

RESOLUTION NO. 050514-01

VILLAGE OF FONTANA, WISCONSIN

**RESOLUTION DESIGNATING TAX INCREMENTAL DISTRICT NO. 1
DISTRESSED UNDER SECTION 66.1105(4e), WIS. STATS.**

WHEREAS, the Village Board of the Village of Fontana, Wisconsin (“Village”), after reviewing financial data has determined that the project costs incurred by Tax Incremental District No. 1 (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; and

WHEREAS, the Village Board desires to designate the District as distressed under Section 66.1105(4e), Wis. Stats.; and

WHEREAS, the District meets all requirements to be designated as a distressed district insofar as: a) it was created before October 1, 2008; b) the Village Board has not approved an amendment to the District’s project plan after October 1, 2009; and c) the projected increments are insufficient to pay project costs and debt during the District’s life; and d.) any increment that exceeds the Districts’ annual expenditures shall retire any debt of the District or establish a reserve used only to retire debt of the District; and

WHEREAS, a copy of the public hearing notices were sent, prior to its publication, by 1st class mail to the chief executive officer or administrator of all local government entities having the power to levy taxes on property within the District, and to the school board of any school district that includes property located within the District; and

WHEREAS, a notice of public hearing of the Village’s CDA was published on March 13 & March 20, 2014 as a Class 2 notice under Chapter 985, Wis. Stats.; and

WHEREAS, a notice of public hearing of the Village Board was published on March 20 & March 27, 2014 as a Class 2 notice under Chapter 985, Wis. Stats.; and

WHEREAS, a public hearing was held before the CDA on April 2, 2014 and the Village Board on April 7, 2014 at which time interested parties were afforded a reasonable opportunity to express their views on the proposed designation of the District as distressed; and

WHEREAS, the CDA has amended the Project Plan of the District to reflect its distressed status.

NOW, THEREFORE, BE IT RESOLVED by the Village Board of the Village that:

1. The Village Board designates the District as distressed, and that its maximum life is extended to 10 years with a termination date of September 26, 2038 (the District’s current maximum life is 27 years).
2. 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.

3. If the designation of the District as distressed is approved by the Joint Review Board, the District may not:
 - a. Amend its project plan to add any new project costs.
 - b. Become part of a district with overlapping boundaries.
 - c. Expend any funds outside of the District's boundaries.
 - d. Add any territory to the District.
 - e. Become a donor district.
 - f. Make any expenditure after its expenditure period, as determined before its designation as a distressed district expires.

4. 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 shall 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.

BE IT FURTHER RESOLVED THAT the Village Clerk is directed to certify this resolution and forward a copy along with the financial data attached hereto as "Exhibit A" to the Wisconsin Department of Revenue and to the Joint Review Board.

Adopted this 5th day of May, 2014.

Arvid Petersen, Village President

Dennis Martin, Village Clerk/Administrator

EXHIBIT A -

**FINANCIAL DATA SUPPORTING DESIGNATION OF THE DISTRICT
AS DISTRESSED AND DEMONSTRATING THAT THE
DESIGNATION OF THE DISTRICT AS DISTRESSED
IS LIKELY TO ENHANCE THE ABILITY OF THE VILLAGE
TO PAY ITS PROJECT COSTS WITHIN AN ADDITIONAL TEN YEARS**

THIS CAN BE FOUND IN THE PROJECT PLAN