

April 9, 2014

Project Plan for the Project Plan Amendment of Tax Incremental District No. 1 in Order to Designate the District as Distressed

Draft



Organizational Joint Review Board Meeting Held:	April 2 , 2014
CDA Public Hearing Held:	April 2, 2014
Interim Joint Review Board Meeting Held:	Scheduled for: April 17, 2014
Adoption by CDA:	Scheduled for: May 5 , 2014
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Approval by the Joint Review Board:	Scheduled for: TBD



Tax Incremental District No. 1 Project Plan Amendment

Draft

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SECTION 1: Executive Summary

Description of District

Tax Incremental District (“TID”) No. 1 (The “TID” or “District”) is an existing blighted area district, created by a resolution of the Village of Fontana (“Village”) Village Board adopted on September 26, 2001 (the “Creation Resolution”).

The District was previously amended on October 4, 2004 by resolution to add territory to the District, and to amend the list of projects to be undertaken. This amendment was the first of four territory amendments permitted for this District.

The District was previously amended on March 3, 2003 and September 2, 2008 by resolution to amend the list of projects to be undertaken within the District.

Purpose of this Amendment

The purpose of this Project Plan amendment is to reflect the District's status as “distressed” under Sec. 66.1105(4e), Wis. Stats.

District History & Background

In 2001, the Village created the District for the purposes of fostering economic development and redevelopment in the lake front area of the Village and also for the development of previously undeveloped areas of the Village.

Development progressed at a robust pace, with the value of the district climbing to in excess of \$92 M on January 1, 2009. However, following the peak increment value, the district value has dropped to slightly over \$41 M.

All of the original funding decisions were made in the district predicated on actual growth that occurred in the district through January 1, 2009. Through a combination of broader economic stresses and Wisconsin Department of Revenue TID valuation formula changes have impacted the financial health of the district, which were both out of the control of the Community Development Authority and the Village.

While the Village has still been pursuing development and redevelopment opportunities, the development pace has been significantly slowed.

Distressed TID Legislation

On May 12, 2010, Governor Doyle signed into law Wisconsin Act 310 allowing Wisconsin villages and cities to designate certain qualifying Tax Incremental Finance Districts as “distressed” or “severely distressed”. In general, the law provides districts with additional time over which to collect increment to pay project costs. Designation of a district as distressed or severely distressed is accomplished by resolution of the Village Board or Common Council.

Consideration of such a resolution must be preceded by the adoption of a Project Plan amendment reflecting the district's status as distressed or severely distressed.

The District meets the requirements for designation as distressed, which are as follows:

- Based on the financial data included within this Project Plan amendment, the project costs incurred by the district exceed the amount of revenues from all sources that the Village expects the District to generate to pay off such project costs during the life of the District.
- The District was created before October 1, 2008.
- The Project Plan was amended in 2003, 2004 and 2008, and therefore has not been amended after October 1, 2009.

Approval of the resolutions amending the District's Project Plan and designating it as distressed by the Joint Review Board would impact the District as follows:

- The District's maximum life will be extended by 10 years, with a new termination date of September 26, 2038 (the District's current maximum life is 27 years).
- For the remainder of its life, the District will be precluded from:
 - Amending its project plan to add any new project costs.
 - Becoming part of a district with overlapping boundaries.
 - Expending any funds outside of the District's boundaries.
 - Adding any territory to the District.
 - Becoming a donor district.
 - Making any expenditure after its expenditure period, as determined before its designation as a distressed district expires.
- If any tax increments allocated to the District exceed the amount needed to meet the District's annual expenditures identified in its existing Project Plan, the excess amount must be used to retire any outstanding debt obligations of the District or to establish a reserve fund that may be used only to retire outstanding debt obligations of the District.

Summary of Findings

- 1 That "but for" amendment of the District's Project Plan, the remaining 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 Village.** In making this determination, the Village has considered the following information:

The findings required by statute cannot be applied in the conventional sense insofar as there is no current development proposed for the District, and since the District would in any event be unable to provide Tax Incremental Financing assistance to facilitate additional development or redevelopment as a result of its financial condition and impending designation as severely distressed. The Village expects that additional development or redevelopment may eventually take place. This would improve the District's cash flow, and make it more likely that its outstanding project costs would be paid for over its extended life. If the Village on its obligations, or is required to significantly increase its tax levy or user

charges to pay District shortfalls, it is substantially less likely that it will be able to attract additional development or redevelopment.

The Village therefore believes that this proposed amendment meets the intent of the “but for” test since “but for” the extension of the District’s life, it is clear that prospects for additional development or redevelopment that could improve the District’s financial position would be eliminated or greatly diminished.

2. **The economic benefits of amending the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the Village has considered the following information:

Should the amendment not be approved, the Village will suffer financial consequences that will affect not only its residents, but residents of the county and school district as well.

Avoidance of a tax increment district default on debt obligations is in the best interest of all taxing jurisdictions overlapping the District. A default is also likely to have negative implications for development and redevelopment interest in the regional area.

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

For the reasons set forth in findings 1. and 2. above, the Village believes that the benefits to property owners in the overlapping taxing jurisdictions exceed the potential consequences associated with requiring the District to close by 2028.

The extension of the District’s life to 2038 is likely to enhance the ability of the Village to pay its project costs within the period of time its maximum life would be extended.

4. The boundaries of the District are not being amended. At the time of creation, and any subsequent additions of territory, not less than 50%, by area, of the real property within the District, as amended, is a blighted area within the meaning of Section 66.1105(2)(ae)1 of the Wisconsin Statutes. At the time of adoption of the Creation Resolution for this District, and any subsequent resolutions amending its boundaries, any property standing vacant for seven years immediately preceding adoption of the resolution(s) did not comprise more than 25% of the total area in the District as required by Section 66.1105(4)(gm)1 of the Wisconsin State Statutes.
5. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution and in any subsequent resolutions amending the boundaries of the District, the District remains declared a blighted area district based on the identification and classification of the property included within the District.
6. The project costs will not change as a result of this amendment.
7. There are no additional improvements as a result of this amendment.
8. The amount of retail business will not change as a result of this amendment.
9. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the Village.

SECTION 2: Type and General Description of District

The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on September 26, 2001 by resolution of the Village Board. The District's valuation date, for purposes of establishing base value, was January 1, 2001.

The District is a "Blighted Area District," created on a finding that at least 50%, by area, of the real property within the District was blighted, as defined in Section 66.1105(2)(ae)1. of the Wisconsin State Statutes. At the time of adoption of the Creation Resolution for this District, and any subsequent resolutions amending its boundaries, any property standing vacant for seven years immediately preceding adoption of the resolution(s) did not comprise more than 25% of the total area in the District as required by Section 66.1105(4)(gm)1 of the Wisconsin State Statutes. Since this amendment does not add any territory to the District, the District remains in compliance with these provisions.

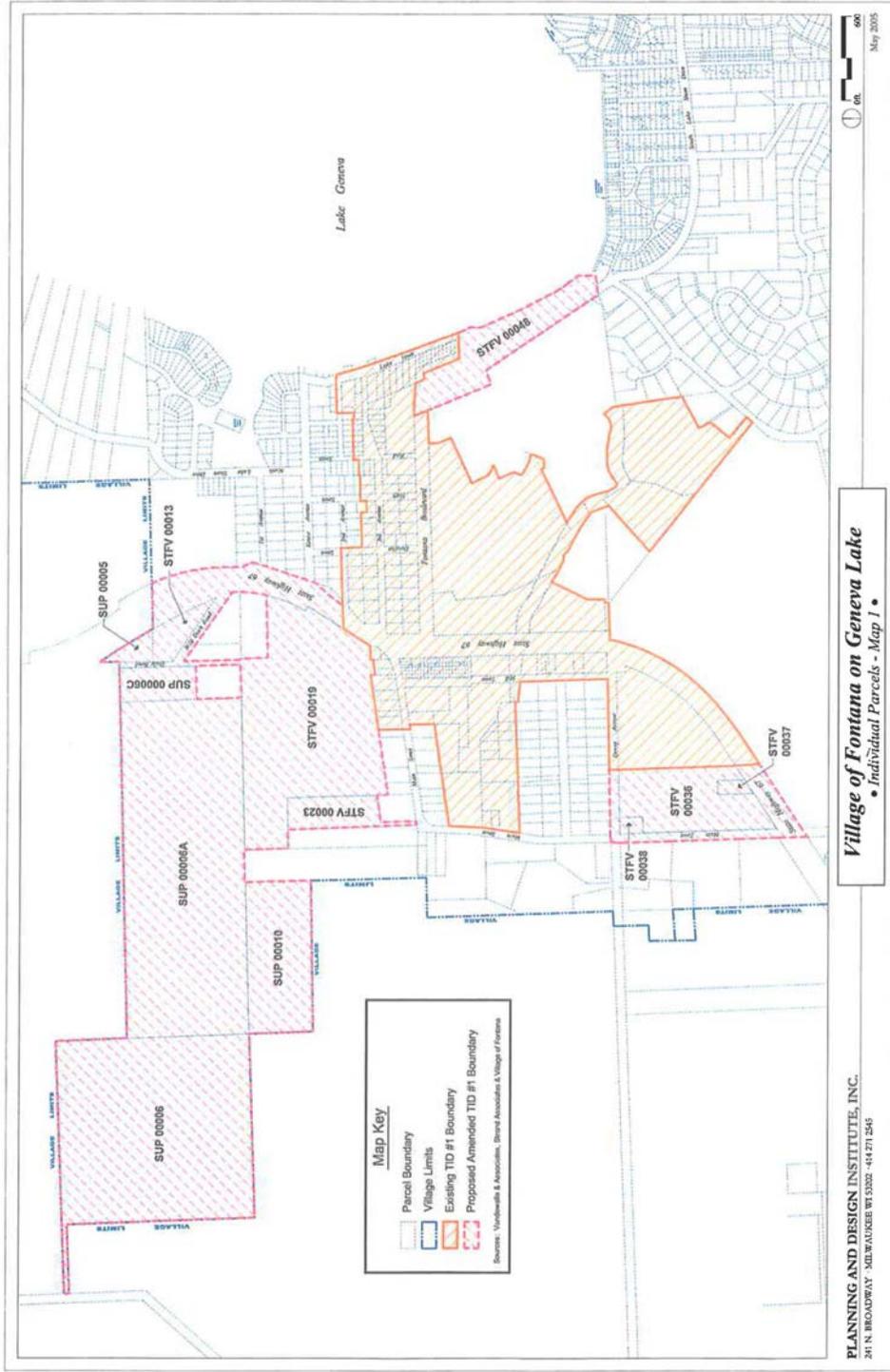
Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a Village to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have been amended prior to this Amendment OR have not previously been amended. Since this amendment does not involve the addition or subtraction of territory from the District, it is not counted against the number of available boundary amendments.

This Project Plan Amendment supplements, and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and its previously adopted Project Plan Amendments, remain in effect.

A map depicting the current boundaries of the District is found in Section 3 of this Plan. Based upon the findings stated above, the original findings stated in the Creation Resolution, and the findings contained in any subsequent resolution adding territory to the District, the District remains a blighted area district based on the identification and classification of the property included within the District.

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SECTION 3: Map of Current District Boundary



SECTION 4: Map Showing Existing Uses and Conditions

There will be no change to District boundaries, nor any changes to the existing uses and conditions within the District as a result of this amendment. A copy of this map can be found in the Original and/or Amended Project Plan Document(s).

SECTION 5: Equalized Value Test

No additional territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Amendment.

SECTION 6: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

The statement of the kind, number, and location of proposed public works and other projects, as contained in the Original and/or Amended Project Plan Document(s), are incorporated herein by reference. The scope of this Project Plan amendment is limited to reflecting the District's status as distressed, and extending its maximum life. No additional project costs will be incurred by the District as a result of this amendment, other than the costs associated with preparation of this amendment.

Total project costs of approximately \$33,717,000 were identified in the original and/or Amended Project Plan Documents. Expenditures to date, as reflected in the Village's 2012 audit have been approximately \$22 million leaving approximately \$11 million of expenditure authority remaining. The Village will not exceed the remaining expenditure authority of the District.

At the writing of the Distressed Project Plan Amendment, the Village has no intention of expending additional funds within the District, unless the overall cash flow of the District is improved. While the District has remaining expenditure authority of \$11 million, it is unknown at this time the scope of future project expenses, if any. Said project expenses will be driven by future development/redevelopment activities and likely will be in the Village's downtown area (generally Fontana Blvd./Hwy 67 intersection)

The following is a summary list of public works and other projects that the Village has either implemented, or may implement, within the District, to include the modifications detailed above.

Any costs directly or indirectly related to the public works and other projects are considered "Project Costs" and are 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 Village 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 Village from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the Village 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.** In order to promote the objectives of this Plan, the Village may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife, maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of storm water. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.
- **ACQUISITION OF RIGHTS-OF-WAY.** The Village may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, storm water management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire rights-of-way are eligible Project Costs.
- **ACQUISITION OF EASEMENTS.** The Village may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, storm water management practices and other public infrastructure. Costs incurred by the Village 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 Village related to environmental audits, testing, and remediation are eligible Project Costs.
- **DEMOLITION.** In order to make sites suitable for development and/or redevelopment, the

Village 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 storm water runoff. The Village may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the Village for site grading are eligible Project Costs.

UTILITIES

- **SANITARY SEWER SYSTEM IMPROVEMENTS.** There may be inadequate sanitary sewer facilities serving the District. To allow development and/or redevelopment to occur, the Village may 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. Implementation of the Project Plan may also require that the Village 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.** There may be inadequate water distribution facilities serving the District. To allow development and/or redevelopment to occur, the Village may 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. Implementation of the Project Plan may also require that the Village 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.
- **STORM WATER MANAGEMENT SYSTEM IMPROVEMENTS.** Development and/or redevelopment within the District may cause storm water runoff and pollution. To manage this storm water runoff, the Village may construct, alter, rebuild or expand storm water management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: storm water 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). Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand storm water management infrastructure located outside of the District. That portion of the costs of storm water 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 Village 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 Village to undertake this work are eligible Project Costs.

- **GAS SERVICE.** In order to create sites suitable for development and/or redevelopment, the Village may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the Village to undertake this work are eligible Project Costs.
- **COMMUNICATIONS INFRASTRUCTURE.** In order to create sites suitable for development and/or redevelopment, the Village 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 Village to undertake this work are eligible Project Costs.

STREETS AND STREETScape

- **STREET IMPROVEMENTS.** There may be inadequate street improvements serving the District. To allow development and/or redevelopment to occur, the Village 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 Plan, the Village 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 Village are eligible Project Costs.

CDA TYPE ACTIVITIES

- **CONTRIBUTION TO COMMUNITY DEVELOPMENT AUTHORITY.** As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the Village may provide to its CDA to be used for administration, planning and operations related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.
- **REVOLVING LOAN/GRANT PROGRAM.** To encourage private redevelopment consistent with the objectives of this Plan, the Village, through its CDA, 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 in the program manual. Any funds returned to the CDA 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 for purposes of implementing this program are considered eligible Project Costs.

MISCELLANEOUS

- **CASH GRANTS (DEVELOPMENT INCENTIVES).** The Village 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 Village executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the Village are eligible Project Costs. Prior to making any commitment for development incentive contributions, payments or combinations thereof, the Village expects to do an independent review of the Developer's *pro forma* in order to verify the need for any incentive contribution and the appropriate amount thereof. Subsequently, as a condition of any such participation, the Village will expect to enter into a Development Agreement with the Developer requiring performance as a condition of such participation.
- **PROJECTS OUTSIDE THE TAX INCREMENT DISTRICT.** Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the Village 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 Village'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 Village intends to make the following project cost expenditures outside the District:
- **PROFESSIONAL SERVICE AND ORGANIZATIONAL COSTS.** The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.
- **ADMINISTRATIVE COSTS.** The Village 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 Village employees in connection with the implementation of the Plan.
- **FINANCING COSTS.** Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statute Section 66.1105, in the written opinion of nationally recognized bond counsel retained by the Village of Fontana-on-Geneva Lake for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted therefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment (this "Plan").

The Village of Fontana-on-Geneva Lake reserves the right to implement only those projects that remain viable as the Plan period proceeds.

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Project Costs or any expenditures made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the Village and listed in this Plan or the original Project Plan. To the extent the costs benefit the Village of Fontana-on-Geneva Lake outside the District, a proportionate share of the cost is not a project cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorating of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received by the Village in connection with the implementation of this Plan.

SECTION 7: Map Showing Proposed Improvements and Uses

There will be no change to District boundaries, nor any changes to the proposed improvements or uses within the District as a result of this amendment. A copy of this map can be found in the Original and/or amended Project Plan document(s).

SECTION 8: Detailed List of Project Costs

The detailed list of project costs, as contained in the Original and/or Amended Project Plan Document(s) are incorporated herein by reference. No additional project costs will be incurred by the District as a result of this amendment, other than the costs associated with preparation of this amendment.

SECTION 9: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

The pages following this section provide a projection of the District's increment, a cash flow projection reflecting the District's current distressed status, and a cash flow projection demonstrating that extension of the District's life.

The Department of Revenue certified January 1, 2013 tax increments for the District (\$41 M) will likely increase in 2014 and beyond due to the continued development in the Cliff's of Fontana subdivision.

The Village's equalized tax rate for purposes of calculating tax increments to be collected will remain a constant \$15.11 (actual rate for 2013 levy).

With no extension to its maximum life, the District cash flow analysis indicates an increment shortfall of \$4.75 M at closure; hence the District's distressed state.

If the District's maximum life is extended the cash flow analysis indicates that the collection of increment would address the shortfall and allow the district to close within the 10 year period. In the event that none of the remaining projects are completed, it is anticipated that with the Cliff's build-out the district would close in 2033. If any of the remaining projects included in the original and amended plans are completed, the date of closure may be modified.



Increment Revenue Projection

Village of Fontana											
Tax Increment District # 1											
Tax Increment Forecast							Sensitivity Analysis 100.00%				
1.00% Growth Factor											
Base Value		29,658,300					Property Appreciation Factor	1.00%			
							Tax Rate Adjustment Factor	0.00%			
Construction Year	Valuation Year	Revenue Year	Inflation Increment	Value Added	Cliff's of Fontana	Valuation Increment	Tax Rate	Tax Increment	Tax Cumulative	Valuation Year	
1	2001	2002	2003			(2,589,700)	17.75	0	0	2002	
2	2002	2003	2004	21,070,800		18,481,100	17.82	329,333	329,333	2003	
3	2003	2004	2005	(9,536,100)		8,945,000	17.04	152,462	481,795	2004	
4	2004	2005	2006	3,719,200		12,664,200	15.65	198,142	679,937	2005	
5	2005	2006	2007	51,163,400		63,827,600	13.94	889,634	1,569,571	2006	
6	2006	2007	2008	(2,389,100)		61,438,500	12.92	793,772	2,363,343	2007	
7	2007	2008	2009	29,354,000		90,792,500	12.52	1,136,881	3,500,224	2008	
8	2008	2009	2010	1,985,000		92,777,500	12.83	1,190,416	4,690,640	2009	
9	2009	2010	2011	(26,853,700)		65,923,800	13.55	893,496	5,584,136	2010	
10	2010	2011	2012	(6,133,800)	0	59,790,000	13.49	806,667	6,390,803	2011	
11	2011	2012	2013	425,000	0	60,215,000	14.46	870,702	7,261,505	2012	
12	2012	2013	2014	(19,169,200)	0	41,045,800	15.11	620,015	7,881,520	2013	
13	2013	2014	2015	707,041	3,300,000	45,052,841	15.11	680,543		2014	
14	2014	2015	2016	747,111	500,000	46,299,952	15.11	699,381		2015	
15	2015	2016	2017	759,583	1,000,000	48,059,535	15.11	725,960		2016	
16	2016	2017	2018	777,178	1,000,000	49,836,713	15.11	752,805		2017	
17	2017	2018	2019	794,950	2,500,000	53,131,663	15.11	802,577		2018	
18	2018	2019	2020	827,900	2,500,000	56,459,563	15.11	852,846		2019	
19	2019	2020	2021	861,179	2,500,000	59,820,742	15.11	903,618		2020	
20	2020	2021	2022	894,790	4,500,000	65,215,532	15.11	985,109		2021	
21	2021	2022	2023	948,738	5,000,000	71,164,270	15.11	1,074,967		2022	
22	2022	2023	2024	1,008,226	5,000,000	77,172,496	15.11	1,165,724		2023	
23	2023	2024	2025	1,068,308	5,000,000	83,240,804	15.11	1,257,389		2024	
24	2024	2025	2026	1,128,991		84,369,795	15.11	1,274,443		2025	
25	2025	2026	2027	1,140,281		85,510,076	15.11	1,291,667		2026	
26	2026	2027	2028	1,151,684		86,661,760	15.11	1,309,064		2027	
27	2027	2028	2029	1,163,201		87,824,960	15.11	1,326,634		2028	
28	2028	2029	2030			87,824,960	15.11	1,326,634		2029	
29	2029	2030	2031			87,824,960	15.11	1,326,634		2030	
30	2030	2031	2032			87,824,960	15.11	1,326,634		2031	
31	2031	2032	2033			87,824,960	15.11	1,326,634		2032	
32	2032	2033	2034			87,824,960	15.11	1,326,634		2033	
33	2033	2034	2035			87,824,960	15.11	1,326,634		2034	
34	2034	2035	2036			87,824,960	15.11	1,326,634		2035	
35	2035	2036	2037			87,824,960	15.11	1,326,634		2036	
36	2036	2037	2038			87,824,960	15.11	1,326,634		2037	
37	2037	2038	2039			87,824,960	15.11	1,326,634		2038	
Totals				43,635,500	32,800,000			22,984,249			
Present value at 5.5%								10,264,328			

Cash Flow Prior To Distressed Designation

FONTANA TID # 1 CASH FLOW PROJECTION SUMMARY																											
2014 TID Update Growth Plan with delay in Cliff's buildout																											
Years of Increment	Revenue Year	Tax Increment	Abbey Payment	Beach Revenue	Interest Earned	Total Revenue	Final Rates												Existing Debt	Cash Used For Projects	Admin. Expenses	Total Expense	Annual Balance	Cumulative Balance	Revenue Year		
							2006 Issue		2008 STF (Abbey)		2008 Issue		2010 Refunding		2010 Refunding & New		Principal	Interest								Principal	Interest
11	2013	870,702	35,841	25,000	(2,027)	929,516	195,000	4.000%	188,725	18,206	21,527	195,000	3.550%	132,883	95,562	2.250%	18,060	14,497	2.000%	268,563	1,148,023		10,000	1,158,023	(228,507)	(633,883)	2013
12	2014	620,015	35,841	25,000	(3,169)	677,686	220,000	4.000%	180,425	19,117	20,616	195,000	3.700%	125,960	98,217	2.500%	15,757	14,497	2.000%	268,273	1,157,862		10,000	1,167,862	(490,176)	(1,124,059)	2014
13	2015	680,543	35,841	25,000	(5,620)	735,763	225,000	4.000%	171,525	20,073	19,661	190,000	3.850%	118,745	100,871	3.000%	13,016	68,846	3.000%	267,096	1,194,832		10,000	1,204,832	(469,069)	(1,593,128)	2015
14	2016	699,381	35,841	25,000	(7,966)	752,256	225,000	4.000%	162,525	21,025	18,708	190,000	4.000%	111,430	103,526	3.250%	9,821	128,994	3.000%	264,128	1,235,157		5,000	1,240,157	(487,901)	(2,081,029)	2016
15	2017	725,960	35,841	25,000	(10,405)	776,396	300,000	4.000%	152,025	22,127	17,606	185,000	4.100%	103,830	222,978	3.650%	4,069	57,988	3.000%	261,323	1,326,947		5,000	1,331,947	(555,551)	(2,636,580)	2017
16	2018	752,805	35,841	25,000	(13,183)	800,463	300,000	4.000%	140,025	23,234	16,499	185,000	4.200%	96,245				322,189	4.000%	254,010	1,337,202		5,000	1,342,202	(541,739)	(3,178,319)	2018
17	2019	802,577	35,841	25,000	(15,892)	847,526	300,000	4.000%	128,025	24,395	15,338	185,000	4.300%	88,475				378,994	4.000%	239,986	1,360,213		5,000	1,365,213	(517,687)	(3,696,006)	2019
18	2020	852,846	35,841	25,000	(18,480)	895,207	325,000	4.000%	115,525	25,577	14,157	185,000	4.400%	80,520				400,000	4.000%	224,406	1,370,184		5,000	1,375,184	(479,977)	(4,175,983)	2020
19	2021	903,618	35,841	25,000	(20,880)	943,579	385,000	4.000%	101,325	26,894	12,839	180,000	4.500%	72,380				425,000	4.000%	207,906	1,411,344		5,000	1,416,344	(472,765)	(4,648,748)	2021
20	2022	985,109	35,841	25,000	(23,244)	1,022,706	400,000	4.000%	85,625	28,239	11,494	180,000	4.600%	64,280				500,000	4.000%	189,406	1,459,044		5,000	1,464,044	(441,338)	(5,090,087)	2022
21	2023	1,074,967	35,841	25,000	(25,450)	1,110,358	450,000	4.000%	68,625	29,651	10,082	180,000	4.700%	56,000				475,000	4.000%	169,906	1,439,264		5,000	1,444,264	(333,907)	(5,423,993)	2023
22	2024	1,165,724	35,841	25,000	(27,120)	1,199,445	450,000	4.000%	50,625	31,110	8,623	180,000	4.800%	47,540				550,000	4.000%	149,406	1,467,304		5,000	1,472,304	(272,859)	(5,696,852)	2024
23	2025	1,257,389	35,841	25,000	(28,484)	1,289,745	500,000	4.125%	31,313	32,689	7,044	180,000	4.900%	38,900				575,000	4.125%	126,547	1,491,492		5,000	1,496,492	(206,747)	(5,903,600)	2025
24	2026	1,274,443	35,841	25,000	(29,518)	1,305,765	500,000	4.200%	10,500	34,323	5,410	200,000	5.000%	30,080				625,000	4.250%	101,406	1,506,719		5,000	1,511,719	(205,954)	(6,109,554)	2026
25	2027	1,291,667	35,841	25,000	(30,548)	1,321,960			36,039	3,694	200,000	5.100%	20,080				600,000	4.375%	75,000	934,813		5,000	939,813	382,147	(5,727,407)	2027	
26	2028	1,309,064	35,841	25,000	(28,637)	1,341,267			37,836	1,897	190,000	5.200%	9,880				675,000	4.500%	46,688	961,301		5,000	966,301	374,967	(5,352,440)	2028	
27	2029	1,326,634	35,841	25,000	(26,762)	1,324,872												700,000	4.500%	15,750	715,750		5,000	720,750	604,122	(4,748,318)	2029
Total		16,593,446	573,450	425,000	(317,385)	17,274,511	4,775,000		1,586,813	430,534	205,195	3,000,000		1,197,228	621,153		60,724	6,511,006		3,129,802	21,517,453	0	100,000	21,617,453	(4,342,942)		

Cash Flow Post Distressed Designation

FONTANA TID # 1 CASH FLOW PROJECTION SUMMARY																										
Distressed Designation: With planned Cliffs buildout																										
Years of Increment	Revenue Year	Tax Increment	Abbey Payment	Beach Revenue	Interest Earned	Total Revenue	Final Rates										Existing Debt	Cash Used For Projects	Admin. Expenses	Total Expense	Annual Balance	Cumulative Balance	Revenue Year			
							2006 Issue		2008 STF (Abbey)		2008 Issue		2010 Refunding		2010 Refunding & New											
					0.50%	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest											
11	2013	870,702	35,841	25,000	(2,027)	929,516	195,000	4.000%	188,725	18,206	21,527	195,000	3.550%	132,883	95,562	2.250%	18,060	14,497	2.000%	268,563	1,148,023	10,000	1,158,023	(228,507)	(633,883)	2013
12	2014	620,015	35,841	25,000	(3,169)	677,686	220,000	4.000%	180,425	19,117	20,616	195,000	3.700%	125,960	98,217	2.500%	15,757	14,497	2.000%	268,273	1,157,862	10,000	1,167,862	(490,176)	(1,124,059)	2014
13	2015	680,543	35,841	25,000	(5,620)	735,763	225,000	4.000%	171,525	20,073	19,661	190,000	3.850%	118,745	100,871	3.000%	13,016	68,846	3.000%	267,096	1,194,832	10,000	1,204,832	(469,069)	(1,593,128)	2015
14	2016	699,381	35,841	25,000	(7,966)	752,256	225,000	4.000%	162,525	21,025	18,708	190,000	4.000%	111,430	103,526	3.250%	9,821	128,994	3.000%	264,128	1,235,157	5,000	1,240,157	(487,901)	(2,081,029)	2016
15	2017	725,960	35,841	25,000	(10,405)	776,396	300,000	4.000%	152,025	22,127	17,606	185,000	4.100%	103,830	222,978	3.650%	4,069	57,988	3.000%	261,323	1,326,947	5,000	1,331,947	(555,551)	(2,636,580)	2017
16	2018	752,805	35,841	25,000	(13,183)	800,463	300,000	4.000%	140,025	23,234	16,499	185,000	4.200%	96,245				322,189	4.000%	254,010	1,337,202	5,000	1,342,202	(541,739)	(3,178,319)	2018
17	2019	802,577	35,841	25,000	(15,892)	847,526	300,000	4.000%	128,025	24,395	15,338	185,000	4.300%	88,475				378,994	4.000%	239,986	1,360,213	5,000	1,365,213	(517,687)	(3,696,006)	2019
18	2020	852,846	35,841	25,000	(18,480)	895,207	325,000	4.000%	115,525	25,577	14,157	185,000	4.400%	80,520				400,000	4.000%	224,406	1,370,184	5,000	1,375,184	(479,977)	(4,175,983)	2020
19	2021	903,618	35,841	25,000	(20,880)	943,579	385,000	4.000%	101,325	26,894	12,839	180,000	4.500%	72,380				425,000	4.000%	207,906	1,411,344	5,000	1,416,344	(472,765)	(4,648,748)	2021
20	2022	985,109	35,841	25,000	(23,244)	1,022,706	400,000	4.000%	85,625	28,239	11,494	180,000	4.600%	64,280				500,000	4.000%	189,406	1,459,044	5,000	1,464,044	(441,338)	(5,090,087)	2022
21	2023	1,074,967	35,841	25,000	(25,450)	1,110,358	450,000	4.000%	68,625	29,651	10,082	180,000	4.700%	56,000				475,000	4.000%	169,906	1,439,264	5,000	1,444,264	(333,907)	(5,423,993)	2023
22	2024	1,165,724	35,841	25,000	(27,120)	1,199,445	450,000	4.000%	50,625	31,110	8,623	180,000	4.800%	47,540				550,000	4.000%	149,406	1,467,304	5,000	1,472,304	(272,859)	(5,696,852)	2024
23	2025	1,257,389	35,841	25,000	(28,484)	1,289,745	500,000	4.125%	31,313	32,689	7,044	180,000	4.900%	38,900				575,000	4.125%	126,547	1,491,492	5,000	1,496,492	(206,747)	(5,903,600)	2025
24	2026	1,274,443	35,841	25,000	(29,518)	1,305,765	500,000	4.200%	10,500	34,323	5,410	200,000	5.000%	30,080				625,000	4.250%	101,406	1,506,719	5,000	1,511,719	(205,954)	(6,109,554)	2026
25	2027	1,291,667	35,841	25,000	(30,548)	1,321,960			36,039	3,694	200,000	5.100%	20,080				600,000	4.375%	75,000	934,813	5,000	939,813	382,147	(5,727,407)	2027	
26	2028	1,309,064	35,841	25,000	(28,637)	1,341,267			37,836	1,897	190,000	5.200%	9,880				675,000	4.500%	46,688	961,301	5,000	966,301	374,967	(5,352,440)	2028	
27	2029	1,326,634		25,000	(26,762)	1,324,872											700,000	4.500%	15,750	715,750	5,000	720,750	604,122	(4,748,318)	2029	
28	2030	1,326,634			(23,742)	1,302,893														0	5,000	5,000	1,297,893	(3,450,425)	2030	
29	2031	1,326,634			(17,252)	1,309,382														0	5,000	5,000	1,304,382	(2,146,042)	2031	
30	2032	1,326,634			(10,730)	1,315,904														0	5,000	5,000	1,310,904	(835,138)	2032	
31	2033	1,326,634			(4,176)	1,322,459														0	5,000	5,000	1,317,459	482,321	2033	
32	2034	1,326,634			2,412	1,329,046														0	5,000	5,000	1,324,046	1,806,367	2034	
33	2035	1,326,634			9,032	1,335,666														0	5,000	5,000	1,330,666	3,137,033	2035	
34	2036	1,326,634			15,685	1,342,320														0	5,000	5,000	1,337,320	4,474,353	2036	
35	2037	1,326,634			22,372	1,349,006														0	5,000	5,000	1,344,006	5,818,359	2037	
36	2038	1,326,634			29,092	1,355,726														0	5,000	5,000	1,350,726	7,169,085	2038	
37	2039	1,326,634			35,845	1,362,480														0	5,000	5,000	1,357,480	8,526,565	2039	
Total		29,859,791	573,450	425,000	(258,847)	30,599,394	4,775,000	1,586,813	430,534	205,195	3,000,000	1,197,228	621,153	60,724	6,511,006	3,129,802				21,517,453	0	150,000	21,667,453	8,931,941		

Draft

SECTION 10: Annexed Property

No territory will be added or subtracted from the District as a result of this amendment.

SECTION 11: Proposed Zoning Ordinance Changes

The Village does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Project Plan amendment.

SECTION 12: Proposed Changes in Master Plan, Map, Building Codes and Village of Fontana Ordinances

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

SECTION 13: Relocation

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

Draft

SECTION 14: Orderly Development and/or Redevelopment of the Village of Fontana

Adoption of this Project Plan amendment to reflect the District's distressed status and extending its maximum life will enhance the ability of the Village to pay the District's project costs. The successful repayment of project costs and eventual closure of the District is necessary for maintenance of the financial health of the Village, and to provide for future opportunities for economic expansion as a significant component of the Village's overall economic development strategy.

SECTION 15: 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 tax incremental finance 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 Village does not expect to incur any non-Project Costs in the implementation of this Project Plan.

Draft

SECTION 16:
Opinion of Attorney for the Village of Fontana Advising
Whether the Plan is Complete and Complies with
Wisconsin Statutes 66.1105

April 9, 2014

SAMPLE

Arvid Petersen, Village President
Village of Fontana
175 Valley View Drive
Fontana, Wisconsin 53125

RE: Village of Fontana, Wisconsin Tax Incremental District No. 1 Amendment

Dear Village President:

As Village Attorney for the Village of Fontana, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Section 66.1105 of the Wisconsin Statutes. This opinion is provided pursuant to Section 66.1105(4)(f), Wis. Stat.

Sincerely,

Attorney Dale Thorpe
Village of Fontana