

**CITY OF LAKE
GENEVA
TID #4
AMENDMENT #3**

**City Council
Reconsideration**

February 8, 2010

Table of Contents

Table of Contents i

Amended Section I. Introduction 1

Amended Section V. Proposed Public Works and Estimated Costs 3

Summary of Project Cost Changes 6

 Table 1: Amended 9

Amended Section VI. Economic Feasibility Analysis 11

 Table 2: Expenditure Analysis/Cashflow of District 12

Section Added with Amended Resolution 13

Appendices to be inserted

Any sections not amended in this project plan stand as adopted on the appropriate date(s).

AMENDED SECTION I. INTRODUCTION

The City of Lake Geneva created TID No. 4 on September 11, 1995. The City subsequently amended TID #4 on August 8, 2005 and September 18, 2008. The purpose of the original TID #4 and TID #4 Amendment #1 project plans was to address several different issues peculiar to a downtown area. These issues included traffic and pedestrian circulation and safety, parking congestion and location, wayfinding signage for both the Downtown and the Waterfront areas, elimination of blight due to inappropriate land uses, potential relocation of the boat launch ramp which was a major contributor for traffic congestion and potential redevelopment of underutilized sites. Amendment #2 specifically added the Edwards Boulevard extension as an eligible project cost for payment by TID #4 within the new ½ mile legislation that was passed prior to adoption of Amendment #2. The Edwards Boulevard extension specifically diverted traffic that was funneled into the Downtown and fulfilled the goals of traffic minimization and pedestrian safety within the original project plan.

The purpose of Amendment #3 is to redefine and clarify projects from the original project plan. The original TID #4 project plan was prepared prior to specific planning, engineering and design for traffic congestion relief and pedestrian safety. Since 1995, significant planning, engineering and preliminary design has taken place to more fully identify projects and their potential costs. In addition, the State has identified and is constructing other traffic congestion alleviation projects which has aided the City to clearly identify more specific projects that meet the goals and objectives of the original TID #4 project plan.

The City of Lake Geneva has a significant number of projects yet to complete within TID #4. The City Council and appropriate commissions and committees have determined that it is important for not only the City, but also the overlying taxing jurisdictions, that TID #4 projects

be completed as quickly and efficiently as possible so as to retire the TID early so that all taxpayers will receive benefit from the early retirement.

This Amendment (#3) addresses the reprioritized projects, new estimated costs and timing of construction. As stated above, the intention is to complete the prioritized projects as quickly as possible and retire the TID. Table 1 Amended does show project expenditures through 2017. Those projects are generally phased projects. The City may choose to escrow funds for future projects with signed phased contracts and then close the TID. Flexibility is most desirable in order to complete the goals and objectives from the original TID in 1995. The escrowing of funds may accomplish that objective with early retirement bringing the taxable value of the new real estate on to the tax rolls earlier than originally anticipated.

TID #4 Amendment #3 is intended to finish the projects originally listed in the 1995 TID project plan and complete the projects in a timely fashion so that new real estate value can be turned back to the overlying taxing jurisdictions and all taxpayers within those jurisdictions can benefit from this new real estate value.

AMENDED SECTION V. PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

Table 1 Amended, identifies the projects by districts, estimated project costs, anticipated timing of project expenditures and potential other funding. This format was used in the original TID #4 project plan and is used in the amended plan for continuity and ease of identification.

Many projects have been undertaken since the TID was created in 1995. A number of the Beach, Boat Facilities and White River Canal Districts' project improvements have been constructed. Table 1 Amended shows the projects that have either been completed or are in the process of construction. The following projects are definitions of projects originally contained in the TID #4 project plan.

Beach District

Economic development was and still is one of the major project expenditures in all plans for TID #4. Economic development projects consisted of wayfinding, parking, waterfront improvements, White River Trail improvements, boat launch ramp improvements, etc. Specific projects in Amendment #3 include renovations of the Riviera and enhancement of the Museum area as well as replacing the bathroom facilities. All three projects will greatly assist in meeting tourism needs and promoting economic development in the Beach District. These projects are recalculated to cost \$1.493M.

White River Canal District

The White River Canal District has four clarifications. First, the relocation of the Boat Launch Ramp from the Downtown to Big Foot Park was a major public expenditure item that was considered in both the original Project Plan and in Amendment #1 completed in 2005. Since that time, the decision has been made to keep the Boat Launch Ramp in its current location. Consequently, total reconstruction of the Boat Launch Ramp is taking place between 2008 and

2009. Additional slips are included in this rehabilitation of the existing facility. It is anticipated that the total project cost for Boat Launch Ramp Rehabilitation will be \$800,000. In 2008 and through April 2009, a total of approximately \$190,000 was spent on the rehabilitation with an estimated \$40,000 remaining to be spent. The original project plan had \$4,250,000 for relocation of the Boat Launch Ramp so this change in location significantly lowers the potential project costs and accelerates district retirement.

Park Redevelopment was a key component in the White River Trail District from the beginning of TID #4. Since all of the parks are directly connected via paths or abutting the Downtown and waterfront, improvement of these areas is key to economically developing the entire district. The identification of Dunn Field Parking with Bathrooms (\$300,000) and Dunn Park Skateboard Park improvements (\$415,000) is included in Amendment #3.

White River Trail District

No additional or clarified projects are included in Amendment #3.

Beach & White River Canal Districts

The City will continue to underground electrical utilities. An additional cost of \$100,000 is added to the project plan.

Additional parking is identified at the following locations:

1. Surface parking at Lake Shore & Cass (\$0 inserted)
2. Parking – property acquisition/relocation for Lake Shore & Cass (\$0 inserted)
3. Parking ramp construction (\$1,000,000). By including this project as a TIF-eligible cost, the City reserves the right to construct a parking ramp in the downtown if sufficient revenues are generated by the TID and the City approves the expenditure.

Downtown signage improvements are a continued project cost with \$100,000 identified as additional cost. Downtown alleyway improvements continue with a \$300,000 expenditure.

All these projects are continuations of the original project plan projects.

Non-Specific Area TID Projects

These projects are beneficial to the entire TID and are included under the heading “Non-Specific Area TID Projects”. They include pedestrian safety-crossing trails, traffic signals, parking meter system, equipment for TID area maintenance, acquisition and construction for additional parking, park building upgrades and tree plantings. A total cost of \$4,675,000 is included in the project plan which includes the Edwards Boulevard extension project cost.

Administrative & Other Costs

This is a general category that includes planning, legal, engineering, administrative, design, and maintenance costs. Additional costs include administrative (\$900,000) and legal services (\$30,000).

SUMMARY OF PROJECT COST CHANGES

The original project plan estimated a total project cost expenditure of \$18,147,000 with TID #4 funding \$10,383,500 and other sources of revenues funding \$7,763,500 of project costs.

Amendment #1 (2005) anticipated a total project cost expenditure of \$20,740,00 with the TID funding \$16,607,500 or an approximate 114% increase in estimated project costs with other sources of revenues funding the remaining \$4,132,500 of project costs. Amendment #2 (2008) re-examined project costs and identified the total estimated project costs at \$14,500,000 with TID #4 paying for \$12,117,500 or a 27% decrease in costs incurred with TID funding.

Amendment #3 has refined these costs with an increase of TIF-funded costs to \$23,695,246 or an approximate increase in expenditures of 15.8% increase in project costs over the Amendment #1 project expenditures which contained the second highest amount of expenditures from the original project plan through Amendment #3. Amendment #3 also reflects \$325,000 of non-TID revenues paying for project costs for a grand total of \$16,454,200 of eligible projects.

A comparison between the original project plan and the TID #4 Amendment #3 project plan lists the following information:

PROJECT COST	ORIGINAL PROJECT PLAN	AMENDMENT #3 PROJECT PLAN
Beach District	\$200,000	\$1,593,000
Boat Facilities District	\$2,085,000	0
White River Canal District	\$6,865,000	\$1,835,000
White River Trail District	\$502,000	\$700,000
Beach & White River Canal Districts	\$4,015,000	\$3,000,000
Non-Specific District Improvements (includes Edwards Blvd. improvements)	\$0	\$4,675,000
Administrative & Other	\$4,480,000	\$4,651,200
TOTAL ESTIMATED PROJECT COSTS	\$18,147,000	\$16,454,200 Projects yet to be completed

The line item “Administrative & Other” includes a Discretionary Fund that was available for yet to be determined projects in the original project plan. The TID #4 Amendment #3 Project Plan clarifies the new projects and lists them individually under each District heading rather than under the Discretionary Funding heading.

It is appropriate to emphasize that these are estimated costs. Typically, a community does not complete all of the projects within the project plan or spend the amount identified in the project plan. The purpose of including all projects is to allow the City the flexibility to undertake a project should tax increment revenues be sufficient and redevelopment or economic development objectives be fulfilled with undertaking that specific project cost.

The following represents actual project costs expended to date by year.

1998	\$ 466,904
1999	\$ 743,445
2000	\$ 988,435
2001	\$ 358,453
2002	\$ 640,151
2003	\$ 161,887
2004	\$ 509,895
2005	\$ 494,805
2006	\$ 631,128
2007	\$1,152,531
2008	\$1,213,948
2009 (year-to-date)	\$ 204,464
Total Expended in TID #4 to date (April, 2009)	\$7,566,046

It should be noted that, as of the original writing of this project plan (mid-April, 2009), the 2008 financial numbers are not the final audit numbers. Future amendments, if any, of the project plan will reflect the actual costs expended as soon as the audited costs are available.

Table 1 Amended, itemizes all of the proposed project costs from 2009 through 2014 with potential projects through the end of the spending period of 2017. If the City would choose

to complete all proposed projects in Table 1 Amended and add the actual expenditures already made, TID #4 could expend a total project cost of \$23,695,246 plus \$325,000 of non-TID sources of revenues completing a total expenditure of \$24,020,246. This total expenditure of \$24,020,246 is compared to the original project plan total expenditure of \$18,147,000 or an increase of \$5,873,246 over the life of the TID. Even with this increase in project costs, the City could escrow funds with signed contracts in 2013 and retire the district providing the estimated revenues listed in Table 2 are actually collected.

Other sources of funding are included with Table 1, Amended. These other sources of funds total \$325,000 vs. \$7,763,500 in the original project plan. This is due, in part, to the fact that projects have been completed and expenditures reflected are the actual amounts expended in that specific year. In addition, tax increment revenues far exceeded what was originally anticipated. Consequently, the City is able to use more of these tax revenues to pay debt in a quicker time line than was also anticipated.

CITY OF LAKE GENEVA, WISCONSIN

CITY COUNCIL RECONSIDERATION

TAX INCREMENT DISTRICT #4 AMENDMENT No. 3

2/8/2010

TABLE 1 AMENDED

PROJECT	ACTIVITY SUB-TOTAL	PROJECT COST BY YEAR							10-YEAR TOTALS	OTHER FUNDS	TIF#4 TOTAL		
		2009	2010	2011	2012	2013	2014	2015				2016	2017
Beach District	1,593,000										1,593,000	25,000	1,568,000
General Projects													
Riviera Renovations		900,000									900,000		900,000
Enhance Museum area			150,000								150,000		150,000
Redevelopment Planning/Design/Engineering		55,000	20,000								75,000		75,000
Reconstruction of Infrastructure & Safety Improvements		50,000	50,000								100,000		100,000
Replace Bathroom Facilities (site selection 2008-2009)		200,000	100,000								300,000		300,000
Landscaping, Walkways, Lighting		18,000	50,000								68,000	25,000	43,000
Boat Facilities District	0										0	0	0
West Pier Area -- Completed													
Redevelopment Planning/Design/Engineering													
90% Construction of Piers Up to 90 Slips													
10% Construction of Piers Up to 90 Slips													
Dockage for Non-motorized Craft													
Library Park													
Rip-Rap Restoration (partially completed -- ongoing work)													
Feature at Veteran's Memorial													
Infrastructure Repairs													
White River Canal District	1,835,000										1,835,000	0	1,835,000
Boat Launch Ramp Rehabilitation (complete in 2009)		40,000									40,000		40,000
Additional Boat Slips			600,000								600,000		600,000
Park Redevelopment													
Redevelopment Planning/Design/Engineering		30,000									30,000		30,000
Construction-Flat Iron Park			250,000								250,000		250,000
Seminary Park Utility Undergrounding													
Construction-Seminary Park Shelter Completed													
Dunn Field Parking with Bathrooms					500,000						500,000		500,000
Dunn Park Skateboard Park improvements/maintenance (partially completed)		195,000	15,000	115,000	90,000						415,000		415,000
Main St/Lakeshore Drive/Wells St Intersection Completed													
Redevelopment Planning/Design/Engineering													
Acquisition & Relocation													
Main St/Mill St Intersection													
Redevelopment Planning/Design/Engineering													
Portion of Bridge Rebid													
Redevelopment Planning/Design/Engineering													
Land Acquisition (reimbursement to Commission)													
Construction													
White River Trail District Pending	700,000										700,000	0	700,000
Extension of White River Trail as Economic Link			200,000								200,000		200,000
Redevelopment Planning/Design/Engineering		100,000									100,000		100,000
Acquisition as Required		200,000									200,000		200,000
Construction-Main to USH 12		200,000									200,000		200,000
Construction-USH 12 to Grand Geneva											0		0

CITY OF LAKE GENEVA, WISCONSIN

CITY COUNCIL RECONSIDERATION

TAX INCREMENT DISTRICT #4 AMENDMENT No. 3

2/8/2010

TABLE 1 AMENDED

PROJECT	ACTIVITY SUB-TOTAL	PROJECT COST BY YEAR									10-YEAR TOTALS	OTHER FUNDS	TIF#4 TOTAL
		2009	2010	2011	2012	2013	2014	2015	2016	2017			
Beach & White River Canal Districts	3,000,000										3,000,000	0	3,000,000
Redevelopment Planning/Design/Engineering													
Underground of Electrical Utilities (N. of Main Street) <i>Completed</i>													
Underground of Electrical Utilities (S. of Main Street) <i>In progress</i>		100,000									100,000		100,000
<i>Underground of Electrical Utilities (general additional + Seminary Park)</i>		100,000									100,000		100,000
Downtown Parking Improvements													
Acquisition (Opportunity Purchase)			1,400,000								1,400,000		1,400,000
Surface Parking Planning/Engineering													
<i>Surface Parking Construction (Lake Shore & Cass)</i>													
Center Street Parkng Lot Maintenance													
<i>Parking -- Property Acquisition/Relocation (Lake Shore & Cass)</i>													
Parking Ramp Planning/Engineering													
<i>Parking Ramp Construction (City reserves right to construct if TID revenues sufficient)</i>				1,000,000							1,000,000		1,000,000
<i>Downtown Signage Improvements Partially Completed</i>													
Signage Rehabilitation					100,000						100,000		100,000
Clean & Paint Signage & Light Poles in Downtown													
<i>Improve Wrigley Bridge & Sidewalks (received Federal stimulus dollars)</i>													
<i>Downtown Alleyway Improvements</i>				300,000							300,000		300,000
Intersection Improvements (Main & Cook; Geneva St with Cook, Broad, Center & Sage) <i>Partially Completed</i>													
Redevelopment Planning/Design/Engineering													
Interection & Lane Changes & Pav't Markings Construction													
Non-Specific Area TID Projects	4,675,000										4,675,000	300,000	4,375,000
<i>Pedestrian Safety-Crossing Trails</i>													
<i>Traffic Signals</i>			200,000		600,000						800,000		800,000
<i>Parking Meter System</i>		300,000	300,000								600,000	300,000	300,000
<i>Equipment for TID area maintenance (street sweeper, bobcat)</i>		185,000									185,000		185,000
<i>Additional Parking Acquisition/Construction</i>													
<i>Park Building Upgrades</i>		50,000									50,000		50,000
<i>Tree Planting</i>		100,000	100,000								200,000		200,000
Edwards Boulevard improvement to redirect traffic out of Downtown & TID #4		2,840,000									2,840,000		2,840,000
Administrative & Other	4,651,200										4,651,200	0	4,651,200
Redevelopment Plan Update			15,000								15,000		15,000
<i>Administration</i>		100,000	100,000	100,000	600,000						900,000		900,000
Design, Engineering, & Maintenance					60,000						60,000		60,000
Discretionary Funding (to Include Public Infrastructure Improvements such as utility relocations & roadway geometric changes)					2,646,200						2,646,200		2,646,200
<i>Legal Services</i>		10,000	10,000	10,000							30,000		30,000
Escrow Account for Maintenance		1,000,000									1,000,000		1,000,000
TOTAL ESTIMATED PROJECT COSTS	16,454,200	6,773,000	3,560,000	1,525,000	4,596,200	0	0	0	0	0	16,454,200	325,000	16,129,200

2008 Costs are Actual Costs Spent

AMENDED SECTION VI. ECONOMIC FEASIBILITY ANALYSIS

The original project plan estimated a total development increment over the life of the TID to be valued at approximately \$49,000,000. As of January 1, 2008, the Department of Revenue certified increment is \$99,755,500, over twice the development increment that was originally anticipated. This is an obvious benefit to not only the City of Lake Geneva but also the overlying taxing jurisdictions once the TID is retired.

Because of the lower spending in the initial 10 years since creation of the TID and also because of the much higher than anticipated development increment, this district will retire far ahead of schedule than the original project plan had slated its retirement. Table 2 represents the cash flow analysis of TID #4 amended and shows that, if all spending were to occur, the District could retire in approximately 2013 or 18 years after the TID was created.

The original project plan estimated a 2020 retirement date. Amendment #1 estimated a 2014 retirement date. Amendment #2 estimated a 2013 retirement date. Amendment #3 also estimates a possible 2013 retirement date with all project costs expended. Stated again, if the City has contracts that have been executed for projects identified in Table 1, the City may escrow taxes to pay for these projects after the TID is retired. This allows the City to retire the district prior to completion of projects and return the taxable value of the properties within the TID to the overlying taxing jurisdictions. The City should carefully consider an early retirement and escrow enough funds to be assured that all project costs will be covered by tax revenues escrowed.

Estimated non-project costs total over \$106,053,300 in new increment as certified to date by the Department of Revenue as of January 1, 2009 plus any new development that happens prior to the end of the life of the TID.

CITY OF LAKE GENEVA

TID No. 4 Amendment No. 3

Table 2 -- Expenditure Analysis/Cashflow of District

CITY COUNCIL RECONSIDERATION

2/8/2010

TIF # 4	2005	2006	2007	2008	2009	2010	2011	2012
1/1 Balance	\$2,858,777	\$3,483,138	\$3,850,157	\$4,396,688	\$5,111,029	\$381,915	(\$1,211,459)	(\$440,036)
TIF revenue	\$1,495,389	\$1,474,642	\$1,699,062	\$1,928,289	\$2,043,986	\$2,166,626	\$2,296,623	\$2,434,420
Balance in acct	\$4,354,166	\$4,957,780	\$5,549,219	\$6,324,977	\$7,155,015	\$2,548,541	\$1,085,164	\$1,994,384
Project expenditures*	(\$494,805)	(\$631,128)	(\$1,152,531)	(\$1,213,948)	(\$6,773,100)	(\$3,760,000)	(\$1,525,200)	(\$4,596,200)
Debt Service	(\$376,223)	(\$476,495)	\$0	\$0	\$0	\$0	\$0	\$0
12/31 Balance	\$3,483,138	\$3,850,157	\$4,396,688	\$5,111,029	\$381,915	(\$1,211,459)	(\$440,036)	(\$2,601,816)

12/31/05 Balance ties with cash & investment balance in 2005 Audited Financials

* Project Expenditures: See Table 1 for itemization by year and area from 2008-2014

TIF # 4	2013	2014+	TOTALS
1/1 Balance	(\$2,601,816)	\$90,653	
TIF revenue	\$2,692,469	\$2,977,871	\$21,209,377
Balance in acct	\$90,653	\$3,068,524	
Project expenditures*	\$0	\$0	(\$20,146,912)
Debt Service	\$0	\$0	
12/31 Balance	\$90,653	\$3,068,524	

Tax Revenue Total	\$21,209,377
Minus Debt Service	-\$852,718
Minus Project Costs	-\$20,146,912
Minus Remaining Reserve	-\$3,068,524
Balance	-\$2,858,777
Beginning 2005 balance	\$2,858,777
End balance	\$0

TIF revenue is estimated in years 2009-2013. Historically, there has been a 12-15% increase in annual TIF revenues as shown above.

Actual 1/1/09 TID #4 increment certified by the State is \$106,053,300 or 6% increase. The projections have been changed to 6% increase per year.

Based on estimated costs in Table 1 and estimated revenues, the City could escrow taxes with signed contracts in place in 2013 and complete all project costs in Table 1 and retire the district after May 31, 2013 including a 15% contingency on all project costs.

SECTION ADDED WITH AMENDED RESOLUTION

The Joint Review Board met on January 6, 2010 to review the City of Lake Geneva's TID #4 Amendment #3 project plan as adopted by City Council resolution on December 14, 2009. Three areas of concern were raised by the Joint Review Board to which this language to the original amended project plan is proposed to be added and the City Council amend the resolution to include this language.

Concern: That the City reconvene the Joint Review Board if a significant change in the amount to be expended from that stated in Table 1 for any individual project cost be incurred.

Added Language: If an individual project expenditure is anticipated to exceed fifteen percent (15%) over the amount listed in Table 1 in this project plan, the City will proceed with a formal amendment to the project plan so that the Joint Review Board will be notified and a public hearing will be held on the higher project cost.

Concern: The Joint Review Board requested a date certain for closing the TID (e.g., first Council meeting after May 31, 2012).

Added Language: According to the telephone discussion with bond counsel (Quarles & Brady) after the Joint Review Board meeting, the City was advised that there is no statutory language which would allow the project plan to include a date specific for closing out the TID. However, bond counsel did state that the statutes were completely clear that the City must retire the district once the City has collected enough revenues to pay for all project costs. Bond counsel recommended that a fifteen percent (15%) contingency be added to the project costs to make sure that inflation and unknown factors which may affect the project costs are covered. This project plan allows for the project cost contingency of 15% or an additional \$2,146,200 be

added as eligible project costs under the heading “Administration: Discretionary Funding” already contained in Table 1. This brings the total eligible project costs to \$16,454,200.

Bond Counsel also advised that funds may be escrowed for two to three years for completion of projects covered by the escrow. If funds are remaining after all project costs have been paid, the balance will be distributed among the overlying taxing jurisdictions.

Concern: Where is the revenue going from the TID constructed improvements in the district? For example, the pier and boat slips were improved with TID funds. Where are the rental revenues from the slips and/or other income generating improvements going?

Added Language: Any net revenues received from TID-constructed projects must come back to the TID to repay the construction costs incurred. For example, the boat slips and pier were improved. The City gained 7 boat slips and increased the existing, improved slip rental amounts. However, with the improvements, the City lost several buoys and their revenue stream. The full revenue on the new boat slips and the incremental revenue on the existing slips less the lost buoy revenues must be returned to the TID for repayment of the debt. This net income to the TID is effective with revenues received after the improvements were completed by the TID until the retirement of the District. The City will provide the Joint Review Board with an itemization of the revenues received since improvements were completed and reimburse the TID of those revenues.

CITY OF LAKE GENEVA

626 GENEVA STREET
LAKE GENEVA, WISCONSIN 53147
(262) 249-4098 • Fax (262) 248-4715
www.cityoflakegeneva.com



DENNIS E. JORDAN
CITY ADMINISTRATOR

June 10, 2009

Mark Zlevor, Vice-President Finance & Administration
Gateway Technical College
3520 30th Avenue
Kenosha, WI 53144-1690

Re: Tax Increment District #4 Amendment #3
City of Lake Geneva, Wisconsin

Dear Mark,

The City of Lake Geneva is proposing to amend Tax Increment Financing District No. 4 for the purpose of more specifically defining project costs within the projects in the original TID #4 project plan to accomplish the goals and objectives outlined in the original project plan and subsequent amendments. Project costs expended to date and newly-identified projects will be listed.

Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed tax increment district amended project plan will be considered. Because Lake Geneva is part of a Union School District, each school district will get ½ vote on the Joint Review Board.

The public hearing is scheduled for Monday, July 20, 2009 beginning at 6:30 p.m. Prior to the public hearing, the Joint Review Board is requested to meet on Wednesday July 15 at 4:00 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 4:00 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of creating the TIF districts. We also encourage that representative to attend the Plan Commission public hearings immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF LAKE GENEVA

A handwritten signature in black ink, appearing to read "Dennis Jordan". The signature is written in a cursive style with a large initial "D".

Dennis Jordan
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF LAKE GENEVA

626 GENEVA STREET
LAKE GENEVA, WISCONSIN 53147
(262) 249-4098 • Fax (262) 248-4715
www.cityoflakegeneva.com



DENNIS E. JORDAN
CITY ADMINISTRATOR

June 10, 2009

James Gottinger, Superintendent
Lake Geneva School District
220 South Street
Lake Geneva, WI 53147

Re: Tax Increment District #4 Amendment #3
City of Lake Geneva, Wisconsin

Dear Superintendent Gottinger,

The City of Lake Geneva is proposing to amend Tax Increment Financing District No. 4 for the purpose of more specifically defining project costs within the projects in the original TID #4 project plan to accomplish the goals and objectives outlined in the original project plan and subsequent amendments. Project costs expended to date and newly-identified projects will be listed.

Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed tax increment district amended project plan will be considered. Because Lake Geneva is part of a Union School District, each school district will get ½ vote on the Joint Review Board.

The public hearing is scheduled for Monday, July 20, 2009 beginning at 6:30 p.m. Prior to the public hearing, the Joint Review Board is requested to meet on Wednesday July 15 at 4:00 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 4:00 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of creating the TIF districts. We also encourage that representative to attend the Plan Commission public hearings immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF LAKE GENEVA

A handwritten signature in black ink, appearing to read "Dennis Jordan". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Dennis Jordan
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

CITY OF LAKE GENEVA



626 GENEVA STREET
LAKE GENEVA, WISCONSIN 53147
(262) 249-4098 • Fax (262) 248-4715
www.cityoflakegeneva.com

DENNIS E. JORDAN
CITY ADMINISTRATOR

June 10, 2009

Jessica Lanser
Walworth County
P. O. Box 1001
Elkhorn, WI 53121

Re: Tax Increment District #4 Amendment #3
City of Lake Geneva, Wisconsin

Dear Ms. Lanser,

The City of Lake Geneva is proposing to amend Tax Increment Financing District No. 4 for the purpose of more specifically defining project costs within the projects in the original TID #4 project plan to accomplish the goals and objectives outlined in the original project plan and subsequent amendments. Project costs expended to date and newly-identified projects will be listed.

Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearing at which the proposed tax increment district amended project plan will be considered. Because Lake Geneva is part of a Union School District, each school district will get ½ vote on the Joint Review Board.

The public hearing is scheduled for Monday, July 20, 2009 beginning at 6:30 p.m. Prior to the public hearing, the Joint Review Board is requested to meet on Wednesday July 15 at 4:00 p.m. to elect a Chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 4:00 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of creating the TIF districts. We also encourage that representative to attend the Plan Commission public hearings immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF LAKE GENEVA

A handwritten signature in black ink, appearing to read "Dennis Jordan". The signature is fluid and cursive, with the first name "Dennis" and last name "Jordan" clearly distinguishable.

Dennis Jordan
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

Publish in newspaper
Publish on July 2 & 9, 2009

PUBLIC NOTICE
CITY OF LAKE GENEVA

TO WHOM IT MAY CONCERN:

At a meeting of the City of Lake Geneva Plan Commission to be held on or about 6:30 p.m., Monday, July 20, 2009, at City Hall, City of Lake Geneva, a Public Hearing will be held on the amended project plan for the City of Lake Geneva Tax Increment District #4. The project plan amendment identifies a change in the total amount of project expenditures eligible for implementation. This new total is \$14,208,000 of costs plus \$7,566,046 of project costs already completed for a total of \$21,774,046 and is reflective of expenditures for public infrastructure improvements. The original project plan estimated a total cost of \$18,147,000 for TIF-eligible expenditures.

A copy of the proposed amended project plan for TID No. 4 is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 8:30 a.m. and 5:00 p.m., Monday through Friday.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amendment.

CITY OF LAKE GENEVA
TIF DISTRICT #4 AMENDMENT #3
JOINT REVIEW BOARD

July 20, 2009

6:00 p.m.

City Hall

City of Lake Geneva

Agenda

1. Call to order
2. Election of Chairperson
3. Election of Fifth Member-at-large
4. Distribution and initial explanation of TIF District #4 Amendment #3 project plan.
5. Other items as allowed by law
6. Set next meeting
7. Adjourn

STATE OF WISCONSIN }
Walworth County } SS.

Suzanne Hinske, being duly sworn, both depose and say that he (she) is an authorized representative of Lake Geneva Regional News a newspaper published at Lake Geneva, of said County and State, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

<u>July 2, 2009</u>	<u>33.92</u>
<u>11 & 9, 2009</u>	<u>26.65</u>

NOTICE
NOTICE IS HEREBY GIVEN that a Public Hearing will be held before the City Plan Commission on Monday, July 20, 2009, at 6:30 P.M. at the City Hall, Council Chambers, 626 Geneva Street, Lake Geneva, Wisconsin, on the amended project plan for the City of Lake Geneva Tax Increment District #4. The project plan amendment identifies a change in the total amount of project expenditures eligible for implementation. This new total is \$14,208,000 of costs plus \$7,566,046 of project costs already completed for a total of \$21,774,046 and is reflective of expenditures for public infrastructure improvements. The original project plan estimated a total cost of \$18,147,000 for TIF-eligible expenditures.

A Copy of the proposed amended project plan for TID No. 4 is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 8:30 a.m. and 5:00 p.m., Monday through Friday.

All interested in the above matter are invited to attend and will be afforded a reasonable opportunity to express their views on the proposed amendment. The City Plan Commission will be in session on Monday, July 20 2009, at 6:30 P.M. at the City Hall, Council Chambers, 626 Geneva Street, Lake Geneva, Wisconsin, to consider any objections that may have been filed and to hear all persons desiring to be heard.

Dated this 26th day of June 2009.
Mayor William P. Chesen
City Plan Commission
City of Lake Geneva, WI

A QUORUM OF ALDERMEN MAY BE IN ATTENDANCE

NOTE: Requests from persons with disabilities who need assistance in order to participate in this meeting should be made to the City Clerk's office in advance, in order for appropriate accommodations to be made.
July 2 & 9, 2009

WNAXLP

(Signed) Suzanne Hinske
Office Manager (Title)

Subscribed and sworn to before me this 9th day of July, 2009
Michael Reinissel
Notary Public, Walworth County, Wisconsin

My Commission expires Feb. 10, 2013
No. Lines 51 No. Times 2

Notary Fees \$ 2.00
Printer's Fees
Extra copies of WISCONSIN

Total \$ 62.57

Received Payment _____

Filed _____

PROOF OF PUBLICATION

IN THE MATTER OF

STATE OF WISCONSIN
WALWORTH COUNTY COURT

JOINT REVIEW BOARD

MINUTES OF JULY 15, 2009 MEETING

The members of the Joint Review Board met in Room 2A on the second floor of the Lake Geneva City Hall on the above date at 4:04 pm. In attendance were:

Jessica Lanser - Walworth County
Marc Zlevor - Gateway Technical College
James Gottinger - Lake Geneva Schools
Dennis Jordan - City of Lake Geneva

Others in attendance were:

Ed Yaeger
Mary Jo Fesenmaier
Gary Millette
Daniel Kilkenny
Mayor Bill Chesen (arrived 4:52 pm)

The meeting began with Lake Geneva City Administrator Dennis Jordan giving an overview of why the Board was reconvened. The Mayor appointed a TIF Committee to review the projects to be completed under TIF #4. Since it has been 13 years since its inception, the Mayor wanted the Committee to determine if all the projects yet to be completed were still relevant or were there new projects that would help to ease blight or traffic congestion. The attached list contains the recommendations made by the Committee. TIF #4 was formed to alleviate traffic congestion in the downtown and to eliminate blight.

The business to be performed at this meeting this afternoon is naming a Chairman and appointing a citizen representative. Lanser nominated Jordan to serve as Chairman and this was seconded by Zlevor. Approved. Gottinger moved to name Joe Cardiff as the citizen representative and this was seconded by Zlevor. Lanser nominated Gary Millette seconded by Zlevor. Gottinger asked to withdraw his nomination of Cardiff and Zlevor withdrew his second of Cardiff. A vote was taken on the nomination of Gary Millette and he was approved with three voting yes and 1 no.

A motion was made by Zlevor to allow Ed Yaeger to speak, 2nd by Gottinger. The motion was approved by a vote of 3 yes and 1 no. Mr. Yaeger gave a brief history of TIF #4 and why he did not believe the TIF should have been created to include the Cove and Harbor Shores hotels. Mr. Yaeger then discussed TIF districts in general. He stated he thought they were fraudulent and the legislation and rules formulated to govern them were confusing to the public.

County Board member Kilkenny made a statement that the Amendment must comply with TIF law.

The Joint Review Board will next meet on Monday August 17, 2009 at 4:00 pm at the City of Lake Geneva City hall after the Planning Commission and Common Council have acted on the Amendment. The Board shall review the public record, planning documents and the resolutions passed by the City Council. No tax incremental district may be created or amended unless the board approves the Council Resolution by a majority vote within 30 days after receipt of the Resolution from the Common Council. The Board must submit its decision to the City no more than 7 days after the vote. At that time, the Board will either approve or deny the Amendment.

Motion made to adjourn by Zlevor and seconded by Lanser. Passed unanimously.

Meeting adjourned at 5:05 pm.

Public Hearing on the amended project plan for the City of Lake Geneva Tax Increment District #4. Susan Hoeft from Vandewalle and Associates approached the podium and explained the background again of the TIF and its current proposed amendment. She explained that the Joint Review Board met last week and has heard the proposal. This is all part of the State Statute requirements of making an amendment. Ms. Hoeft showed the TIF spreadsheet and some other charts on the overhead projector to help everyone understand where the figures are coming from. Ms. Hoeft explains that the Administrative Cost vary from community to community. She has not seen a community not re-coupe a pro-rated share of their Administrative costs. Hartz asked about the Plan Commission and the City Council developing a list of projects. He doesn't recall being a part of developing that list. Ms. Hoeft explains that this happened before the Edwards Boulevard amendment. Administrative Jordan explains that he believes that this may have been back in the 1995 era. This amendment was before the Ad Hoc (TIF) committee made up of some Plan Commissioners, Council members, citizens and Staff. They met maybe eight times and this is a culmination of what came from those meetings. Hartz asked about a couple items in the Amended table one. 1) Riviera expenditures are listed and Hartz would like to know what the projected return will be on that. Administrative Jordan explained the nature of the historic building and how it needs to be maintained inside and out. Hartz stated that he understood but wanted to know more about the return of spending \$600,000.00 on the Riviera. Jordan states in this case, like much of the waterfront, it has been updated and it is hard to remember what it was like before the changes were made. It has definitely made things along the lakefront better for all the people that come to the area. 2) Bridge re-bid, it was listed but with no dollar amount. If the project is listed and no money amount is listed, the Committee decided that it was no longer a need. It is not listed as a line item only. 3) Signage Rehabilitation - Hartz believes that this is a lot of money. What kind of signs are we talking about? Ms. Hoeft explains that the cost of signs has greatly increased and depends on what signs you want. 4) The parking meter system - What is this about? Jordan explained that the Council has been looking at this for some time and are always looking at a better way to be more efficient. 5) On Table #2, in 2010 we have a deficit and there is no debt service. Ms. Hoeft explains that the Financial Consultant will advise how to get through the short time, probably internally. 6) In the 2014+ the balance there is 6.2 million dollars. How are the numbers (revenue and balance) different when he subtracts them? Ms. Hoeft states that there is an equation that is used, but she will check and make sure the numbers are correct. Hartz asked what happens in 2014 to the 6.7 millions dollars. At that time, it will only be year 19 of the 22 years and if the City decides that is the end, then the TIF is retired and it put on the tax roll. Mayor Chesen explains a picture that he retrieved from his office and explains that it is difficult to put a price on something that will never be on the taxes (it's City property). The improvements that have been made are incredible. Hartz agrees that the improvements that have been made since he was on the Commission have been great. He just wants to make sure that the justifications for the line items according to Statute are appropriate. Ms. Hoeft explains that the items have been justified. Kuehl wants to make sure that it is relayed to the people that the TIF projects that are listed are the only projects that will be worked on and there is no "magic wish list" that continues to grow that is not made public to the people. Kuehl asks who makes the list. It comes from the TIF committee. Mayor Chesen explains that this is an appointed Committee that is made up of some Alderman and some citizens. They decided upon the projects and then it goes forward to the Commission and Council. Ms. Hoeft explains that the State has a lot to do with the incremental level even more than the local level. Recommend to the City Council to adopt Amendment three to TIF #4 and make a resolution. Discussion followed from Kuehl explaining that he doesn't feel that he has had enough time to make a decision for a recommendation to the City Council. It was explained that there has been a lot of time and effort devoted to this project to get it this far. There have been materials handed out over the years to keep people up to date on what is happening with the process at this time. Horne expresses that people may be confused. We are not here tonight to approve the projects; we are here to approve the recommendation made by the Committee and pass onto (to the Council).

Ed Yaeger, 421 Water Street approached the podium. He is opposed to the TIF continuance. He feels this is a tax item. He explained that he believes there is a recession. He believes that everyone needs tax assistance. He feels that everyone is cutting back but not Lake Geneva. He feels that the extra taxes are hidden.

Jim Connors, 320 Oakwood, reads a paragraph from page four, regarding the Geneva Street bypass and how he feels this makes the project alive and well.

Gary Millette, 493 Wrigley Drive would like Ms. Hoeft to explain the "but, for" test. He also asked several questions in regards to the revenues that will come from some proposed (listed) items and how this will benefit the City.

Ms. Hoeft approached to podium to address that question and also the erroneous statement made by previous speakers. The people in the TIF district DO PAY TAXES. The taxes paid on the new increment go to pay the City back for creating the roads instead of going to the schools. But, for TIF there wouldn't be any roads for those buildings. Ms. Hoeft explains that the City has been doing things correctly and there are NO HIDDEN ITEMS. She agrees with Mr. Yeager that this is a hard time but the Ad Hoc committee has decided which items should go forward. It was stated that the paragraph about the Geneva Street bypass will be stricken from the draft. It appears to have been there in error. More discussion followed.

Commissioner Kuehl asked whose pocket this money comes out from. Susan explained how the project costs will come from new projects and how the TIF actually works. Discussion followed.

Mr. Millette re-approached the podium and asked if the Plan Commission and the Council could close the TIF early such as in 2011. Ms. Hoeft said you may be able to but she didn't know if they could tie the future Council's hands. Ms. Hoeft said that TIF is an enabling tool; it is not something where there is a blank check. You still have to go through the design, approval and bidding processes. This is the fail safe. The line items are just saying that you COULD do these things if you wanted to but you don't have to. If it is not listed you cannot do anything.

Mr. Yaeger stood up and explained that he believes that it is not correct to compare TIF 3 and TIF 4 as they are not comparable. He does not believe that any of the people are able to see anything positive from the TIF except for the lakefront. He believes that no one will see anything as a benefit until the TIF is closed.

Mayor Chesen states that the Donian Park improvements were paid for by TIF, the Main Street bridge project was paid for by TIF. There are several things that have been paid for by TIF that benefit the Community.

Kupsik/Tolar motion to close the public hearing. Kuehl does not believe that we should close the public hearing. Kupsik asks what Kuehl hopes to accomplish by keeping the hearing open. Kuehl doesn't want to rubber stamp this project and believes that we should spend some more time on it. Discussion followed including how this may incorporate the time that is being made with the Comprehensive Plan. Lyons wanted to speak from the point of view of being on the Ad Hoc Committee. He feels that if more time is going to be spent by the Plan Commission on this material, it will be duplicating the time that the Ad Hoc Committee already has. It will take away from the judgment that has been made by the Ad Hoc Committee. Roll call on motion to close the public hearing. Roll call vote. Motion carries 5-2 (Tolar-yes, Hartz-no, Kupsik-yes, Lyon-yes, Horne-yes, Kuehl-no, Mayor Chesen-yes).

Kupsik/Horne motion to send the amendment recommendation to Council which will include the removal of the Geneva Street Bypass wording on page four of the draft#2. Discussion followed. Mayor Chesen made a point to make it known what the need for the Street Sweeper and the Skid Steer was used for. These items are used strictly for the downtown. The sweeper dumps its gatherings downtown and the skid steer then takes it to the Street Department so the sweeper doesn't have to go through the residential streets and leave the downtown area. Kuehl feels that the Plan Commission needs to have its own discussion outside of the regular meeting if the Plan Commission is going to put their name on something. Roll call on motion. Motion carries 5-2 (Tolar-yes, Hartz-no, Kupsik-yes, Lyon-yes, Horne-yes, Kuehl-no, Mayor Chesen-yes).

RESOLUTION 09-R28
RESOLUTION AMENDING
TAX INCREMENT DISTRICT NO. 4
PROJECT PLAN
CITY OF LAKE GENEVA, WISCONSIN

WHEREAS, the Plan Commission has held a public hearing on Monday, July 20, 2009 on the amendment to the project plan for Tax Increment District #4; and

WHEREAS, the Chief Executive Officers of the local school district, Walworth County Board, and other entities having power to levy taxes on property located within the proposed amended Tax Increment District has been notified, including the school board of any school district which includes property within the proposed district pursuant to Section 66.1105(4)(h)1, Wis. Stats.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lake Geneva hereby amends Tax Increment District #4 project plan, City of Lake Geneva, and

1. Includes a statement listing the times, number and location of all proposed additional public works or improvements within such district (Table 1); and
2. Contains an economic feasibility study (Table 2); and
3. Contains a detailed list of estimated project costs (Table 1); and
4. Contains a description of the method of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred (original project plan); and
5. Includes a map showing existing uses and conditions of real property in such district (original project plan); and
6. Includes a map showing proposed improvements and uses in such district (original project plan); and
7. Shows proposed changes in zoning ordinances, comprehensive plan, building codes and City ordinances (original project plan); and
8. Contains a statement that there are an estimated \$99,750,000+ of non-project costs currently being considered in connection with TID #4; and
9. Contains a statement of a proposed method for the relocation of any person to be displaced (original project plan); and
10. Indicates how amendment of TID #4 promotes the orderly development of the City of Lake Geneva (original project plan); and
11. That not less than 50% of the real property within the Tax Increment District #4 is blighted and in need of conservation and rehabilitation work as defined in s. 66.1105, Wis. Stats. (original project plan); and
12. That the improvements contemplated in the amended Tax Increment District #4, City of Lake Geneva, will significantly enhance the value of substantially all real property in Tax Increment District #4 (original project plan); and
13. That the project costs directly serve to eliminate blight consistent with the purpose for which Tax Increment District #4 was created and amended (original plan); and
14. That the aggregate value of equalized taxable property in Tax Increment District #4 and

existing TIDs does not exceed 12% of the total value of equalized taxable property within the City (original project plan).

15. That the plan is feasible and in conformity with the master plan, if any, of the city.

Resolved this 14th day of December, 2009.



William P. Chesen, Mayor

Attest:



Diana Dykstra, CityClerk

This is to certify that the foregoing resolution was adopted by the City Council of the City of Lake Geneva, Walworth County, Wisconsin, at a meeting of the City Council held on the 14th day of December, 2009.

RESOLUTION 10-R03

**A RESOLUTION AMENDING RESOLUTION 09-R28 WHICH AMENDS
TAX INCREMENT DISTRICT NO. 4
PROJECT PLAN
CITY OF LAKE GENEVA, WISCONSIN**

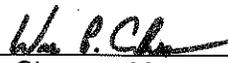
WHEREAS, the Plan Commission has held a public hearing on Monday, July 20, 2009 on the amendment to the project plan for Tax Increment District #4; and

WHEREAS, the Chief Executive Officers of the local school district, Walworth County Board, and other entities having power to levy taxes on property located within the proposed amended Tax Increment District has been notified, including the school board of any school district which includes property within the proposed district pursuant to Section 66.1105(4)(h)1, Wis. Stats.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lake Geneva hereby amends Resolution 09-R28 which amended the Tax Increment District #4 project plan, City of Lake Geneva, with the following:

1. Adding "Section Added with Amended Resolution" found on pages 14-16 of the TID document.
2. Adding an amended Table 1
3. Adding an amended Table 2

Adopted this 8th day of February, 2010.



William P. Chesen, Mayor

Attest:



Diana Dykstra, City Clerk

JOINT REVIEW BOARD

TIF DISTRICT NO. 4
AMENDMENT NO. 3

CITY OF LAKE GENEVA

INFORMATION AND PROJECTIONS

In Section 66.1105(4)(i), Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. This information is as follows:

- (i) *The local legislative body shall provide the joint review board with the following information and projections:*
1. *A list of project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.*

Response:

The activities for TIF District No. 4 are listed on Table 1 Amended in the amended project plan which compares the original project plan estimated expenditures to the Amendment #3 project plan estimated expenditures. The total cost of all activities yet to be undertaken is estimated to be approximately \$16,454,200 plus debt service which is to be paid by using tax increment revenues (estimated to be \$16,129,200 of the project costs) and other sources of revenues (estimated to be \$325,000 of project costs). Currently, the City has spent \$7,566,046 through spring, 2009. Based on the existing and future cash flow of the district (as shown in Table 2), expenditure of the entire \$14,308,000 would cash flow with the current State certified equalized increment of \$106,053,300 and would be paid by 2014 with a 6% increase in real estate value through 2013. Essentially, the City of Lake Geneva is collecting enough annual tax revenues in addition to what is currently within the TID #4 account, to pay for the project expenditures as each expenditure comes to the City Council for consideration.

2. *The amount of the value increment when the project costs in subd. is paid in full and the tax incremental district is terminated.*

Response:

The development increment projections have not changed. In fact, the State-certified value effective 1/1/09 is used for cash flow projections. This net increment value is \$106,053,300 which is the State-certified equalized increment for TID #4. Historically, there has been a 13-15% increase in value of the State-certified increment. The increase between 2008-2009 was only 6% and so the cash flow projections have been modified to a 6% increase per year. Consequently, the value of the increment is estimated to be \$126,300,000 as of

1/1/2012 when the District has enough cash flow to pay for all project costs in the amended plan and still retire after May 15, 2013.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefit by improvements within the tax incremental district.*

Response:

The costs associated in the TID #4 project plan are typical of public improvement costs associated with eliminating blight in the Downtown. Amendment #2 dealt with redirecting traffic out of the Downtown through the extension of Edwards Boulevard on the east end of the community. In 1995 when TID #4 was created, the primary purpose for creation of this district was to eliminate the traffic congestion and provide safe vehicular and pedestrian circulation within the Downtown area. Completion of this project cost further fulfilled the goals and objectives of the original project plan and its two amendments. Amendment #3 deals with finalizing projects that have been chosen by the TID Committee with input from the public as well as review by the Plan Commission and approval by the City Council of project priorities that the City would like to undertake before retiring TID #4. The statutory life of TID #4 (27 years) ends in 2022. However, due to the large increment generated in the beginning of the TID, the City has been able to carefully choose the projects that fulfill the goals and objectives of the TID #4 project plan and undertake those additional projects, through Amendment #3, that will most significantly impact the community and complete the most important projects in TID #4.

The projects that have received priority listing in Amendment #3 are projects that benefit not only the property owners directly affected but are primarily public improvement projects that benefit the entire community. As stated at the Council meeting, the City of Lake Geneva's primary industry is tourism. Enhancement, encouragement and growth in tourism benefits the City's residents, the region's residents and not just affected property owners. In fact, it could be stated that the benefits are more significant to the region than to the individual property owners within the District. Because of the region-wide benefit, it would not be fair to the individual property owners to bear the cost of these public improvements that do not have significant impact on their individual properties.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The project costs have been increased to a total of \$24,020,246 from \$18,147,000 as identified in the original project plan. To date, \$7,566,046 has been expended within TID #4 with an additional estimated \$16,454,200 yet to be expended.

The original projections contained in TID #4 anticipated a total of \$49,000,000 of new increment to be generated over the life of the TID. The January 1, 2009 DOR certified value stated that \$106,053,300 has been built since 1995.

For purposes of calculating the share of projected tax increments paid in this section, we are using the 1/1/09 certified increment of \$106,053,300, acknowledging that this amount will increase with inflation and potential new development prior to the retirement of the district. This increase will only accelerate the retirement of the district and consequent distribution of tax revenues to the overlying taxing jurisdictions.

If all development in the TIF would occur without the use of TID financing, the taxes, from 2005 to 2014, from that development are assumed to gross a minimum of approximately \$24,020,246 which would be divided as follows:

State of Wisconsin	.95%	\$ 228,192
Walworth County	21.41%	5,142,735
UHS-LG Genoa City	14.42%	3,463,719
Sch Lake Geneva, J1	30.03%	7,213,280
Gateway Technical College	6.9%	1,657,397
City of Lake Geneva	26.28%	6,312,521

(Discrepancies may occur due to rounding)

If the premise is that development would occur without the use of TIF, each of these taxing jurisdictions would receive their proportionate share of the taxes levied on the new development. However, if the premise is that the development would not occur as projected in the project plan without the use of TIF financing, the overlying taxing jurisdictions would not be receiving this estimated tax revenue over the 19 year period.

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

The original concepts are presented here again. The activities of TIF District No. 4, Amendment No. 3 will benefit all property taxpayers who travel through and/or use the historic downtown and business district in Lake Geneva by alleviating traffic confusion and congestion through improved traffic circulation, improving the wayfinding system throughout the downtown, creating a more “pedestrian-friendly” atmosphere for shoppers and visitors and creating new jobs through redevelopment and development of new properties which will encourage further business development.

As a result of these activities, more jobs will be created, a better business mix will result with more consumer spending and increased consumer traffic in the downtown. This, in turn, stabilizes and increases property values that will encourage investment and reinvestment in the remainder of the business district as well as the community. A more vital downtown will also assist in the

orderly development of the community and surrounding area. These benefits all help to compensate the owners in the overlying taxing jurisdictions

JOINT REVIEW BOARD

TIF DISTRICT NO.4
AMENDMENT NO. 3

CITY OF LAKE GENEVA

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

- A. *Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;*
- B. *Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and*
- C. *Whether the benefits of the proposal outweigh the anticipated loss of tax increments to be paid by the owners of property in the overlying tax districts.*

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 4 on the City of Lake Geneva. The criteria are addressed in turn below.

- A. TIF District No. 4, Amendment No. 3 is reprioritizing the projects identified in Amendment #1 and showing actual costs incurred through 2008. Future projects will continue to provide a safer environment for all persons using the Central Business District in the City of Lake Geneva. Amendment No. 3 also brings costs up to date and bases the economic feasibility upon the latest 6% increase in either real estate, personal property or tax levy increases. Because the project expenditures do not require any more development to take place within the district than is already certified by the Wisconsin Department of Revenue and because the development that has already occurred within the district is necessitating many of the improvements required in this project plan amendment and in the original project plan, the statement that the development would not occur without the use of TID financing is accurate for pre-amendment development.

- B. The economic benefits anticipated for TID #4, Amendment No. 3 include the continuing vitality of existing properties as a result of traffic and pedestrian congestion in the entire CBD. The projects proposed to be undertaken are completion of projects that were partially undertaken or not undertaken in the initial 14 years of the TID.

The finding that the economic benefits as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements in the original project plan still hold for the amendment.

- C. Amendment of TID #4 will encourage the orderly growth of the CBD and business district in the central core of the City by completing the construction of public

infrastructure improvements relating to traffic circulation, streetscape, wayfinding and entry features that were not completed in the first fourteen years of the district.

RESOLUTION APPROVING CITY COUNCIL RESOLUTION
AMENDING TID NO. 4 AND ADOPTING THE AMENDED PROJECT PLAN

CITY OF LAKE GENEVA, WISCONSIN

WHEREAS, the Joint Review Board, Tax Increment District No. 4, City of Lake Geneva, Wisconsin, has reviewed the public record, planning documents and resolution related to the amended project plan for TID No. 4, City of Lake Geneva, Wisconsin; and

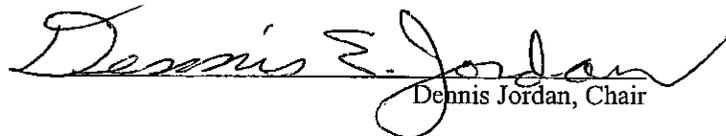
WHEREAS, the Joint Review Board, Tax Increment District No. 4, City of Lake Geneva, Wisconsin has received in an open meeting additional information from the City of Lake Geneva staff regarding the amended project plan for Tax Increment District No. 4, City of Lake Geneva, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. The development expected in TID No. 4, City of Lake Geneva, Wisconsin, would not occur without the use of tax incremental financing;
2. The economic benefits of TID No. 4, City of Lake Geneva, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 10th day of ~~February~~ ^{MARCH} 2010.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT NO. 4
AMENDMENT NO. 3
CITY OF LAKE GENEVA, WISCONSIN


Dennis Jordan, Chair

JOINT REVIEW BOARD

MINUTES OF March 10, 2009 MEETING

The members of the Joint Review Board met in Room 2A on the second floor of the Lake Geneva City Hall on the above date at 3:00 pm. In attendance were:

Jessica Lanser - Walworth County
Marc Zlevor - Gateway Technical College
Warren Flitcroft - Lake Geneva Schools
Gary Milliette - Citizen Representative
Dennis Jordan - City of Lake Geneva

Others in attendance were:

Ed Yaeger
Jim Connors
Alderson Penny Roehrer
Peg Pollitt
Susan Hoeft of Vandewalle and Assoc. by Conference Call
Mayor Bill Chesen

The meeting began with Susan Hoeft of Vandewalle and Associates giving an overview of the Amendment and the changes proposed by the Ad Hoc Committee and the Common Council. County representative Jessica Lanser asked if the 15% rule would apply to projects that had no money earmarked for that respective project. After much discussion, Hoeft stated that if the Council decided to do a project that showed no funding, that project would have to come back through a formal Amendment to the Joint Review Board. Also, if a funded project is projected to go over the budgeted amount by over 15%, that project would have to go through the Amendment process and come back to the Joint Review Board. Citizen Representative Gary Milliette questioned if the "but for" clause was being met. Ms. Hoeft stated she believed it was being met. He also wanted to limit the time the TIF could remain open. Ms. Hoeft stated that there is no statutory closing language regarding TIF's. She stated the Joint Review Board must adhere to the three main criteria in making their decision as stated in the Wisconsin Statutes. School Representative Flitcroft stated that the school could not vote for the Amendment unless

there was a time limit placed on the TIF's closure. After much discussion, and each member stating their position on the Amendment, a vote was taken.

Zlevor made a motion to approve Amendment #3 for TIF #4, seconded by Lanser. A roll call was taken with the following results:

Zlevor	- Yes
Lanser	- Yes
Milliette	- No
Flitcroft	- No
Jordan	- Yes

The motion passed 3 to 2.

With no other business before the Board, Zlevor made a motion to adjourn, seconded by Lanser. Passed unanimously.

Meeting adjourned at 4:03 pm..