

**Tax Increment District #2
Project Plan Amendment #3
City of Monona, WI**

Prepared For:
City of Monona
Community Development Authority
5211 Schluter Road
Monona, WI 53716

Prepared By:


999 Fourier Drive, Suite 201
Madison, WI 53717
(608) 826-0532

**Approved by the City Council
October 3, 2011**

Tax Increment District #2 Created: September 16, 1991
Amendment #1 Adopted: November 3, 1997
Amendment #2 Adopted: May 7, 2007
Amendment #3 Adopted: October 3, 2011

Acknowledgements

City Council

Robert Miller – Mayor
James Busse
Dennis Kugle
Scott Munson
Chad Speight
Jeffrey Wiswell, Sr.
Douglas Wood

Community Development Authority

Robb Kahl, Chair
James Busse
Andrew Homburg
George Lightbourn
Jason Scott
John Surdyk
Jeffrey Wiswell, Sr.

City Staff

Patrick Marsh, City Administrator
Paul Kachelmeier, Planning/Community Development Coordinator
Marc Houtakker, Finance Director

Joint Review Board

Marc Houtakker – City of Monona
David Worzala – Dane County
Craig Gerlach – Monona Grove School District
Ed Noehre – Madison Area Technical College
Andrew Homburg – At-Large Member

Vierbicher Associates, Inc.

Gary Becker, Project Manager

Table of Contents

Introduction	1
Proposed Public Works & Project Costs	2
Economic Feasibility & Financing	3
Overlying Taxing Jurisdictions	4
“12% Test”	4
Changes to Maps, Plans, Ordinances	4
Relocation	5
Promoting Orderly Development	5
District Boundaries	5

Appendix A: Map

TID #2 Boundary

Appendix B: Resolutions, Notices, Minutes, and Other Attachments

- Attachment #1: Timetable
- Attachment #2 Public Hearing Notice to Taxing Jurisdictions
- Attachment #3: Public Hearing Minutes
- Attachment #4: CDA Resolution
- Attachment #5: City Council Resolution
- Attachment #6: Joint Review Board Approval Resolution
- Attachment #7: Proof of Publication
- Attachment #8: Attorney Opinion Letter
- Attachment #9: JRB Meeting Minutes

1 Introduction

This is an amendment to the City of Monona's Tax Increment District (TID) #2 Project Plan. TID #2 was created by resolution of the Monona City Council in September of 1991. The TID must be closed in 2018, with 2013 being the final year for project cost expenditures. However, the Wisconsin Department of Revenue allows a TID to continue to donate funds to other tax increment districts, as the donations to other TIDs are not considered expenditures. This amendment is to allow TID #2 to make donations to TID #4 and TID #5, both of which are blight elimination TIDs. No other costs have been added to the district. State statutes authorize donations to blight elimination TIDs under 66.1105(6)(f). This amendment also authorizes TID #2 to expend money within a half-mile of the TID boundary on projects that benefit the TID. Any such expenditures would be made from previous TID budget line-items.

As authorized in Wisconsin Statutes 66.1105, Tax Increment District #2 was created to promote the orderly development of the City of Monona by promoting blight elimination and causing infrastructure improvements to be made within the TID #2 boundary. The amended project plan for Tax Increment District #2 in the City of Monona has been prepared in compliance with Wisconsin Statutes Chapter 66.1105(4)(h). The TID #2 Project Plan Amendment shall be attached to the City of Monona TID #2 Project Plan, and become part of the original project plan adopted by resolution of the Monona City Council.

The City Council and Community Development Authority (CDA) are not mandated to make expenditures described in this Amendment; however, they are limited to implementing only those projects identified in the original Plan and its amendments.

As required by Wisconsin Statutes Chapter 66.1105(5)(b), a copy of the Amendment will be submitted to the Wisconsin Department of Revenue and used as the basis for the certification of the Amendment of Tax Increment District #2.

Approval Process

The City Council authorized the CDA to initiate planning for an amendment to TID #2 on June 6, 2011. The Amendment to TID #2 was introduced at the Monona CDA meeting on June 28, 2011. The CDA further discussed the Amendment on July 26, 2011, when a public hearing was scheduled for September 13, 2011. Public Hearing notices were published on August 25, 2011 and September 1, 2011. A Joint Review Board notice was published on August 25, 2011. The initial meeting of the Joint Review Board was held on September 8, 2011 where Andrew Homburg was confirmed as the at-large board member and board chair. The Public Hearing for the TID #2 Project amendment was held on September 13, 2011. After the public hearing, the CDA approved the TID #2 Project Plan amendment and recommended it to the City Council for adoption. This Project Plan amendment was adopted by resolution of the City Council on October 3, 2011. The TID #2 Project Plan, as amended, is to be used as the official Plan for the district.

The TID #2 Project Plan and Boundary Amendment has been reviewed and approved by a Joint Review Board as required by Wisconsin Statutes. A notice for the final meeting of the JRB was published on September 29, 2011. The final meeting of the JRB was held on October 12, 2011. At that meeting, the JRB approved the City's Amendment of TID #2.

2 Proposed Amendment

The only item added to the TID #2 budget for the remaining years of the TID's life is to allow donations of excess TID #2 revenue to TID #4 and TID #5. No "project costs," as defined in 66.1105(2)(f) have been added to the TID #2 budget as part of this amendment. No other "non-project costs" are included in this amendment. The original project plan and all amendments thereto for this TID, including all maps and attachments, proposed public works and improvements within and outside the TID, and estimated project and nonproject costs, are hereby incorporated herein by reference except as specifically modified herein.

Because donations to other TIDs are not considered "expenditures" by the Wisconsin Department of Revenue the TID may continue to donate money to other TIDs until it is closed – such donations may be made up to the mandatory closing date of the TID, unlike project cost expenditures, which must cease five years prior to the TID's closing under 66.1105(6)(am).

This amendment to TID #2 also authorizes expenditures that benefit the TID to be made within a half mile of the TID #2 boundary. Any expenditures made under this authorization would come from previously authorized expenditure categories in the original TID #2 plan or its first two amendments.

Please see Section 3, Economic Feasibility and Financing, for an analysis of TID #2 cash flow.

Table #1 compares the TID #2 budget with expenditures as of December 31, 2010. Numbers are drawn from the TID #2 annual report. The budget combines items from the original TID #2 Project Plan and Amendment #1. Expenditures are split into two broad categories – capital expenditures (which includes such things as road improvements, utilities improvements, public amenities, and equipment) and administration (includes City staff time, consultant time, TID creation/amendment costs, audits, etc.). Note that the original project plan for TID #2 stated that the City would have the ability to increase the budget to reflect inflation factors between when the Plan was formulated and when the project was implemented.

Table #1: TID #2 Summary of Expenditures

Project Cost Category	Budgeted	Spent	Difference
Capital Expenditures	\$9,120,076	\$10,052,418	\$(932,342)
Administration	\$669,082	\$253,914	\$415,168

Note that TID #2 had a second amendment in 2007 that budgeted an additional \$4 million for CDA funds, façade improvement funds, developer incentives, and commercial and residential rehabilitation funds. Those funds are not included in the above summary chart; little of those funds have been spent as of this amendment. The 2007 amendment also allowed donations to other TIDs for a limited period of time. Approximately \$2.4 million has been transferred to TID #4 since the 2007 amendment. This amendment is to allow donations to TID #4 to continue, while also enabling donations to TID #5. Donations would only occur after all other TID #2 financial obligations are satisfied in each year (see the following section for further analysis).

3 Economic Feasibility & Financing

According to 66.1105(6)(f)(3), "the allocation of positive tax increments from a donor district to one or more recipient districts cannot be made unless the donor district has first satisfied all of its current-year debt service and project cost obligations." Table #2 shows the TID #2 projected annual surplus that will be available to donate to TID #4 and TID #5 after TID #2 satisfies all current debt obligations. Should additional expenditures be made or additional obligations be incurred, the amount available for donations would correspondingly decrease.

Table #2 was compiled from information produced by City Finance Director Marc Houtakker that was used in the TID #2 and TID #4 annual reports. TID #2 increment was assumed to increase at 1% per year, and TID #4 increment was assumed to increase at 3% per year. No additional increment from redevelopment projects has been assumed for either district. As is apparent from Table #2, TID #2 has sufficient increment to not only handle its outstanding debt, but to handle donations to other TIDs, even if tax collections were to take a downturn. Given the recent trends of flat or increasing mill rates (Table #3), tax collections within the TIDs should not be negatively impacted by a large drop in the mill rate.

TID #5 was established effective January 1, 2008. So far, it has a negative increment. While recent redevelopment, as well as planned future redevelopment, is expected to boost increment significantly, it may still prove necessary to offset some of the TID #5 redevelopment expenses with a donation from TID #2. It is expected that donations to TID #4 would occur earlier in the remaining life of TID #2. Donations to TID #5 would occur towards the mandatory closing date of TID #2, if increment has not been boosted sufficiently at that point to address the outstanding debt load of the district.

Table #2: TID #2 and TID #4 Summary Chart

Year	TID #2 Projected Annual Surplus Available for Donation to other TIDs	TID #4 Projected Annual Deficit Without Donations
2010*	\$83,796*	\$1,579,662*
2011	\$1,193,505	\$(256,771)
2012	\$1,213,247	\$(269,728)
2013	\$330,397	\$(320,755)
2014	\$429,733	\$(306,464)
2015	\$441,183	\$(311,808)
2016	\$789,134	\$(315,629)
2017	\$1,385,136	\$(323,416)
2018	\$1,556,406	\$(1,280,619)
2019		\$(1,164,586)
2020		\$(228,539)
2021		\$(280,455)
2022		\$(253,845)
2023		\$(208,855)
2024		\$(216,802)
2025		\$(191,443)
2026		\$(215,020)
2027		\$(125,439)
Total	\$7,422,537	\$(4,690,512)

* Actual end of year balance on 12/31/2010, according to TID annual reports.

Table #3: Full Value Tax Rate

Year	Mill Rate/\$1,000	Percent Change
2000	\$26.57	--
2001	\$26.08	-1.8%
2002	\$25.62	-1.8%
2003	\$23.80	-7.1%
2004	\$22.91	-3.7%
2005	\$21.58	-5.8%
2006	\$19.88	-7.9%
2007	\$19.72	-0.8%
2008	\$19.67	-0.3%
2009	\$21.12	7.4%
2010	\$21.24	0.6%
2011	\$22.49	5.9%

4 Overlying Taxing Jurisdictions

Taxing Districts overlying TID #2 in the City of Monona include Dane County, the Monona Grove School District, Madison Area Technical College, and the State of Wisconsin.

The amendment to allow donations from TID #2 to TID #4 and TID #5 will likely delay the closing of TID #2 by three to four years. While that would result in dollars being retained in Monona TIDs in the near-term, the City and CDA believe that the long term benefits, in the form of supporting new and ongoing redevelopment and revitalizations efforts in multiple areas will result in an overall long-term boost in taxable value throughout the City that will outweigh a shorter term delay in the return of parcels to the property tax rolls.

5 "12% Test"

Because this Amendment does not add any property to the TID, the 12% test does not impact the Amendment.

6 Changes to Maps, Plans, Ordinances

No changes to the Comprehensive Plan, Building Codes, or official map are proposed as part of this amendment. No changes to the City's Zoning Ordinance or other City Ordinances are required to implement this project plan amendment. Though no rezonings are currently anticipated, development proposals may require changes in zoning designation consistent with the intent of this Amendment and the intent of this blight elimination TID.

7 Relocation

No persons are expected to be displaced or relocated as a result of proposed projects in this TID amendment; however, if relocation were to become necessary in the future, the following is the method proposed by the City for displacement or relocation. Before negotiations begin for the acquisition of property or easements, all property owners will be contacted to determine if there will be displaced persons as defined by Wisconsin Statutes and Administrative Rules. If it appears there will be displaced persons, all property owners and prospective displaced persons will be provided an informational pamphlet prepared by the Wisconsin Department of Commerce (DOC). If any person is to be displaced as a result of the acquisition they will be given a pamphlet on "Relocation Benefits" as prepared by the DOC. The City will file a relocation plan with the DOC and shall keep records as required in Wisconsin Statutes 32.27. 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 neighboring landowners to whom offers are being made as required by law.

8 Promoting Orderly Development

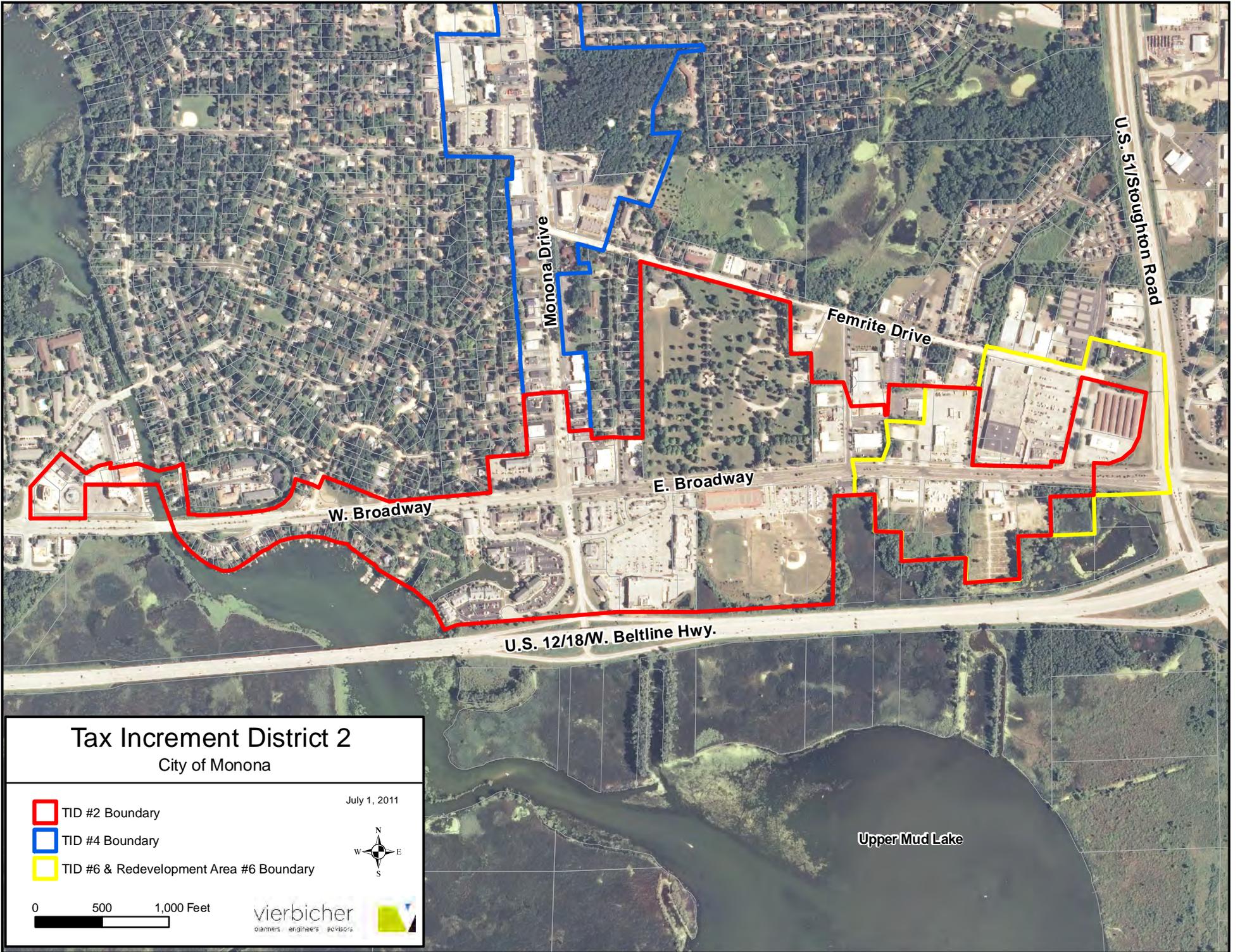
TID #2, TID #4, and TID #5 were all created to eliminate blight within the City of Monona. This amendment to TID #2 will allow all blight elimination TIDs within the City to fully carry out the goal of blight elimination.

9 District Boundaries

The TID #2 boundary is not affected by this amendment. A boundary map is included for reference purposes in Appendix A.

A TID #2 Boundary Map

Appendix A – TID #2 Boundary Map



Tax Increment District 2

City of Monona

July 1, 2011

- TID #2 Boundary
- TID #4 Boundary
- TID #6 & Redevelopment Area #6 Boundary



0 500 1,000 Feet



Upper Mud Lake

B Resolutions, Notices, Minutes

Appendix B – Resolutions, Notices, Minutes, and Other Attachments

- Attachment #1: Timetable
- Attachment #2 Public Hearing Notice to Taxing Jurisdictions
- Attachment #3: Public Hearing Minutes
- Attachment #4: CDA Resolution
- Attachment #5: City Council Resolution
- Attachment #6: Joint Review Board Approval Resolution
- Attachment #7: Proof of Publication
- Attachment #8: Attorney Opinion Letter
- Attachment #9: JRB Meeting Minutes

Attachment #1:

Timetable

CITY OF MONONA
TAX INCREMENT DISTRICT #2 & #4 AMENDMENTS
 Summary of Activities and Preliminary Timetable
 Updated: 9/16/11

Action	Party Responsible	Date
1. Discuss TID amendments, make recommendation to Council	CDA	5/24/11
2. Consider approval of TID amendments resolution	City Council	6/6/11
3. Send letters to tax jurisdictions regarding JRB formation	Vierbicher / City Staff	6/7/11 – 6/10/11
4. Prepare TID Project Plan Amendments, resolutions, preliminary TID budgets	Vierbicher	6/7/11 – 6/23/11
5. CDA Meeting: Discuss TID amendments' budgets and Project Plans.	CDA	6/28/11
6. CDA Meeting: <ul style="list-style-type: none"> • Review TID amendment budgets and Project Plans • Recommend edits to plans • Schedule public hearing for TID amendments (if no major further discussion needed) 	CDA	7/26/11
7. CDA Public hearing notices to newspaper for publication	Vierbicher	8/19/11
8. Send hearing notices to taxing entities	Vierbicher	8/19/11
9. JRB meeting notices to newspaper for publication (<i>Class I</i>)	Vierbicher	8/19/11
10. Mail out JRB packets	Vierbicher	8/24/11
11. Publish notices for JRB First Meeting (<i>at least 5 days before meeting</i>)	Herald - Independent	8/25/11
12. Publish notices for TID Project Plan amendments' public hearings (<i>Class II</i>)	Herald - Independent	8/25/11 & 9/1/11
13. JRB – First Meeting on TID Amendments (<i>at least 5 days after publication of meeting notice; latest date 14 days after first notice of Public Hearing</i>)	Vierbicher / JRB	9/8/11 11:30am
14. CDA Meeting: <ul style="list-style-type: none"> • Public Hearings – TID #2 Project Plan amendment & TID #4 Project Plan amendment (<i>at least 7 days after last insertion of public notice</i>) • Adoption of TID amendments, submission to City Council for Approval 	Vierbicher / CDA	9/13/11
15. Provide information to City Attorney for TID amendments' attorney opinion letters; JRB meeting notice to newspaper for publication (<i>Class I</i>)	Vierbicher	9/16/11
16. City Council Meeting: <ul style="list-style-type: none"> • Review TID Project Plan amendments • First reading of TID Project Plan amendment resolutions 	City Council	9/19/11
17. Mail out JRB packets.	Vierbicher	9/29/11
18. Publish notice for JRB Final Meeting (<i>at least 5 days before meeting</i>)	Herald - Independent	9/29/11
19. City Council Meeting: Final reading of TID Project Plan amendment resolutions (<i>Not less than 14 days after public hearing</i>)	City Council	10/3/11
20. JRB Meeting: Approval of TID Project Plan amendments by JRB (<i>Within 30 days of Council approval</i>)	Vierbicher / JRB	10/12/11 1:30pm
21. Submit TID Project Plan amendment packets to Wisconsin Department of Revenue	City Clerk/ Assessor	10/13/11 – 10/28/11

Notes:

- The City of Monona CDA meets on the fourth Tuesday of the month at 7 pm.
- The Monona City Council meets the first and third Mondays of the month at 7:30 p.m. in the Monona Public Library.
- The City of Monona's newspaper of record is the Herald-Independent, which is delivered on Thursdays. Ads must be received before noon on Monday of the week they are to be published (Friday for holiday publications). Phone: 839-1544.

Attachment #2:

Public Hearing Notice to Taxing Jurisdictions



Letter of Transmittal

999 Fourier Drive, Suite 201
Madison, Wisconsin 53717
(608) 826-0532 phone
(608) 826-0530 FAX
www.vierbicher.com

Date: August 22, 2011

Project No. 12066031 – Tsk 11

Re: TID #2 Amendment

FILE COPY

File:

Attn: Joe Parisi, Dane County Executive
To: City County Building, Room 421
210 Martin Luther King Jr. Blvd.
Madison, WI 53703

WE ARE SENDING YOU:

Attached

Under separate cover via _____ the following items:

- Shop Drawings Prints Plans Samples Specifications
 Copy of Letter Change Order Pay Request

Copies	Date	No.	Description
1			City of Monona Community Development Authority (CDA) Notice of Public Hearing – TID No. 4
1			City of Monona Community Development Authority (CDA) Notice of Public Hearing – TID No. 2
1			City of Monona Notice of Joint Review Board Meeting

THESE ARE TRANSMITTED AS CHECKED BELOW:

- For approval Approved as submitted Resubmit _____ copies for approval
 For your use Approved as noted Submit _____ copies for distribution
 As requested Returned for corrections Return _____ corrected prints
 For review & comment For your file _____
 FOR BIDS DUE: _____ (Date) RETURNED AFTER LOAN TO US

REMARKS:

Please contact us if you need any more information or if you have any questions. Thank you

Copy to _____ Signed Marilyn Brinkman (for Ben Zellers)

If enclosures are not as noted, kindly notify us at once.



Letter of Transmittal

999 Fourier Drive, Suite 201
Madison, Wisconsin 53717
(608) 826-0532 phone
(608) 826-0530 FAX
www.vierbicher.com

Date: August 22, 2011

Project No. 12066031 – Tsk 11

Re: TID #2 Amendment

FILE COPY

File:

Attn: Bettsey L. Barhorst
To: Madison Area Technical College
3550 Anderson St.
Madison, WI 53704

WE ARE SENDING YOU:

- Attached
- Under separate cover via _____ the following items:
- Shop Drawings Prints Plans Samples Specifications
- Copy of Letter Change Order Pay Request

Copies	Date	No.	Description
1			City of Monona Community Development Authority (CDA) Notice of Public Hearing – TID No. 4
1			City of Monona Community Development Authority (CDA) Notice of Public Hearing – TID No. 2
1			City of Monona Notice of Joint Review Board Meeting

THESE ARE TRANSMITTED AS CHECKED BELOW:

- For approval Approved as submitted Resubmit _____ copies for approval
- For your use Approved as noted Submit _____ copies for distribution
- As requested Returned for corrections Return _____ corrected prints
- For review & comment For your file _____
- FOR BIDS DUE: _____ (Date) RETURNED AFTER LOAN TO US

REMARKS:

Please contact us if you need any more information or if you have any questions. Thank you

Copy to _____ Signed Marilyn Brinkman (for Ben Zellers)

If enclosures are not as noted, kindly notify us at once.



Letter of Transmittal

999 Fourier Drive, Suite 201
Madison, Wisconsin 53717
(608) 826-0532 phone
(608) 826-0530 FAX
www.vierbicher.com

Date: August 22, 2011

Project No. 12066031 – Tsk 11

Re: TID #2 Amendment

FILE COPY

File:

Attn: Susan Fox
To: School Board President
Monona Grove School District
5301 Monona Drive
Monona, WI 53716

WE ARE SENDING YOU:

- Attached
- Under separate cover via _____ the following items:
- Shop Drawings Prints Plans Samples Specifications
- Copy of Letter Change Order Pay Request

Copies	Date	No.	Description
1			City of Monona Community Development Authority (CDA) Notice of Public Hearing – TID No. 4
1			City of Monona Community Development Authority (CDA) Notice of Public Hearing – TID No. 2
1			City of Monona Notice of Joint Review Board Meeting

THESE ARE TRANSMITTED AS CHECKED BELOW:

- For approval Approved as submitted Resubmit _____ copies for approval
- For your use Approved as noted Submit _____ copies for distribution
- As requested Returned for corrections Return _____ corrected prints
- For review & comment For your file _____
- FOR BIDS DUE: _____ (Date) RETURNED AFTER LOAN TO US

REMARKS:

Please contact us if you need any more information or if you have any questions. Thank you

Copy to _____ Signed Marilyn Brinkman (for Ben Zellers)

If enclosures are not as noted, kindly notify us at once.



Letter of Transmittal

999 Fourier Drive, Suite 201
Madison, Wisconsin 53717
(608) 826-0532 phone
(608) 826-0530 FAX
www.vierbicher.com

Date: August 22, 2011

Project No. 12066031 – Tsk 11

Re: TID #2 Amendment

FILE COPY

File:

Attn: Robert Miller
To: City of Monona Mayor
5211 Schluter Road
Mononda, WI 53716-2598

WE ARE SENDING YOU:

- Attached
- Under separate cover via _____ the following items:
- Shop Drawings Prints Plans Samples Specifications
- Copy of Letter Change Order Pay Request _____

Copies	Date	No.	Description
1			City of Monona Community Development Authority (CDA) Notice of Public Hearing – TID No. 4
1			City of Monona Community Development Authority (CDA) Notice of Public Hearing – TID No. 2
1			City of Monona Notice of Joint Review Board Meeting

THESE ARE TRANSMITTED AS CHECKED BELOW:

- For approval Approved as submitted Resubmit _____ copies for approval
- For your use Approved as noted Submit _____ copies for distribution
- As requested Returned for corrections Return _____ corrected prints
- For review & comment For your file _____
- FOR BIDS DUE: _____ (Date) RETURNED AFTER LOAN TO US

REMARKS:

Please contact us if you need any more information or if you have any questions. Thank you

Copy to _____ Signed Marilyn Brinkman (for Ben Zellers)

If enclosures are not as noted, kindly notify us at once.

**CITY OF MONONA COMMUNITY DEVELOPMENT AUTHORITY (CDA)
NOTICE OF PUBLIC HEARING
PROJECT PLAN AMENDMENT FOR TAX INCREMENT DISTRICT (TID) NO. 2**

NOTICE IS HEREBY GIVEN that on Tuesday, September 13, 2011 at 6:30 p.m. or shortly thereafter, the City of Monona Community Development Authority (CDA) will hold a Public Hearing pursuant to section 66.1105(4)(h) of Wisconsin State Statutes at City Hall, 5211 Schluter Road, Monona, WI. At that time, a reasonable opportunity will be afforded to all interested parties to express their view on the Project Plan amendment of TID No. 2. The proposed amendment is to allow the TID to expend money within a half-mile of the TID boundary and to allow the district to donate funds to TID No. 4 and TID No. 5. As part of the TID No. 2 Project Plan, cash grants may be made by the City to owners, lessees, or developers of property within TID No. 2.

A copy of the TID Project Plan amendment is available for inspection and will be provided upon request. Arrangements for either inspection or receipt of a copy of the Project Plan Amendment may be made by contacting Paul Kachelmeier, Planning & Community Development Coordinator, City of Monona, 5211 Schluter Road; Phone (608) 222-2525.

Publication Dates: August 25, 2011, September 1, 2011

Sent to Overlying Taxing Jurisdictions: August 19, 2011

Attachment #3:
Public Hearing Minutes

**Minutes
Community Development Authority Meeting
September 13, 2011**

The meeting of the Community Development Authority for the City of Monona was called to order by Chair Robb B. Kahl at 6:30 p.m.

Present: Chair Robb B. Kahl, Aldm. Jim Busse, Mr. Andrew Homburg, Mr. Jason Scott, Mr. John Surdyk, and Aldm. Jeff Wiswell

Absent: Mr. George Lightbourn

Also Present: City Administrator Patrick Marsh, Planning and Community Development Coordinator Paul Kachelmeier, and CDA consultant Gary Becker from Vierbicher Associates.

MINUTES

A motion was made by Mr. Homburg, seconded by Aldm. Busse, for approval of the minutes of July 26, 2011.

The motion carried.

APPEARANCES

There were no appearances and the appearances section was declared closed.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

A public hearing for the amendment to the Tax Increment District (TID) No. 2 Project Plan was declared open by Chair Kahl.

CDA consultant Gary Becker of Vierbicher Associates appeared and said that the TID No. 2 Amendment is to renew TID No. 2 as a donor district to TID No. 4 and TID No. 5, and is an open amendment and does not need to be amended again, and will also allow expenditures up to one-half mile outside of the TID boundaries. He said the Joint Review Board met last week as a preparation and information meeting on the amendments proposed to TID No. 2 and TID No. 4.

Mr. Homburg who is the CDA representative on the Joint Review Board said the meeting went very well.

There were no other appearances and the public hearing was declared closed.

A public hearing for the amendment to the Tax Increment District (TID) No. 4 Project Plan was declared open by Chair Kahl.

CDA consultant Gary Becker said that this TID Amendment allows for expenditures up to one-half mile outside of the TID boundaries.

There were no other appearances and the public hearing was declared closed.

There was no discussion of the two TID amendments.

A motion was made by Aldm. Busse, seconded by Mr. Surdyk for approval of the resolution approving the TID No. 2 Project Plan Amendment and submitting it to the City Council for consideration of approval.

The motion carried.

A motion was made by Aldm. Busse, seconded by Mr. Surdyk for approval of the resolution approving the TID No. 4 Project Plan Amendment and submitting it to the City Council for consideration of approval.

The motion carried.

The CDA discussed an update on the 2011 TID increment values. CDA consultant Gary Becker reviewed with the CDA a report he had prepared on the City of Monona Tax Increment Districts Overview, updated 8/19/11. There was discussion of the report.

MISCELLANEOUS BUSINESS

Planning and Community Development Coordinator Paul Kachelmeier gave a brief report on the status of commercial and residential development projects in the City.

Aldm. Wiswell said that a Monona resident has brought up concerns with stormwater management and erosion control at the two new health care clinics that are under construction.

City Administrator Patrick Marsh said that City staff was following up on this.

Planning and Community Development Coordinator Paul Kachelmeier said that Rossi's Pizza which is a carry out and delivery pizza business was proposing to relocate their business from 100 Frost Woods Road in the Rossario's Restaurant building to a building at 4503 Monona Drive, across from the Monona Grove High School. He said this building is located in the North Monona Drive Redevelopment Area No. 7.

Community Development Authority Meeting
September 13, 2011
Draft Minutes Subject to Approval

Aldm. Busse said that the Plan Commission will review a request for a zoning permit for the relocation of Rossi's Pizza at their next meeting too.

Chair Kahl asked the City Administrator to talk to the City Attorney about if review is required by the CDA and the City Council since this new business is proposed in Redevelopment Project Area No. 7.

The next meeting is scheduled for October 25, 2011.

ADJOURNMENT

A motion was made by Aldm. Wiswell, seconded by Mr. Surdyk to adjourn.

The motion carried.

8:00 p.m.

A handwritten signature in cursive script that reads "Paul Kahlmerer". The signature is written in dark ink and is positioned to the right of the time "8:00 p.m.".

1011-12.1

Attachment #4:

CDA Resolution

Attachment #5:
City Council Resolution

**Resolution No. 11-09-1802
Monona Common Council**

AMENDING TAX INCREMENT DISTRICT NO. 2 PROJECT PLAN

WHEREAS, the Common Council of the City of Monona requested the Community Development Authority prepare a Project Plan Amendment for Tax Increment District (TID) No. 2; and,

WHEREAS, the Community Development Authority caused a Project Plan Amendment to be prepared, and said Project Plan Amendment allows the TID to donate funds to TID No. 4 and No. 5 and make expenditures within a half-mile of the TID No. 2 boundary that will benefit TID No. 2 in its original purpose of eliminating blighting conditions; and,

WHEREAS, the Community Development Authority conducted a public hearing on the Project Plan Amendment after duly notifying the public and overlying taxing jurisdictions of said public hearing; and,

WHEREAS, the Community Development Authority approved said Project Plan Amendment for TID No. 2 and recommended the Common Council of the City of Monona amend TID No. 2 as approved by the Community Development Authority.

NOW, THEREFORE, BE IT RESOLVED, the Common Council of the City of Monona hereby amends TID No. 2 as recommended by the Community Development Authority.

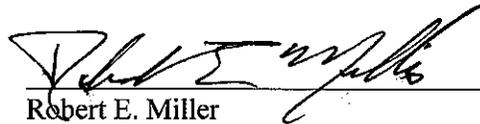
BE IT FURTHER RESOLVED, the City makes the following findings:

- A. The TID No. 2 amendment is feasible and in conformance with the master plan of the City of Monona;
- B. The improvement of TID No. 2 is likely to significantly enhance the value of substantially all of the other real property in the District; and
- C. The TID No. 2 project costs will continue to directly serve to eliminate blight and are consistent with the purpose for which the Tax Increment District is created; and

BE IT FURTHER RESOLVED, pursuant to Wisconsin Statutes 66.1105(4)(h), the Common Council hereby approves the Project Plan for TID No. 2 as recommended by the Community Development Authority.

Adopted this 3rd day of October, 2011.

BY ORDER OF THE CITY COUNCIL
CITY OF MONONA, WISCONSIN



Robert E. Miller
Mayor

ATTEST: Joan Andrusz

Joan Andrusz
City Clerk

Approval Recommended By: CDA, 9/13/11

Council Action:

Date Introduced: 9/19/11

Date Approved: 10-3-11

Date Disapproved: _____

Attachment #6:

Joint Review Board Approval Resolution

**CITY OF MONONA JOINT REVIEW BOARD
RESOLUTION CONCERNING
TAX INCREMENT DISTRICT NO. 2 AMENDMENT**

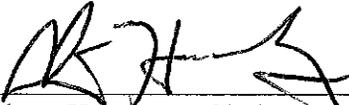
WHEREAS, the City of Monona Joint Review Board, duly appointed pursuant to Wisconsin Statutes 66.1105(4m), has met and reviewed the public record, the planning documents, and the Resolution passed by the City Council of Monona amending Tax Increment District No. 2; and

WHEREAS, the Monona Joint Review Board has considered the following criteria:

- (A) The development expected in the Tax Increment District would not occur without the use of Tax Increment Financing;
- (B) The economic benefits of the Tax Increment District, as measured by increased employment, business and personal income and property value are sufficient to compensate the cost of the improvements; and
- (C) The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

NOW, THEREFORE BE IT RESOLVED THAT based on this Board's review and consideration, the Board hereby approves the resolution adopted pursuant to Wisconsin Statutes 66.1105(4)(h) by the Monona City Council on October 3, 2011.

This Resolution is adopted this 12th day of October, 2011 by a majority vote of the Joint Review Board.



Andrew Homburg, Chairperson

CERTIFICATION

This is to certify that the above Resolution was duly and regularly adopted by the Joint Review Board at a meeting held on October 12, 2011.

Motion was made by Worzala and seconded by Noehre to adopt the resolution.
Vote was 5 in favor and 0 against. Resolution adopted.

Attachment #7:
Proof of Publication

PROOF OF PUBLICATION

STATE OF WISCONSIN }
DANE COUNTY } ss.

Andy Pennington, being duly sworn, both depose and say that he is the general manager of the Herald-Independent, a newspaper published at the City of Monona, in the County of Dane, State of Wisconsin, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

8/25/11
9/1/11

(Signed) _____
General Manager

Subscribed and sworn before me this 1st day of Sep, 2011

Joan E. Squires
Notary Public, State of Wisconsin

My Commission expires 5-19, 2013

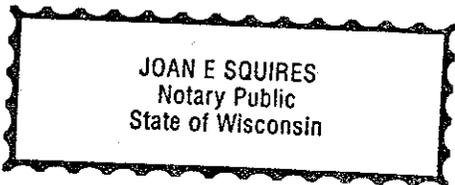
No. Lines 54 No. Times 2 Affidavit Fees \$ 1.00
Printers Fees \$ 44.54
Total \$ 45.54

**CITY OF MONONA
COMMUNITY DEVELOPMENT
AUTHORITY (CDA)
NOTICE OF PUBLIC HEARING
PROJECT PLAN AMENDMENT
FOR TAX INCREMENT
DISTRICT (TID) NO. 2**

NOTICE IS HEREBY GIVEN that on Tuesday, September 13, 2011 at 6:30 p.m. or shortly thereafter, the City of Monona Community Development Authority (CDA) will hold a Public Hearing pursuant to section 66.1105(4)(f) of Wisconsin State Statutes at City Hall, 5211 Schluter Road, Monona, WI. At that time, a reasonable opportunity will be afforded to all interested parties to express their view on the Project Plan amendment of TID No. 2. The proposed amendment is to allow the TID to expend money within a half-mile of the TID boundary and to allow the district to donate funds to TID No. 4 and TID No. 5. As part of the TID No. 2 Project Plan, cash grants may be made by the City to owners, lessees, or developers of property within TID No. 2.

A copy of the TID Project Plan amendment is available for inspection and will be provided upon request. Arrangements for either inspection or receipt of a copy of the Project Plan Amendment may be made by contacting Paul Kachelmeier, Planning & Community Development Coordinator, City of Monona, 5211 Schluter Road, Phone (608) 222-2525.

PUB. The Herald-Independent:
August 25 & September 1, 2011
WNAXLP



PROOF OF PUBLICATION

STATE OF WISCONSIN }
DANE COUNTY } ss.

Andy Pennington, being duly sworn, both depose and say that he is the general manager of the Herald-Independent, a newspaper published at the City of Monona, in the County of Dane, State of Wisconsin, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

8/25/11

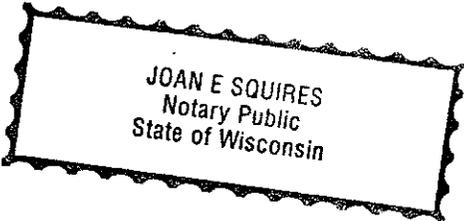
(Signed) [Signature]
General Manager

Subscribed and sworn before me this 25th day of

Aug 2011
[Signature]
Notary Public, State of Wisconsin

My Commission expires 5-19, 2013

No. Lines 44 No. Times 1 Affidavit Fees \$ 1.00
Printers Fees \$ 18.15
Total \$ 19.15



**CITY OF MONONA
NOTICE OF JOINT REVIEW
BOARD MEETING**
Please take note that on Thursday, September 8, 2011, at 11:30 am, the Monona Joint Review Board will be holding its first meeting concerning the City of Monona's request to amend Tax Increment District (TID) No. 2 and TID No. 4. The meeting will be held at Monona City Hall, 5211 Schluter Road, Monona, WI. Both amendments are to allow expenditure of TID money within a half-mile of the TID boundaries. The TID No. 2 amendment will also allow TID No. 2 increment to be shared with TID No. 4 and TID No. 5. The purpose of the initial meeting is for the Board to appoint an at-large representative, elect a chairperson, and review and comment on initial TID No. 2 and TID No. 4 Project Plan Amendment drafts. If you have any questions concerning the proposed TID amendments, please contact Paul Kachelmeier, Planning & Community Development Coordinator, City of Monona, 5211 Schluter Road, Phone (608) 222-2525.
All interested parties are invited to attend the meeting.
PUB. The Herald-Independent
August 25, 2011
WVAXLP v 06/10

PROOF OF PUBLICATION

STATE OF WISCONSIN }
DANE COUNTY } ss.

Andy Pennington, being duly sworn, both depose and say that he is the general manager of the Herald-Independent, a newspaper published at the City of Monona, in the County of Dane, State of Wisconsin, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

9/29/11

(Signed) Andy Pennington
General Manager

Subscribed and sworn before me this 29th day of Sep, 2011

Joan E Squires
Notary Public, State of Wisconsin

My Commission expires 5-19, 2013

No. Lines 41 No. Times 1 Affidavit Fees \$ 1.00
Printers Fees \$ 16.91
Total \$ 17.91

JOAN E SQUIRES
Notary Public
State of Wisconsin

**CITY OF MONONA
NOTICE OF JOINT REVIEW
BOARD MEETING**
Please take note that on Wednesday, October 12, 2011, at 1:30 pm, the Monona Joint Review Board will be holding its final meeting concerning the City of Monona's request to amend Tax Increment District (TID) No. 2 and TID No. 4. The meeting will be held at Monona City Hall, 5211 Schluter Road, Monona, WI. Both amendments are to allow expenditure of TID money within a half-mile of the TID boundaries. The TID No. 2 amendment will also allow TID No. 2 increment to be shared with TID No. 4 and TID No. 5. The purpose of the final meeting is for the Board to consider approval of the City Council's resolutions amending TID #2 and TID #4. If you have any questions concerning the proposed TID amendments please contact Paul Kachelmeier, Planning & Community Development Coordinator, City of Monona, 5211 Schluter Road; Phone (608) 222-2525. All interested parties are invited to attend the meeting. PUB. The Herald-Independent: September 29, 2011
WNAXLP

Attachment #8:
Attorney Opinion Letter

REUTER, WHITISH & COLE, S.C.

Allen D. Reuter
Barbara O. Whitish
William S. Cole
Daniel J. Evans

Attorneys at Law
44 E. Mifflin St. Suite 306
Madison, Wisconsin 53703

Telephone
(608) 250-9053

Facsimile
(608) 250-9054

September 19, 2011

Mayor Robert E. Miller
CITY OF MONONA
5211 Schluter Road
Monona, WI 53716

RE: Tax Increment District #2 – Project Plan Amendment #3
Certification of Compliance with Sec. 66.1105(4), Wis. Stats.

Dear Mayor Miller:

As City Attorney for the City of Monona, Wisconsin, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. I have reviewed it and it is my opinion that it is complete and complies with the provisions of section 66.1105(4) of the Wisconsin Statutes.

I have relied on the statements of fact set forth in the project plan, and the documents attached as exhibits thereto, without independent verification. I have not been engaged or undertaken to verify the reasonableness or accuracy of the assumptions, estimates or financial projections contained in the project plan and express no opinion relating thereto. Similarly, I have been informed the requisite notices have been given, but have not independently confirmed that fact.

In accordance with section 66.1105(4)(f), Stats., a copy of this opinion letter shall be included in the project plan.

Very truly yours,



William S. Cole

WSC:oc

cc: Mr. Gary Becker (via Email)
Mr. Pat Marsh (via Email)

Attachment #9:
JRB Meeting Minutes

Minutes
Monona Joint Review Board Meeting
September 8, 2011

The meeting of the City of Monona Joint Review Board (JRB) was called to order by Monona Community Development Authority (CDA) consultant Gary Becker at 11:33 a.m.

Present: Marc Houtakker, City of Monona Finance Director
Ed Noehre, Madison College
Jared Rossing, Monona Grove School District
Also Present: Andrew Homburg, Monona CDA Member
Gary Becker, Vierbicher Associates – CDA Consultant
Ben Zellers, Vierbicher Associates – CDA Consultant
Absent: David Worzala, Dane County Treasurer

CONFIRM AT-LARGE BOARD MEMBER

A motion was made by Mr. Houtakker and seconded by Mr. Noehre to confirm Mr. Homburg as the At-Large Member of the Joint Review Board.

The motion carried.

CONFIRM BOARD CHAIRPERSON

A motion was made by Mr. Houtakker and seconded by Mr. Noehre to appoint Mr. Homburg as the Joint Review Board Chair.

The motion carried.

REVIEW OF TID #2 PROJECT PLAN AMENDMENT

Mr. Homburg introduced the TID #2 amendment, stating that the amendment was being proposed for two main reasons: to allow donations to TID #4 and TID #5, and to allow expenditures within a half-mile of the TID boundary. State TIF statutes have changed since TID #2 was originally created, and now allow expenditures that benefit the TID within a half-mile boundary, with the approval of the Joint Review Board.

Mr. Becker stated that TID #2 was amended four years ago to allow it to share revenues with TID #4, and it is necessary to amend the TID again now to allow the revenue sharing to continue. Mr. Becker noted that no new project expenditures are included in the amendment.

Mr. Noehre asked about overlapping TID boundaries with regards to TID #2 and #6, which overlap some properties, and TID #4 and TID #5, which also overlap some properties. Mr. Becker stated that increment accrued after the overlapping TID was created goes to the overlapping TID.

Mr. Becker reviewed the anticipated TID #2 revenues versus the expected TID #4 costs, as shown in Table #3 in the project plan, noting that TID #2 revenues are currently expected to

exceed TID #2 expenditures by about \$7.4 million by the end of the TID's life in 2018, and the projected deficit for TID #4 without additional donations is about \$4.7 million over the remaining TID #4 life.

Mr. Homburg noted that the City is fortunate in that the City has some TIDs that have exceeded expectations, and those TIDs can more than offset a TID that has not quite performed as expected. Mr. Homburg also noted that TID #3 is closing, returning that property to the regular tax rolls. He stated that it is possible that TID #4 could turn around faster than projected if the commercial market begins to pick up, which he is beginning to see indications of. A big step towards the turnaround of the corridor was the completion of phase I of the Monona Drive reconstruction, which will help boost private investment by showing that the City is committed to investing in area infrastructure.

Mr. Homburg mentioned that the Heritage Monona project in TID #5 has been successful enough that the developer is now considering phase II of that development, which will boost the TID's income and possibly reduce the need for future donations from TID #2 to TID #5.

The agenda item was for discussion only – no action was taken.

REVIEW OF TID #4 PROJECT PLAN AMENDMENT

Mr. Homburg reviewed the TID #4 amendment, stating that it is being amended to allow project costs within a half-mile of the TID boundary, as is now allowed in state TIF statutes.

Mr. Becker stated that, as with the TID #2 amendment, no additional project costs were being added in the TID #4 amendment, and that it is likely that, in the event the City opts to expend money outside the TID boundary, it would need to be related to boosting property values within the TID #4 boundary.

The agenda item was for discussion only – no action was taken.

SET NEXT JOINT REVIEW BOARD MEETING DATE

Mr. Noehre moved that the JRB schedule its next meeting on October 12, 2011, at 1:30 pm. Mr. Houtakker seconded.

The motion carried.

ADJOURN

The meeting was adjourned at 12:10pm.

**Minutes
City of Monona Joint Review Board Meeting
October 12, 2011**

The meeting of the City of Monona Joint Review Board (JRB) was called to order by Chair Andrew Homburg at 1:35pm.

Present: Chair Andrew Homburg, Monona CDA Member
Marc Houtakker, City of Monona Finance Director
Ed Noehre, Madison College
Jared Rossing, Monona Grove School District
Dave Worzala, Dane County Treasurer.

Also Present: Gary Becker, Vierbicher Associates – CDA Consultant
Paul Kachelmeier, Planning and Community Development Coordinator

APPROVAL OF MINUTES

A motion was made by Mr. Houtakker, seconded by Mr. Rossing for approval of the minutes of September 8, 2011.

The motion carried.

REVIEW OF TID #2 PROJECT PLAN AMENDMENT

The City's Community Development Authority consultant Gary Becker from Vierbicher Associates gave a report on the City Council's review and discussion and approval of the amendment to TID # 2.

A motion was made by Mr. Worzala, seconded by Mr. Noehre, for approval of the City Council resolution amending TID No. 2.

The motion carried unanimously.

REVIEW OF TID #4 PROJECT PLAN AMENDMENT

Mr. Becker gave a report on the City Council review and approval of the amendment to TID # 4, and said it will allow the expenditure of TID expenses within a half- mile distance of the TID boundaries.

A motion was made by Mr. Noehre, seconded by Mr. Houtakker for approval of the City Council Resolution amending TID # 4.

The motion carried unanimously.

ADJOURN

A motion was made by Mr. Worzala, seconded by Mr. Houtakker to adjourn.

The motion carried.

A handwritten signature in cursive script, reading "Paul Kacholmeie". The signature is written in black ink on a white background.

1011-14.1