAL PROPERTY, TOTAL OF LINES 10 Through 13							
15	Aggregate assessed value of all property within this TID subject to general property tax.							1,454,400

INSTRUCTIONS

BASE YEAR VALUATION - Complete this form and return to the municipal clerk, only include property within the TID. No split parcels are allowed. The portion above the signature line and Area 'A' must be completed. Area 'B' should be used if there is more than one school district or any special districts.

SPECIAL DISTRICT SUPPLEMENT - Contains valuation areas for School, Sanitary, and Public Inland Lake Protection and Rehabilitation Districts. To complete, follow the instructions:

- In Area A enter the School District name, number, and total assessed value of the general taxable property of the School District that is located within the TID boundaries. If the area within the TID contains territory of two or more School Districts, determine the assessed value of each School District and complete Area B (if more than two schools districts, photocopy form). Make certain Area B is identified by School District name and number.
- If all or a portion of the TID contains territory in a Sanitary District, enter only the total assessed value of Sanitary District property which is located within the TID. Enter the name and number of the district in the space provided in Area B (check the appropriate box.) If the TID contains territory in more than one Sanitary District, make a copy of this form and complete the Sanitary District portion (Area B) relabeling it Area C.
- Completion of Area B for a Public Lake Protection and Rehabilitation District is the same as for item 2 above.
- If both a Sanitary and Public Inland Lake Protection and Rehabilitation District occur in the same TID (or multiple combination thereof), photocopy the number of forms (AREA 'B') necessary and clearly indicate what district is being valued, including the name and number.

Susan Landrum

From: Clayton, Mary Lou L - DOR <MaryLou.Clayton@revenue.wi.gov>
Sent: Wednesday, December 22, 2010 4:04 PM
To: Susan Landrum
Subject: RE: City of River Falls_TID No. 8_2010 Creation

Susan,

Thank you for the documents. We will contact you if we have any questions during the review process.

Mary Lou Clayton

Community Services Specialist
Tax Incremental Financing
State & Local Finance Division
Bureau of Property Tax, MS 6-97
P.O. Box 8971
Madison, WI 53708-8971
(608) 266-5708, FAX (608) 264-6897
marylou.clayton@revenue.wi.gov
<http://www.revenue.wi.gov>

From: Susan Landrum [mailto:slandrum@ehlers-inc.com]
Sent: Wednesday, December 22, 2010 3:35 PM
To: DOR Tax Incremental Financing
Cc: Susan Landrum
Subject: City of River Falls_TID No. 8_2010 Creation

City of River Falls, Tax Incremental District No. 8 (Blight District)

Attached please find the necessary documentation for the 2010 Creation.

Please contact me with any questions or concerns.

Thank you, Susan

Susan Landrum
3060 Centre Pointe Drive
Roseville, MN 55113
Direct: 651-697-8531
Toll Free: 800-552-1171
www.ehlers-inc.com



From: Clayton, Mary Lou L - DOR [mailto:MaryLou.Clayton@revenue.wi.gov]
Sent: Tuesday, July 13, 2010 3:33 PM
To: Susan Landrum
Subject: RE: City of River Falls TID No. 8 Creation Notification

Susan,

Thank you for the notification. I have added them to our list.

Mary Lou Clayton

Community Services Specialist
Tax Incremental Financing
State & Local Finance Division
Bureau of Property Tax, MS 6-97
P.O. Box 8971
Madison, WI 53708-8971
(608) 266-5708, FAX (608) 264-6897
marylou.clayton@revenue.wi.gov
<http://www.revenue.wi.gov>

From: Susan Landrum [mailto:slandrum@ehlers-inc.com]
Sent: Tuesday, July 13, 2010 2:20 PM
To: DOR Tax Incremental Financing
Subject: City of River Falls TID No. 8 Creation Notification

City of River Falls
Tax Incremental District No. 8
Creation of a Blight District

Plan Commission Public Hearing & Approval: 4/6/10
Common Council Approval: 5/11/10
Joint Review Board Approval: 6/23/10

Please contact me with any questions or concerns.

Thank you,

Susan Landrum
TIF Coordinator
651-697-8531
www.ehlers-inc.com



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BASE VALUE CERTIFICATION

Please place a copy of the base value certificate from the state here.

Please also send a copy of the base value certificate to:
Ehlers: 3060 Centre Pointe Drive, Roseville, MN 55113

GERRARD CORPORATION DEVELOPMENT AGREEMENT

This Gerrard Corporation Development Agreement (hereafter "Agreement") is made by and among the **City of River Falls**, Wisconsin, a Wisconsin municipal corporation (the "City"), and **Gerrard Corporation**, a Wisconsin corporation with 420 5th Avenue South, La Crosse, Wisconsin, 54601 ("Developer").

WITNESSETH:

WHEREAS, the Developer proposes to own, construct and develop a multi-phase residential/mixed use project over five (5) years on approximately four (4) acres of land, all as more particularly described herein and in **Exhibit B** (the "Project"), on certain real property in the City of River Falls, Wisconsin, more particularly described on **Exhibit A** ("Real Estate");

WHEREAS, the goals for the Real Estate include encouraging private development and improvements and undertaking public improvements that promote desirable and sustainable uses, which further serve the needs of the community and visitors as well as fulfilling the aesthetic character standards of the City;

WHEREAS, Section 66.1105, Wis. Stat., empowers cities to assist redevelopment projects by lending or contributing funds as well as performing other actions of a character which the City is authorized to perform for other general purposes;

WHEREAS, pursuant to Section 66.1105, Wis. Stats., the City proposes to create Tax Incremental District No. 8 ("TID #8") to include boundaries incorporating the Real Estate, as shown on **Exhibit H**, and will prepare and develop a project plan for TID #8 ("TID Project Plan"), which TID Project Plan may provide in part for the financing of certain public works and infrastructure and related aesthetics concerning to TID #8;

WHEREAS, the City has found and determined that: (1) the economic vitality of the Real Estate is essential to the economic health of the City and other taxing jurisdictions within the City; (2) the proposed development of the Real Estate through the construction of the Project is an integral part of the commercial, retail and leisure pastime needs of City residents and the surrounding area; and (3) the benefits to be gained by the City as a result of the Project are greater than the costs to the City under this Agreement;

This space is reserved for recording data

Return to

Parcel Identification Number/Tax Key Number

Tax ID

WHEREAS, the Developer and the City agree that the Real Estate's development and improvement shall (1) result in an economic and aesthetic benefit to the City and the surrounding area, including, without limitation, growth in the tax base; and (2) be secured for the future benefit of the citizens and the community through the construction and development of the Project all in accordance with the Master Plan of the City of River Falls;

WHEREAS, the City desires the Project to proceed for the reasons set forth above and ultimately to provide increased tax revenues for the City and various taxing jurisdictions authorized to levy taxes within TID #8 and the City; and

WHEREAS, in order to induce Developer to undertake the Project, the City has agreed to pay for certain costs included in the TID Project Plan through the use of funds paid by The developer as part of its periodic tax payments to the City as increased Tax Increment under this Agreement and to provide other assistance to Developer as provided by this Agreement, all in accordance with the terms and conditions of this Agreement; and

WHEREAS, the City finds and determines that certain cash grant payments as detailed in this Agreement are necessary and convenient to the implementation of the TID Project Plan; and

WHEREAS, Developer declares that "but for" this Agreement, it would not undertake the Project; and

WHEREAS, the City and Developer wish to set forth in this Agreement their respective commitments, understandings, rights and obligations in connection with the Project as more fully described herein and to further provide for the implementation of the Project; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein exchanged, and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties hereto agree as follows:

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Exhibit E	Project Cost Breakdown
Exhibit F	Construction Schedule
Exhibit G	Map of TID #8

ARTICLE I PURPOSE; LAND; DEFINITIONS; EXHIBITS

1.1 Land Affected. The parties acknowledge that the Project will encompass and/or affect the following real property, all of which shall be within the boundaries of TID #8.

The Real Estate (**Exhibit A**) and certain public streets, alleys and rights-of-way serving the same.

1.2 Purpose of the Agreement. In order to cause the Project to occur and to induce Developer to undertake the Project, to promote community development, and to expand and enhance the tax base within the City, the City intends to undertake certain obligations necessary for the Project, all as set forth in this Agreement. The City intends to recover its costs through payments received under this Agreement including increased tax revenues generated by the Real Estate. The parties intend to enter into this Agreement to record the understandings and undertakings of the parties and to provide a framework within which the Project may proceed. Developer and the City plan to work together to undertake the Project on the Real Estate all as more fully described herein and in the Master Plan and as approved by the City Plan Commission.

1.3 Certain Definitions. In addition to the words and phrases elsewhere defined in this Agreement, the following words and phrases, when having an initial capital letter, shall have the following meanings:

- a. "Agreement" means this Agreement by and between the City and the Developer, as amended and supplemented from time to time.
- b. "City" means the City of River Falls, Wisconsin, a Wisconsin municipal corporation.
- c. "Construction Schedule" means the construction timetable set forth on **Exhibit F**.
- d. "Contribution" means the contribution or cash grant that is made through this Agreement to incent Developer to undertake the development and assist the Project and for which the Monetary Obligation is incurred.
- e. "Developer" means Gerrard Corporation, a Wisconsin corporation.

f. "Master Plan" means the Master Plan for the Real Estate prepared by the Developer and approved by the City Plan Commission as well as all subsequent revisions thereto that is prepared by Developer and approved by the City Plan Commission.

g. (1)

"Monetary Obligation" means a limited and conditional monetary obligation of the Tax Increment generated from the Project in a maximum aggregate amount of Two Hundred Seventy Thousand Dollars (\$270,000.00) in Phase I and a maximum aggregate amount of Two Hundred Sixteen Thousand Dollars (\$216,000.00) in Phase II that is incurred, in one or more installments, and that is payable over time not to exceed the duration of the TID #8; more specifically:

Annual Increment Payment Calculation: For Phase I of the Project, effective July 1, 2011, the City shall be obligated to pay annually an amount calculated as the Tax Increment resulting from an increase in real property tax base from the Project estimated to be twenty-nine thousand dollars (\$29,000.00) effective commencing January 1, 2012

For Phase II of the Project, effective July 1, 2013, the City shall be obligated to pay annually an amount calculated as the Tax Increment resulting from an increase in real property tax base from Phase II of the Project estimated to be twenty-nine thousand dollars (\$29,000.00) effective commencing January 1, 2014

- (2) Job Creation. There is no job creation incentive for this Project
- (3) Disbursement Date. Annually, the City shall calculate the tax increment sum to be returned to the Developer in accord with g. (1) and shall make said payment to the Developer on or before September 1st of each year, continuing until the maximum amount of aggregate payments in accord with g.(1) have been paid or the termination of TID District #8, whichever occurs first.
- (4) Conditions. The City's obligation to make Contributions toward the Monetary Obligations is conditioned on:
 - (a) The determination by the City Assessor of compliance with the

tax guarantee in Section 2.6(b) of this Agreement;

- (b) The timely payment of taxes when due by Developer;
- (c) Substantial Completion of the Project in accordance with the Master Plan, Project Cost Breakdown and Construction Schedule;
- (d) Submission by Developer of verifiable costs, invoices, lien waivers, proof of financing costs and any other supporting documentation as requested by the Finance Director. Said submissions shall be in form and content acceptable to the Finance Director and demonstrate Substantial Completion and payments for costs for which reimbursement is being requested in accordance with Section 3.08 and the other provisions of this Agreement; and
- (e) Continued compliance with the provisions of this Agreement by Developer.
- (f) The use of cash grants for eligible Project Costs under the Tax Incremental Law.

(5) Monetary Obligation Limited in Nature The Monetary Obligation of the City under this Agreement is not a general purpose obligation of the City, payable out of taxes or any other revenues of the City, nor shall it be considered to be an indebtedness of the City or a charge against its general credit or taxing power. The Monetary Obligation shall be payable only out of the amounts of Tax Increment received by the City and attributed to the project property owned by the Developer. No guarantee or promise is made by the City that the Tax Increment received by it from the Developer's project property will be sufficient to make all or any part of the entire payment over the lifetime of TID #8 as is generally contemplated under this agreement.

(6) No Acceleration. Notwithstanding any other provision of this Agreement, Developer has no right to accelerate the payment of the Monetary Obligation. The only remedy of Developer in the event of nonpayment shall be legal proceedings to collect the amount of the Monetary Obligation that is due and payable. Developer may only institute legal proceedings after filing a claim with the City and complying with any other applicable provisions of this Agreement.

(7) General Limitations. In addition to there being no obligation on the part of the City to make Monetary Obligation payments in the event of a shortfall

in Tax Increment payments by the Developer, the City shall have no obligation to make such payments in the event that this agreement is terminated by either or both parties, if the Developer fails or refuses to comply with its responsibilities under this agreement or is found to be in default of any of its obligations to the City. In addition, the City reserves the right to seek a return of any or all portions of said payments and to withhold payments in the event of a default of the Developer.

(8) Administration. The parties acknowledge and agree that the City incurs continuing administrative and professional service costs under this Agreement, which costs may be assessed against TID #8.

(9) Priority of Payments. Tax Increment resulting from any increase in real estate tax base from the Project shall first be allocated to pay the Monetary Obligation defined in Section 1.3(g)(1).

h. "Plans and Specifications" means the plans and specifications developed for the Project.

i. "Project Cost Breakdown" means the minimum construction costs of the Project and consists of the cost breakdown of construction and non-construction cost items (i.e., a line-item budget), clearly identifying development, construction, financing, contingency and all other direct and indirect costs of construction of the Project, all as described in more detail on **Exhibit E** and in accordance with the Master Plan.

j. "Public Improvements" means the following improvements the Developer will build at its sole cost and dedicate to the City as part of Phase I of the Project:

1. A bike/walking trail generally located along the sanitary sewer easement. **The trail shall be 10' wide and asphalt paved with a 2.5' wide clear area adjacent to both sides of the trail. The clear area shall have a slope of no more than 6%. The design of the trail may require significant disturbance of the existing escarpment. This shall be allowed to avoid the use of retaining walls where deemed reasonable by the DEVELOPER.**
2. If needed in the sole discretion of the Developer Create and extend a new sewer main to serve the entire property (Phases I through IV) which Developer will dedicate to the City;
3. If needed in the sole discretion of the Developer, create and extend a new water main which Developer will dedicate to the City.

- k. "Project" means the development and improvement of the Real Estate by the construction of the buildings described in Exhibit "B." The term, "Project" excludes personal property.
- l. "Real Estate" means the real property described in **Exhibit A**.
- m. "Signature Date" has the same meaning as provided in Section 8.22 of this Agreement.
- n. "Substantial Completion" means the completion of the improvements to the Real Estate pursuant to the Plans and Specifications, except for punch list items, exterior painting, landscaping and paving of parking lots, and the issuance by the Project architect of a certificate of substantial completion and the issuance of a certificate of occupancy from the City. Subject to force majeure beyond the control of the Developer, any such incomplete items shall be fully completed within a reasonable time after the date of Substantial Completion, but not to exceed ninety (90) days thereafter except site improvements such as landscaping shall be completed no later than two hundred forty (240) days after the date of Substantial Completion if weather or other conditions beyond the control of Developer prevent completion of the same.
- o. "Tax Increment" means the tax increment, as defined at Section 66.1105(2)(i), Wis. Stats., with respect to the Developer's property in TID #8.
- p. "Tax Incremental Law" means Section 66.1105, Wis. Stats., as amended and superseded.
- q. "TID #8" means the Tax Incremental Financing District Number 8 of the City of River Falls, to be created by the City to include the Real Estate within its boundaries.
- r. "TID Project Plan" means the plan, created in accordance with the Tax Incremental Law, for the financial development or redevelopment of TID #8 including all approved amendments thereto.

1.4. **Exhibits.** The following exhibits are hereby attached to and incorporated into this Agreement:

- a. **Exhibit A.** Real Estate
- b. **Exhibit B.** Description of Project
- c. **Exhibit C.** Site Preparation Work
- d. **Exhibit D.** No exhibit

- e. **Exhibit E.** Project Cost Breakdown
- f. **Exhibit F.** Construction Schedule
- g. **Exhibit H.** Map of TID #8

**ARTICLE II
DEVELOPER OBLIGATIONS**

2.1. Acquire the Real Estate. The Developer will acquire the following pieces of Real Estate on or before the following dates:

203/209 West Cascade Avenue	April 1, 2010
213 West Cascade Avenue	September 1, 2010
221 West Cascade Avenue	September 1, 2010
141 West Cascade Avenue	August 2, 2010
131 West Cascade Avenue	August 2, 2010

In the event that the Developer fails to complete acquisition of each of the above-described parcels of real estate by September 2, 2010, the City shall not be required to establish TID #8 nor to make Monetary Obligation payments under this agreement.

2.2. Develop the Real Estate. Developer agrees to develop and improve the Real Estate by undertaking the Project, all in accordance with the Master Plan, the Project Cost Breakdown and the Construction Schedule.

- a. **Site Preparation.** Developer shall prepare the Real Estate for construction, including, without limitation, any necessary demolition and asphalt removal and other Site Preparation Work all in accordance and set forth on **Exhibit C**. It shall also be the Developer's responsibility, at its own cost, to properly dispose of all solid waste, including removal and disposal of any hazardous or special solid waste created during the demolition process.
- b. **Fill.** Developer shall install sufficient fill to build the project.
- c. **Construction Schedule.**

Developer shall commence or cause other entities to commence construction on the Phase I of the Project, as described in **Exhibit B** on or before March 1, 2010 with Substantial Completion on or before August 30, 2010, all in accordance with the Construction Schedule set forth on **Exhibit F**.

Developer shall commence or cause other entities to commence construction on the Phase II of the Project, as described in **Exhibit B** on or before March 1, 2012 with Substantial Completion on or before August 30, 2012, all in accordance with the Construction Schedule set forth on **Exhibit F**.

- d. **Guaranty of Minimum Construction Costs.** Developer agrees that the Phase I of the Project associated with the Real Estate shall have an aggregate minimum construction cost of One million Five Hundred Thousand and 00/100 (\$1,500,000.00) The Project Cost Breakdown is provided on **Exhibit E**.
- e. **Rights of Access.** Developer shall permit the representatives of the City to have access to the Project at all reasonable times during and following the construction when the City deems access necessary to ensure compliance with the terms and conditions of this Agreement including, but not limited to, access for inspection of all work being performed in connection with the Project as set forth in the Master Plan.
- f. **Property for Public Streets and Public Improvements.** Upon request, Developer shall dedicate and/or transfer or convey all public streets, public rights-of-way and all necessary sewer and water utilities within the Real Estate and easements, as depicted in the Master Plan, as finalized, to the City at no cost to the City.
- g. **Master Plan.** Developer shall submit a Master Plan setting forth all the details of construction and development to the City Plan Commission for its review and approval. Said Master Plan shall conform in all material respects to the provisions of this Agreement, all applicable federal, state and local laws, ordinances, rules and regulations and shall include preliminary and final building, site and operational Plans and Specifications, including, without limitation: (1) building plans and specifications; (2) architectural plans, renderings and specifications; (3) building material plans and specifications; (4) preliminary and final site plans; (5) landscaping plans; (6) grading, stormwater and erosion control plans; (7) lighting plans; (8) traffic and circulation plans for pedestrians, bicyclists, transit riders, truck and delivery vehicles, and automobiles; (9) signage plans and specifications; (10) water and sewer plans; and (11) any other preliminary or final plans, specifications or other requirements as determined by the City Plan Commission.

2.3. Local Subcontractors. It is agreed by Developer, that Developer shall be endeavored to engage local subcontractors, as well as local suppliers for material. The term subcontractor is as defined in Section 66.0901(1) (d), Wis. Stat. This Section does not apply to fixtures, furnishings and equipment.

2.4. Compliance with Planning and Zoning; Use. Developer, at its own expense, shall obtain all approvals, permits and licenses as may be required by any governmental entity in connection with the Project. Any conditions imposed on Developer to obtain any approval, permit or license must be acceptable to the City. Developer will not initiate, approve, consent to or participate in any change or modification of the zoning in effect for the Real Estate or any portion thereof, without the City's prior written consent. No property within the Real Estate shall be used for any use other than as set forth in the Master

Plan and this Agreement and as approved by the City including any conditions attendant with such approval, unless such use is further approved by the City under its normal zoning, review and approval procedures.

2.5. Maintenance and Repair. Developer agrees that at all times after construction of the Project, it will keep and maintain the Real Estate and the Project in good condition and repair.

2.6. Taxes. It is understood that the land, improvements and personal property resulting from the Project shall be subject to property taxes. Developer shall pay when due all federal, state and local taxes in connection with the Real Estate and all operating expenses in connection with the Real Estate and Project.

- a. **Annual PILOT Payment.** In the event that the Real Estate or personal property subject to this agreement which forms the basis of the minimum property tax payments required to be made annually by the Developer hereunder becomes tax exempt, in whole or in part, under Ch. 70, Wis. Stats., the Developer agrees to make a supplemental payment in addition to or in lieu of the minimum property tax payments to fulfill its annual tax obligations hereunder. By its execution of this agreement, the Developer acknowledges that the City and all other taxing jurisdictions provide or make available to and for the benefit of the Real Estate certain services and facilities, for which property taxes are generally assessed. The amount of the annual PILOT ("payment in lieu of taxes") shall be calculated by the City Assessor by multiplying the assessed valuation of the property times the levies of the several taxing jurisdictions for the year in question from which actual taxes are due, if any, will be deducted, resulting in a net sum which shall constitute the PILOT. Said PILOT shall be made by the Developer within sixty (60) days of receipt of a notice thereof. The responsibility to supplement or to replace property tax payments with a PILOT shall extend for a period of twenty (20) years or the life of TID #8, whichever is longer. No portion of a PILOT shall be attributable to property taken by eminent domain by the United States, the State of Wisconsin or any other entity possessing condemnation powers.
- b. **Minimum Property Tax Guarantee.** As an additional inducement and in consideration for the City entering into this Agreement, Developer guarantees faithful performance and compliance with all the terms, covenants, conditions and obligations to be kept and performed by Developer contained in this Agreement, including, without limitation, the obligation that the Project shall have an assessed value for Phase I of the Project of not less than One Million Five Hundred Thousand Dollars (\$1,500,000.00) as of January 1, 2011 and assessed value for Phase II of the Project of not less than One Million Five Hundred Thousand Dollars (\$1,500,000.00) as of January 1, 2013 for a period of twenty (20) years or the life of TID #8, whichever is longer. As of the completion of Phase II, the assessed value of the Project property shall be at least \$3,000,000 for the remaining life of this guarantee. Developer agrees that the minimum assessment amounts set forth above shall remain the minimum assessments to be attributed

annually to the Real Estate for a period of twenty (20) years of the life of TID #8, whichever is longer.

- c. **Deficiency PILOT.** In the event the assessed value of the Project is less than set forth above or for any tax year thereafter for a period of twenty (20) years or the life of TID #8, whichever is longer, then the Developer or the then current owner, or its successors or assigns agrees to pay a Deficiency PILOT to the City by the February 1st date subsequent to said determination. For example, if any Deficiency PILOT is owed for the 2012 tax year, then said payment shall be due beginning February 1, 2013 as calculated for tax year 2012. Said Deficiency PILOT shall be calculated by first determining the difference between the guaranteed assessed value of the Project as provided in Section 2.6(b) of this Agreement less the actual assessed value of the Project for the tax year at issue, and multiplying said difference by the total tax rate of all taxing jurisdictions as shown on tax bills issued to taxpayers in the City. This requirement shall be a lien running with the land for a period of twenty (20) years or the life of TID #8, whichever is longer.
- d. **Special Charge.** In the event there is a lack of compliance for payment of the Annual PILOT or Deficiency PILOT, then the City, in addition to any other remedy available at law or in equity, may levy a special charge or assessment under Section 66.0627, Wis. Stat., prior to any first mortgage lien on the property for the delinquent amount as calculated herein to enable the City to enforce performance of the Developer's obligations. The owners of the Real Estate and their successors and assigns further agree that they waive any objection to the City making said special charge or assessment; however, they still retain their right to object to the accuracy and amount of the special charge or assessment.

2.7. Transfer or Sale of Real Estate.

- a. **Notice of Intent to Transfer.** No property within the Real Estate may be sold, transferred, or otherwise conveyed unless the Developer first provides to the City written notice of intent to transfer the property at least forty-five (45) days before the sale, transfer or conveyance is to occur. This Section shall not apply to nor restrict a transfer to Developer's financing entity, e.g. placing a mortgage on the Real Estate.
- b. **No Transfer to Exempt Entities.** No property within the Real Estate may be sold, transferred or conveyed to, or leased or owned by any entity or used in any manner which would render any part of the Real Estate exempt from property taxation, unless the purchaser, transferee, lessee or owner first executes a written agreement satisfactory to the City Attorney and City Council providing for payments in lieu of taxes to the City.
- c. **Assignees and Transferees Bound by Agreement.** Any assignee or purchaser or transferee of any portion of the Real Estate shall be bound by the terms and

conditions of this Agreement, which shall run with the land and be binding upon all such assignees, purchasers and transferees. The Developer shall not sell or transfer any portion of the Real Estate to any entity unless and until the Developer has provided the City with written evidence satisfactory to the City Attorney that such assignee or entity has agreed in writing to be bound by the terms of this Agreement. Any such sale, transfer or conveyance of any portions of the Real Estate shall not relieve the Developer of its obligations hereunder.

- d. **Subdivision.** Property within the Real Estate shall not be further subdivided beyond what is set forth in the project plan without approval of the City.

2.8. Easements. Developer shall grant the City or any public utility such easements as reasonably necessary for public improvements, infrastructure, ingress or egress, utilities, lighting or landscaping or any other need necessary to effectuate development of the Real Estate in accordance with the Master Plan at no cost to the City.

2.9. Insurance. For a period of twenty (20) years or the life of TID #8, whichever is longer, Developer shall maintain, and shall require that any purchasers or transferees of any portion of the Real Estate maintain, insurance in such amounts and against such risks both generally and specifically with respect to the Real Estate, as are customarily insured against in developments of like size, kind and character, including customary builders risk insurance during construction and customary casualty, property and liability insurance, with deductibles in accordance with reasonable industry practice. Notwithstanding, Developer shall carry casualty insurance for the Project at not less than the replacement value and further agrees and covenants to apply, and to require any purchasers or transferees of any portion of the Real Estate to apply, any and all insurance proceeds to rebuild the Project, maintain the Project and Real Estate and to name the City as an additional insured to the extent of this covenant provided in this Section. Developer shall provide to the City certificates of all such insurance.

2.10. Indemnity. Developer shall indemnify and hold harmless the City, its officers, employees and authorized representatives from and against any and all liabilities, including, without limitation, remediation required by any federal or state agency having jurisdiction, losses, damages, costs, and expenses, including reasonable attorney fees and costs, arising out of any third-party claims, causes of action, or demands made against or suffered by the City on account of this Agreement, unless such claims, causes of action, or demands: (a) relate to the City failing to perform its obligations to Developer; or (b) arise out of any willful misconduct of City. At City's request, Developer shall appear for and defend the City, at Developer's expense, in any action or proceeding to which the City may be made a party by reason of any of the foregoing.

2.11. Utilities.

- a. **Other Utilities.** Developer shall be responsible for, pay for and cause electrical power, telephone facilities, cable TV lines, and natural gas facilities to be installed in such a manner as to make proper and adequate service available to each building on the Master Plan. Plans indicating the proposed location of each such utility to service the Project shall be shown on the Master Plan and construction

plans to be provided to the City Plan Commission for approval prior to the installation of the utility.

- b. **Water and Sewer.** Developer shall be solely responsible for and shall pay all costs of all laterals connecting water service to the Project. The Developer will pay all costs of sanitary sewer connections to the City sanitary sewer main. The City will bring the sanitary sewer main to within sixty (60) feet of the proposed buildings for Phase I and II of the Project.

2.12. Restrictions. Developer agrees to neither use nor allow a third-party to use the Real Estate for adult entertainment, pawnshops, mini-warehouses, car title loan business, payday lenders and tattoo parlors for a period of twenty (20) years or the life of TID #8, whichever is longer. Payday lenders and car title loan businesses shall exclude banks and credit unions.

2.13. Record Retention. Developer understands and acknowledges that the City is subject to the Public Records Law of the State of Wisconsin. As such, Developer agrees to retain all records as defined by Wisconsin Statute §19.32(2) applicable to this Agreement for a period of not less than seven (7) years. Likewise, Developer agrees to assist the City in complying with any public records request that the City receives pertaining to this Agreement. Additionally, Developer agrees to indemnify and hold the City, its officers, employees and authorized representatives harmless for any liability, including without limitation, reasonable attorney fees relating to or in any way arising from Developer's actions or omissions which contribute to the City's inability to comply with the Public Records Law. In the event Developer decides not to retain its records for a period of seven (7) years, then it shall provide written notice to the City whereupon the City shall take custody of said records assuming such records are not already maintained by the City. This provision shall survive termination of this Agreement.

2.14. Job Creation and Retention. There is no job creation incentive or requirement.

2.15. Job Reporting. There is no job creation incentive or requirement.

ARTICLE III CITY OBLIGATIONS

3.1. Zoning and Sale of City Owned Land, Alley and Right of Way.

- a. The City agrees to vacate State Street which adjoins Phase I of the project and also the public alley which runs along the property. All these areas are designated on the map and legal description designated as **Exhibit A**.
- b. For Phase II of the Project, the City agrees to sell the land which is owned by the City and designated on Exhibit A and Exhibit B for the sum of Thirty Thousand and 00/100 Dollars (\$30,000.00) to the Developer.

- c. The City agrees to vacate any and all required right of way as set forth in the project plan when needed by the Developer, using standard city processes.
- e. The City agrees to consider the rezoning of all lands, streets, alleys and right of ways contained within the described **Exhibit A** to Planned Development District. If rezoning does not occur on or before February 28, 2010 the Developer may withdraw from this Agreement.

3.2. Establishment of TID #8. The City shall use good faith efforts to complete all required actions for the creation of TID #8 which shall include the Real Estate and all other land necessary to implement the Public Improvements.

3.3. Subsequent Phases. Any subsequent phases subsequent to Phase I and Phase II of development of the Real Estate will be addressed in a separate Development Agreement.

3.4. City Performance Subject to Required Government Approvals. The Developer acknowledges that several of the specific undertakings of the City described in this Article III require approvals from the City Council (and other City bodies) and other public bodies, some of which approvals may require public hearings and other legal proceedings as conditions precedent thereto. The City's agreements under this Article III are conditioned upon the obtaining of all such approvals in the manner required by law. The City cannot assure that all such approvals will be obtained; however, it agrees to use good faith efforts to obtain them on a timely basis.

3.5. Assistance with Zoning Changes. If necessary, the City Planning Department shall assist with the rezoning process in accordance with the City's zoning code to attempt to provide appropriate zoning for the property being developed by Developer so that the zoning for the development is in accordance with the City's comprehensive plan for the area.

3.6. INTENTIONALLY OMITTED.

3.7. Certificate of Completion. Upon completion and review of the improvements by the City, the City shall provide the Developer with an appropriate recordable instrument certifying that the improvements have been made in accordance with this Agreement and the project plans for said area and any amendment or modifications thereto.

3.8 Cash Grants. Developer has requested and the City may be required to make Contributions to Developer up to an aggregate maximum of Two Hundred Seventy Thousand Dollars (\$270,000.00) for Phase I and Two Hundred Sixteen Thousand Dollars (\$216,000.00) for Phase II as described in 1.3 g Monetary Obligations.

ARTICLE IV CONDITIONS PRECEDENT TO CITY OBLIGATIONS

The City's obligations under this Agreement are conditioned upon the provisions contained herein. If all conditions contained in this Article are satisfied, or if the City waives in writing said conditions, on or before February 28, 2010 then the conditions shall be deemed satisfied. In such event, this Agreement shall be terminated and no party shall have any further liability or obligation to the other hereunder. All submissions given by Developer to the City to satisfy the conditions contained in this Article must be satisfactory in form and content to the City.

4.1. Existence. Developer shall have provided a certified copy of Developer's formation documents and a good standing certificate issued by the appropriate governmental authority of the state of Developer's incorporation. If the Developer is an out-of-state corporation, the Developer will submit the name and address of its registered agent in the State of Wisconsin.

4.2. Incumbency; Due Authorization. Developer shall provide the City with a current list of its corporate officers and the offices they fill and shall amend said list, from time to time, in the event of changes. It shall also provide evidence in the form of a corporate resolution that Developer is duly authorized to enter into this agreement, denoting the officers authorized to execute it on its behalf.

4.3. No Violation or Default. Developer shall not be in violation of any of its governing documents or other contracts. Developer shall not be in material default under the terms of any other agreement or instrument to which Developer is a party or an obligor. Developer shall be in material compliance with all provisions of this Agreement.

4.4. Financing Commitment. Developer shall have obtained a written financing commitment from a conventional lender, which is sufficient to fund the construction, furnishing, equipping and installation of Phase I of the Project.

4.5. Plans and Specifications. Developer shall have provided the Master Plan, which Master Plan must be acceptable in all respects to the City and shall have been approved by the City Plan Commission.

4.6. Survey. Developer shall provide a boundary survey of the Real Estate certified to the City by a Wisconsin registered land surveyor, showing the location of all improvements now or to be located thereon pursuant to the Master Plan, all easements, pathways, exterior boundary lines, walkways, private and public streets, adjoining public streets and alleys, utilities, exits and entrances, all curbs, gutters, sidewalks, medians and lighting. The survey must show a state of facts acceptable to the City.

4.7. Insurance. Developer shall have delivered to the City certificates of all insurance required under this Agreement showing the City as a named insured. Said insurance shall not be cancelled, non-renewed nor have any material changes without providing thirty (30) days advanced written notice to the City.

4.8. THIS SECTION INTENTIONALLY LEFT BLANK

4.9. THIS SECTION INTENTIONALLY LEFT BLANK

4.10. Acquisition of Real Estate. The Developer shall have acquired fee simple title to the Real Estate in the time frames set forth in this Agreement.

4.11. Approvals and Permits. The Developer shall at its expense have obtained all necessary approvals and permits necessary to undertake the Project on the Real Estate, including but not limited to, site plan review, zoning approvals, and any other local, state or federal approvals or permits.

ARTICLE V CONDITIONS PRECEDENT TO DEVELOPER'S OBLIGATIONS

Developer's obligations under this Agreement are conditioned upon the following:

5.1. Creation of TID #8. The City will in good faith pursue the creation of TID #8. If the TID is not created by September 1, 2010, the Developer may withdraw from this Agreement.

5.2. Acquisition of Real Estate. The Developer shall have acquired fee simple title to the Real Estate within the time frame set forth in this Agreement. If this condition is not met, then this Agreement shall terminate without further action of either the City or Developer. Upon such termination of this Agreement, the parties shall have no further rights or obligation to the other hereunder.

ARTICLE VI REPRESENTATIONS, WARRANTIES AND COVENANTS

Developer represents and warrants to and covenants with the City and the City represents and warrants to and covenants with Developer as respectively follows:

6.1. Phases of Project. The Developer is only guaranteeing completion of Phases I and Phase II of the Project. Completions of Phases III and IV are subject to market conditions and need in the market place, solely in the discretion of the Developer.

6.2. Taxes. Developer has paid, and shall pay when due, all federal, state and local taxes, and shall promptly prepare and file returns for accrued taxes. If necessary, Developer shall pay when due all payments in lieu of taxes and special charges required under the terms of this Agreement.

6.3. Compliance with Zoning. Developer covenants that the Real Estate, upon completion of the Project, shall conform and comply in all respects with applicable federal, state, local and other laws, rules, regulations and ordinance, including, without limitation, zoning and land division laws, building codes and environmental laws.

6.4. Payment. All work performed and/or materials furnished for the Project shall be fully paid for by Developer. The Developer shall not allow or suffer liens of any kind to be placed upon City property as a result of its material or labor contracts.

6.5. Certification of Facts. No statement of fact by Developer contained in this Agreement and no statement of fact furnished or to be furnished by Developer to the City pursuant to this Agreement

contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained not misleading.

6.6. Good Standing. Developer is a corporation duly formed and validly existing and in good standing under the laws of the State of Wisconsin and has the power and all necessary licenses, permits and franchises to own its assets and properties and to carry on its business. Developer is duly licensed or qualified to do business and in good standing in the State of Wisconsin and all other jurisdictions in which failure to do so would have a material adverse effect on its business or financial condition.

6.7. Due Authorization. The execution, delivery and performance of this Agreement and all other agreements requested to be executed and delivered by Developer hereunder have been duly authorized by all necessary corporate action of Developer and constitute valid and binding obligations of Developer, in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium, general principles of equity, and other similar laws of general application affecting the enforceability of creditors' rights generally. The City represents and warrants to Developer that it has the power, authority and legal right to enter into all of the transactions and to perform all of the covenants and obligations required to be entered into or performed by City under this Agreement.

6.8. No Conflict. The execution, delivery, and performance of Developer's obligations pursuant to this Agreement will not violate or conflict with Developer's Articles of Organization or Operating Agreement or any indenture, instrument or material agreement by which Developer is bound, nor will the execution, delivery, or performance of Developer's obligations pursuant to this Agreement violate or conflict with any law applicable to Developer.

6.9. No Litigation. There is no litigation or proceeding pending or threatened against or affecting Developer or the Project or any guarantor that would adversely affect the Project, Developer or any guarantor or the priority or enforceability of this Agreement, the ability of Developer to complete the Project or the ability of Developer to perform its obligations under this Agreement.

6.10. Certification of Costs. Developer covenants the Project Cost Breakdown accurately reflects all costs of the Project that will be incurred by Developer in the completion and construction of the Project, and the City shall be entitled to rely on the Project Cost Breakdown submitted by Developer. Developer knows of no circumstances presently existing or reasonably likely to occur which would or could result in a material adverse variation or deviation from the Project Cost Breakdown.

6.11. No Default. The Developer represents that it is not in default under any other agreement nor has it been placed on notice of alleged defaults under other agreements which would practically of financially impede or prevent its fulfillment of its obligations to the City under this agreement as of the time of execution hereof.

6.12. Fees and Commissions. The City shall not be liable for any broker fees or commissions incurred by the Developer in connection with any transactions contemplated by this Agreement.

6.13. Financing Accommodation.

- a. **No Assignment.** Developer, its successors, assigns and transferees will not transfer, assign, convey or encumber, nor will Developer, its successors, assigns

or transferees agree to or permit the transfer, assignment, conveyance or encumbrance of the Project or any of the Real Estate except as provided in Sections 2.7 and 8.1 of this Agreement. The principals, shareholders, members, managers and/or partners of Developer, its successors, assigns and transferees will not transfer, assign, convey or encumber their respective interests in Developer, its successors, assigns or transferees, as the case may be, without providing written notification thereof to the City at least forty-five (45) days prior to the date the proposed transfer, assignment, conveyance or encumbrance is to take effect. Any attempt to so act shall be void and have no effect.

- b. **No Subordination.** Except for the purchase money financing for the land purchase(s) and for the initial construction loans for the Projects, to which the City agrees to subordinate - the Developer shall not enter into any financing agreements, loans, promissory notes, mortgages or other security agreements pursuant to the terms of which any interest which the City has in the property being developed is subordinated without the express, written consent by the City. The City shall be given forty five (45) days written notice of intent of the Developer to enter into any such arrangement and may withhold its consent where deemed not to be in the best interests of the City..
- c. **Developer Financing.** Notwithstanding this Section 6.13, Developer may transfer, assign or encumber the Real Estate in order to secure financing for the acquisition of the Real Estate and/or for construction of the Project. Said lender may place a lien and/or mortgage on the Real Estate, including any renewals, extensions, replacements, modifications or refinancing. Lender's mortgage and/or loan may be transferred or assigned by lender in a secondary market without prior City Council approval. In the event of a foreclosure against Developer by lender or a deed transfer in lieu of foreclosure, lender shall assume the duties, obligations and rights of Developer under this Agreement. In such a circumstance, lender may transfer or assign this Agreement and its accompanying duties, obligations and rights, to another developer without prior City Council approval. In any circumstance, lender shall provide reasonable notice to City of such actions. This Section shall survive any foreclosure proceeding.

6.14. Commencement and Completion. Developer shall commence and complete construction of the Project in accordance with Section 2.2 above.

6.15. Compliance with Plans. Developer shall cause the Project to be constructed in accordance with the Master Plan and shall promptly correct any defects in construction or deviations from the Master Plan.

6.16. No Changes. Developer shall not, without City's prior written consent: (i) consent to any amendments to any documents delivered to City pursuant to this Agreement; (ii) approve any changes in the Project or the Master Plan or permit any work to be done pursuant to any changes; (iii) modify or amend the Project Cost Breakdown.

6.17. Inspection of Project. Developer shall permit City, its inspector and/or its construction consultant, at all reasonable times and at no cost to inspect the Project and all matters relating to the development thereof. City assumes no obligation to Developer for the sufficiency or adequacy of such inspections, it being acknowledged that such inspections are made for the sole and separate benefit of City. The fact that City may make such inspections shall in no way relieve Developer from its duty to independently ascertain that the construction of the Project and Developer's compliance with this Agreement are being completed in accordance with the approved Master Plan and the terms and conditions of this Agreement.

6.18. Notification. Developer shall:

- a. As soon as possible and in any event within five (5) business days after the occurrence of any default, notify City in writing of such default and set forth the details thereof and the action which is being taken or proposed to be taken by Developer with respect thereto.
- b. Promptly notify City of the commencement of any litigation or administrative proceeding that would cause any representation and warranty of Developer contained in this Agreement to be untrue.
- c. Notify City, and provide copies, immediately upon receipt, of any notice, pleading, citation, indictment, complaint, order or decree from any federal, state or local government agency or regulatory body, asserting or alleging a circumstance or condition that requires or may require a financial contribution by Developer or any guarantor or an investigation, clean-up, removal, remedial action or other response by or on the part of Developer or any guarantor under any environmental laws, rules, regulations or ordinances or which seeks damages or civil, criminal or punitive penalties from or against Developer or any guarantor for an alleged violation of any environmental laws, rules, regulations or ordinances.

6.19. Unrelated Activity. It is the intention of Developer and City that the sole business of Developer shall be the construction, ownership and operation of the Project, and Developer shall take no action inconsistent with such intention, including without limitation the acquisition by Developer of real or personal property unrelated to the Project, investment by Developer in the assets or stock of any other person, joining by Developer with any other person in any partnership or joint venture, or the creation or incurring of indebtedness by Developer unrelated to the Project that would prevent Developer from engaging in this Project.

6.20. No Indebtedness. Except in the ordinary course of business and except for funds borrowed to provide the financing for the purchase of the Real Estate or the construction of the Project, Developer shall not incur, create, assume, permit to exist, guarantee, endorse or otherwise become directly or indirectly or contingently responsible or liable for any indebtedness. "Indebtedness" shall mean any liability or obligation of Developer: (a) for borrowed money or for the deferred purchase price of property or services (excluding trade obligations incurred in the ordinary course of business); (b) as lessee under leases that have been or should be capitalized according to generally accepted accounting principles; (c) evidenced by notes, bonds, debentures or similar obligations; (d) under any guaranty or endorsement (other than in connection with the deposit and collection of checks in the ordinary course of

business), and other contingent obligations to purchase, provide funds for payment, supply funds to invest in any entity, or otherwise assure a creditor against loss; or (e) secured by any security interest or lien on assets of Developer, whether or not the obligations secured have been assumed by Developer.

6.21. Correction of Defects. Developer shall, upon demand of City (and City may rely on the advice of its inspector and shall not be liable for any errors in such advice), correct any material defect, structural or otherwise, in the Project or any departure from the Master Plan.

ARTICLE VII DEFAULT

7.1 Developer's Default.

- a. Remedies.** In the event (i) any representation or warranty of Developer herein or in any agreement or certificate delivered pursuant hereto shall prove to have been false in any material respect when made or (ii) of Developer's default hereunder which is not cured within thirty (30) days after written notice thereof to Developer, the City shall have all rights and remedies available under law or equity with respect to said default. In addition, and without limitation, the City shall have the following specific rights and remedies:
- (1) With respect to matters that are capable of being corrected by the City, the City may at its option enter upon the Real Estate for the purpose of correcting the default and the City's reasonable costs in correcting same, plus interest at one and one-half percent (1.5%) per month, shall be paid by Developer to the City immediately upon demand;
 - (2) Injunctive relief;
 - (3) Action for specific performance; and
 - (4) Action for money damages.
- b. Reimbursement.** Any amounts expended by the City in enforcing this Agreement and the obligations of Developer hereunder, including reasonable attorney's fees, and any amounts expended by the City in curing a default on behalf of Developer, together with interest at one and one-half percent (1.5%) per month, shall be paid by Developer to the City upon demand and shall constitute a lien against the Real Estate until such amounts are reimbursed or paid to the City, with such lien to be in the nature of a mortgage and enforceable pursuant to the procedures for foreclosure of a mortgage.
- c. Remedies are Cumulative.** All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.

- d. **Failure to Enforce Not a Waiver.** Failure of the City to enforce any provision contained herein shall not be deemed a waiver of the City's rights to enforce such provision or any other provision in the event of a subsequent default.

7.2 City's Default.

- a. **Remedies.** In the event of the City's default hereunder which is not cured within sixty (60) days after written notice thereof to the City, Developer shall have all rights and remedies available under law or equity with respect to said default. In addition, and without limitation, Developer shall have the following specific rights and remedies:
 - (1) Injunctive relief;
 - (2) Action for specific performance; and
 - (3) Action for money damages.
- b. **Reimbursement.** Any amounts expended by the Developer in enforcing this Agreement and the obligations of City hereunder, including reasonable attorney's fees, and any amounts expended by the Developer in curing a default on behalf of City, together with interest at one and one-half percent (1.5%) per month, shall be paid by City to the Developer.
- c. **Remedies are Cumulative.** All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.
- d. **Failure to Enforce Not a Waiver.** Failure of Developer to enforce any provision contained herein shall not be deemed a waiver of Developer's rights to enforce such provision or any other provision in the event of a subsequent default.

7.3 Mediation of Disputes Required. Unless the parties agree otherwise, prior to litigation and as a condition precedent to bringing litigation, any party deeming itself aggrieved under this Agreement shall be obligated to request nonbinding mediation of the dispute. Mediation shall proceed before a single mediator. In the event of impasse at mediation, the aggrieved party may then commence an action. However, the parties shall be bound to agree to alternative dispute resolution as ordered by the Court.

ARTICLE VIII MISCELLANEOUS PROVISIONS

8.1 Assignment. Except as provided in Sections 2.7 and 6.13, Developer may not assign its rights or obligations under this Agreement without the prior written consent of the City. Developer shall provide not less than forty-five (45) days advance written notice of any intended assignment.

8.2 Nondiscrimination. In the performance of work under this Agreement, Developer agrees not to discriminate against any employee or applicant for employment nor shall the development or

To the Developer: Attn: Gerrard Corporation
 Attn Paul or Peter Gerrard
 420 5th Avenue South
 La Crosse, WI 54601

with a copy to: Attorney Phillip James Addis
 504 Main Street Suite 200
 La Crosse, WI 54601

8.8 Governing Law. This Agreement shall be governed by the laws of the State of Wisconsin and shall be deemed to have been drafted through the combined efforts of both parties of equal bargaining strength. Any action at law or in equity relating to this Agreement shall be instituted exclusively in the courts of the State of Wisconsin and venued in Pierce County. Each party waives its right to change venue.

8.9 Conflict of Interest. Developer shall avoid all conflicts of interest or the appearance of a conflict of interest in the performance of this Agreement. Developer agrees not to offer any City officer or designated employee any gift prohibited by said Code. The offer or giving of any prohibited gift shall constitute a material breach of this Agreement by Developer. In addition to any other remedies the City may have in law or equity, the City may immediately terminate this Agreement for such breach. No member, officer or employee of the City shall have any personal financial interest, direct or indirect, in this Agreement, nor shall any such member, officer or employee participate in any decision relating to this Agreement.

8.10 Execution in Counterparts. This Agreement may be executed in several counterparts, each which may be deemed an original, and all of such counterparts together shall constitute one and the same agreement.

8.11 Disclaimer Relationships. Developer acknowledges and agrees that nothing contained in this Agreement or any contract between Developer and the City or any act by the City or any third parties shall be deemed or construed by any of the parties or by third persons to create any relationship or third party beneficiary, principal or agent limited or general partnership or joint venture or of any association or relationship involving the City. It is understood and agreed that Developer, in the performance of the work and services of this Project shall not act as an agent or employee of the City and neither the Developer nor its officers, employees, agents, licensees, sublicensees, subcontractors shall obtain any rights to retirement benefits or the benefits which accrue to the City's employees and Developer hereby expressly waives any claim it may have to any such rights. Each party shall be responsible for its own separate debts, obligations and other liabilities.

8.12 Severability. Should any part, term, portion or provision of this Agreement or the application thereof to any person or circumstance be in conflict with any state or federal law or otherwise be rendered unenforceable, it shall be deemed severable and shall not affect the remaining provisions,

provided that such remaining provisions can be construed in substance to continue to constitute the agreement that the parties intended to enter into in the first instance.

8.13. Termination. Except for Sections 2.10 (Indemnity), 2.6(a) (Annual PILOT), 2.13 (Record Retention), 2.2(b) (Fill) and 8.5 (Survival) which shall survive the termination of this Agreement, this Agreement and all obligations hereunder, shall terminate after twenty (20) years or the life of TID #8, whichever is longer. This Agreement may also be terminated as provided in Article IV (Conditions Precedent to City Obligations), Article V (Conditions Precedent to Developer Obligations) and Section 8.9 (Conflict of Interest) hereof.

8.14. Memorandum of Agreement. Promptly upon its acquisition of the Real Estate and prior to the recording of any mortgage or other security instrument against any portion of the Real Estate, the Developer agrees that the City may record this Agreement, or a memorandum thereof, with the Register of Deeds for Pierce County, Wisconsin. Any such memorandum shall be in form and substance reasonably acceptable to the City and the Developer.

8.15. Covenants Running with Land. All of the covenants, obligations and promises of Developer set forth herein shall be deemed to encumber the Development and run with the land described in **Exhibit A** and shall bind any successor, assignee or transferee of Developer until such time as this Agreement is terminated.

8.16. Amendments. No agreement or understanding changing, modifying or extending this Agreement shall be binding upon either party unless in writing, approved and executed by the City and Developer.

8.17. Time Computation. Any period of time described in this Agreement by reference to a number of days includes Saturdays, Sundays, and any state or national holidays. Any period of time described in this Agreement by reference to a number of business days does not include Saturdays, Sundays or any state or national holidays. If the date or last date to perform any act or to give any notices is a Saturday, Sunday or state or national holiday, that act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday, or state or national holiday.

8.18. The Section intentionally left blank.

8.19. Construction. This Contract shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument to be drafted. The headings, table of contents and captions contained in the Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Agreement. All terms and words used in this Agreement, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the context may require. In the event that any of the provisions, of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions or portions thereof shall not be affected.

8.20. Incorporation of Proceedings and Exhibits. All motions adopted, approvals granted, minutes documenting such motions and approvals, and plans and specifications submitted in conjunction with any and all approvals as granted by the City, including but not limited to adopted or approved plans or specifications on file with the City, and further including but not limited to all exhibits as referenced herein,

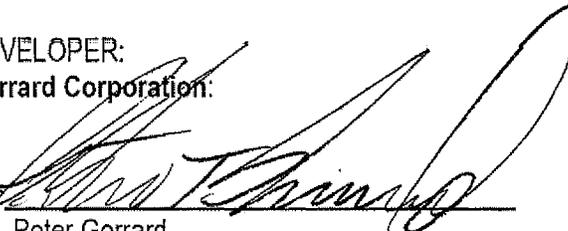
are incorporated by reference herein and are deemed to be the contractual obligation of Developer whether or not herein enumerated.

8.21. Entire Agreement. This writing including all Exhibits hereto, and the other documents and agreements referenced herein, constitute the entire Agreement between the parties with respect to the Project and all prior letters of intent or offers, if any, are hereby terminated. This Agreement, however, shall be deemed and read to include and incorporate such minutes, approvals, plans, and specifications, as referenced in this Agreement, and in the event of a conflict between this Agreement and any action of the City, granting approvals or conditions attendant with such approval, the specific action of the City shall be deemed controlling.

8.22. Execution of Agreement. Developer shall sign, execute and deliver this Agreement to the City on or before the close of regular City Hall business hours forty-five (45) days after its final adoption by the Common Council. Developer's failure to sign, execute and cause this Agreement to be received by the City within said time period shall render the Agreement null and void, unless otherwise authorized by the City. After Developer has signed, executed and delivered the Agreement, the City shall sign and execute the Agreement. The final signature date of the City shall be the signature date of the Agreement ("Signature Date").

IN WITNESS WHEREOF, the parties to this Agreement have caused this instrument to be signed and sealed by duly authorized representatives of Developer and the City this 2 day of February, 2010.

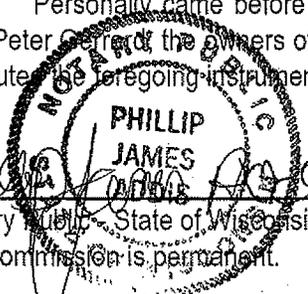
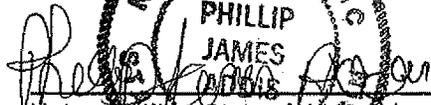
DEVELOPER:
Gerrard Corporation:

BY: 
Peter Gerrard

BY: 
Paul Gerrard

STATE OF WISCONSIN)
) S.S.
LA CROSSE COUNTY)

Personally came before me this 2nd day of Feb, 2010, the above-named Paul Gerrard and Peter Gerrard, the owners of the Developer, Gerrard Corporation, to me known to be the persons who execute the foregoing instrument and acknowledged the same.



Notary Public, State of Wisconsin
My Commission is permanent.
MY COMMISSION IS PERMANENT

CITY OF RIVER FALLS, WISCONSIN: (SEAL)

Don Richards
Don Richards, Mayor

Countersigned:

Lu Ann Hecht
Lu Ann Hecht, City Clerk

STATE OF WISCONSIN)
) S.S.
PIERCE COUNTY)

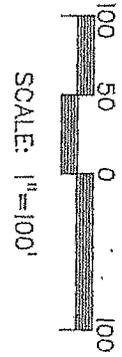
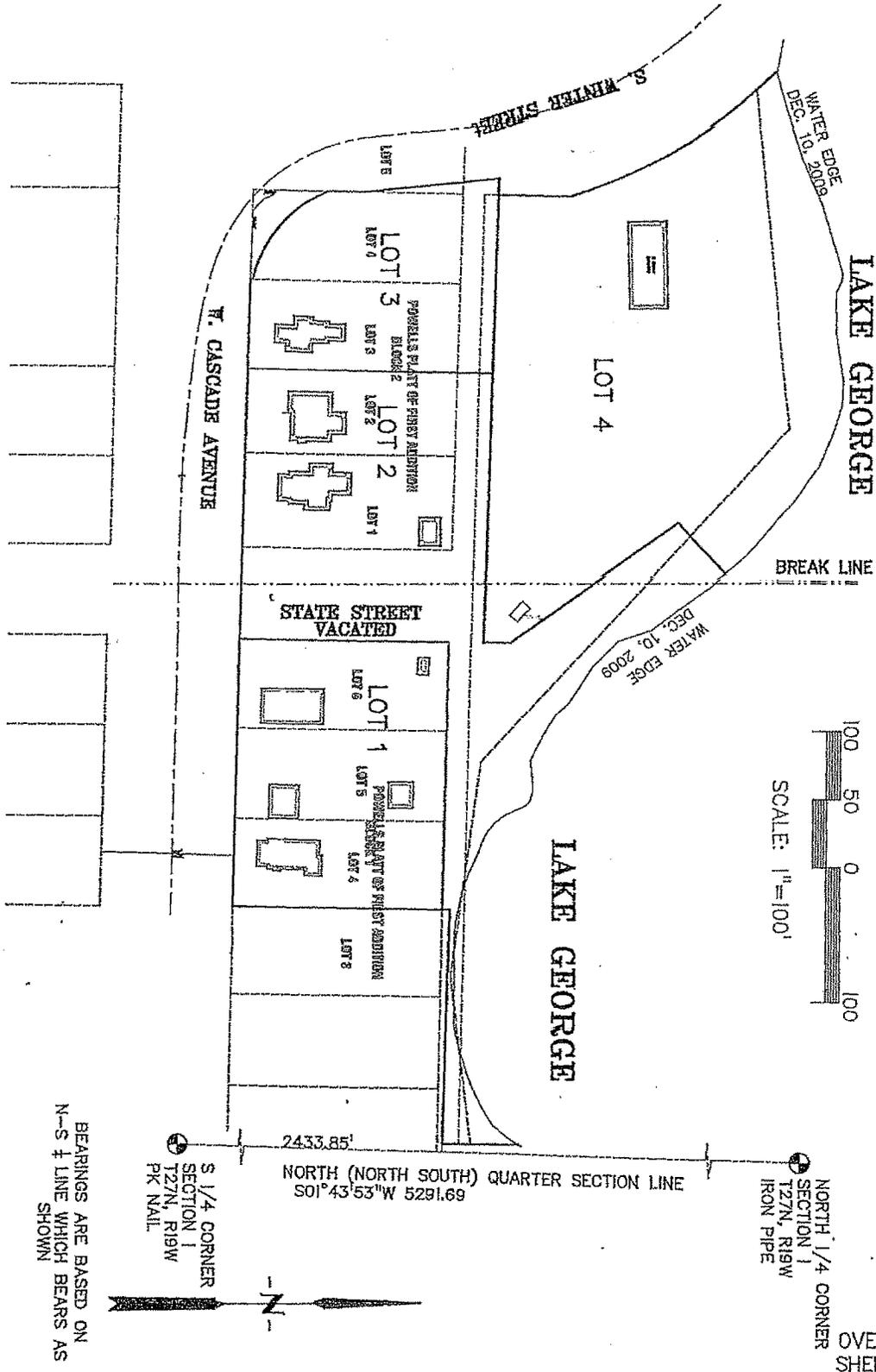
Personally came before me this 2nd day of February 2010, the above named Don Richards, Mayor and Lu Ann Hecht, to me known to be the persons who executed the foregoing instrument and acknowledged the same,

Kristi McKahan
Notary Public - State of Wisconsin
My Commission 4-11-10

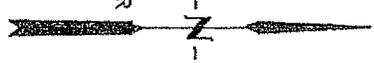


This Document Was Drafted By:
Attorney Phillip James Addis
Main Street Law Offices, LLC
504 Main Street Suite 200
La Crosse, WI 54601
Phone - (608) (784-1355)

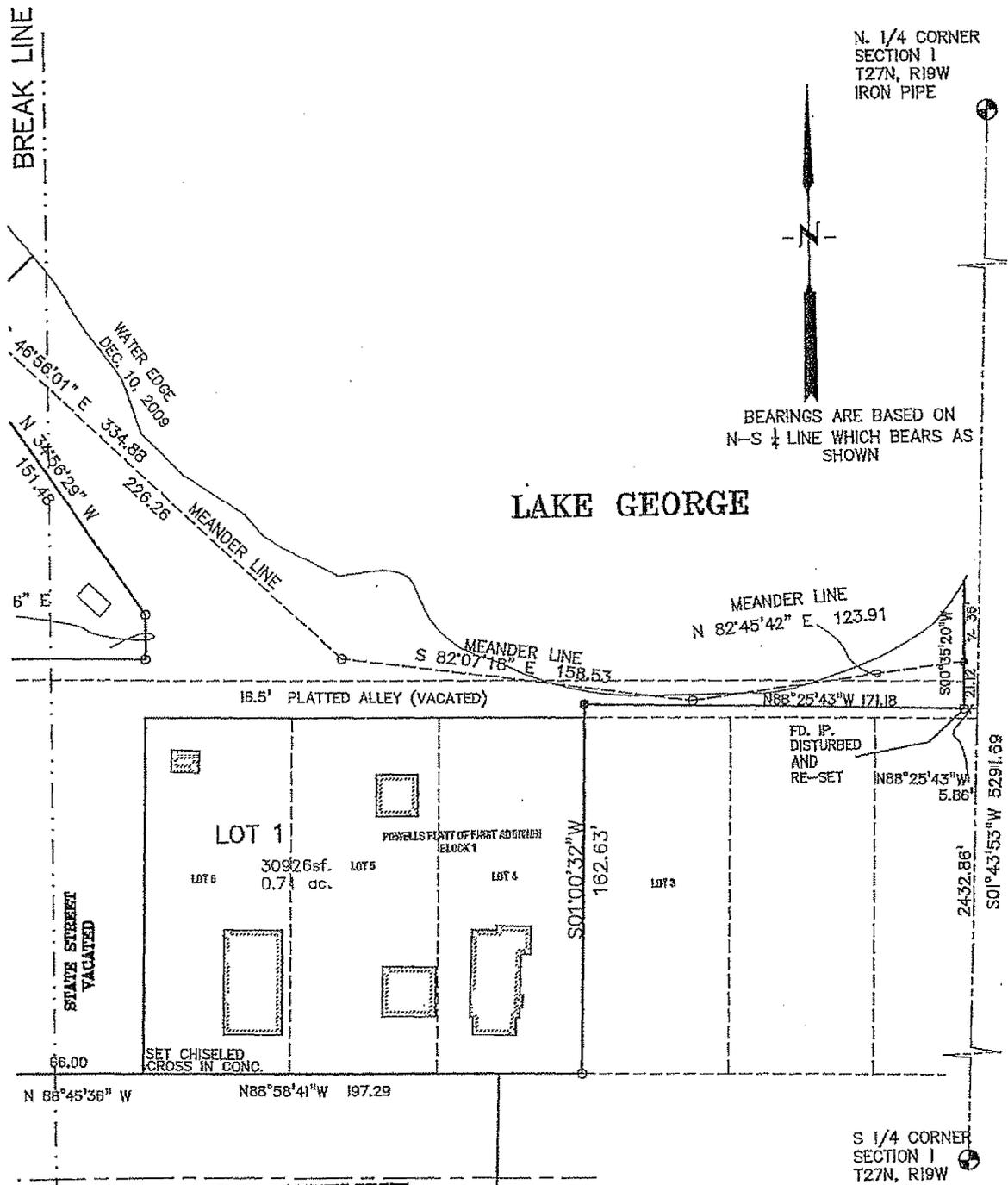
LOTS 4,5, & 6 OF BLOCK 1, AND LOTS 1,2, & 3 AND PART OF LOT 4 AND PART OF LOT 5 OF BLOCK 2, PART OF VACATED STATE STREET, AND PART OF THE VACATED ALLEY LYING NORTH OF SAID BLOCKS 1 AND 2 OF O.S. POWELL'S FIRST ADDITION, AND PART OF THE SE/NW AND PART OF THE NE/SW OF SECTION 1, T27N, R19W, CITY OF RIVER FALLS, PIERCE COUNTY, WISCONSIN



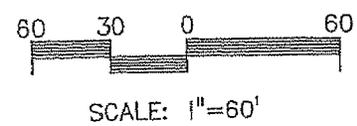
BEARINGS ARE BASED ON N-S ± LINE WHICH BEARS AS SHOWN



OVERALL VIEW SHEET 1 OF 4



- LEGEND**
- SET 3/4"X24" IRON BAR (1.50 LBS/LIN.FT)
 - FOUND IRON PIPE
 - () RECORDED AS



LOTS 4,5, & 6 OF BLOCK 1, AND LOTS 1,2, & 3 AND PART OF LOT 4 AND PART OF LOT 5 OF BLOCK 2, PART OF VACATED STATE STREET, AND PART OF THE VACATED ALLEY LYING NORTH OF SAID BLOCKS 1 AND 2 OF O.S. POWELL'S FIRST ADDITION, AND PART OF THE SE/NW AND PART OF THE NE/SW OF SECTION 1, T27N, R19W, CITY OF RIVER FALLS, PIERCE COUNTY, WISCONSIN, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 1; THENCE ALONG THE N-S QUARTER LINE THEREOF, N01°43'53"E 2432.86 FEET; THENCE N88°25'43"W 5.86 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING N88°25'43"W 171.18 FEET TO THE NORTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 4, BLOCK 1; THENCE ALONG SAID EXTENSION, AND SAID EAST LINE, S01°00'32"W 162.63 FEET TO THE NORTH RIGHT OF WAY LINE OF WEST CASCADE AVENUE; THENCE THE NEXT THREE CALLS ALONG SAID NORTH RIGHT OF WAY LINE: 1) N88°58'41"W 197.29 FEET TO THE SOUTHWEST CORNER OF SAID BLOCK 1; 2) N88°45'36"W 66.00 FEET TO THE SOUTHEAST CORNER OF SAID BLOCK 2; 3) N88°29'15"W 198.87 FEET TO THE SOUTHWEST CORNER OF SAID LOT 3, BLOCK 2; THENCE ALONG THE WEST LINE OF SAID LOT 3, N01°15'29"E 1.48 FEET TO THE BEGINNING OF A 93.19 FOOT RADIUS CURVE, CONCAVE TO THE NORTHEAST; THENCE 89.05 FEET ALONG THE ARC OF SAID CURVE, THE CHORD OF WHICH BEARS N49°07'36"W 85.70 FEET TO THE END OF SAID CURVE; THENCE ALONG THE EAST RIGHT OF WAY LINE OF SOUTH WINTER STREET, THE NEXT FIVE CALLS: 1) N01°14'09"E 27.78 FEET; 2) N05°22'36"W 101.14 FEET; 3) S88°21'27"E 11.82 FEET; 4) N01°27'43"E 53.81 FEET TO THE BEGINNING OF A 366.56 FOOT RADIUS CURVE, CONCAVE TO THE SOUTHWEST; 5) 160.03 FEET ALONG THE ARC OF SAID CURVE, THE CHORD OF WHICH BEARS N29°11'09"W 158.76 FEET TO THE END OF SAID CURVE, TO A LINE WHICH MEANDERS LAKE GEORGE; THENCE THE 4 CALLS ALONG SAID MEANDER LINE: 1) N84°09'14"E 250.82 FEET; 2) S45°56'01"E 334.88 FEET; 3) S82°07'18"E 158.53 FEET; 5) N82°45'42"E 123.91 FEET; THENCE S00°35'20"W 21.12 FEET TO THE POINT OF BEGINNING. ALSO INCLUDING ALL THE LANDS LYING BETWEEN THE ABOVE DESCRIBED MEANDER LINE AND THE WATER'S EDGE OF LAKE GEORGE, BETWEEN THE NORTHERLY EXTENSION OF THE EASTERNMOST LINE DESCRIBED ABOVE, AND THE EASTERLY RIGHT OF WAY LINE OF SOUTH WINTER STREET. PARCEL CONTAINS 4.31 ACRES.

I, PETER GERRARD, AS DEVELOPER OF THE ABOVE DESCRIBED PARCEL TO HEREBY CERTIFY THAT I HAVE DIRECTED THAT THE ATTACHED CERTIFIED SURVEY MAP HAS BEEN PREPARED AS I HAVE DIRECTED WITH MY FULL CONSENT.

PETER GERRARD -- GERRARD CORPORATION

I HEREBY CERTIFY THAT THE ABOVE CERTIFIED SURVEY MAP HAS BEEN APPROVED BY THE CITY OF RIVER FALLS CITY COUNCIL.

DATE _____ SIGNED _____
CITY CLERK

I, PAUL E. FAIRCHILD, PROFESSIONAL LAND SURVEYOR #2058, HEREBY CERTIFY THAT I HAVE SURVEYED THE ABOVE DESCRIBED PARCEL, AT THE DIRECTION OF PETER GERRARD, AND THAT IN DOING SO, I HAVE COMPLIED WITH THE PROVISIONS OF CHAPTER 236.34 OF THE WISCONSIN STATUTES, AND THE PROVISIONS OF THE CITY OF RIVER FALLS SUBDIVISION REGULATIONS. I FURTHER CERTIFY THAT THIS MAP IS A CORRECT REPRESENTATION OF ALL THE EXTERIOR BOUNDARIES OF THE LAND SURVEYED, AND THE DIVISION OF THAT LAND.

Exhibit B. Description of Project

Our business is centered around providing highly desirable apartment-style housing in support of students attending institutions of higher learning. Gerrard Corporation has a solid foundation in this market and is proposing to provide this high quality living opportunity to the River Falls community. Quality starts with site selection and we propose to grow our project here in four phases on a site on the south edge of downtown off West Cascade Avenue.

The first two phases of the project will see the construction of apartments specifically suited to students. The third phase will be mixed use that will likely see apartments over a commercial first floor. The fourth phase will emphasize addressing the needs of the greater community by construction a community center and food pantry.

The apartments will consist of three similar buildings. Typically, these would include a mix of room layouts containing two, three and four bedrooms. The units being proposed here will have 3 floors. Amenities include high-efficiency gas furnaces with central air conditioning in every unit. An extra layer of insulation in both walls and ceiling is provided to maximize whether efficiency. A full size washer and dryer provided in every unit. Built-in study desks with high speed Internet wiring are also included in every bedroom. Other amenities include walk-in closets, extra storage, open concept kitchens with snack bar and all appliances, well lit off the street patrolled parking, outdoor security cameras, indoor security cameras at common areas and entries, and outdoor recreational areas with built-in patio furniture.

The mixed use building will have the same qualities as the first buildings but will add diversity to the development by incorporating commercial use to the main floor. Parking and site amenities for the building residents will also be provided in the same manner as the first two buildings.

The Community Center building will be placed to take advantage of the natural beauty offered by the lakeshore. Space utilization would potentially include office and meeting areas, deck, patio, space for a food pantry, open space, community gardens and access to lakeshore or trails. The building is proposed to be two stories totaling 9000 S.F. Both hard surface and pervious pavement areas will be utilized. As with the first three phases, sensitivity to the surrounding neighborhood and the natural environment will be important in influencing the final design. Current "green" technology will be implemented where feasible and appropriate.

In conclusion we hope that the city shares our vision and goal to create high quality student housing that is highly in demand. By doing so, the city will eliminate some properties that are at the end of their useful life and create tax base that the city can count on for many years.

With the unique opportunities of this mixed-use development in creating both an apartment community and a much-needed senior citizen center and food pantry the city is getting two high quality projects in one package.

The city of River Falls can take comfort in knowing that Gerrard Corporation will build, develop and manage this property and stand behind this property with its 55 years of experience.

Thank you for your consideration and time devoted to this worthwhile project. We will be looking forward to working with you.

Preliminary Development Project Cost Estimates

Project Name: River Fall Student Housing
12 Unit - 42 Bed Student Housing Complex

Hard Cost Estimate

	Cost Est.	
Building	1,402,447	
Land/Demo	305,000	
Interest	30,000	
Bank Fee	20,000	
Legal	5,000	
RE Taxes	5,000	
Start up	20,000	
Rent up Reserve	30,000	
Title Report	5,000	
Appraisal	4,500	
Architect	42,500	Includes State fees
Civil Engineering	50,000	Includes State fees
Structural Engineering	5,000	Includes State fees
Impact Fees	90,000	
Contingency	60,000	
Total Est Cost	2,074,447	

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Structural Engineering	5,000	Includes State fees
Impact Fees	90,000	
Contingency	60,000	
Total Est Cost	2,074,447	

EXHIBIT "F"

Construction Schedule for University Falls – Phase I

March 1, 2010 – Start demolition and site work

March 8, 2010 – Begin concrete and foundation work

March 22, 2010 – Begin framing and erecting the building

April 26, 2010 – Begin all rough-ins for electrical, plumbing and heating

June 7, 2010 – Begin all insulating and weatherization

June 28, 2010 – Begin drywall work

July 20, 2010 – Begin all cabinetry and interior trim

August 2, 2010 – Begin installing all flooring

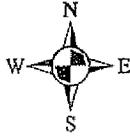
August 23, 2010 – Final inspection and cleaning and certificate of occupancy

EXHIBIT "F"

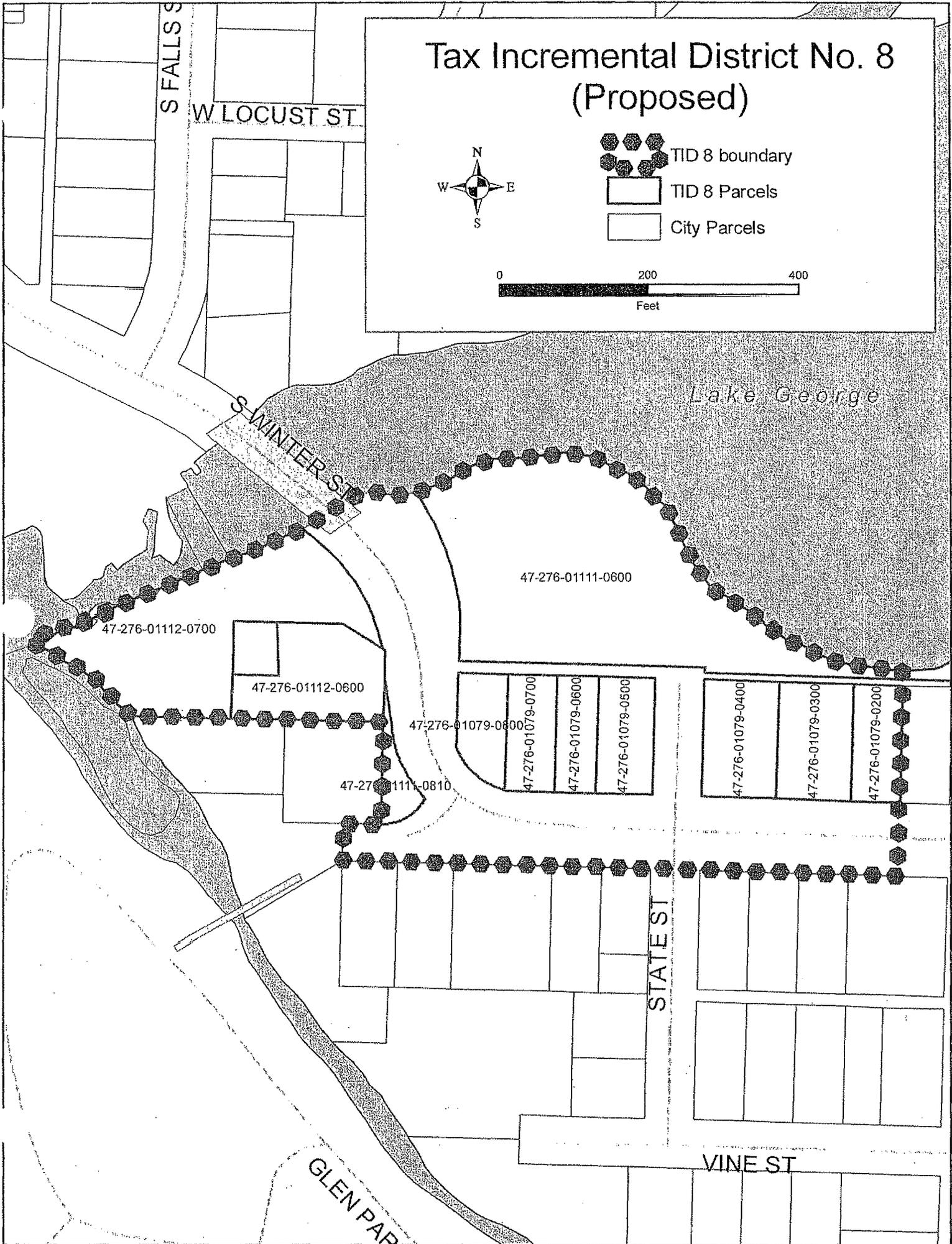
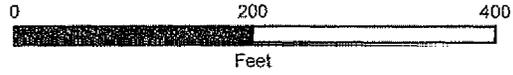
Construction Schedule for University Falls – Phase II

September 1, 2011	Start demolition and site work
September 15, 2011	Begin concrete and foundation work
October 1, 2011	Begin framing and erecting the building
December 1, 2011	Begin all rough-ins for electrical, plumbing and heating
February 1, 2012	Begin all insulating and weatherization
March 1, 2012	Begin drywall work
April 1, 2012	Begin all cabinetry and interior trim
May 1, 2012	Begin installing all flooring
May 15, 2012	Final inspection, cleaning and certificate of occupancy

Tax Incremental District No. 8 (Proposed)



- TID 8 boundary
- TID 8 Parcels
- City Parcels



RESOLUTION NO. 5332

**RESOLUTION
APPROVING DEVELOPER'S AGREEMENT BETWEEN
THE CITY OF RIVER FALLS
AND
GERRARD CORPORATION**

WHEREAS, the City of River Falls and Gerrard Corporation have arrived at an agreement for a multi-family project located on Cascade Avenue and South Winter Street; and

WHEREAS, the project is located within an area proposed to be designated as a tax increment district; and

WHEREAS, the Developer's Agreement refers to only phases I and II of a planned four phase project; and

WHEREAS, a Developer's Agreement has been drafted covering minimum improvements and the provision of various forms of financial assistance; and

WHEREAS, the Common Council has reviewed the Developer's Agreement at their meeting of January 26, 2010, and found the terms and conditions favorable.

NOW, THEREFORE, BE IT RESOLVED that the Common Council hereby approves the Developer's Agreement between the City of River Falls and Gerrard Corporation contingent upon staff approval of site plan and authorizes staff to proceed with the implementation of the tax increment district.

Dated this 26th day of January, 2010.



Don Richards, Mayor

ATTEST:



Lu Ann Hecht, City Clerk

TID DATES AND REQUIREMENTS

Whether you are new or an old hand at this, we would like to highlight some important dates, steps and suggestions to follow during the life of your TID's. The best source of TID information can be found on the Department of Revenue's (DOR) website at <http://www.revenue.wi.gov/slf/tif.html>. You can download forms and publications, browse the TIF Manual or see Reports for your municipality. Sign up to our e-mail list so you don't miss any updates, announcements or reminders. Any questions you may have can be directed to the TIF e-mail box at tif@revenue.wi.gov or by calling (608) 261-5335 or (608) 266-5708.

Annually there are a number of things that the municipality is required to do:

Due Dates	Form	Details
April 15 th – May 15th	PE-209 – Tax Increment Certification	For each of your TIDs It is located at: http://www.revenue.wi.gov/eserv/pe-209.html .
April 15 th – May 15th	Annual fee - My Tax Account	An annual fee of \$150 (per TID) must be paid electronically through "My Tax Account." An email notice will be sent to the municipality through "My Tax Account" with the amount due.
by May 1st	Annual accounting report to each of the overlying taxing jurisdictions (county, school districts, technical school districts and special districts).	This report also needs to be available at your office for the general public. You do not need to send a copy of this report to DOR. There is an example at http://www.revenue.wi.gov/forms/govtif/tidterm.html . This is also a good time to let the overlying taxing jurisdictions know if you plan on terminating a TID in the near future.
By the assessor for each TID by the second Monday in June even if only estimates are available, or the Board of Review has not been held.	MAR (Municipal Assessor's Report)	This report is vital in letting DOR know the value changes that have occurred annually in the TID. This form does not get sent to the TIF Staff in Madison but rather should go directly to your District Equalization Office at http://www.revenue.wi.gov/faqs/slf/sups.html .
By the clerk for each TID, each year after the Board of Review hearing.	PE-615A (TID Statement of Assessment)	This form does not get sent to the TIF Staff in Madison, rather it should go directly to your District Equalization Office. If in doubt as to where to send it, check the Municipal Clerks page at http://www.revenue.wi.gov/forms/govtif/tidsubyr.html .
October-December, due no later than the 3 rd Monday in December.	PC-202 (Tax Increment Worksheet)	This form is located at: http://www.revenue.wi.gov/eserv/pc-202.html . The form is used by local officials to calculate the amount they have to add to their tax levies in order to capture the tax increment revenue generated by any TIF District. Court's have ruled that a municipality with an active TID has no authority to defer or otherwise not levy the tax increment. Failure to include the tax increment amounts when calculating property taxes will reduce your municipal levy. The form is pre-populated with general information about the municipality. This form must be completed prior to calculating the mill rates for the tax roll. You can contact the Local Government Services Section at blfa@revenue.wi.gov for more information.

DOR MAINTENANCE & TERMINATION INFORMATION

Place a copy of DOR miscellaneous informative documents here.

The Tax Incremental Finance Manual (TIF) has been recently updated with Frequently Asked Questions. Please visit <http://www.revenue.wi.gov/pubs/slf/tif/cvmanual.html> to check out the various categories.

2.3 TIF Maintenance

After a TID is created, municipal officials are responsible to maintain the TID. They must keep the TID in good standing with both the state and the other local governments that partnered to create the TID. The Department of Revenue must annually receive the Tax Increment Certification, the Statement of Assessment and the Assessor's Final Report. Without these forms the DOR cannot determine current value, or certify a tax increment for the TID. The Tax Increment Certification also provides notice to DOR of amendments, allocations and audits that have been completed. Another annual responsibility is the TID Annual Report. Each TID must be reported separately to the overlying taxing jurisdictions. Finally, there are three periodic audits required for every TID. These audits must be completed in a timely manner, or future TIDs may be denied. All of these responsibilities are described in detail below.

Please note: It is *very* important that these forms are sent to the correct place. The Tax Increment Certification is sent to the DOR Central Office (PO Box 8971); the Statement of Assessment and the Assessor's Final Report are sent to the DOR District Office.

Annual Filing with DOR

The [Assessor's Final Report](#) identifies the current assessed value for each class of property within the TID. The assessor must file one form for each TID in the municipality. The form provides detailed instructions on how to complete the required information. This form is available from DOR on the web, but the Work Sheet Supplement that goes with it is available only in paper form from the Supervisor of Equalization. This form is due by the second Monday in June to the Supervisor of Equalization. Failure to submit this form will result in that year's value increment – and the associated tax increment – being lost. Even if final values are not available, this filing deadline *must be met*. If final data is not available the best estimate should be sent and marked "ESTIMATE".

The [Statement of Assessment](#) identifies the total current year value of all real and personal property in the TID. The Statement of Assessment is available from DOR on the web, but gets returned to the Supervisor of Equalization in the local DOR District Office. This form is due as soon as possible after the Board of Review has met.

The Tax Increment Certification Form (PE-209) is sent by the Department of Revenue to each municipal clerk that operates a TID. Based on the information submitted in this form, the department will know if they should certify an increment for the TID. The municipal clerk also reports on this form if any amendments have been adopted for the TID, or if any required audits have been conducted. The form's three sections are detailed below.

Section 1 – Certification of Continued TID Value Increment

The Department of Revenue will not certify a value increment for a TID unless requested to do so by the municipal clerk on the PE-209. In every year except the final year of the TID's life, the PE-209 will be returned with the bottom most box checked in Section 1.

This instructs the DOR to certify a value increment; the value increment generates a tax increment that funds the projects for the TID. In the final year of the TID's life, the clerk will check the upper-most box in Section 1, and then check the box to indicate the reason for the TID's termination. Either the TID has reached its maximum allowed life, or the TID has generated tax increments in excess of the total project costs. In either case the TID must be terminated by resolution. The clerk must check the box that indicates the appropriate reason for the termination, and return a copy of the termination resolution with the PE-209.

The text at the top of the box explains that the date of notification determines the effective date of the termination. If the DOR is notified before May 15 of any year, the effective date of termination is the date notification is received. If the notification is received after May 15, the effective date is the following January 1.

Section 2 – Project Plan Amendment Notice

The DOR also needs to know if any amendments of any kind have been adopted in the past year. If no amendment has been adopted, check the top box in Section 2. If an amendment has passed, write the date of adoption in the box and indicate what type of amendment has been passed. If an allocation amendment has caused the transfer of money from one district to another, indicate the amount of the transfer and the source/destination of the funds.

Section 3 – Certification of TID Annual Reports and CPA Audit

The top half of this section concerns the annual report for the TID. Each year when the municipal clerk fills out the Tax Increment Certification Form they have to acknowledge that they have (or have not) sent a copy of the TID Annual Report to each of the overlying taxing jurisdictions by May 1. If the current year is one in which an audit is required, you may send the annual report after the audit is completed. If the municipality is waiting until after a CPA audit is completed to send the report, please indicate this in the margin. Annual reports are only sent to the county, school, technical college and special districts. These reports should also be made available to interested members of the public. More information on the annual report is available below.

The bottom half of this section deals with the three CPA Audits required for each TID. The timing of the audits is triggered by the expenditure of project costs. Each audit is due within 12 months of the following:

1. 30% of the project costs being spent,
2. the last project expenditure, and
3. the termination of the TID.

If an audit is required, based on the criteria listed here, you may submit it along with the Annual Report to the overlying taxing jurisdictions. Do *not* send a copy to the DOR. Beginning in 2004, failure to complete the required termination audit may result in DOR refusing to certify the base value of a new TID. This is the only audit that DOR gets a copy of, and it is submitted online. More information on these audits can be found below.

Annual Reports

The annual report is the duty of every municipality that has a TID. One report must be done for each TID; like the accounting, the TIDs must each be reported individually. The municipality is required by statute [s. 66.1105 (6m)(c)] to "prepare and make available to the public updated annual reports", and to send the report to each overlying taxing jurisdiction before May 1 annually. For this reason some people call this the "May 1 Report". Every school district, technical college district, county and special district that has taxing power over property in the TID must receive a copy of the report. If a school district and a separate union high school district both serve the area where the TID is located, they should each receive their own copy of the annual report.

Wis. stat. 66.1105(6)(c) states that the report should describe "the status of each existing [TID], including expenditures and revenues." No standard format is required for this report, but [Sample Annual Reports](#) are available on the DOR website. The samples provide some guidance as to the format and level of detail that should be included in the reports. The sample also includes the notes that should accompany the financial statements. If the data for this report is coming from a municipality's comprehensive annual report, the same level of detail laid out in the sample should be present with the notes in the Annual Report.

Please note: The "May 1 Report" should *NOT* be sent to the DOR. This report must only be sent to each of the overlying taxing jurisdictions that levies taxes on the property in the TID. Each district should receive its own report.

Periodic Audits

As mentioned above, these periodic CPA audits are required by law. They may be conducted as a part of the annual audit for the city, if such an annual audit is conducted already. In this case, the municipality should still extract the appropriate information from the municipal audit and compile the TIF audit information matching the format of the [Sample Audit Report](#) available on the DOR website. The costs associated with having these audits done is an eligible TIF project cost that can be paid for with tax increments from the TID, so planning for them as part of the original project plan is advisable.

The TIF statutes require these audits to "determine if all financial transactions are made in a legal and proper manner and to determine if the tax incremental district is complying with its project plan and with [TIF Law]." The sample audits available on the DOR website show an example of how to format the audits, and provide guidance as to what content the DOR wants in these audits. The same format should be used for all three audits, and the information contained therein should be current as of the year the audit is conducted.

Please note: Only the final audit should be sent to DOR! Copies of all audits and annual reports should be sent to the overlying taxing jurisdictions, but please do not send the first or second audit, or any annual reports, to DOR.

The three "trigger events" that make an audit necessary are specified above and detailed here.

- The first audit must be conducted in the year after which the first 30% of the project expenditures are made. If 30% or more of the project costs are scheduled to be spent in the first year, then this audit will have to be conducted after the first year. If projects are spread over several years, then the first audit will not be conducted until after the year in which 30% of the expenditures have been made. For example, in a TID that has \$1 million in total project costs, an audit must be conducted after the year in which spending hits \$300,000, regardless of how much is spent in that year alone, or how long the district has been in existence.
- The second audit is required once 100% of planned expenditures have been made. If more projects are added as part of an approved project plan amendment after this audit is complete, the audit must be repeated. This audit should address the revenues and expenditures from the year of creation through the year the audit is conducted. The TID account will likely be in debt at this point because the tax increment revenue collected should be less than the total project expenditures for the TID. If increment revenue is equal to or in excess of total project costs the TID must be terminated.
- The final audit is to be conducted at the end of the TID life. After the TID is terminated, for either of the two reasons described above, a close out audit must be conducted. This audit will look just like the previous two audits, but it will account for all the revenue and expenditure for the entire life of the district, including any excess increment that was collected and returned to the overlying taxing jurisdictions. This audit is submitted to DOR through an electronic form. More information about the process of terminating a TID is available in section 2.4

ANNUAL REPORTS

Place a copy of the reports here.

Reports are due May 1 of each year.

The "May 1 Report" or "TID Accounting Report" should *NOT* be sent to the DOR. It is required that a copy of the report be provided to the overlying taxing jurisdictions annually by May 1st.

This report must be sent to each of the overlying taxing jurisdictions that levies taxes on the property in the District. Every school district, technical college district, county and special district that has taxing power over property in the District must receive a copy of the report. If a school district and a separate union high school district both serve the area where the District is located, they should each receive their own copy of the annual report. Wis. stat. 66.1105(6)(c) states that the report should describe "the status of each existing [TID], including expenditures and revenues."

The DOR website provides sample accounting reports.

<http://www.dor.state.wi.us/forms/govtif/tidterm.html>

<http://www.dor.state.wi.us/pubs/slf/tif/2-3.pdf>

<http://www.revenue.wi.gov/forms/govtif/tidterm.html>

Reports are due the Third Monday in December of each year.

The Tax Increment Worksheet (PC-202) is used to calculate the tax increment that must be added to the apportioned levy from the various taxing jurisdictions. Failure to include the tax increment amounts when calculating property taxes will reduce municipal levy.

This DOR website details the specific requirements. Wisconsin municipalities must now complete the calculation of the tax increment & submit this online.

<http://www.revenue.wi.gov/eserv/pc-202.html>

TID SUBSEQUENT YEAR PACKETS

Place a copy of the reports here.

Clerk Forms are due between April 15 & May 15 of each year.

Please note that the 2009 Wisconsin Act 28 included a change to the tax incremental finance statutes. Sections 66.1105(6)(ae), 66.1106(7)(am) & 60.85(6)(am), Wis. Stats., which authorize the Department of Revenue to charge an annual administrative fee of \$150 to each municipality for each tax incremental district for which the department authorizes the allocation of a tax increment. The annual fee must be paid to the Department of Revenue no later than May 15. Failure to complete these forms may result in no tax increment for your TID(s).

The fee payment process is only available through My Tax Account (<http://www.revenue.wi.gov>)

A form packet will be distributed annually to the municipal clerk by the State.

The Certification of Continued TID Value Increment (PE-209) is due between April 15 & May 15.

The filing is only available online at <http://www.revenue.wi.gov/eserv/pe-209.html>.

The Statement of Assessment (PE-615A) is due as soon as possible after the Board of Review (BOR). This is the Clerks – TID SOA.

<http://www.revenue.wi.gov/forms/govtif/pe-615a.pdf>

This DOR website details the specific requirements, including forms.

<http://www.dor.state.wi.us/forms/govtif/tidsubyr.html>

Assessor Forms are due the Second Monday in June of each year.

A form packet will be distributed annually to the Assessor by the State.

The Assessor's Final Report (PA-100T) is required to be completed for each active TID and returned by the second Monday in June. If a timely report is not received, the Department will use the previous year's non-manufacturing certified equalized value. As a result, any additions or corrections will be lost for that year and no statutory adjustments will be made.

This is the Assessors – TID AFR

<http://www.revenue.wi.gov/forms/govtif/pa-100t.pdf>

This DOR website details the specific requirements, including forms.

AUDITS

Audit Reports are required at 3 times during the life of the Tax Increment District.

- no later than 12 months after 30 % of project expenditures
- no later than 12 months after the end of expenditure period
- no later than 12 months after termination of the district

The DOR website details the specific accounting requirements.

<http://www.dor.state.wi.us/forms/govtif/tidterm.html>

<http://www.dor.state.wi.us/pubs/slf/tif/2-3.pdf>

<http://www.revenue.wi.gov/forms/govtif/tidterm.html>

OTHER CORRESPONDENCE AND MISCELLANEOUS DOCUMENTS

Please be sure all of your pertinent information regarding the creation/amendment of this TID is filed safely away where it can be located when needed.

Note: All records should be kept until the TID has been terminated and the final accounting is completed. A complete set of the forms that were filed with DOR should be available in the municipality's office. With the possibility of four territory amendments, it is important to keep a copy of the original & final TID district/parcel # map in the file & all amendment final TID district/parcel # maps. This is helpful as personnel changes and new office staff settles in. Include a sheet of information listing the type of TID, date created, original project costs (\$), size of TID and any other information that would help if someone unfamiliar with the TID needed a quick reference.

DISTRICT TERMINATION DOCUMENTS

Place a copy of the documents here.

A Tax Incremental District (TID) terminates when the earlier of the following occurs:

- when the municipality has received aggregate tax increments in an amount equal to the aggregate of all project costs under the project plan and any amendments to the project plan (note: there are special exceptions for "donor" districts),
- the TID has reached its maximum life.
- the municipality chooses to dissolve the district early.

Sec. 66.1105(8)(c), Wis. Stats. requires that upon termination of this or any TID you have, a final accounting needs to be submitted to DOR's TIF office. Sec. 66.1105(8)(a), Wis. Stats. requires that within 60 days of a TID's termination, a PE-223 (Final Accounting for Terminated Tax Increment District Agreement) be submitted to DOR, along with a copy of the termination resolution. The PE-223 is the notification to DOR that a TID has been terminated and verifies when the final accounting audit is expected to be completed.

Upon the completion of the final audit, form PE-110 (Tax Incremental District Final Accounting Report) should be electronically filed with DOR. Immediately following the electronic submission of the PE-110, the Excel accounting spreadsheet should be e-mailed to the TIF office. Failure to send the final accounting at the agreed upon date will result in DOR not certifying the tax incremental base of any tax incremental district(s) of the municipality. Copies of the PE-223, PE-110 and the TID Final Accounting Report Excel spreadsheet are available at: <http://www.revenue.wi.gov/forms/govtif/tidterm.html>.

Remember: Failure to submit the required termination forms/information within the timeframe agreed to by the City will cause DOR to deny certification of any additional tax incremental base for additional District's within the municipality. Excess collected increments must be returned to the overlying taxing jurisdictions prior to completing the final accounting audit.

This DOR website details the specific accounting requirements including sample reports and provides the necessary forms for TID Termination.

<http://www.dor.state.wi.us/forms/govtif/tidterm.html>