

**Project Plan  
for the Creation of  
Tax Incremental District No. 7  
in the  
CITY OF BARABOO, WISCONSIN**



*September 14, 2006*

<i>Organizational Joint Review Board Meeting to be Held:</i>	<i>June 12, 2006</i>
<i>Public Hearing to be Held:</i>	<i>June 12, 2006</i>
<i>Adoption by Planning Commission:</i>	<i>June 12, 2006</i>
<i>Adoption by Common Council:</i>	<i>June 27, 2006</i>
<i>Anticipated Approval by Joint Review Board:</i>	<i>July 19, 2006</i>



**EHLERS**  
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# Tax Incremental District No. 7 Creation Project Plan

## City of Baraboo Officials

### *Common Council*

Patrick Liston	City Mayor
Ann Burke	Aldersperson
Michael Cone	Aldersperson
Olaf Kivioja	Aldersperson
Brett Topham	Aldersperson
Betty Marquardt	Aldersperson
Jerry McCammond	Aldersperson
Eugene Robkin	Aldersperson
Phil Wedekind	Aldersperson
Brian Loeffelholz	Aldersperson

### *City Staff*

Patrick Liston	City Mayor
Edward Geick	City Administrator
Cheryl M. Giese	City Clerk / Finance Director
Mark R. Reitz	City Attorney

### *Planning Commission*

Patrick Liston	President
Michael Cone	Member
Robert Janke	Member
Greg Wise	Member
James O'Neill	Member
Mary Ann Stewart	Member
Tom Kolb	Member

## Joint Review Board

Phil Wedekind	City Representative
Kathy Schauf	Sauk County
Ryan Liebert	Madison Area Technical College District
Jim Long	Baraboo School District
Mike Palm	Public Member

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# 1

## STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS

Tax Incremental District No. 7 (the "District") is being created by the City of Baraboo under the authority provided by Wisconsin Statute Section 66.1105. This District is created as an "Industrial District" based upon a finding that at least 50%, by area, of the real property within the District is suitable for industrial sites within the meaning of Wisconsin Statute Section 66.1101 and has been zoned for industrial use.

The District is located on 3 parcels south of CTH W (South Blvd) which extend to just north of Mine Road (extended) on the east side of USH 12. The City of Baraboo intends that tax increment financing (TIF) will be used to assure that industrial, distributor and related private development locates in this District. This will be accomplished by installing public improvements, and making necessary related expenditures, to promote industrial development within the District. The goal is to increase the tax base and to provide for and preserve employment opportunities within the City.

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

- **LAND ACQUISITION.** The City intends to acquire land, to facilitate industrial development within this district.
- **SITE GRADING.** Some of the property in the District will require grading to make it suitable for industrial development.
- **SEWER COLLECTION SYSTEM.** There are inadequate facilities for conveying wastewater from individual properties to the sewer system. It will be necessary to provide such a system before development can take place.
- **WATER SYSTEM IMPROVEMENTS.** There are inadequate public water facilities available to service the area. It will be necessary to provide a source of supply and provide water mains to distribute the water to individual properties. In addition a portion of the planned water tower which will also serve TID # 6 is included as it is expected that approximately 23% of the capacity will be used within TID # 7.
- **STORM SEWER SYSTEM.** Development of the area will cause storm water runoff. To avoid problems in the District and adjacent areas, a storm water collection and retention system will be installed.
- **STREETS.** Streets to service the developing properties will need to be constructed. To maintain good traffic flow inside the area and control ingress and egress, it may be necessary to provide traffic control signs and signals, and other street amenities.

- **LANDSCAPING.** The City will provide landscaping such as berms, street trees, lighting and other facilities to attract high quality development to the area.
- **RELOCATION COSTS.** In the event any property is acquired for the projects, expenses including the cost of a relocation plan, director, staff, publications, appraisals, land and property acquisition costs and relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195 are considered eligible project costs.
- **ENVIRONMENTAL AUDITS AND REMEDIATION.** There are no environmental problems known to exist within the proposed District. If, however, it becomes necessary to evaluate properties, the costs related to all environmental audits and remediation will be considered eligible project costs.
- **PROPERTY TAX PAYMENTS TO TOWN.** Property tax payments due to the Town under s.66.1105(4)(gm)1. as a result of the inclusion of lands annexed after January 1, 2004 within the boundaries of the District are an eligible project cost.
- **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 a developer agreement is executed with the recipient of the cash grant.
- **ADMINISTRATIVE/PROFESSIONAL COSTS.** These include but are not limited to a portion of the salaries of City administrative staff, public works employees, private consultants, and others involved with the projects throughout the project plan implementation. Audit expenses and any expenses associated with dissolving the district are also considered eligible costs.
- **ORGANIZATIONAL COSTS.** These costs include but are not limited to fees of the financial consultant, attorney, engineers, surveyors, mapmakers and other contracted services.
- **FINANCE COSTS.** Interest, financing fees, redemption premiums, and other financing fees are included as 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 here from and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan (the "Plan").

**The City reserves the right to implement only those projects that remain viable as the 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 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 Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Proration of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

## 2 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.

### STEP 1. Calculation of Maximum Equalized Property Value Allowed within Tax Incremental Districts in the City of Baraboo

Equalized Value (as of January 1, 2005)		Maximum Allowable TID Property Value
\$694,969,200	X 12% =	\$83,396,304

### STEP 2. Calculation of Equalized Property Value Currently Located and Proposed to be Located within Tax Incremental Districts

Tax Incremental Districts	Equalized Value
TID No. 1 Increment	\$4,910,500
TID No. 3 Increment	\$808,800
TID No. 6 Increment	\$28,460,600
Proposed Base of Additional Territory in TID 6	\$229,200
Proposed Base of TID 7 Creation	\$213,700
Proposed Base of TID 8 Creation	<u>\$15,324,788</u>
<b>Total Existing Increment Plus Proposed Base</b>	<b>\$49,947,588</b>

The equalized value of the increment of existing Tax Incremental Districts within the City, plus the base value of the proposed District, totals \$49,947,588. This value is less than the maximum of \$83,396,304 in equalized value that is permitted for the City of Baraboo. The City is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

# 3

## ECONOMIC FEASIBILITY STUDY

The City of Baraboo, located in the central part of Sauk County is a community of approximately 11,248 in population. Baraboo is the County Seat of Sauk County and is located on USH 12 and STH 33.

The charts and exhibits on the following pages demonstrate that the City will be able to obtain the funds necessary to implement the projects in this Plan and that the revenue from the District will be sufficient to pay for them. Charts I and II on the following page projects, respectively, the City's equalized value, and the full faith and credit borrowing capacity of the City. Equalized valuation projections were made using two methods. The first projects the future valuation of the City using the average annual percentage of valuation growth experienced between 2001 and 2005. This method is identified as the percentage method. The second method projects the future valuation based upon the average annual increment between 2001 and 2005. This method is identified as the straight-line method. Chart II projects the general obligation borrowing capacity of the City utilizing the straight-line valuation projection and considering the existing debt of the City. The chart demonstrates that the City is likely to have sufficient general obligation capacity during the implementation period of the District.

In addition to general obligation 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 no 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.

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 general obligation ("G.O.") debt limit.

The City also has the authority to issue Lease Revenue Bonds through a Community Development Authority ("CDA") should this financing vehicle be useful in accomplishing the objectives of the Plan. These obligations are secured by lease payments to be made by the City and are not to be counted against the City's G.O. debt limit.

Based on the economic characteristics and the financing resources of the City, all projects outlined in this Plan can be financed and are feasible.

## EQUALIZED VALUATION PROJECTION City of Baraboo, Wisconsin

### CHART I

[---PERCENTAGE METHOD---]

[--STRAIGHT LINE METHOD--]

#### HISTORICAL DATA

2001	499,964,700		2001	499,964,700	
2002	539,541,200		2002	539,541,200	
2003	569,811,600		2003	569,811,600	
2004	643,842,300		2004	643,842,300	
2005	694,969,200	9.75%	2005	694,969,200	9.75%

Straight Line Method Value Increment

\$48,751,125

#### PROJECTED VALUATIONS

2006	762,735,045	9.75%	2006	743,720,325	7.01%
2007	837,108,679	9.75%	2007	792,471,450	6.56%
2008	918,734,421	9.75%	2008	841,222,575	6.15%
2009	1,008,319,419	9.75%	2009	889,973,700	5.80%
2010	1,106,639,773	9.75%	2010	938,724,825	5.48%
2011	1,214,547,259	9.75%	2011	987,475,950	5.19%
2012	1,332,976,710	9.75%	2012	1,036,227,075	4.94%
2013	1,462,954,115	9.75%	2013	1,084,978,200	4.70%
2014	1,605,605,504	9.75%	2014	1,133,729,325	4.49%

### CHART II

<u>BUDGET YEAR</u>	<u>EQUALIZED VALUE</u>	<u>GROSS DEBT LIMIT</u>	<u>DEBT BALANCE</u>	<u>NET BORROWING CAPACITY</u>
2006	694,969,200	34,748,460	12,924,547	21,823,913
2007	743,720,325	37,186,016	11,961,820	25,224,196
2008	792,471,450	39,623,573	11,043,554	28,580,018
2009	841,222,575	42,061,129	9,770,706	32,290,423
2010	889,973,700	44,498,685	8,447,152	36,051,533
2011	938,724,825	46,936,241	7,339,843	39,596,398
2012	987,475,950	49,373,798	6,356,698	43,017,099
2013	1,036,227,075	51,811,354	5,632,641	46,178,713
2014	1,084,978,200	54,248,910	4,997,378	49,251,532
2015	1,133,729,325	56,686,466	4,422,378	52,264,088
2016	1,182,480,450	59,124,023	3,787,378	55,336,645
2017	1,231,231,575	61,561,579	3,232,378	58,329,201
2018	1,279,982,700	63,999,135	2,671,378	61,327,757
2019	1,328,733,825	66,436,691	2,105,378	64,331,313
2020	1,377,484,950	68,874,248	1,512,378	67,361,870
2021	1,426,236,075	71,311,804	903,378	70,408,426
2022	1,474,987,200	73,749,360	286,378	73,462,982
2023	1,523,738,325	76,186,916	200,378	75,986,538
2024	1,572,489,450	78,624,473	105,378	78,519,095
2025	1,621,240,575	81,062,029	0	81,062,029
2026	1,669,991,700	83,499,585		83,499,585
2027	1,718,742,825	85,937,141		85,937,141
2028	1,767,493,950	88,374,698		88,374,698
2029	1,816,245,075	90,812,254		90,812,254
2030	1,864,996,200	93,249,810		93,249,810
2031	1,913,747,325	95,687,366		95,687,366
2032	1,962,498,450	98,124,923		98,124,923

## **PROJECTED REVENUE**

Exhibit 1 estimates the TIF revenues that will be available to retire the debt incurred to finance project costs. This Exhibit also projects revenues sufficient to retire the debt proposed to finance all projects of the District. This Exhibit is based on the following assumptions:

- The base value of the District is \$213,700
- The new construction estimates are based on data supplied by the City (see the following page).
- The equalized tax rate in 2006 is projected to be \$22.10 per thousand. It is projected to decrease by 0.5% throughout the remaining life of the District.
- Valuations are projected to increase 2.50% each year reflecting ordinary inflation of property values within District.
- Tax base will be generated as of January 1 each year as follows:

**DEVELOPMENT ASSUMPTIONS**



**City of Baraboo  
Tax Increment District # 7  
Development Assumptions <sup>1</sup>**

<b>Const. Year</b>	<b>Land/ Infrastructure</b>	<b>Phase 1 Teel Project</b>	<b>Phase 2 Commercial / Ind</b>	<b>Annual Total</b>
2006	500,000	2,000,000		2,500,000
2007		6,000,000		6,000,000
2008				0
2009				0
2010			2,500,000	2,500,000
2011				0
2012			1,500,000	1,500,000
2013				0
2014			500,000	500,000
2015				0
2016				0
2017				0
2018				0
2019				0
2020				0
2021				0
2022				0
2023				0
2024				0
2025				0
<b>TOTAL</b>	<b>500,000</b>	<b>8,000,000</b>	<b>4,500,000</b>	<b>13,000,000</b>



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**NOTES:**

<sup>1</sup> Phase 1 per Development Agreement. Phase 2 per City.

<sup>2</sup> Value Assumptions are subject to project completion

Exhibit 1



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**City of Baraboo  
TID # 7**

**Buildout Assumptions from Developer for Phase I & City Phase II**

Base Value <sup>1</sup>	213,700	Inflation Factor	2.50%
Tax Rate Adjustment Factor			-0.50%

	Construction Year	Valuation Year	Revenue Year	Inflation Increment	Value Added	Valuation Increment	Tax Rate	Tax Increment
1	2006	2007	2008	5,343	2,500,000	2,505,343	22.10	55,361
2	2007	2008	2009	67,976	6,000,000	8,573,319	21.99	188,500
3	2008	2009	2010	219,675	0	8,792,994	21.88	192,364
4	2009	2010	2011	225,167	0	9,018,161	21.77	196,303
5	2010	2011	2012	230,797	2,500,000	11,748,958	21.66	254,467
6	2011	2012	2013	299,066	0	12,048,024	21.55	259,640
7	2012	2013	2014	306,543	1,500,000	13,854,567	21.44	297,079
8	2013	2014	2015	351,707	0	14,206,274	21.34	303,097
9	2014	2015	2016	360,499	500,000	15,066,774	21.23	319,849
10	2015	2016	2017	382,012	0	15,448,785	21.12	326,319
11	2016	2017	2018	391,562	0	15,840,347	21.02	332,917
12	2017	2018	2019	401,351	0	16,241,699	20.91	339,645
13	2018	2019	2020	411,385	0	16,653,084	20.81	346,507
14	2019	2020	2021	421,670	0	17,074,753	20.70	353,504
15	2020	2021	2022	432,211	0	17,506,965	20.60	360,640
16	2021	2022	2023	443,017	0	17,949,981	20.50	367,918
17	2022	2023	2024	454,092	0	18,404,073	20.39	375,339
18	2023	2024	2025	465,444	0	18,869,518	20.29	382,907
19	2024	2025	2026	477,080	0	19,346,598	20.19	390,625
20	2025	2026	2027	489,007	0	19,835,605	20.09	398,496
<b>Totals</b>					<b>13,000,000</b>			<b>6,041,480</b>

----- EXPENDITURE PERIOD -----

NET PRESENT VALUE OF 2005-2026 INCREMENT @ 5.5% **3,313,312**

NOTES:

<sup>1</sup> Base Value Data Supplied by City Staff.

## CASH FLOW

Exhibit 2 summarizes the District's cash position throughout its potential life. It shows revenues, expenses and balances by year.

Revenues include tax increments from Exhibit 1, capitalized interest, and interest earned investing year-end balances. This Exhibit is based on the same assumptions as used for Exhibit 1.

Expenditures represent payments for contract agreements with developers, and principal and interest payments on this District's share of debt issued to finance projects listed in the Plan. The tentative proposed issues are identified as follows:

Issue No.	Year	Description	Amount
1	2006	General Obligation Bonds	\$1,385,000
2	2006	Taxable General Obligation Bonds	\$1,040,000
3	2009	General Obligation Bonds	\$820,000
4	2007	Water Tower Cost Reimbursed to Water Utility	\$125,000

Revenues anticipated will be sufficient to meet all obligations in a timely manner and produce a \$504,558 accumulated surplus by the year 2027.

Exhibit 2



City of Baraboo

Tax Increment District # 7

Estimated TID Closure

Year	Revenues				Issue #1 (2006 Issue) Tax Exempt G.O. Bonds dated 7/1/06				Issue #2 (2006 Issue) Taxable G.O. Bonds				Issue #3 (2009 Issue) Tax Exempt G.O. Bonds				Pmts to Water Utility (2007 Issue) For Water Tower Share				TOTAL P & I Expense	Fund Balance		Principal Outstanding	Year	
	Increment	Interest <sup>1</sup>	Cap. Int.	TOTAL	Prin (5/1)	Rate <sup>2</sup>	Interest	TOTAL	Prin (2/1)	Rate <sup>2</sup>	Interest	TOTAL	Prin (2/1)	Rate <sup>2</sup>	Interest	TOTAL	Prin (2/1)	Rate <sup>2</sup>	Interest	TOTAL	All Issues	Annual	Cumulative			
2006		0	420,938	420,938			25,392	25,392			33,800	33,800								0	59,192	361,746	361,746	2,550,000	2006	
2007		7,235		7,235		5.500%	76,175	76,175			67,600	67,600								0	143,775	(136,540)	225,206	2,550,000	2007	
2008	55,361	4,504	0	59,866		5.500%	76,175	76,175			67,600	67,600								6,875	150,650	(90,784)	134,421	2,550,000	2008	
2009	188,500	2,688		191,189		5.500%	76,175	76,175	40,000	6.500%	66,300	106,300			22,550	22,550				6,875	211,900	(20,711)	113,710	3,380,000	2009	
2010	192,364	2,274		194,638		5.500%	76,175	76,175	50,000	6.500%	63,375	113,375		5.500%	45,100	45,100				6,875	241,525	(46,887)	66,823	3,280,000	2010	
2011	196,303	1,336		197,640		5.500%	76,175	76,175	60,000	6.500%	59,800	119,800		5.500%	45,100	45,100				6,875	247,950	(50,310)	16,513	3,220,000	2011	
2012	254,467	330		254,798		5.500%	76,175	76,175	70,000	6.500%	55,575	125,575		5.500%	45,100	45,100				6,875	253,725	1,073	17,586	3,150,000	2012	
2013	259,640	352		259,992		5.500%	76,175	76,175	70,000	6.500%	51,025	121,025		0	45,100	45,100	10,000	5.500%	6,600	16,600	258,900	1,092	18,677	3,070,000	2013	
2014	297,079	374		297,452		5.500%	76,175	76,175	80,000	6.500%	46,150	126,150	30,000	5.500%	44,275	74,275	10,000	5.500%	6,050	16,050	292,650	4,802	23,480	2,950,000	2014	
2015	303,097	470		303,567		5.500%	76,175	76,175	90,000	6.500%	40,625	130,625	30,000	5.500%	42,625	72,625	15,000	5.500%	5,363	20,363	299,788	3,779	27,259	2,815,000	2015	
2016	319,849	545		320,394		5.500%	76,175	76,175	100,000	6.500%	34,450	134,450	35,000	5.500%	40,838	75,838	20,000	5.500%	4,400	24,400	310,863	9,532	36,791	2,660,000	2016	
2017	326,319	736		327,055		5.500%	76,175	76,175	110,000	6.500%	27,625	137,625	35,000	5.500%	38,913	73,913	30,000	5.500%	3,025	33,025	320,738	6,317	43,108	2,485,000	2017	
2018	332,917	862		333,779		5.500%	76,175	76,175	120,000	6.500%	20,150	140,150	35,000	5.500%	36,988	71,988	40,000	5.500%	1,100	41,100	329,413	4,367	47,475	2,290,000	2018	
2019	339,645	949		340,595	50,000	5.500%	74,800	124,800	120,000	6.500%	12,350	132,350	35,000	5.500%	35,063	70,063			0	0	327,213	13,382	60,857	2,085,000	2019	
2020	346,507	1,217		347,724	50,000	5.500%	72,050	122,050	130,000	6.500%	4,225	134,225	35,000	5.500%	33,138	68,138			0	0	324,413	23,312	84,169	1,870,000	2020	
2021	353,504	1,683		355,188	175,000	5.500%	65,863	240,863		6.500%	0	0	55,000	5.500%	30,663	85,663			0	0	326,525	28,663	112,832	1,640,000	2021	
2022	360,640	2,257		362,897	190,000	5.500%	55,825	245,825		6.500%	0	0	60,000	5.500%	27,500	87,500			0	0	333,325	29,572	142,404	1,390,000	2022	
2023	367,918	2,848		370,766	200,000	5.500%	45,100	245,100		6.500%	0	0	65,000	5.500%	24,063	89,063			0	0	334,163	36,603	179,007	1,125,000	2023	
2024	375,339	3,580		378,919	220,000	5.500%	33,550	253,550		6.500%	0	0	70,000	5.500%	20,350	90,350			0	0	343,900	35,019	214,026	835,000	2024	
2025	382,907	4,281		387,188	240,000	5.500%	20,900	260,900		6.500%	0	0	75,000	5.500%	16,363	91,363			0	0	352,263	34,925	248,951	520,000	2025	
2026	390,625	4,979		395,604	260,000	5.500%	7,150	267,150	0	6.500%	0	0	80,000	5.500%	12,100	92,100	0	5.500%	0	0	359,250	36,354	285,305	180,000	2026	
2027	398,496	5,706		404,202	0	5.500%	0	0	0	6.500%	0	0	180,000	5.500%	4,950	184,950	0	5.500%	0	0	184,950	219,252	504,558	0	2027	
<b>TOTALS</b>	<b>6,041,480</b>	<b>49,207</b>	<b>420,938</b>	<b>6,511,625</b>	<b>1,385,000</b>		<b>1,314,729</b>	<b>2,699,729</b>	<b>1,040,000</b>		<b>650,650</b>	<b>1,690,650</b>	<b>820,000</b>		<b>610,775</b>	<b>1,430,775</b>	<b>125,000</b>		<b>60,913</b>	<b>185,913</b>	<b>6,007,067</b>					

NOTES:  
<sup>1</sup> Interest earnings projection equal to 2% of preceding year's estimated fund balance.  
<sup>2</sup> Estimated taxable scale for 06 Issue . Estimated Tax Exempt Scale for GO Issues.

# 4

## DETAILED LIST OF PROJECT COSTS

All costs are based on 2006 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2006 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 Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

**This 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 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 Plan.**

**PROPOSED TIF PROJECT COST ESTIMATES**

 		City of Baraboo			
TID # 7 Project Costs					
PROJECT LIST	PHASE I PROJECTS 2006	PHASE I PROJECTS 2007	PHASE II PROJECTS 2009	Total Projects	
<b>MINE ROAD</b>					
Street Improvements				0	
Storm Sewer				0	
Traffic Signals Mine Rd & W				0	
Landscaping				0	
Street Lighting				0	
Sidewalk				0	
Access Modifications				0	
<b>Subtotal</b>	<b>913,100</b>			913,100	
Contingencies 10%	91,310				
Engineering 15%	136,965				136,965
<b>TOTAL Mine Road</b>	<b>1,141,375</b>			1,141,375	
<b>E-W ROAD</b>					
Street Improvements				0	
Storm Sewer				0	
Traffic Signals Mine Rd & W				0	
Landscaping				0	
Street Lighting				0	
Sidewalk				0	
<b>Subtotal</b>	<b>126,530</b>			126,530	
Contingencies 10%	12,653				
Engineering 15%	18,980				
<b>TOTAL E-W Road</b>	<b>158,163</b>			158,163	
<b>Utilities</b>					
Sanitary Sewer				0	
Watermain				0	
<b>Subtotal</b>	<b>414,940</b>			414,940	
Contingencies 10%	41,494				41,494
Engineering 15%	62,241				62,241
<b>TOTAL Utilities</b>	<b>518,675</b>			518,675	
<b>Apportioned Share of Water Tower</b>		<b>125,000</b>			
<b>Site Improvements for Teel</b>					
Site Excavation					
Stormwater Management					
Parking Lot					
Erosion Control					
<b>Subtotal</b>	<b>572,840</b>			572,840	
Contingencies 10%	57,284				57,284
Engineering 15%	85,926				85,926
Property Acquisition for W Intersection	100,000				
<b>TOTAL Site Improvements</b>	<b>816,050</b>			816,050	
<b>Future Costs</b>					
Interior Road			623,118		623,118
Sitework			210,494		210,494
<b>TID Planning &amp; Legal</b>	<b>30,000</b>				
<b>Property Tax Payments to Town</b>	<b>3,250</b>				
<b>GRAND TOTAL PROJECT COSTS</b>	<b>2,667,513</b>	<b>125,000</b>	<b>833,612</b>		<b>3,501,125</b>
<b>Less Grant Funds</b>	<b>(786,000)</b>				<b>(786,000)</b>
<b>Net TID Costs</b>	<b>1,881,513</b>	<b>125,000</b>	<b>833,612</b>		<b>2,715,125</b>
<b>NOTES:</b>					
1 Source of project costs is per development agreement with Teel.					

**5**

**A DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS RELATED THERETO ARE TO BE INCURRED**

***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 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 Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.**

**BOND ISSUE SIZING**



City of Baraboo, TID # 7  
**Bond Sizing**

PROJECT LIST	G.O. PHASE I PROJECTS	G.O. Taxable PROJECTS	Tax Exempt Phase II Projects	Grand TOTALS
	2006	2006	2009	
<sup>1</sup> PROJECT COSTS				
Mine Road Costs	1,060,125			1,060,125
E-W Road Costs	158,163			158,163
Utility Costs	518,675			518,675
Less Grant Funds	(786,000)			(786,000)
Site Improvements for Teel		816,050		816,050
Future Projects Phase II	42,500		791,112	833,612
Apportioned Share of Water Tower	125,000			
<b>Subtotal</b>	<b>1,118,463</b>	<b>816,050</b>	<b>791,112</b>	<b>2,725,625</b>
<b>TID &amp; Planning Exp</b>	<b>15,000</b>			<b>15,000</b>
<b>Property Tax Payments to Town</b>	<b>3,250</b>			<b>3,250</b>
<b>Legal Expense</b>	<b>11,750</b>			<b>11,750</b>
				<b>0</b>
Sub Total	30,000	0	0	30,000
<b>TOTAL ESTIMATED PROJECT COSTS</b>	<b>1,148,463</b>	<b>816,050</b>	<b>791,112</b>	<b>2,755,625</b>
Financing Expenses				
Fees (Advisory, Bond Counsel, Rating)	9,527	17,031	20,500	47,058
Discount Allowance	16,367	13,000	10,250	39,617
Capitalized Interest (3 Yrs)	218,138	202,800		420,938
Subtotal	244,032	232,831	30,750	507,613
<b>TOTAL CAPITAL REQUIRED</b>	<b>1,392,494</b>	<b>1,048,881</b>	<b>821,862</b>	<b>3,263,237</b>
Less Rounding/Interest Earnings	(7,494)	(8,881)	(1,862)	(18,237)
<b>NET BOND SIZE</b>	<b>1,385,000</b>	<b>1,040,000</b>	<b>820,000</b>	<b>3,245,000</b>

**NOTES:**

<sup>1</sup> TID Project Costs as provided by City Memo of 5/19/05

**Issue No. 1**  
**\$1,385,000 General Obligation Bonds**

**Proposed Maturity Schedule**

The 2006 projects are anticipated to be financed with General Obligation to be issued under authority of Wisconsin Statutes Chapter 67. The interest rate used for this is 5.50%.

<b>Issue #1 (2006 Issue )</b>				
<b>Tax Exempt G.O. Bonds</b>				
Year	Prin (5/1)	Rate <sup>2</sup>	Interest	TOTAL
2006			38,088	<b>38,088</b>
2007		5.500%	76,175	<b>76,175</b>
2008		5.500%	76,175	<b>76,175</b>
2009		5.500%	76,175	<b>76,175</b>
2010		5.500%	76,175	<b>76,175</b>
2011		5.500%	76,175	<b>76,175</b>
2012		5.500%	76,175	<b>76,175</b>
2013		5.500%	76,175	<b>76,175</b>
2014		5.500%	76,175	<b>76,175</b>
2015		5.500%	76,175	<b>76,175</b>
2016		5.500%	76,175	<b>76,175</b>
2017		5.500%	76,175	<b>76,175</b>
2018		5.500%	76,175	<b>76,175</b>
2019	50,000	5.500%	74,800	<b>124,800</b>
2020	50,000	5.500%	72,050	<b>122,050</b>
2021	175,000	5.500%	65,863	<b>240,863</b>
2022	190,000	5.500%	55,825	<b>245,825</b>
2023	200,000	5.500%	45,100	<b>245,100</b>
2024	220,000	5.500%	33,550	<b>253,550</b>
2025	240,000	5.500%	20,900	<b>260,900</b>
2026	260,000	5.500%	7,150	<b>267,150</b>
<b>TOTALS</b>	<b>1,385,000</b>		<b>1,327,425</b>	<b>2,712,425</b>

**Issue No. 2**  
**\$1,040,000 Taxable General Obligation Bonds**

**Proposed Maturity Schedule**

The 2006 projects are anticipated to be financed with Taxable General Obligation to be issued under authority of Wisconsin Statutes Chapter 67. The interest rate used for this is 6.50%.

<b>Issue #2 (2006 Issue)</b>				
<b>Taxable G.O. Bonds</b>				
<b>Year</b>	<b>Prin (2/1)</b>	<b>Rate<sup>2</sup></b>	<b>Interest</b>	<b>TOTAL</b>
2006			33,800	<b>33,800</b>
2007		6.500%	67,600	<b>67,600</b>
2008		6.500%	67,600	<b>67,600</b>
2009	40,000	6.500%	66,300	<b>106,300</b>
2010	50,000	6.500%	63,375	<b>113,375</b>
2011	60,000	6.500%	59,800	<b>119,800</b>
2012	70,000	6.500%	55,575	<b>125,575</b>
2013	70,000	6.500%	51,025	<b>121,025</b>
2014	80,000	6.500%	46,150	<b>126,150</b>
2015	90,000	6.500%	40,625	<b>130,625</b>
2016	100,000	6.500%	34,450	<b>134,450</b>
2017	110,000	6.500%	27,625	<b>137,625</b>
2018	120,000	6.500%	20,150	<b>140,150</b>
2019	120,000	6.500%	12,350	<b>132,350</b>
2020	130,000	6.500%	4,225	<b>134,225</b>
<b>TOTALS</b>	<b>1,040,000</b>		<b>650,650</b>	<b>1,690,650</b>

**Issue No. 3  
\$820,000 General Obligation Bonds**

**Proposed Maturity Schedule**

The 2009 projects are anticipated to be financed with General Obligation to be issued under authority of Wisconsin Statutes Chapter 67. The interest rate used for this is 5.50%.

<b>Issue #3 (2009 Issue)</b>				
<b>Tax Exempt G.O. Bonds</b>				
Year	Prin (2/1)	Rate <sup>2</sup>	Interest	TOTAL
2006				<b>0</b>
2007				<b>0</b>
2008				<b>0</b>
2009			22,550	<b>22,550</b>
2010		5.500%	45,100	<b>45,100</b>
2011		5.500%	45,100	<b>45,100</b>
2012		5.500%	45,100	<b>45,100</b>
2013	15,000	5.500%	44,688	<b>59,688</b>
2014	30,000	5.500%	43,450	<b>73,450</b>
2015	30,000	5.500%	41,800	<b>71,800</b>
2016	35,000	5.500%	40,013	<b>75,013</b>
2017	35,000	5.500%	38,088	<b>73,088</b>
2018	35,000	5.500%	36,163	<b>71,163</b>
2019	35,000	5.500%	34,238	<b>69,238</b>
2020	35,000	5.500%	32,313	<b>67,313</b>
2021	55,000	5.500%	29,838	<b>84,838</b>
2022	60,000	5.500%	26,675	<b>86,675</b>
2023	65,000	5.500%	23,238	<b>88,238</b>
2024	70,000	5.500%	19,525	<b>89,525</b>
2025	75,000	5.500%	15,538	<b>90,538</b>
2026	80,000	5.500%	11,275	<b>91,275</b>
2027	165,000	5.500%	4,538	<b>169,538</b>
<b>TOTALS</b>	<b>820,000</b>		<b>599,225</b>	<b>1,419,225</b>

**Issue No. 4**  
**\$125,000 Water Utility Reimbursement**

**Proposed Maturity Schedule**

The 2007 Water Tower cost is anticipated to be reimbursed by the City at an interest rate of 5.50%.

<b><i>Pmts to Water Utility (2007 Issue)</i></b>				
<b>For Water Tower Share</b>				
<b>Year</b>	<b>Prin (2/1)</b>	<b>Rate<sup>z</sup></b>	<b>Interest</b>	<b>TOTAL</b>
2006				<b>0</b>
2007				<b>0</b>
2008			6,875	<b>6,875</b>
2009			6,875	<b>6,875</b>
2010			6,875	<b>6,875</b>
2011			6,875	<b>6,875</b>
2012			6,875	<b>6,875</b>
2013	10,000	5.500%	6,600	<b>16,600</b>
2014	10,000	5.500%	6,050	<b>16,050</b>
2015	15,000	5.500%	5,363	<b>20,363</b>
2016	20,000	5.500%	4,400	<b>24,400</b>
2017	30,000	5.500%	3,025	<b>33,025</b>
2018	40,000	5.500%	1,100	<b>41,100</b>
<b>TOTALS</b>	<b>125,000</b>		<b>60,913</b>	<b>185,913</b>

**6**

**ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS**

Pursuant to Section 66.1105(5)(b) of the Wisconsin State Statutes the City estimates that 10% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

**7**

**ANNEXED PROPERTY**

Property proposed for inclusion within the District was annexed by the City on or after January 1, 2004. To satisfy the requirements of s.66.1105(4)(gm)1. Wis. Stats., the City pledges to pay to the Town of Baraboo for the next five years an amount equal to the property taxes levied on the annexed property by the Town at the time of annexation.

**8**

**A LIST OF ESTIMATED NON-PROJECT COSTS**

Anticipated construction by private parties: \$12,000,000

**9**

**PROPOSED CHANGES IN ZONING ORDINANCES**

The City of Baraboo anticipates that a portion of the District will be rezoned prior to development.

## 10

### PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND CITY OF BARABOO ORDINANCES

It is expected that this 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 ordinances for the implementation of this Plan.

## 11

### RELOCATION

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

In the event relocation becomes necessary at some time during the implementation period, the City will take the following steps and actions:

Before negotiations begin for the acquisition of property or easements, all property owners will be provided an informational pamphlet prepared by the Wisconsin Department of Commerce and if any person is to be displaced as a result of the acquisition, they will be given a pamphlet on "Relocation Rights". The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project and a list of all or at least ten neighboring landowners to whom offers are being made. The City will file a relocation plan with the Department of Commerce and shall keep records as required in Wisconsin Statute Section 32.27.

## 12

### ORDERLY DEVELOPMENT OF THE CITY OF BARABOO

The District contributes to the orderly development of the City by providing the opportunity for continued growth in tax base and job opportunities.

**13**

**PRELIMINARY PARCEL LIST**

Boundaries include only whole parcels and the District is contiguous.

**City of Baraboo**  
**TID # 7 Parcel List (From City)**

<u>PARCEL_ID</u>	<u>GISPIN</u>	<u>NAME 1</u>	<u>NAME 2</u>	<u>MAILING AD</u>	<u>ZIP</u>	<u>STREET</u>	<u>CLS</u>	<u>ZONE</u>	<u>LAND</u>	<u>IMP</u>	<u>TOTAL</u>
4032	1152-92000	DEVCO I LLC		426 HITCHCOCK ST	53913	SOUTH BLVD	260		204,300	0	204,300
4169	1152-93010	RENEWAL I LLC	% JAY SMITH	526 HITCHCOCK ST	53913	US HWY 12	460		4,700	0	4,700
4179	1152-93100	RENEWAL I LLC		426 HITCHCOCK ST	53913	SOUTH BLVD	460		4,700	0	4,700
<b>TOTAL</b>									<b>213,700</b>		<b>213,700</b>

**14**

**MAP OF PROPOSED DISTRICT BOUNDARY**

**TID 7**



**MAP DATE: 5-19-06**

**15**

MAPSHOWING EXISTING USES AND CONDITIONS

# TID 7 ZONING



**LEGEND**

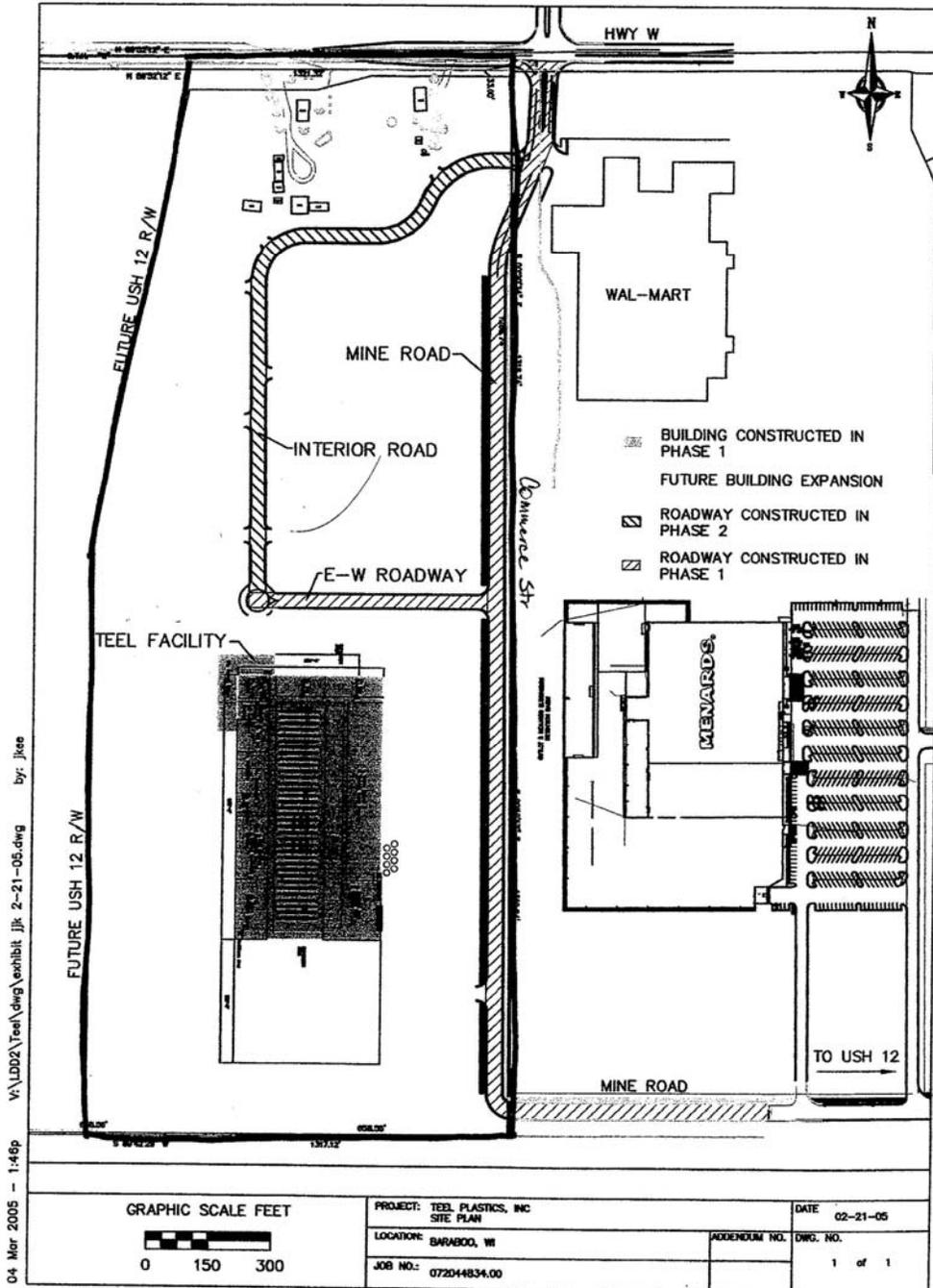
	A-1		I-4
	B-3		MH-P
	TID 7 BOUNDARY		



**MAP DATE: 6-2-06**

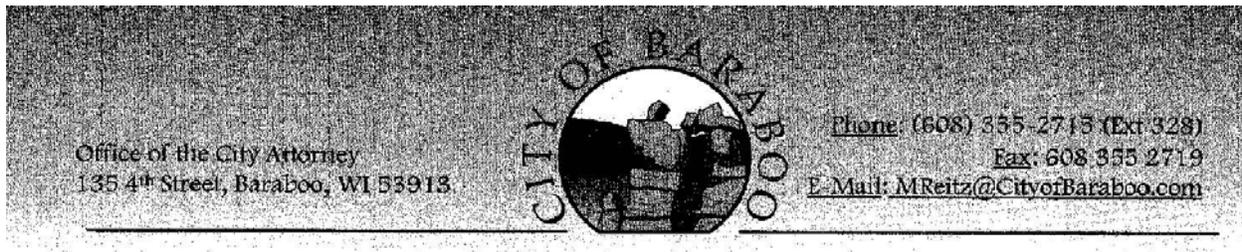
**16**

**MAP SHOWING PROPOSED IMPROVEMENTS AND USES**



17

OPINION OF ATTORNEY FOR THE CITY OF BARABOO ADVISING  
WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN  
STATUTES, SECTION 66.1105



August 23, 2006

Patrick Liston, City Mayor  
City of Baraboo  
135 4<sup>th</sup> Street  
Baraboo, WI 53913

Re: City of Baraboo, Wisconsin  
Tax Incremental District No. 7

Dear Mayor Liston:

As City Attorney for the City of Baraboo, I have reviewed the Project Plan and various resolutions passed by the Common Council, Plan Commission, and Joint Review Board regarding Tax Incremental District No. 7 located in the City of Baraboo. In my opinion, the Project Plan is complete and complies with Section 66.1105 of the Wisconsin Statutes.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark R. Reitz".

Mark R. Reitz  
Attorney, City of Baraboo

MR:BK