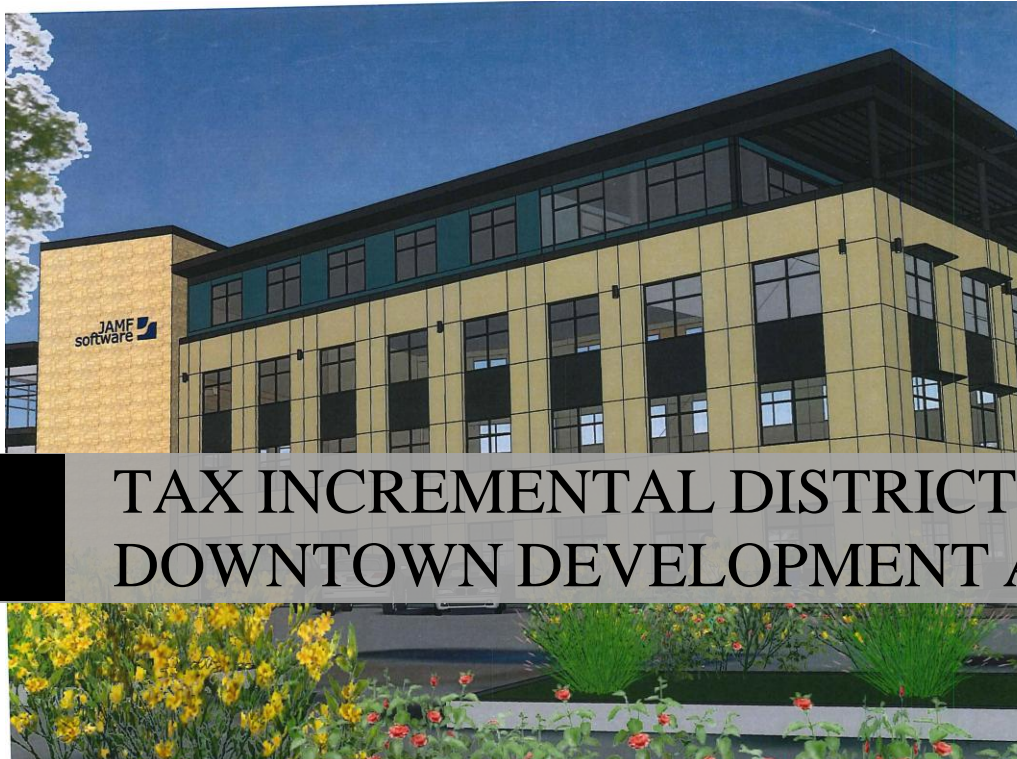


June 11, 2013



**TAX INCREMENTAL DISTRICT #8
DOWNTOWN DEVELOPMENT AREA**

**AMENDMENT #2 TO THE PROJECT PLAN
CITY OF EAU CLAIRE**

Tax Incremental District #8

Downtown Development Area

City Council

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David Duax

Catherine Emmanuelle

David Klinkhammer

Eric Larsen

Monica Lewis

Kathy Mitchell

David Strobel

Bob Von Haden

Andrew Werthmann

Michael Xiong

Russell Van Gompel, City Manager

Stephen Nick, City Attorney

Donna A. Austad, City Clerk

Joint Review Board

Rebecca K. Noland, City Representative

Stella Pagonis, County Representative

Pam Owen, Chippewa Valley Technical College Representative

Abby Johnson, Eau Claire Area School District Representative

David Richie, Citizen Representative

City of Eau Claire

Wisconsin

**TAX INCREMENTAL DISTRICT #8
DOWNTOWN DEVELOPMENT AREA
AMENDMENT #2 TO THE PROJECT PLAN**

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TAX INCREMENTAL DISTRICT #8 DOWNTOWN DEVELOPMENT AREA AMENDMENT #2 TO THE PROJECT PLAN

In accordance with Wis. Stats. 66.1105 Tax Incremental Law, The City of Eau Claire has prepared the following plan for an amendment to Tax Incremental District #8 (TIF #8). TIF #8, Downtown Development Area, was created in 2002 to eliminate blight by providing financing for utilities, streets, parking, park improvements, and property acquisitions in the downtown area. The district is generally located along the east side of the Chippewa River from the City's maintenance facility on the north side to Main Street, south of the Eau Claire River. Included within TIF boundaries is the North Barstow Redevelopment District.

The purpose of the first amendment to the TIF Project Plan was to provide additional utilities, streets, storm water drainage and other infrastructure improvements to serve the proposed development in Blocks 20 and 21 in the North Barstow area. Based on the terms of a development agreement with Phoenix Parkside, LLC, the amendment also provided tax increment incentives to the developer.

Through this second amendment to the TIF Project Plan, the TIF boundaries will be expanded to include the site of the Post Office and adjacent property. This additional TIF area is projected to be the location of a Municipal Parking Ramp needed to serve the commercial and residential development in the downtown area. The amendment will also provide street improvements, street scape, utilities, and a pedestrian walkway for the next phase of the North Barstow Street build-out.

The City Plan Commission will hold a public hearing on Monday, May 20, 2013 at 7:00 p.m. in the City Council Chambers, City Hall, 203 S. Farwell Street, to consider the proposed amendment to the Project Plan for Tax Incremental District #8. The City Council will hold a public discussion on June 10, 2013 and will consider adoption of the Project Plan on June 11, 2013. The Project Plan is subject to the final approval of the Joint Review Board.



CITY OF EAU CLAIRE

Office of the City Attorney
Phone: (715) 839-6006
Fax: (715) 839-6177

May 1, 2013

Russell Van Gompel
City Manager
City of Eau Claire
203 S. Farwell
Eau Claire, WI 54701

**Re: Project Plan for Amended Tax Incremental District No. 8
Royal Credit Union Parcel II Development Project**

Dear Sir:

Please be advised that I have had an opportunity to review the above captioned project plan and find said plan to be complete and in compliance with Wis. Stats. s. 66.1105 in that such plan addresses the subject matter that is required to be included in a project plan pursuant to such statute.

I render no opinion with respect to the accuracy, validity, or sufficiency of any statement and/or finding contained in said project plan, but rather would refer you to staff reports and other background data in support of the plan.

Sincerely,

Stephen C. Nick
City Attorney

SCN:jw

cc: Finance Director

OFFICE OF THE CITY ATTORNEY

“Committed to providing excellent legal service to the City of Eau Claire”



Stephen C. Nick, *City Attorney*
Lucie A. McGee, *Assistant City Attorney*
Steve Bohrer, *Assistant City Attorney*
Janeen M. Whelihan, *Paralegal*

Memorandum

To: City Council Members
From: Stephen C. Nick, City Attorney
CC: Russ Van Gompel, City Manager
Date: May 22, 2013
Re: Tax Increment District 8 – Blighted Area

During the Plan Commission discussion earlier this week, which ultimately resulted in the Commission adopting and recommending to the Council the proposed amendment to Tax Incremental District 8, a question arose regarding whether the property subject to the territorial amendment of the District qualifies as a blighted area. It is my legal opinion that it does qualify as a blighted area.

To amend a TIF district, the Council must adopt the project plan by resolution that includes a determination that not less than 50% of the real property within the district is a blighted area, suitable for industrial sites, or suitable for mixed-use development. s. 66.1105 (4) (gm), Wis. Stats. For this amendment, it is recommended that Council adopt a finding that the property is a “blighted area”, although it could also qualify as an area suitable for mixed-use development. I have reviewed the project plan and signed an opinion letter that the plan is complete and complies with state law. s. 66.1105 (4) (f), Wis. Stats. It remains my opinion that the proposed TIF amendment complies with state law and specifically that the property proposed for inclusion into TID 8 qualifies as a blighted area.

Blighted area is defined as:

- a. An area, including a slum area, in which the structures, buildings or improvements, which by reason of *dilapidation, deterioration, age or obsolescence*, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the *existence of conditions which endanger life or property by fire and other causes*, or any combination of these factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is *detrimental to the public health, safety morals or welfare*.
- b. ...or, that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration or structures or of site improvements, or otherwise, *substantially impairs or arrests the sound growth of the community*. Wis. Stats. s. 66.1105 (2) (ae)

The property proposed for inclusion into the District is currently the site of the post office. The post office building was constructed in 1962. At the present time the building is only partially utilized, and the Postal Service intends to vacate the building entirely when its lease expires in September of 2014.

I toured the building and found that behind the service counter the building is presently not utilized and contains features that would impede reuse, such as an enclosed Postal Inspector viewing mezzanine level over the former mail sorting area, small meeting and office rooms, and overall layout that is undesirable in function and present condition. It is built with cinder block, which evidence major unrepaired cracking in several locations, contains asbestos flooring and insulation, and is of low general construction quality. It is a building obsolete for its intended use as a postal distribution and service center and it is not built or in a condition by reason of age, design, and deterioration for likely reuse.

Further, the building is in the 100 year flood plain and was flooded in June 2011 causing the basement to fill with 12 to 14 feet of water. While cleaned and restored to a level to allow continued use of the building, the cause of the flooding has not been eliminated. To do so, the building must be razed, storm water facilities installed, and the site elevated to avoid future flooding potential that could endanger this and abutting properties. Flooding, while not expressly mentioned as blight, easily falls within the phrase of “fire and *other causes*” of endangerment to life or property and therefore blight.

The property is also presently under DNR orders to remediate subsurface environmental conditions related to coal tar deposits on the western portion of the site. While the public is not in immediate danger the order requires eventual remediation. To do so the property will need to be razed, the soils excavated and removed from the site, then replaced with clean engineered fill to support new development. The presence of environmental contamination on the property is detrimental to public health and contrary to the public welfare as a direct health risk and an impediment to rehabilitation or redevelopment of this property since until the contaminants are removed further public or private investment is unlikely.

Finally, the building is built on the southern half of the Galloway Street (mapped but yet to be dedicated) right of way prohibiting planned extension of that street through to Hobart Street. Constructing this street connection and then a trail connection west from Hobart Street through to Riverfront Terrace is the intended street and trail layout for the North Barstow District and will facilitate public use and private investment. The location of the building on this property is a physical impediment and even when razed as planned, the platting and property ownership of the parcels that make up the property does not allow for this public project and substantially impairs sound growth of the community.

These conditions constitute blight and are detrimental not only to this property but to the North Barstow District and the general public welfare. Upon termination of the USPS lease, the structure will be razed, the site removed from the flood plain, the environmental contamination remediated, and land dedicated to allow extension of Galloway Street with the remaining parcel left suitable to accommodate parking and planned mixed-use development fronting on Barstow Street. Its inclusion in District 8 will facilitate this work and thereby remove blight from this important development location.

TAX INCREMENTAL DISTRICT #8 DOWNTOWN DEVELOPMENT AREA AMENDMENT # 2

Rationale for an amendment to TIF #8, the Downtown Development Area

The Downtown Development Area Tax Incremental Financing District (TIF #8) was created in 2002 to eliminate blight by providing financing for utilities, streets, parking, park improvements, and property acquisitions in the downtown area. The purpose of this amendment to TIF #8 is to provide additional utilities, parking, streets, storm water drainage and other infrastructure improvements to serve the proposed and existing development in the North Barstow area. The amendment does include a change to the boundaries of TIF #8.

Clearance of Blighted Properties

Over 50 percent of the area within the original boundaries of TIF #8 exhibited blighted conditions at the time the TIF was created. The original TIF Project Plan provided financing for the acquisition of blighted properties in the North and South Barstow Street areas. The Redevelopment Authority has acquired several parcels in the North Barstow area, and has entered negotiations with various developers to facilitate investment in new commercial and residential projects. Some of the projects involve the creative restoration of formerly blighted properties.

With this second amendment to the TIF, another blighted area will be addressed. The amended boundaries include two parcels, the largest of which is the site of the current Post Office. The Post Office building is an obsolete building, partially within the 100 year flood plain. The Post Office will relocate to another area within the TIF. **Exhibit 1** shows the proposed amendment to the TIF boundaries. The amended area is 100% blighted as shown on **Exhibit 2**.

Land Utilization

TIF #8 encompasses a variety of land uses, as shown on **Exhibit 3**.

Park Area


Since TIF #8 was created in 2002, an area of vacant land located north of East Madison Street and west of Forest Street has been redeveloped into a neighborhood park and playground. Phoenix Park, located south of East Madison Street and adjacent to the Chippewa and the Eau Claire Rivers, has been developed into a community recreation area that takes advantage of the unique location at the confluence of the two rivers.

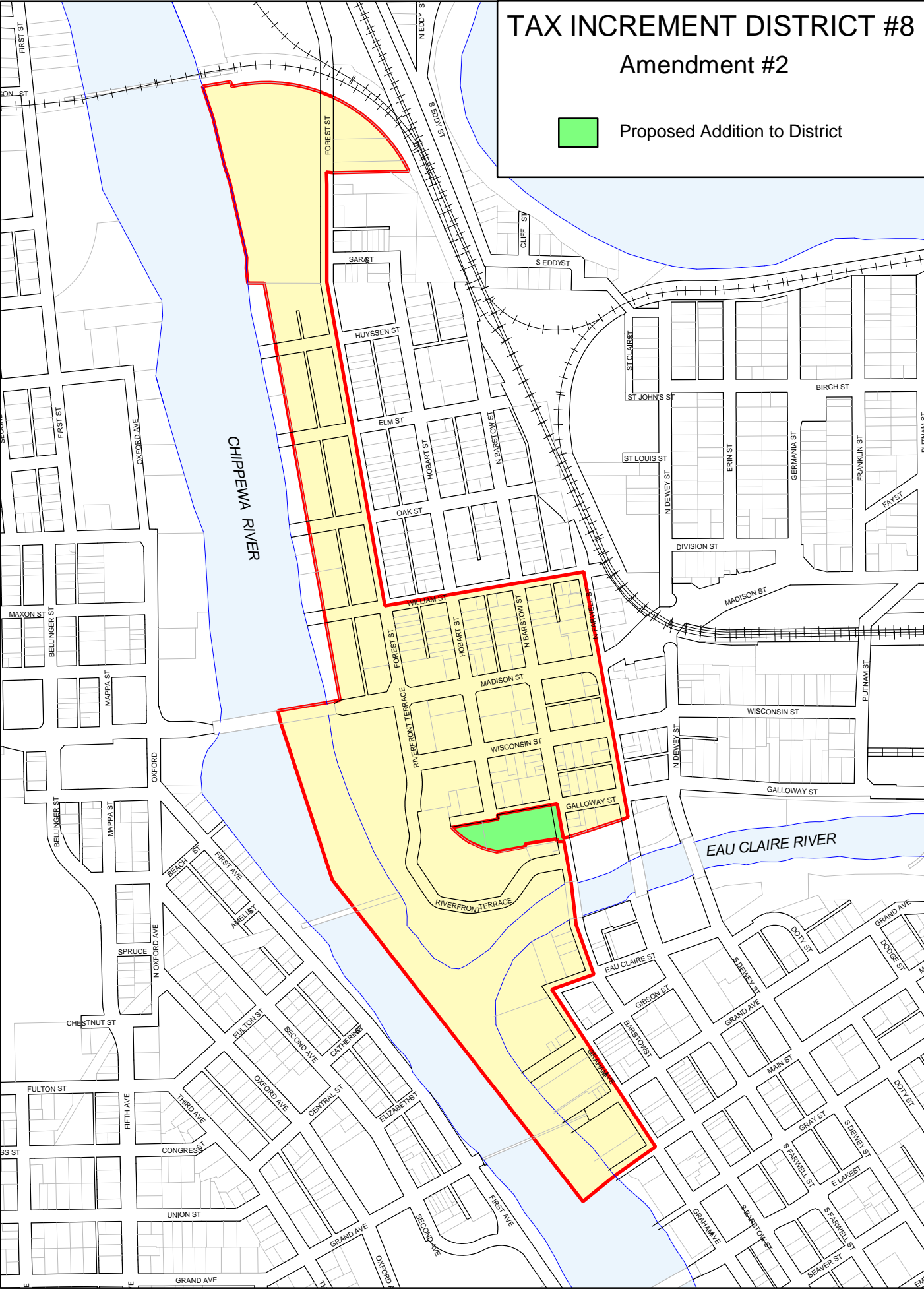
Redevelopment

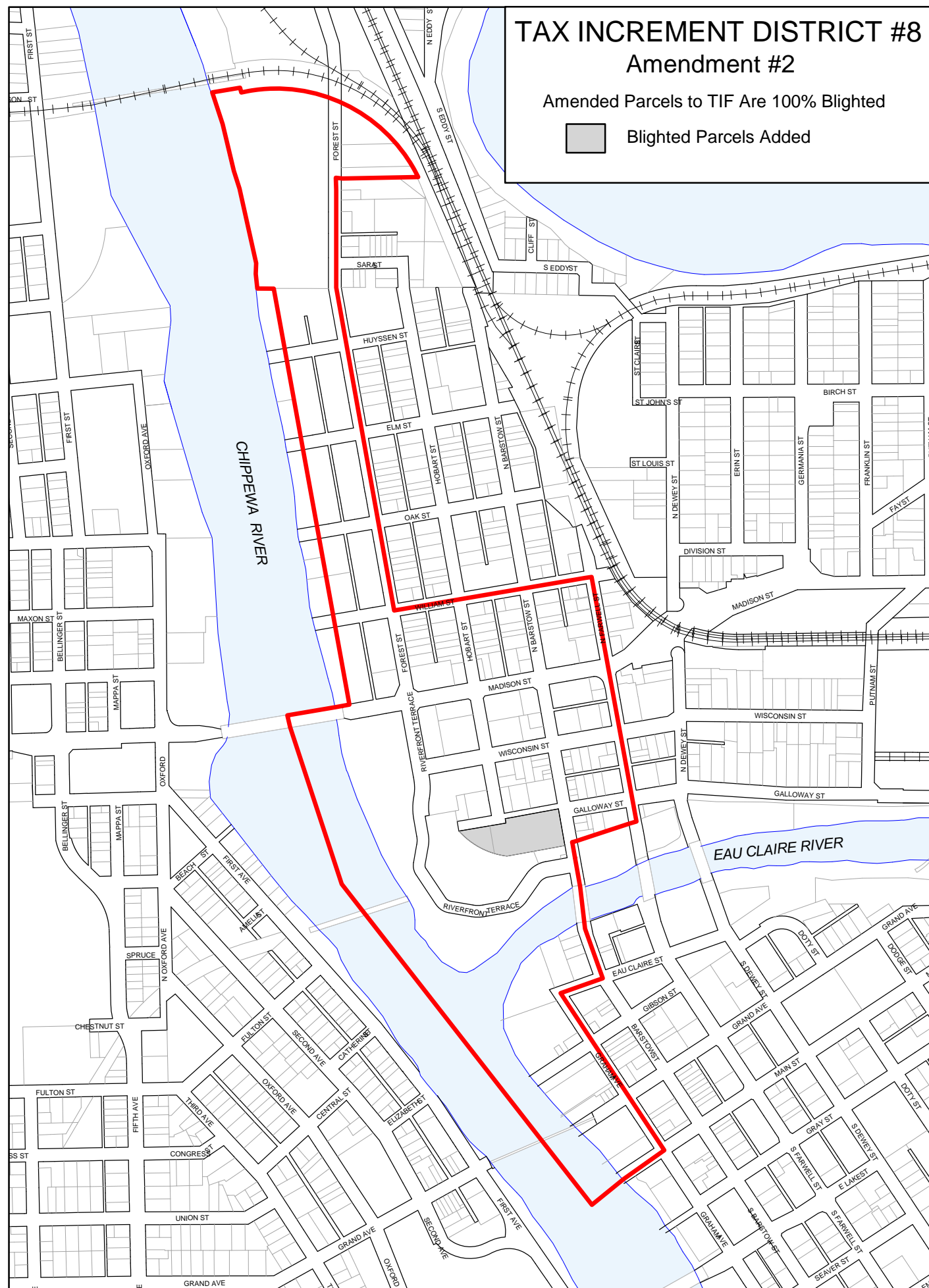
Development in the North Barstow area is expected to continue the mixed-use concept described in the TIF's original Project Plan. The plan includes office, retail and residential areas with public access to the riverfront, green space, and a connecting pedestrian/bike trail system.

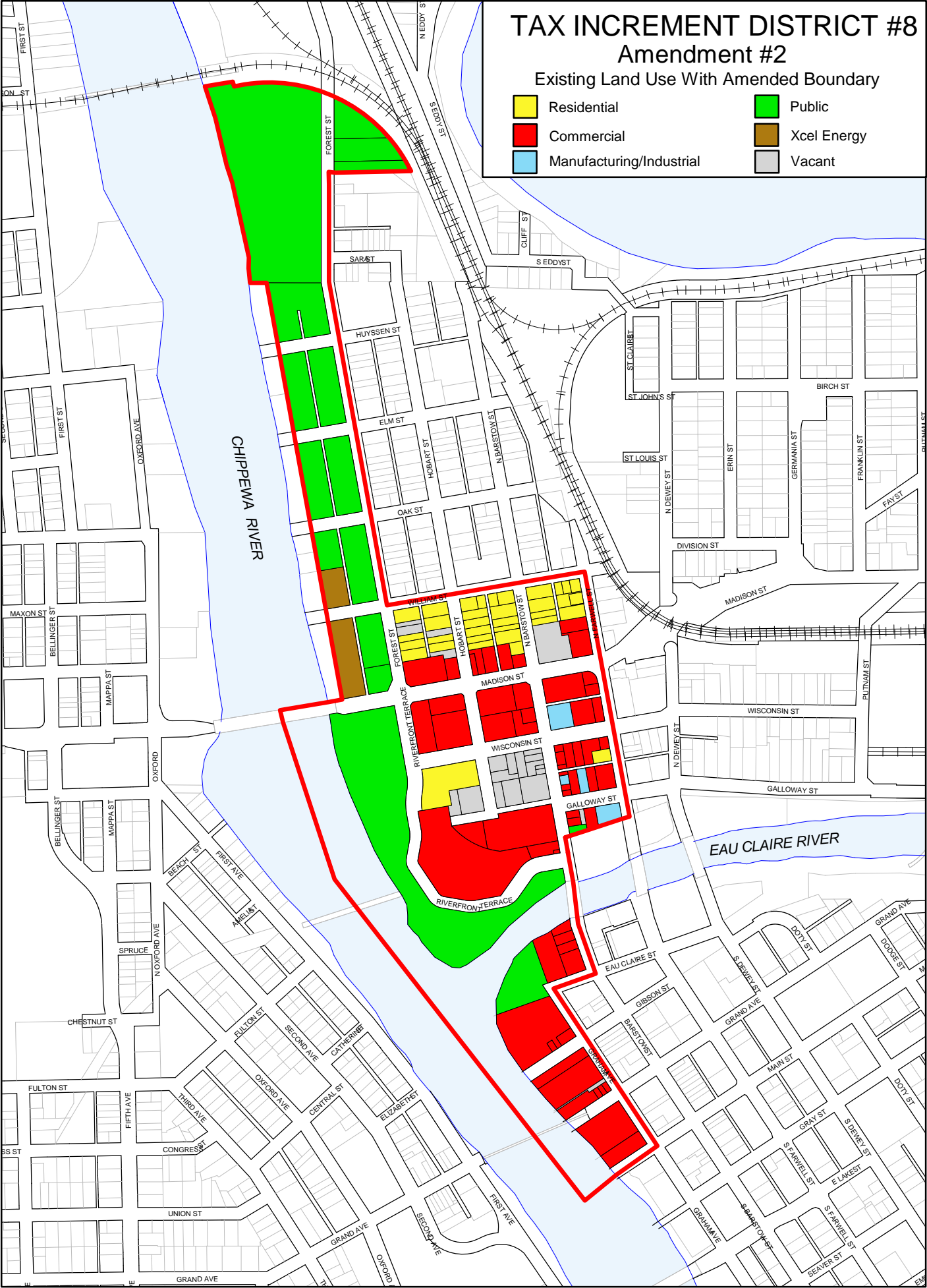
Projects in TIF #8 also include the acquisition and clearance of blighted property south of the Eau Claire River. Development in this area is expected to emphasize the riverfront location at the confluence of the Chippewa and Eau Claire Rivers. An existing City parking lot can be

TAX INCREMENT DISTRICT #8
Amendment #2

 Proposed Addition to District







combined with the adjacent commercial properties and a larger single project may be developed which would have a major impact on the downtown.

Downtown Plan

The Downtown Chapter of the City's Comprehensive Plan identifies the TIF area as a major development opportunity for office, entertainment, cultural, hotel or residential mix with a riverfront orientation. An objective of the plan is to encourage the redevelopment of functionally obsolete buildings and sites favoring office, service or general business activities. It directs the City to take better advantage of the riverfronts, Eau Claire's most valuable natural resource, to provide recreation and promote private investment through park, open space and trail improvements. The trail system within the Downtown TIF will complete a link of the continuous riverwalk from Lake Street to the "S" Bridge, which includes overlooks along the rivers. The removal of blighted structures will enhance the integrity of surrounding residential neighborhoods. Downtown Development TIF #8 is consistent with and completes objectives and policies of the Comprehensive Plan.

City Comprehensive Plan

There will be no change to the City's Comprehensive Plan as a result of the amendment to the Downtown Development Area Tax Incremental Financing District.

Building Codes

There will be no changes to local building codes because of the proposed redevelopment.

Relocation

Relocation of residential or business occupants will be in accordance with Wisconsin Relocation Law and in conformance with federally required standards when federal funds are used. Anti-Displacement and Relocation plans will be filed with the appropriate federal and state agencies and approved by the City of Eau Claire or Redevelopment Authority to assure sufficient decent, safe and sanitary alternative housing is available. Residential or business tenants who will need to relocate will be informed of their rights under Wisconsin Relocation Law. Those residential tenants who are income-eligible will be placed on the waiting list for public subsidized housing programs and will be given priority status due to their displacement by government action. Those eligible residential tenants will receive rental assistance payments and moving allowances. Owner-occupants of residential properties will be offered moving costs and replacement housing payments in order to find decent, safe and sanitary housing. It is not anticipated there will be any temporary residential relocations. However, if such temporary relocation occurs, the Redevelopment Authority will reimburse all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including moving and increased rent or utility costs. Eligible business tenants will receive a rent differential payment, reestablishment payments, and a moving allowance in accordance with Wisconsin Statutes. Business owners who are required to relocate will receive a replacement business payment, a reestablishment payment and a moving allowance. The City of Eau Claire maintains staff able to assist in relocation of occupants of property acquired under this plan.

Proposed Changes in Zoning

Most of the property south of East Madison Street is presently zoned CBD-Central Business District. Some of this area will be rezoned to CBDP to allow the reduced setbacks proposed with the residential and commercial development.

The area south of the Eau Claire River is zoned CBD-Central Business District; the Haymarket parking lot is zoned P-Public. These areas may be rezoned to CBDP-Central Business District Planned. This will depend on the approval of a redevelopment project, which combines commercial, public and residential uses in this area. **Exhibit 4** shows both the current zoning and the proposed changes.



**TAX INCREMENTAL DISTRICT #8
DOWNTOWN DEVELOPMENT AREA
ECONOMIC FEASIBILITY PLAN
AMENDMENT #2**

TIF #8, Downtown Development Area, was created in 2002 to eliminate blight by providing financing for utilities, streets, parking, park improvements, and property acquisitions in the downtown area. The first amendment to the TIF provided additional utilities, streets, and other infrastructure for the development of Blocks 20 and 21. Amendment #2 expands the TIF boundaries to include the site of the Post Office and adjacent property. The additional TIF area is projected to be the location of a Municipal Parking Ramp and liner commercial/residential space needed to serve the commercial and residential development in the downtown area, as well as, to provide parking for users of Phoenix Park, adjacent public trails, and special events in the district. The amendment will also provide street improvements, street scape, utilities, and a pedestrian walkway for the next phase of the North Barstow Street build-out. The parking ramp and other infrastructure improvements are shown below on **Exhibit 5**. The project costs for the second amendment are expected to total \$7,700,000. Additional costs will be incurred for DOR fees, bond issue costs and debt service.

Proposed Project Costs

Exhibit 5

TIF #8 DOWNTOWN DEVELOPMENT AREA PROPOSED PROJECT COSTS					
	2013	2014	2015	2016	Total
Original TIF					
Construction	\$ -	\$ -	\$ 700,000	\$ -	\$ 700,000
Acquisition			1,880,000		1,880,000
Temporary Parking (Contingency)	185,000				\$ 185,000
Total	<u>\$ 185,000</u>	<u>\$ -</u>	<u>\$ 2,580,000</u>	<u>\$ -</u>	<u>\$ 2,765,000</u>
2nd Project Amendment Costs					
Parking Structure- Engineering/Contingency	-	180,000	100,000	-	280,000
Demolition of Old Post Office		100,000			100,000
480 Stalls @ \$14,000	-	-	6,720,000		6,720,000
Street Work & Street Scape	-	-	-	400,000	400,000
Utility relocation & Site Prep	-	-	-	200,000	200,000
Totals	<u>\$ -</u>	<u>\$ 280,000</u>	<u>\$ 6,820,000</u>	<u>\$ 600,000</u>	<u>\$ 7,700,000</u>
Other 2nd Project Amendment Costs					
TIF Application	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Bond Issue Costs	-	-	100,000	-	100,000
Totals	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 101,000</u>

Exhibit 7 shows the location of the proposed street improvements and pedestrian walkway.

Street and Pedestrian Construction

Exhibit 7

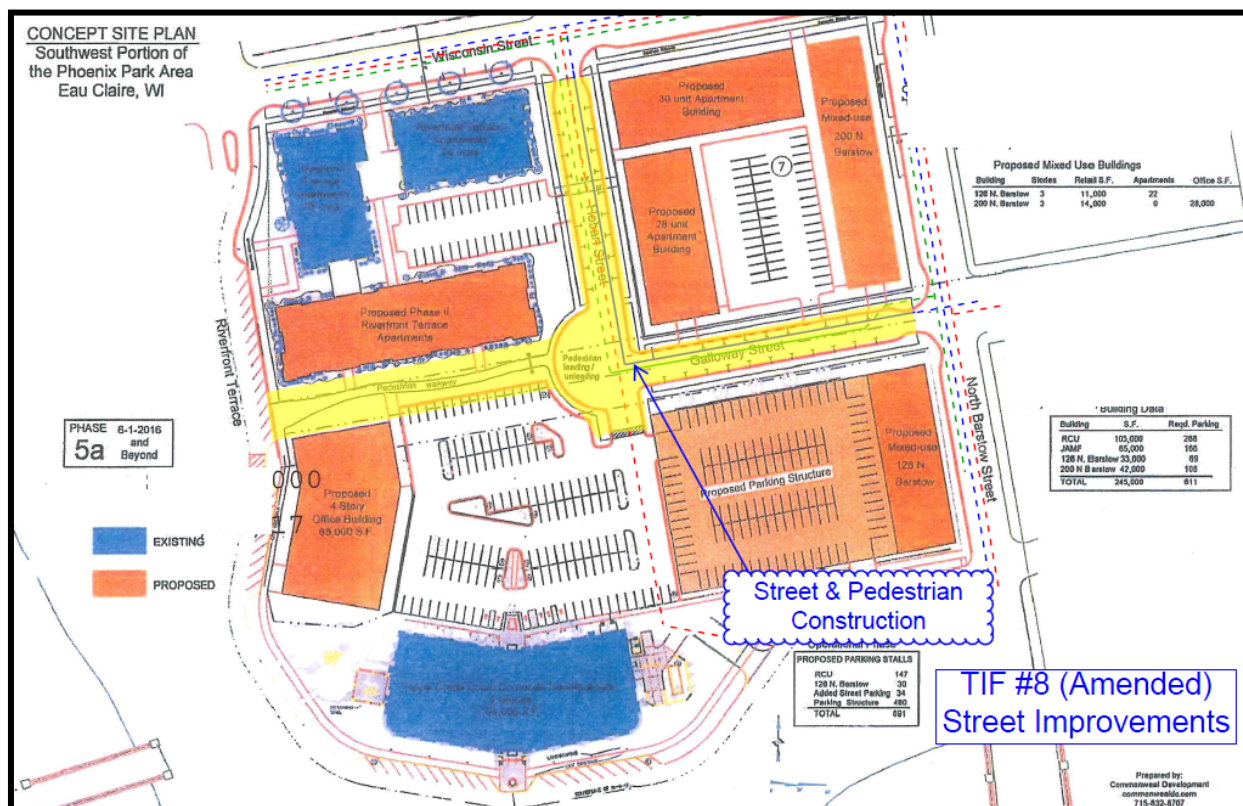


Exhibit 8, entitled **Non – TIF Project Costs**, lists projects that are closely related to the TIF amendment but are not funded by the TIF. These non-project costs include the purchase of the Post Office by the Redevelopment Authority and soil remediation for the office building. These non-project costs are anticipated to total \$650,000.

Non – TIF Project Costs

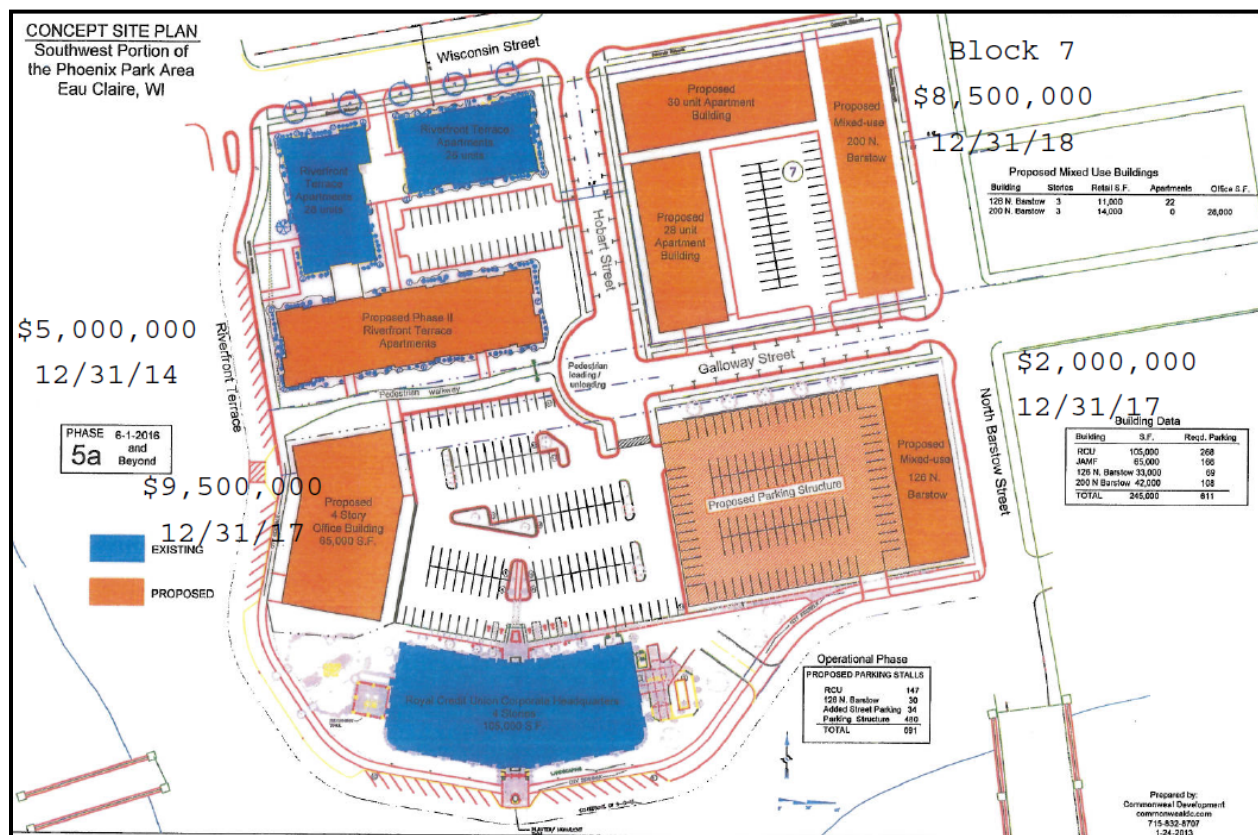
Exhibit 8

Downtown Development Area Non-TIF Project Costs (Paid From Other Sources)		
Post Office Acquisition	\$ 350,000	RDA Environmental Improvement Fund
Soil Remediation	300,000	
	\$ 650,000	

Exhibit 9 shows the projected new development and valuation increases. These are recapped on **Exhibit 10** where they are shown by assessment date. As a result of this TIF amendment, the developers will construct a 4-story, 65,000 square foot, office building valued at \$9.5 million and an apartment building valued at \$5 million. Future mixed used development includes a \$2 million multi-story residential and commercial building fronting the municipal parking ramp on North Barstow Street. Block 7 will be offered for development after the municipal ramp is constructed. It will likely also have mixed used development with apartment buildings proposed for Hobart and Wisconsin Streets and another combination retail/residential building on Barstow.

New Development and Valuation Increases

Exhibit 9



Assessed Valuation Changes

Exhibit 10

Assessed Valuation Changes North Barstow Redevelopment Area Structured Parking Facility								
Project	1/1/2013	1/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	Total
Riverfront Terrace	4,800,000	1,200,000	-	-	-	-	-	6,000,000
Mogenson Sports Bar	35,000	-	-	-	-	-	-	35,000
Manz	5,000	150,000	-	-	-	-	-	155,000
Charleys Market	170,000	-	-	-	-	-	-	170,000
JAMF Office Building	-	3,000,000	5,000,000	-	-	1,500,000	-	9,500,000
Riverfront Terrace Apartment (Phase II)	-	500,000	4,500,000	-	-	-	-	5,000,000
Post Office/Residential	-	-	600,000	600,000	-	-	-	1,200,000
Removal of former Post Office	-	-	-	(350,000)	-	-	-	(350,000)
126 N. Barstow Street (Post Office Site)	-	-	-	-	-	2,000,000	-	2,000,000
Block 7	-	-	-	-	-	1,000,000	7,500,000	8,500,000
Total	5,010,000	4,850,000	10,100,000	250,000	-	4,500,000	7,500,000	32,210,000

The following exhibits show the projected sources of revenue for the TIF, as amended, along with the expected uses or expenditures from the TIF, the equalized value estimations for calculating the tax increments, and a projection of the debt service requirements. The equalized value figures and debt service amounts are estimations only.

- **Exhibit 11, Source of Funds**, shows projections of the tax increments and the debt to be issued to finance the infrastructure improvements.
- **Exhibit 12, Use of Funds**, indicates the construction costs, the interest costs on the debt, the tax development enhancement payments, and the repayment of principal and advances.
- **Exhibit 13, Equalized Values**, lists the anticipated valuation changes by year.
- **Exhibit 14 - 15, Principal and Interest Schedule**, needed to finance the project costs through general obligation bonds.
- **Exhibit 16, General Obligation Debt Limitation**, shows that the City will have 55% of its debt capacity remaining after issuance of the TIF Bonds and all of the debt anticipated in the 2013-2017 Capital Improvement Plan. This table does not include a reduction for principal that will be repaid from 2013-2017.
- **Exhibit 17, Analysis of TIF Limits**, indicates that the value increments of the other TIFs, combined with the equalized value of TIF #8 total 2.06% of the City's equalized value, well under the statutory limit of 12%.
- **Exhibit 18, Amended boundary information**, legal description of the additional two parcels shown on the map on page 4.

Amended Sources of Funds

TAX INCREMENTAL DISTRICT #8
Downtown Development Area

Exhibit 11

Summary of Sources and Uses of Funds; Summary of Project
Costs, Project Revenues and Net Cost To Be Recovered

SOURCE OF FUNDS

Year	Project Revenues					Total Project Revenues	Cumulative					Sources of Funds
	Tax Increment	Int. & Misc. Revenue	Grants & Donations	Sale of Property			Project Revenues	Proceeds- L-T Debt	EDF & Streets Advances	Risk Mgt. Advances		
ACTUAL												
1	2002	\$ -	\$ 5,971	\$ -	-	\$ 5,971	\$ 5,971	\$ 2,000,000	\$ -	\$ -	\$ 2,005,971	
2	2003	-	42,061	-	233,000	275,061	281,032	6,600,000	700,000	160,000	7,735,061	
3	2004	5,222	75,740	168,300	-	249,262	530,294	570,000	700,000	300,600	1,819,862	
4	2005	86,895	89,776	-	-	176,671	706,965	200,000	-	-	553,571	
5	2006	274,623	64,475	255,000	-	594,098	1,301,062	-	-	242,100	836,198	
6	2007	338,272	166,403	-	-	504,675	1,805,737	1,440,000	-	242,100	2,186,775	
7	2008	357,832	107,803	-	-	465,635	2,271,372	-	-	200,000	665,635	
8	2009	394,738	94,221	9,770	-	498,729	2,770,101	-	-	517,000	1,015,729	
9	2010	498,863	78,037	-	-	576,900	3,347,001	-	-	-	576,900	
10	2011	606,341	69,153	64,004	-	739,498	4,086,499	-	-	-	739,498	
11	2012	639,257	70,783	5,934	-	715,974	4,802,472	-	-	-	715,974	
ESTIMATED												
12	2013	697,864	58,453	-	-	756,317	5,558,790	185,000	-	-	941,317	
13	2014	824,700	46,915	-	-	871,615	6,430,404	-	-	-	871,615	
14	2015	949,600	36,991	-	-	986,591	7,416,995	9,705,000	-	-	10,691,591	
15	2016	1,208,500	30,890	-	-	1,239,390	8,656,385	600,000	-	-	1,839,390	
16	2017	1,232,800	25,185	-	-	1,257,985	9,914,370	-	-	-	1,257,985	
17	2018	1,245,100	21,138	-	-	1,266,238	11,180,607	-	-	-	1,266,238	
18	2019	1,370,700	16,930	-	-	1,387,630	12,568,237	-	-	-	1,387,630	
19	2020	1,578,200	13,343	-	-	1,591,543	14,159,780	-	-	-	1,591,543	
20	2021	1,609,900	10,956	-	-	1,620,856	15,780,636	-	-	-	1,620,856	
21	2022	1,642,300	9,335	-	-	1,651,635	17,432,270	-	-	-	1,651,635	
22	2023	1,675,300	9,732	-	-	1,685,032	19,117,302	-	-	-	1,685,032	
23	2024	1,709,000	9,105	-	-	1,718,105	20,835,407	-	-	-	1,718,105	
24	2025	1,743,400	12,873	-	-	1,756,273	22,591,680	-	-	-	1,756,273	
25	2026	1,778,400	16,997	-	-	1,795,397	24,387,077	-	-	-	1,795,397	
26	2027	1,814,100	18,156	-	-	1,832,256	26,219,334	-	-	-	1,832,256	
27	2028	1,850,600	17,848	-	-	1,868,448	28,087,782	-	-	-	1,868,448	
28	2029	1,887,800	18,309	-	-	1,906,109	29,993,891	-	-	-	1,906,109	
29	2030	1,925,700	-	-	-	1,925,700	31,919,591	-	-	-	1,925,700	
30	2031	1,945,000	-	-	-	1,945,000	33,864,591	-	-	-	1,945,000	
		\$ 29,946,007	\$ 1,237,578	\$ 503,008	\$ 233,000	\$ 31,919,594	\$ 31,919,591	\$ 21,300,000	\$ 1,400,000	\$ 1,838,700	\$ 56,458,294	

* The \$2,000,000 debt for 2002 was borrowed as short-term financing, and was reissued as permanent financing in 2003.

* If needed, TIF may extend until 2029 taxes collectible in 2030.

Projections for 2012 and future years are based on the information available at the time of the report and are subject to revision.

Summary of Sources and Uses of Funds: Summary of Project
Costs, Project Revenues and Net Cost To Be Recovered

USE OF FUNDS

Year	Project Costs					Developer Enhancements	Total Recoverable Project Costs	Principal L-T Debt	Property Acquisitions	Repayment of Advances	Total Uses of Funds	Balance Available
	Construction	Admin. Charges/Bond Issue	JAMF 2nd Amendment	Interest & Fiscal Chgs								
ACTUAL												
1 2002	\$ 84,366	\$ -	\$ -	\$ 4,523	\$ -	\$ 88,889	\$ -	2,000,000	\$ 5,925	\$ -	\$ 94,814	\$ 1,911,157
2 2003	639,735	-	-	59,034	-	698,769			31,915	-	2,730,684	6,915,534
3 2004	3,584,101	-	-	287,061	-	3,871,162		-	1,795	-	3,872,957	4,862,439
4 2005	1,132,825	-	-	314,094	-	1,446,919		50,000	-	-	1,496,919	3,919,091
5 2006	1,878,595	-	-	317,379	-	2,195,974		100,000	1,680,000	-	3,975,974	779,315
6 2007	1,056,809	-	-	314,972	-	1,371,781		250,000	-	-	1,621,781	1,344,309
7 2008	395,988	-	-	389,247	-	785,235		250,000	-	-	250,000	974,709
8 2009	6,777	-	-	348,387	-	355,164		530,000	-	-	885,164	1,105,274
9 2010	55,733	150	-	332,715	-	388,598		290,000	-	-	678,598	1,003,576
10 2011	50,000	150	-	316,587	6,850	373,587		485,000	-	-	858,587	884,487
11 2012		150	-	294,790	37,588	332,528		515,000	-	-	847,528	752,933
ESTIMATED												
12 2013	350,071	1,150		271,974	58,564	681,759		530,000	365	-	1,212,124	482,126
13 2014		150	280,000	259,513	63,611	603,274		727,500	-	-	1,330,774	22,967
14 2015	700,000	100,150	6,820,000	231,363	66,096	7,917,609		497,800	1,880,000	-	10,295,409	419,149
15 2016		150	600,000	607,061	68,630	1,275,841		553,600	-	-	1,829,441	429,098
16 2017	-	150	-	610,127	71,216	681,493		674,600	-	-	1,356,093	330,990
17 2018		150	-	579,726	73,853	653,729		705,900	-	-	1,359,629	237,599
18 2019		150	-	547,606	136,544	684,300		816,300	-	-	1,500,600	124,629
19 2020	-	150	-	511,564	139,288	651,002		929,500	-	-	1,580,502	135,670
20 2021		150	-	470,102	142,088	612,340		938,100	-	-	1,550,440	206,086
21 2022		150	-	427,797	35,674	463,621		1,091,900	-	-	1,555,521	302,200
22 2023		150	-	378,836	-	336,344		1,239,900	-	-	1,618,886	368,346
23 2024		150	-	336,194	-	298,681		900,900	-	-	1,237,244	849,207
24 2025		150	-	298,531	-	259,850		961,000	-	400,000	1,259,681	1,345,799
25 2026		150	-	259,700	-	220,450		951,700	-	538,700	1,611,550	1,529,646
26 2027		150	-	220,300	-	176,850		1,049,000	-	500,000	1,808,150	1,553,752
27 2028		150	-	176,700	-	130,750		1,101,200	-	600,000	1,778,050	1,644,150
28 2029		150	-	130,600	-	84,850		1,111,400	-	600,000	1,842,150	1,708,109
29 2030		150	-	84,700	-	37,500		1,121,900	-	600,000	1,806,750	1,827,059
30 2031		150	-	37,500	-			927,800	-	600,000	1,565,450	2,206,609
	\$ 9,935,000	\$ 104,300	\$ 7,700,000	\$ 9,418,683	\$ 900,000	\$ 28,057,984		\$ 21,300,000	\$ 3,600,000	\$ 3,238,700	\$ 56,196,685	

Projections for 2013 and future years are based on the information available at the time of the report and are subject to revision.

Project costs equal \$13,825,000 (original), \$2,200,000 (1st amendment), and 7,700,000 (2nd amendment) less \$715,000 in remaining contingency, \$800,000 CDBG funds paid directly to RDA, and \$75,000 in debt service for a total of \$22,135,000

Construction (incl 185,000 from contingency for temp parking)	9,935,000	Contingency	1,000,000
Construction 2nd amendment	7,700,000	Original	(100,000)
Developer Incentive	900,000	Less Developer Assistance	(185,000)
Acquisition	3,600,000	Less Temporary Parking Lot	(185,000)
	\$ 22,135,000	Remaining contingency	715,000

TAX INCREMENTAL DISTRICT #8**Downtown Development Area****Equalized Value: Base & Incremental**

	Year	Base	Increment	Change(\$)	Change(%)
<u>ACTUAL</u>					
1	2002	\$ 10,440,900	\$ -	-	
2	2003	10,440,900	236,000	-	
3	2004	10,440,900	3,683,400	3,447,400	1461.0%
4	2005	10,440,900	12,661,100	8,977,700	244.0%
5	2006	10,440,900	16,287,600	3,626,500	29.0%
6	2007	10,440,900	16,805,400	517,800	3.0%
7	2008	10,440,900	18,522,600	1,717,200	10.0%
8	2009	10,440,900	22,361,600	3,839,000	21.0%
9	2010	10,440,900	25,813,100	3,451,500	54.0%
10	2011	10,440,900	26,804,700	991,600	4.0%
11	2012	10,440,900	29,054,700	2,250,000	8.0%
<u>ESTIMATED</u>					
12	2013	10,440,900	34,064,700	5,010,000	17.0%
13	2014	10,440,900	38,914,700	4,850,000	14.0%
14	2015	10,440,900	49,014,700	10,100,000	26.0%
15	2016	10,440,900	49,264,700	250,000	1.0%
16	2017	10,440,900	49,264,700	-	0.0%
17	2018	10,440,900	53,764,700	4,500,000	9.0%
18	2019	10,440,900	61,264,700	7,500,000	14.0%
19	2020	10,440,900	61,877,347	612,647	1.0%
20	2021	10,440,900	62,496,120	618,773	1.0%
21	2022	10,440,900	63,121,082	624,961	1.0%
22	2023	10,440,900	63,752,292	631,211	1.0%
23	2024	10,440,900	64,389,815	637,523	1.0%
24	2025	10,440,900	65,033,714	643,898	1.0%
25	2026	10,440,900	65,684,051	650,337	1.0%
26	2027	10,440,900	66,340,891	656,841	1.0%
27	2028	10,440,900	67,004,300	663,409	1.0%
28	2029	10,440,900	67,674,343	670,043	1.0%
29	2030	10,440,900	68,351,087	676,743	1.0%
30	2031	10,440,900	69,034,597	683,511	1.0%
31	2032	-	-	-	-
32	2033	-	-	-	-

NOTE: Equalized values are established as of January 1 of the year listed, and are the basis of the taxes collected in the subsequent year.

TAX INCREMENTAL DISTRICT #8
Downtown Development Area

Exhibit 14

Interest Schedule

INTEREST SCHEDULE

	Interest												Total
	2002	2003A	2003B	2003C	2004 tax	2005	2007	2015 tax	2015 non tax	2013	2015	2016	
2002	\$ 32,083												
2003		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ 32,083
2004		167,453	85,407	32,587									285,447
2005		160,328	81,773	30,513	37,984								310,598
2006		160,328	81,773	28,350	35,796	10,417							316,664
2007		160,328	81,773	23,000	35,796	7,813							308,710
2008		160,328	81,773	14,563	35,796	7,813	88,976						389,249
2009		156,953	80,023	5,000	35,796	7,813	62,806						348,391
2010		149,778	76,523		35,796	7,813	62,806						332,716
2011		142,078	72,935		32,656	7,813	61,106						316,588
2012		134,078	69,118		26,376	7,813	57,406						294,791
2013		125,778	64,981		20,096	7,813	53,306						271,974
2014		117,178	60,575		8,478	7,813	48,869			8,300			259,513
2015		108,063	55,825			7,350	44,125			8,000			231,363
2016		98,308	50,725			6,425	39,203				284,800		607,061
2017		87,893	45,358			5,488	33,988	84,600	27,800	7,600	284,800	27,000	610,127
2018		76,688	39,650			4,525	28,163	84,600	26,400	7,300	284,800	27,000	579,726
2019		64,670	33,485			3,538	22,113	80,100	25,000	6,900	284,800	27,000	547,606
2020		51,813	26,850			2,538	17,163	75,500	23,500	6,500	284,800	27,000	511,564
2021		38,093	19,728			1,531	13,650	70,600	21,900	6,100	282,800	25,700	470,102
2022		23,561	12,148			513	10,675	65,500	20,300	5,600	275,800	24,300	427,797
2023		8,040	4,140				7,656	60,200	18,600	5,200	268,800	22,900	378,836
2024							4,594	54,600	16,800	4,700	256,800	21,400	336,194
2025							1,531	48,800	15,000	4,200	239,500	19,900	298,531
2026								42,700	13,100	3,700	215,500	18,300	259,700
2027								36,300	11,100	3,100	189,500	16,600	220,300
2028								29,700	9,100	2,600	161,500	14,800	176,700
2029								22,800	6,900	2,000	130,000	13,000	130,600
2030								15,500	4,700	1,300	98,000	9,800	84,700
2031								7,900	2,700	700	66,000	6,700	37,500
2032								-	-	-	34,000	3,500	-
2033								-	-	-	-	-	-
2034								-	-	-	-	-	-
2035								-	-	-	-	-	-
2036								-	-	-	-	-	-
	\$ 32,083	\$ 2,191,737	\$ 1,124,563	\$ 134,013	\$ 304,570	\$ 104,829	\$ 658,136	\$ 779,400	\$ 242,900	\$ 83,800	\$ 3,357,400	\$ 277,900	\$ 9,375,131

TAX INCREMENTAL DISTRICT #8
Downtown Development Area

Principal Schedule **Exhibit 15**

	Principal												
	2002	2003A	2003B	2003C	2004 tax	2005	2007	2015 taxable	2015 non tax	2013	2015 JAMF amend	2016	Total
2002													0.00
2003	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ 2,000,000
2004													-
2005				50,000									50,000
2006				100,000									100,000
2007				250,000									250,000
2008				250,000									250,000
2009		180,000	100,000	250,000									530,000
2010		190,000	100,000										290,000
2011		195,000	105,000		100,000		85,000						485,000
2012		205,000	110,000		100,000		100,000						515,000
2013		210,000	115,000		100,000		105,000			7,500			530,000
2014		220,000	120,000		270,000		110,000			7,800			727,500
2015		230,000	125,000			25,000	110,000			8,200			497,800
2016		240,000	130,000			25,000	115,000			8,500			553,600
2017		250,000	135,000			25,000	120,000	99,300	35,400	8,500			674,600
2018		265,000	140,000			25,000	125,000	103,800	36,800	8,900			705,900
2019		275,000	150,000			25,000	130,000	108,400	38,200	9,300		28,900	816,300
2020		290,000	155,000			25,000	90,000	113,300	39,700	9,700		30,200	929,500
2021		300,000	165,000			25,000	70,000	118,400	42,900	10,200		31,600	938,100
2022		315,000	170,000			25,000	70,000	123,700	44,600	10,600		33,000	1,091,900
2023		335,000	180,000				70,000	129,300	46,400	11,100		34,500	1,239,900
2024							70,000	135,100	48,200	11,600		36,000	900,900
2025							70,000	141,200	50,100	12,100		37,600	961,000
2026								147,600	52,100	12,700		39,300	951,700
2027								154,200	54,100	13,200		41,100	1,049,000
2028								161,100	56,300	13,800		70,000	1,101,200
2029								168,400	58,500	14,500		70,000	1,111,400
2030								176,200	60,400	15,300		70,000	1,121,900
2031								-	-	-		77,800	927,800
2032								-	-	-		-	-
2033								-	-	-		-	-
2034								-	-	-		-	-
2035								-	-	-		-	-
2036								-	-	-		-	-
\$ 2,000,000	\$ 3,700,000	\$ 2,000,000	\$ 900,000	\$ 570,000	\$ 200,000	\$ 1,440,000	\$ 1,880,000	\$ 705,000	\$ 185,000	\$ 7,120,000	\$ 600,000	\$ 21,300,000	

**TAX INCREMENTAL DISTRICT #8
DOWNTOWN DEVELOPMENT AREA**

General Obligation Debt Limitation

Section 67.03(1) of the Wisconsin Statutes provides that the amount of indebtedness of a municipality shall not exceed 5 percent of the equalized valuation of the taxable property in the municipality.

The following computation compares the total debt allowable for the City of Eau Claire with actual outstanding indebtedness at December 31, 2012:

Equalized valuation including T.I.F.'s (certified, August 2012)	\$ 4,223,723,600
Legal debt capacity (5% of equalized value)	\$ 211,186,180
General obligation indebtedness:	
General long-term debt as of 01/01/2013	\$ 91,918,131
Less: Amounts available for payment of principal:	
In Debt Service funds	(7,254,924)
Plus: Amended TIF #8 Debt	<u>10,635,000</u>
Net indebtedness	<u>95,298,207</u>
Unused borrowing capacity	<u><u>\$ 115,887,973</u></u>
Percent of debt capacity remaining	<u><u>54.87%</u></u>

**TAX INCREMENTAL DISTRICT #8
DOWNTOWN DEVELOPMENT AREA**

Analysis of TIF Valuation Limits

Under WI Stat. 66.1105(4)(gm)4c: The equalized value of the taxable property of the district plus the value increment of all existing districts does not exceed 12 percent of the total equalized value of the taxable property in the city.

Total Equalized Valuation of Taxable Property in the City as of January 1, 2012			\$ 4,223,723,600
Equalized Value of All Taxable Property in TIF #8 as of January 1, 2012			\$ 39,495,600
Value of Property in the Proposed Amendment			
Post Office (Gateway)	305,000		
Royal Credit Union	92,200	397,200	
Equalized Value Increment of TIFs 5, 7 & 9		46,991,600	
		\$ 86,884,400	
Percentage of TIF Valuation to Total City Property			2.06%

**TAX INCREMENTAL DISTRICT #8
DOWNTOWN DEVELOPMENT AREA**

Amended Boundary Information

The boundary amendment consists of two parcels shown on the map on page 4 and described as follows:

Parcel 08-0029

ALL OF BLK 3 CHAPMAN & THORPS 3RD ADD & THE S 52 FT OF GALLOWAY ST VAC ADJ SAID BLK 3 & A 14 FT ALY VAC ADJ ON THE S OF SAID BLK 3 & ALSO A PCL OF LAND DESC AS BEG AT SW COR OF BLK 7 HUYSSSEN MARFIELD GALLOWAY & MEREDITHS ADD TO EC THC S 9 DEG 30 MIN E 50 FT ALG ELY LN OF HOBART ST TO POB THC S 80 DEG 30 MIN W 242.8 FT PRLL WITH THE N LN OF GALLOWAY ST THC 282.5 FT ALG A CURVE CONCAVE NLY HAVING A RAD OF 391 FT HAVING A LONG CHORD 276.1 FT IN LENGTH BEARING S 61 DEG 45 MIN E THC N 80 DEG 30 MIN E 24.5 FT THC N 9 DEG 30 MIN W 169.0 FT ALG THE ELY LN OF VAC HOBART ST TO POB EXC PRT OF GOV LOT 7 COM AT NE COR LOT 2 CSM #869303 THC S 100 E 107.73 FT THC N 790 38M 12S E 2.34 FT FOR BEG CONT N 790 38M 12S E 160.86 FT THC S 100 21M 48S E 145.99 FT TO N LN LOT 1 CSM #2061 THC NWL Y ON ARC 220.12 FT TO POB

Parcel 08-0029 A

PRT OF GOV LOT 7 COM AT NE COR LOT 2 CSM #869303 THC S 100 E 107.73 FT THC N 790 38M 12S E 2.34 FT FOR BEG CONT N 790 38M 12S E 160.86 FT THC S 100 21 M 48S E 145.99 FT TO N LN LOT 1 CSM #2061 THC NWL Y ON ARC 220.12 FT TO POB