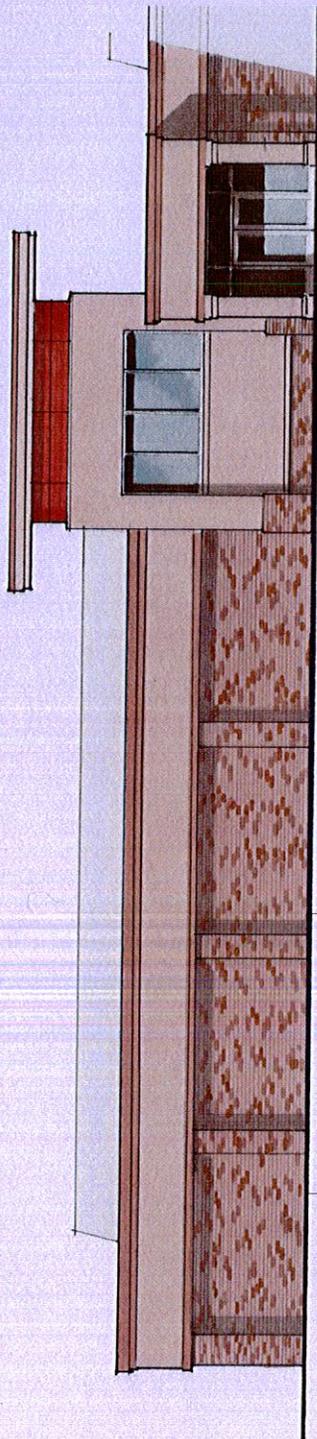


DRAFT



CONSERVE
ADDITION

WEST ELEVATION
SCALE 1/4" = 1'-0"



**TAX INCREMENTAL DISTRICT
NUMBER EIGHTEEN**

**FOND DU LAC,
WISCONSIN**

**PROJECT PLAN
JANUARY, 2014**

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TID NO.18 – TIMELINE

ACTION	DATE	NOTES
Notice to taxing authorities	Jan 28	Mail out copy of Public Notice – include cash grants statement
Blight letter and Public Notice	Jan 28	To owners
Public Notice #1 for Plan Commission	Feb 3	Publish Reporter
Public Notice #2 for Plan Commission	Feb 10	Publish Reporter
Public Notice – Class 1 – for JRB meeting	Feb 4	Must be at least 5 days prior to JRB
Joint Review Board – initial meeting	Feb 10-14	Include Development Agreement
Plan Commission – combined hearings	Feb 17	Send Project Plan early
City Council adoption	Mar 12	<ol style="list-style-type: none"> 1. Requires 14 day waiting period. 2. Approve Project Plan 3. Create District
Public Notice – Class 1 – for JRB	Mar 13	Must be at least 5 days prior to JRB
Notice to Joint Review Board	Mar 13	Immediately after Council adoption
Joint Review Board – certification meeting	Mar 19-21	Depends on Council adoption date – also check with board members – must be within 30 days after receiving resolution
JRB notification to City	Mar 21	Must be within 7 days of JRB decision

**City of Fond du Lac
TID No. 18 – Joint Review Board**

School District Representative	County Representative
Wendy Brockert	Erin Gerred
Director of Business Services	Director of Administration
Fond du Lac School District	Fond du Lac County
72 W 9 th Street	160 S Macy Street
Fond du Lac, WI 54935	Fond du Lac, WI 54935
906-6442	929-3156
brockertw@fonddulac.k12.wi.us	erin.gerred@fdlco.wi.gov
MPTC Representative	City Representative
Bonnie Baerwald	Joe Moore
Vice President of Financial Services	City Manager
Moraine Park Technical College	City of Fond du Lac
235 N National Avenue	160 S Macy Street, P.O. Box 150
Fond du Lac, WI 54935	Fond du Lac, WI 54936-0150
929-2131	322-3408
bbaerwald@morainepark.edu	jmoore@fdl.wi.gov
Citizen Representative	City Staff
Randy Mittelstaedt	Hal Wortman, Director of Administration
Vice President	322-3450
National Exchange Bank & Trust	hwortman@fdl.wi.gov
P.O. Box 988	Wayne Rollin, Community Development Director
Fond du Lac, WI 54936-0988	322-3440
924-2244	wrollin@fdl.wi.gov
rmittels@nebat.com	

kay/tid18jointreviewboard

City of Fond du Lac
Notice of Public Hearing
Regarding the Proposed Creation of Tax Incremental District
Number Eighteen and the Proposed Project Plan Therefor

Notice is hereby given that the Planning Commission of the City of Fond du Lac will hold a public hearing on Monday, February 17, 2014 at 5:30 pm in Rooms D&E of the City-County Government Center, 160 South Macy Street, Fond du Lac, Wisconsin, regarding the proposed creation of Tax Incremental District Number Eighteen and the proposed Project Plan for the District. Copies of the proposed Project Plan are available upon request at the Community Development Office, City-County Government Center, 160 South Macy Street, Fond du Lac, Wisconsin, or by calling 920-322-3440, or on the web at www.fdl.wi.gov.

Most of the proceeds of the proposed Tax Incremental District will be paid to the owners of the Holiday Inn in Fond du Lac to assist in the creation of a conference center within the City.

The proposed Tax Incremental District is described as a parcel of land being a part of Lot 1 and all of Lot 2 of Certified Survey Map Number 5450 in Volume 34 on Page 57 as recorded in the Fond du Lac County Register of Deeds and being located in part of the S.E.1/4 of the N.W.1/4 and part of the S.W.1/4 of the N.W.1/4 and part of the N.E.1/4 of the S.W.1/4 of Section 21, T.15N.- R.17E., in the City of Fond du Lac, Fond du Lac County, Wisconsin and being more particularly described as follows;

Commencing at the S.W. Corner of the N.W.1/4 of said Section 21 thence N.88°-59'-00"E., 662.35 feet along the South Line of the N.W. 1/4 of said Section 21; thence N.42°-27'-00"E., 283.30 feet; thence N. 49°-28'-38"E., 235.26 feet to a point on the Northeasterly right of way line of Rolling Meadows Drive which is the Point of Beginning for this description; thence N.49°-28'-38"E., 650.86 feet along the Southeasterly right of way line of Military Road to a point on the Southwesterly right of way line of U.S.H. "41"; thence S.68°-44'-48"E., 563.75 feet along said right of way line; thence S.41°-35'-00"W., 277.53 feet; thence N.48°-25'-00"W., 10.00 feet; thence S.41°-35'-00"W., 586.00 feet to the Northeasterly right of way line of Rolling Meadows Drive; thence N.48°-25'-00"W., 453.72 feet along said right of way line; thence N.41°-35'-00"E., 22.97 feet; thence N.48°-25'-00"W., 154.28 feet to the Point of Beginning containing 9.784 Acres (426,184 Sq. Ft.) of land more or less.

The district can generally be described as land including and adjacent to the Holiday Inn property located at 625 West Rolling Meadows Drive in Fond du Lac.

Publish February 3 and February 10, 2014.

GOAL AND OBJECTIVES

The goal of Tax Incremental District Number Eighteen (TID 18) is to assist in the creation of a conference center attached to the Holiday Inn in Fond du Lac. The City of Fond du Lac and the Fond du Lac Convention and Visitor's Bureau have long wanted to have additional conference space available in the community. TID 18 will be utilized to assist the owners of the Holiday Inn in Fond du Lac to create additional conference space through the construction of a 9000 square foot addition to their existing 7000 square feet of conference space, creating a total of approximately 16,000 square feet of conference space.

At the same time, the owners of the Holiday Inn will be constructing a new Holiday Inn Express hotel nearby, and within TID 18. The tax increment created within TID 18 by the construction of the new Holiday Inn Express will provide cash flow sufficient to repay the City of Fond du Lac for the financial assistance provided for the conference center.

Along with the construction of the new Holiday Inn Express and the new conference space attached to the existing Holiday Inn, the existing Holiday Inn will also be renovated, as will the existing conference space. Altogether, with the new hotel, the new conference center, and the renovation of the existing hotel and conference space, the owners of the Holiday Inn will be investing approximately \$10 million.

The goal of TID 18 will be realized by attaining the following objectives:

1. TID 18 will provide the means to fund \$950,000 in City economic development assistance to the Holiday Inn conference center project.
2. The tax increment created by the new Holiday Inn Express will provide cash flow sufficient to repay the City of Fond du lac for the assistance provided to the conference center project.
3. The creation of the conference center will allow the community to host more and larger conferences and events. The benefits of this additional economic activity will accrue to hotels, restaurants and other business within the community, and will increase the local tax base and employment. It will also enhance the utilization of the Holiday Inn, preventing potential blight or underutilization of the property.

DECLARATION

State law requires that the basis for creation of a Tax Incremental District be clearly stated, out of the several potential types of districts which may be authorized. Tax

Incremental District Number 18 is an area at least 50% of which is in need of rehabilitation or conservation work, as stated in Section 66.1105, Wisconsin Statutes. In its existing condition, and without the planned investment, including renovation and the addition of conference facilities, the property is in need of rehabilitation work. The planned investment will address this need.

PROJECT SUMMARY AND SCHEDULE

Tax Incremental District Number Eighteen is located along US Highway 41, County Highway D, and Rolling Meadows Drive. See the enclosed maps for the exact location and boundaries of the TID. All of the land within the TID is owned or controlled by the owners of the Holiday Inn property (Wisco Partners) or by associated entities.

The purpose of the TID is to provide a method for the City of Fond du Lac to assist in the creation of a conference center at this site. The creation of the conference center at this location would not be feasible without the proposed financial assistance, and the provision of financial assistance by the City would not be possible without the TID.

Renovation of the existing Holiday Inn hotel has already started with the renovation of the restaurant space. The project will continue in April of 2014 with initiation of construction of the Holiday Inn Express. Construction of the additional conference space will take place beginning in fall of 2014. The new conference space and the new hotel will open in early 2015, and the renovation of the existing Holiday Inn space will be completed soon thereafter.

The life of TID 18 will be up to 27 years, although it is anticipated that the City's expenditures will be recovered prior to the 27-year life of the TID, in which case the TID will be closed early. If for any reason tax increment projections are not met, the City of Fond du Lac will seek to extend the life of the TID as permitted by state law, the Joint Review Board, and other approving authorities.

LIST OF PUBLIC IMPROVEMENTS

There will be no public improvements financed or constructed as part of Tax Incremental District Number Eighteen. Project costs will include a \$950,000 cash payment made to the owners of the Holiday Inn to assist in the creation of the conference center, as well as minor administrative costs which will be charged to the TID.

DESCRIPTION OF TIMING AND METHODS OF FINANCING

The cash assistance payment will be financed with long-term borrowing in the form of General Obligation debt. City administrative costs, such as State of Wisconsin fees and costs of State-required audits, will be paid from future tax increments.

ECONOMIC FEASIBILITY STUDY

The Tax Increment Revenue Projection spreadsheet indicates the tax increments which will be received throughout the life of the TID. The Annual Cash Flow Projection spreadsheet shows how these tax increments are distributed to debt service and administrative costs. These spreadsheets demonstrate the economic feasibility of TID 18.

PROPOSED CHANGES IN CITY ORDINANCES

There are no changes in any City ordinances, codes, or Official Maps necessitated by TID 18.

ESTIMATED NON-PROJECT COSTS

There will be no non-project costs charged to TID 18.

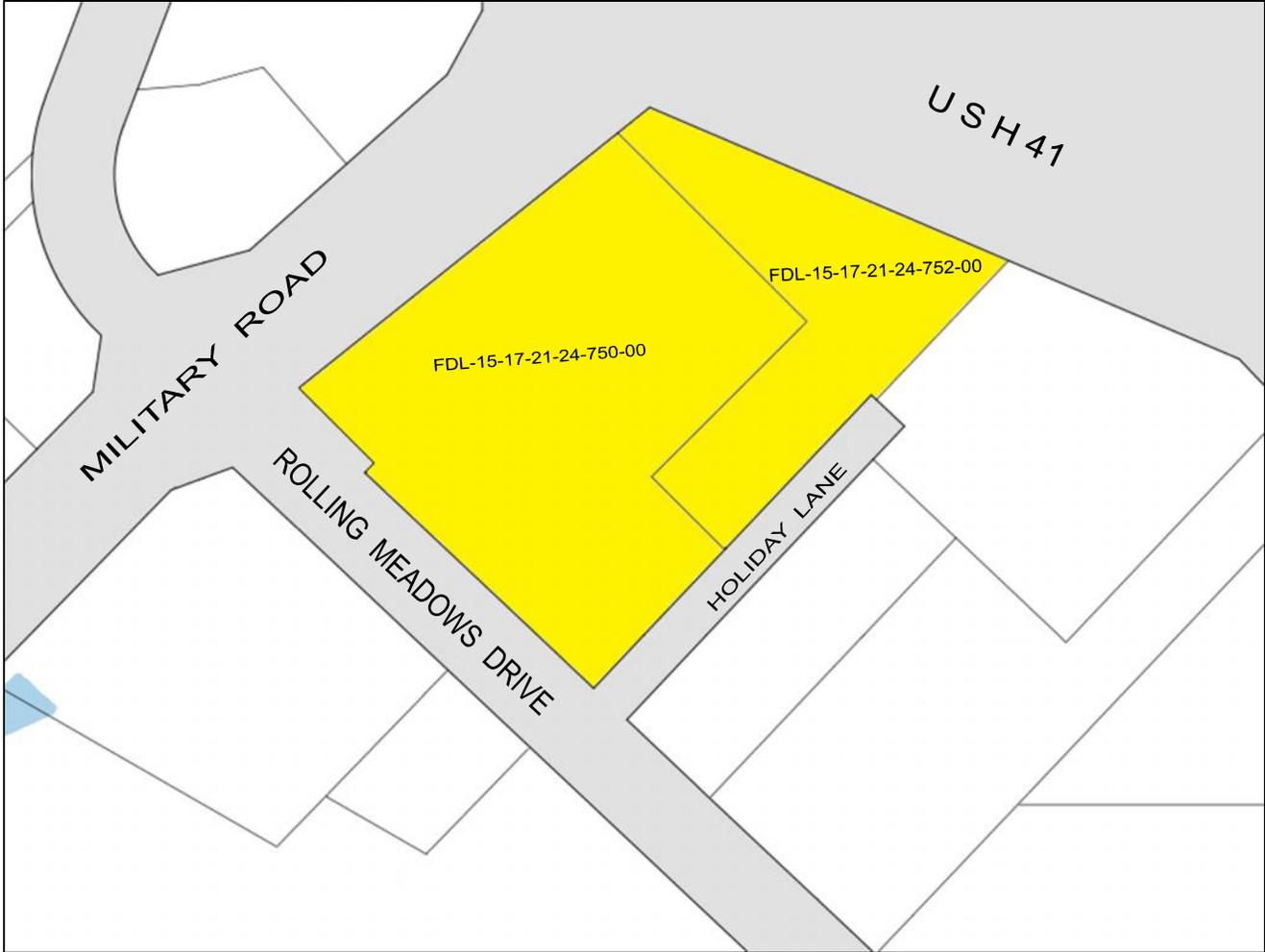
RELOCATION

There will be no residences displaced by TID 18, and thus there will be no need for residential relocation.

ORDERLY DEVELOPMENT

The creation of Tax Incremental District Number Eighteen promotes the orderly development of the City of Fond du Lac by assisting in the creation of a conference center and also assisting in the stabilization of an important hotel property. This promotes orderly land use and promotes additional economic development of the City, creating jobs and tax base, and is clearly within the best interests of the community.

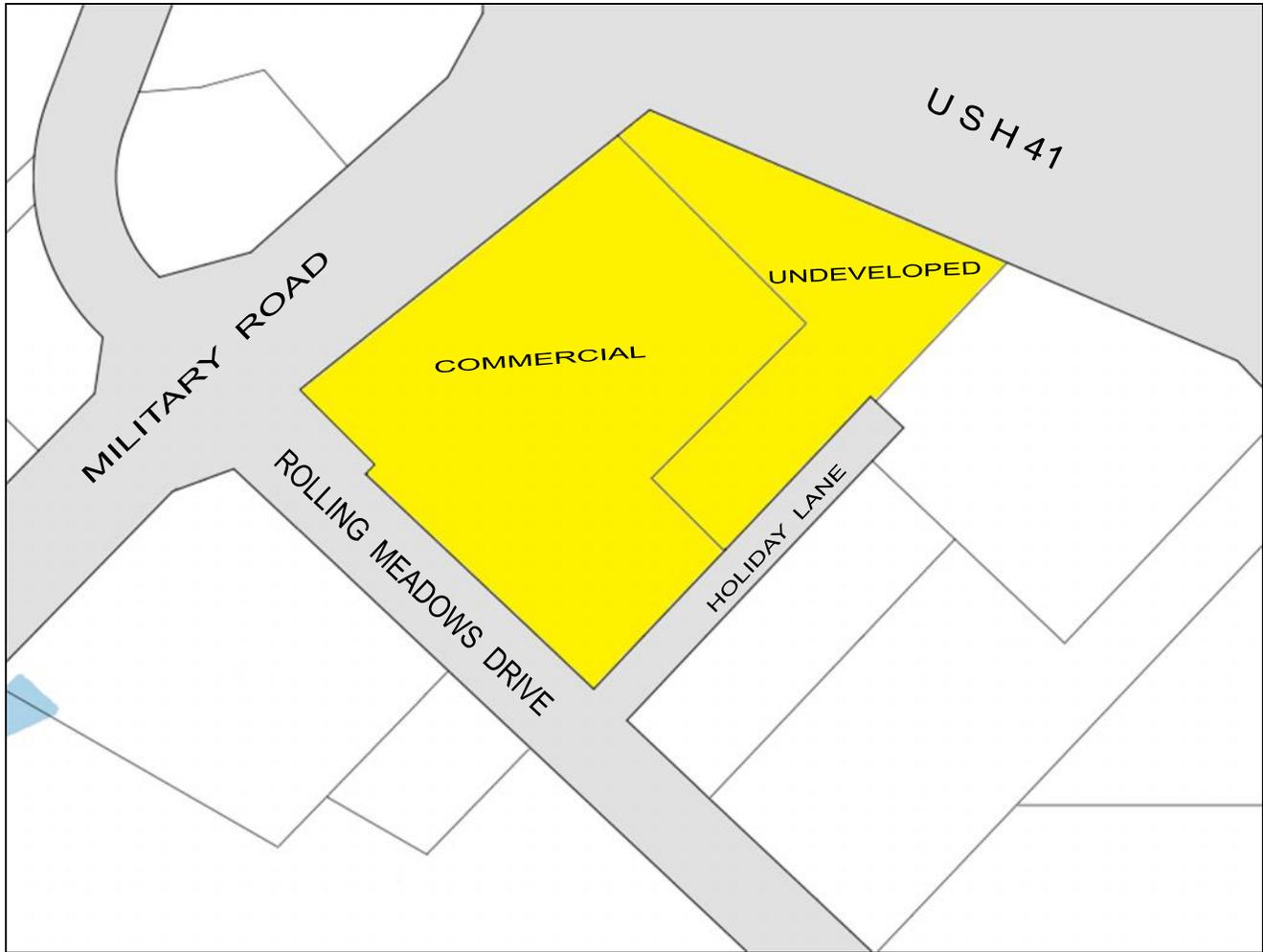
City of Fond du Lac TID No. 18



 TID No. 18 Boundary

City of Fond du Lac
TID No. 18

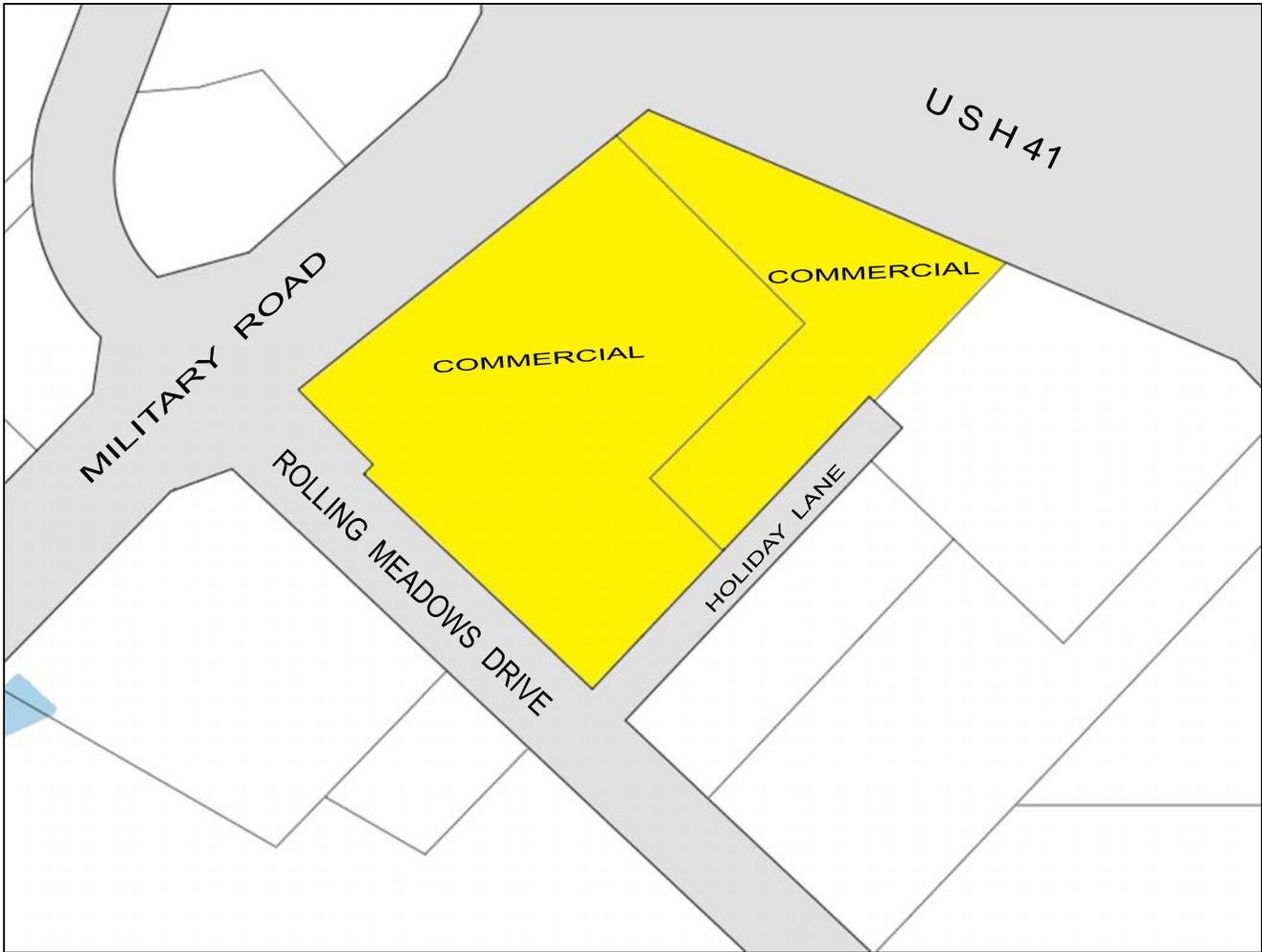
EXISTING LAND USE



 TID No. 18 Boundary

City of Fond du Lac
TID No. 18

PROPOSED LAND USE



 TID No. 18 Boundary

**City of Fond du Lac
Tax Increment District Number Eighteen
Tax Increment Revenue Projection**

Year Assessed	Year Available	Increment Value	Tax Rate	Projected Tax Increment
2015	2016	\$ 3,000,000	\$ 25.00	\$ 75,000
2016	2017	3,000,000	25.00	75,000
2017	2018	3,000,000	25.00	75,000
2018	2019	3,000,000	25.00	75,000
2019	2020	3,000,000	25.00	75,000
2020	2021	3,000,000	25.00	75,000
2021	2022	3,000,000	25.00	75,000
2022	2023	3,000,000	25.00	75,000
2023	2024	3,000,000	25.00	75,000
2024	2025	3,000,000	25.00	75,000
2025	2026	3,000,000	25.00	75,000
2026	2027	3,000,000	25.00	75,000
2027	2028	3,000,000	25.00	75,000
2028	2029	3,000,000	25.00	75,000
2029	2030	3,000,000	25.00	75,000
2030	2031	3,000,000	25.00	75,000
2031	2032	3,000,000	25.00	75,000
2032	2033	3,000,000	25.00	75,000
2033	2034	3,000,000	25.00	75,000
2034	2035	3,000,000	25.00	75,000
				<u>\$ 1,500,000</u>

Assumptions:

- 1) Property value remains the same throughout projection period.
- 2) Tax rate remains the same throughout the life of the district.

**City of Fond du Lac
Tax Incremental District Number Eighteen
Annual Cash Flow Projection**

Year	Tax Increment Revenue	Debt Service	Legal & Admin Costs	Debt Proceeds	Project Costs	Annual Cash Increase (Decrease)	Cash Balance (Deficit)
2014	\$ -	\$ -	\$ (1,000)	\$ 1,000,000	\$ (950,000)	\$ 49,000	\$ 49,000
2015	-	(37,500)	(4,000)			(41,500)	7,500
2016	75,000	(72,500)	(1,000)			1,500	9,000
2017	75,000	(76,188)	(1,000)			(2,188)	6,813
2018	75,000	(74,688)	(1,000)			(688)	6,125
2019	75,000	(73,188)	(1,000)			813	6,938
2020	75,000	(76,688)	(1,000)			(2,688)	4,250
2021	75,000	(75,000)	(1,000)			(1,000)	3,250
2022	75,000	(73,313)	(1,000)			688	3,938
2023	75,000	(76,625)	(1,000)			(2,625)	1,313
2024	75,000	(74,750)	(1,000)			(750)	563
2025	75,000	(72,875)	(1,000)			1,125	1,688
2026	75,000	(76,000)	(1,000)			(2,000)	(313)
2027	75,000	(73,938)	(1,000)			63	(250)
2028	75,000	(71,875)	(1,000)			2,125	1,875
2029	75,000	(74,813)	(1,000)			(813)	1,063
2030	75,000	(72,563)	(1,000)			1,438	2,500
2031	75,000	(75,313)	(1,000)			(1,313)	1,188
2032	75,000	(72,875)	(1,000)			1,125	2,313
2033	75,000	(75,438)	(1,000)			(1,438)	875
2034	75,000	(77,813)	(1,000)			(3,813)	(2,938)
2035	75,000	0	(7,500)			67,500	64,563
	<u>\$ 1,500,000</u>	<u>\$ (1,453,938)</u>	<u>\$ (31,500)</u>	<u>\$ 1,000,000</u>	<u>\$ (950,000)</u>	<u>\$ 64,563</u>	<u>\$ 64,563</u>

**City of Fond du Lac
Tax Increment District Number Eighteen
Debt Payment Schedule**

Year	Principal	Interest	Total	Balance
2014				1,000,000
2015	-	37,500	37,500	1,000,000
2016	35,000	37,500	72,500	965,000
2017	40,000	36,188	76,188	925,000
2018	40,000	34,688	74,688	885,000
2019	40,000	33,188	73,188	845,000
2020	45,000	31,688	76,688	800,000
2021	45,000	30,000	75,000	755,000
2022	45,000	28,313	73,313	710,000
2023	50,000	26,625	76,625	660,000
2024	50,000	24,750	74,750	610,000
2025	50,000	22,875	72,875	560,000
2026	55,000	21,000	76,000	505,000
2027	55,000	18,938	73,938	450,000
2028	55,000	16,875	71,875	395,000
2029	60,000	14,813	74,813	335,000
2030	60,000	12,563	72,563	275,000
2031	65,000	10,313	75,313	210,000
2032	65,000	7,875	72,875	145,000
2033	70,000	5,438	75,438	75,000
2034	75,000	2,813	77,813	-
Totals	1,000,000	453,938	1,453,938	

Assumptions:

- 1) 20-year debt repayment term.
- 2) Interest rate of 3.75% per year.
- 3) Debt includes project costs of \$950,000 and one year capitalized interest.

CITY OF FOND DU LAC - Memorandum

To: Whom It May Concern
From: Deborah Hoffmann, City Attorney
Re: Tax Incremental District Number Eighteen

I hereby advise that the Project Plan for Tax Incremental District Number Eighteen is complete, and is in compliance with sec 66.1105 of the Wisconsin Statutes.

CITY OF FOND DU LAC - Memorandum

Department of Community Development

Date: January 7, 2013

To: Whom It May Concern

From: Wayne Rollin, Community Development Director

Re: Certification of City Zoning Map

This is to certify that the area within Tax Incremental District Number Eighteen is zoned B-5 Special Commercial District. There are no changes required in the City Comprehensive Plan, building codes, or other City ordinances necessitated by the creation of TID 18.

RESOLUTION NO. _____

**A Resolution Approving the Project Plan for
And Creating Tax Incremental District Number Eighteen,
City of Fond du Lac**

WHEREAS, Section 66.1105 of the Wisconsin Statutes provides the authority and procedure for creating tax incremental districts; and

WHEREAS, the City of Fond du Lac has complied with those procedures in a timely manner by:

- a. Holding properly noticed public hearings regarding the creation of proposed Tax Incremental District Number Eighteen (the "District") and the proposed project plan therefor (the "Project Plan");
- b. Giving required notices to the Chief Executive Officer or Administrator of all local government entities having the power to levy taxes on property located within the District; and
- c. Convening a Joint Review Board.

WHEREAS, the Plan Commission has adopted the Project Plan for the District and has favorably recommended to this City Council that the District be created; and

WHEREAS, the public hearing on the Project Plan has been held at least 14 days prior to this date; and

WHEREAS, this City Council hereby makes the following findings regarding the District, to wit:

- a. No less than 50% by area of the real property within the District is in need of rehabilitation or conservation work;
- b. Improvement of such area is likely to enhance significantly the value of substantially all the real property in the District;
- c. The project costs relate directly to rehabilitation and conservation work and promoting development within the District;
- d. The equalized value of taxable property of the District plus all existing districts within the City does not exceed 12% of the total equalized value of taxable property within the City; and
- e. The rehabilitation or conservation work described in the Project Plan for Tax Incremental District Number Eighteen would not occur without the creation of the district.

WHEREAS, the City will assess the property within the District as one or more whole units of property for general property tax purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL of the City of
Fond du Lac that:

1. Tax Increment District Number Eighteen is a rehabilitation or conservation TID within the meaning found in Section 66.1105, Wisconsin Statutes. The creation of a tax incremental district in the area in question for the purpose of promoting redevelopment is deemed to be in the public interest and a proper public purpose;
2. The Project Plan for the District is feasible, in conformity with the Comprehensive Plan of the City, and is hereby approved;
3. The District is hereby created and named "Tax Incremental District Number Eighteen, City of Fond du Lac";
4. The boundaries of the District as set forth in the Project Plan are accepted and adopted; and
5. January 1, 2014 is established as the date of creation of the District.

ADOPTED:

Samuel Meyer, President
Fond du Lac City Council

Attest:

City Attorney:

Reviewed _____

Sue L. Strands, City Clerk