

June 17, 2021

TID #9 Annual Report:

City of Fitchburg, WI



Prepared by:

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BUILDING COMMUNITIES. IT'S WHAT WE DO.

Annual Tax Increment District Report

City of Fitchburg, Wisconsin
Tax Increment District No. 9

Purpose: State law requires municipalities with an active Tax Incremental District (TID) to electronically file an Annual Report for each TID by July 1 of each calendar year. This is a supplement to that filing to be used at the annually required meeting of the standing Joint Review Board.

District Summary: Tax Increment District No. 9 (“District”) was created on June 9, 2015 as an industrial district. The District was first amended in 2016 to add territory and amend the project plan expenditures. The District was amended a second time in 2019 to add territory and amend the project plan expenditures (including costs within a ½ mile radius).

The TID has an expenditure period that ends on June 9, 2030 and has a mandatory termination date of June 9, 2035. The final year of increment collection is 2036.

| | | |
|-------------------------|---|--------------|
| Background Data: | Base Value | \$46,009,600 |
| | Incremental Value (1/1/2020) | \$48,564,700 |
| | Year End Fund Balance (12/31/2020) | (\$56,665) |
| | Projected Closure (based on current cash flow*) | 2036 |

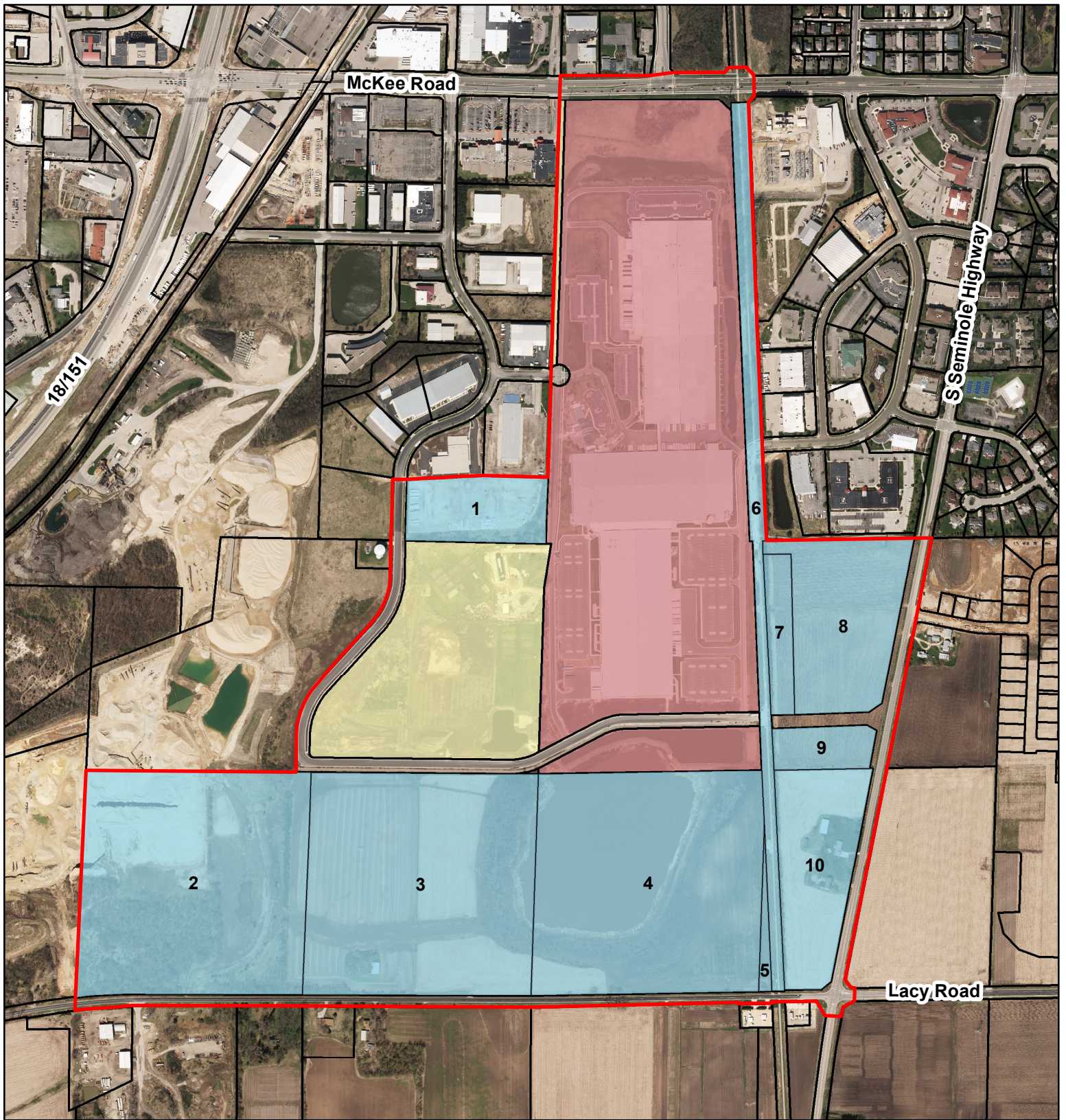
* The City expects to make additional projects costs through the end of the District’s expenditure period. The projected closure year identified is based on current cash flow projections only.

- Notes:**
- Promega building 85% complete as of 1/1/2021..
 - Sub-Zero building 66% complete as of 1/1/2021. .
 - Race Day Events & Hop Haus 100% complete as of 1/1/2021.
 - Promega and Subzero construction continuing in 2021.

Joint Review Board Action: Resolution acknowledging filing of Annual TID Report and compliance with annual meeting requirements.

- Attachments:**
- Development Assumptions
 - TID increment projection
 - Estimated Financing Plan
 - TID Cash Flow Projection
 - PE-300 form

Annual TID Report
City of Fitchburg, Wisconsin
Tax Increment District No.9

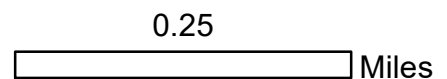


Legend

- TID #9 Proposed Boundary
- Other Tax Parcels
- Original TID #9
- Approved TID #9 Amendment 1
- Proposed TID #9 Amendment 2

Note: Numbers in map are referenced in data table

Fitchburg TID #9 - Tax Parcels



Created By: Public Works Department
 Source: Public Works Department & Dane County LIO

City of Fitchburg, Wisconsin

Tax Increment District # 9

Development Assumptions

| Construction Year | | Actual | Net New Construction Estimates from City | Additional Value needed for Cash flow | Annual Total | Construction Year | |
|-------------------|------|-------------------|--|---------------------------------------|--------------------|-------------------|----|
| 1 | 2015 | 4,226,900 | | | 4,226,900 | 2015 | 1 |
| 2 | 2016 | 13,070,500 | | | 13,070,500 | 2016 | 2 |
| 3 | 2017 | 7,651,300 | | | 7,651,300 | 2017 | 3 |
| 4 | 2018 | 1,668,500 | | | 1,668,500 | 2018 | 4 |
| 5 | 2019 | 21,947,500 | | | 21,947,500 | 2019 | 5 |
| 6 | 2020 | | 62,901,600 | | 62,901,600 | 2020 | 6 |
| 7 | 2021 | | 17,395,000 | | 17,395,000 | 2021 | 7 |
| 8 | 2022 | | | 0 | 0 | 2022 | 8 |
| 9 | 2023 | | | 0 | 0 | 2023 | 9 |
| 10 | 2024 | | | 0 | 0 | 2024 | 10 |
| 11 | 2025 | | | 0 | 0 | 2025 | 11 |
| 12 | 2026 | | | 0 | 0 | 2026 | 12 |
| 13 | 2027 | | | 0 | 0 | 2027 | 13 |
| 14 | 2028 | | | 0 | 0 | 2028 | 14 |
| 15 | 2029 | | | 0 | 0 | 2029 | 15 |
| 16 | 2030 | | | 0 | 0 | 2030 | 16 |
| 17 | 2031 | | | 0 | 0 | 2031 | 17 |
| 18 | 2032 | | | 0 | 0 | 2032 | 18 |
| 19 | 2033 | | | 0 | 0 | 2033 | 19 |
| 20 | 2034 | | | 0 | 0 | 2034 | 20 |
| Totals | | <u>48,564,700</u> | <u>80,296,600</u> | <u>0</u> | <u>128,861,300</u> | | |

Notes:

City of Fitchburg, Wisconsin

Tax Increment District # 9

Tax Increment Projection Worksheet

| | | | |
|---------------------------------|--------------|--------------------------|------------|
| Type of District | Industrial | Existing Base Value | 46,009,600 |
| District Creation Date | June 9, 2015 | Appreciation Factor | 0.50% |
| Valuation Date | Jan 1, 2015 | Base Tax Rate | \$24.36 |
| Max Life (Years) | 20 | Rate Adjustment Factor | -0.50% |
| Expenditure Periods/Termination | 15 6/9/2030 | Tax Exempt Discount Rate | N/A |
| Revenue Periods/Final Year | 20 2036 | Taxable Discount Rate | N/A |
| Extension Eligibility/Years | Yes 3 | | |
| Recipient District | No | | |

| | Construction Year | Value Added | Valuation Year | Inflation Increment | Total Increment | Revenue Year | Tax Rate | Tax Increment |
|---------------|-------------------|--------------------|----------------|---------------------|-----------------|----------------------------------|----------|-------------------|
| 1 | 2015 | 4,226,900 | 2016 | | 4,226,900 | 2017 | \$24.43 | 103,252 |
| 2 | 2016 | 13,070,500 | 2017 | | 17,297,400 | 2018 | \$25.36 | 438,616 |
| 3 | 2017 | 7,651,300 | 2018 | | 24,948,700 | 2019 | \$24.69 | 616,023 |
| 4 | 2018 | 1,668,500 | 2019 | | 26,617,200 | 2020 | \$24.29 | 646,553 |
| 5 | 2019 | 21,947,500 | 2020 | | 48,564,700 | 2021 | \$24.36 | 1,183,196 |
| 6 | 2020 | 62,901,600 | 2021 | | 111,466,300 | 2022 | \$24.24 | 2,702,107 |
| 7 | 2021 | 17,395,000 | 2022 | | 128,861,300 | 2023 | \$24.12 | 3,108,169 |
| 8 | 2022 | 0 | 2023 | 644,307 | 129,505,607 | 2024 | \$24.00 | 3,108,091 |
| 9 | 2023 | 0 | 2024 | 647,528 | 130,153,135 | 2025 | \$23.88 | 3,108,014 |
| 10 | 2024 | 0 | 2025 | 650,766 | 130,803,900 | 2026 | \$23.76 | 3,107,936 |
| 11 | 2025 | 0 | 2026 | 654,020 | 131,457,920 | 2027 | \$23.64 | 3,107,858 |
| 12 | 2026 | 0 | 2027 | 657,290 | 132,115,209 | 2028 | \$23.52 | 3,107,780 |
| 13 | 2027 | 0 | 2028 | 660,576 | 132,775,785 | 2029 | \$23.41 | 3,107,703 |
| 14 | 2028 | 0 | 2029 | 663,879 | 133,439,664 | 2030 | \$23.29 | 3,107,625 |
| 15 | 2029 | 0 | 2030 | 667,198 | 134,106,863 | 2031 | \$23.17 | 3,107,547 |
| 16 | 2030 | 0 | 2031 | 670,534 | 134,777,397 | 2032 | \$23.06 | 3,107,470 |
| 17 | 2031 | 0 | 2032 | 673,887 | 135,451,284 | 2033 | \$22.94 | 3,107,392 |
| 18 | 2032 | 0 | 2033 | 677,256 | 136,128,540 | 2034 | \$22.83 | 3,107,314 |
| 19 | 2033 | 0 | 2034 | 680,643 | 136,809,183 | 2035 | \$22.71 | 3,107,237 |
| 20 | 2034 | 0 | 2035 | 684,046 | 137,493,229 | 2036 | \$22.60 | 3,107,159 |
| Totals | | 128,861,300 | | 8,631,929 | | Future Value of Increment | | 49,197,043 |

Notes:

Actual results will vary depending on development, inflation of overall tax rates.

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

City of Fitchburg, Wisconsin

Tax Increment District # 9

Cash Flow Projection Page 1 of 3

| Year | Projected Revenues | | | | | | Proposed MRO Expenditures | | | | | | | | | | Year |
|-------|--------------------|---------------------------------|------------|--------------------------|------------------|-------------------|---|-------|-------------------|-----------|---|-----------|-----------|--|-----------|-----------|------|
| | Tax Increments | Interest Earnings/ (Cost) | Inter gov. | Personal Property Aid | Other Revenue | Total Revenues | Existing MRO Sub Zero \$3,250,000 plus unpaid accrued interest Dated Date: 03/20/18 | | | | Proposed Sub Zero Expansion \$5,500,000 Dated Date: TBD | | | Promega Expansion MRO \$13,804,000 Dated Date: TBD | | | |
| | | | | | | | Principal | Rate | Accrued int. paid | Interest | Principal | Est. Rate | Interest | Principal | Est. Rate | Interest | |
| 2015 | | | | | | 0 | | | | | | | | | | | 2015 |
| 2016 | | 33 | | | | 33 | | | | | | | | | | | 2016 |
| 2017 | 103,252 | 3,992 | 1,046,701 | | | 1,153,945 | | | | | | | | | | | 2017 |
| 2018 | 438,616 | 1,762 | 214,777 | | | 655,155 | | 6.00% | 125,000 | 218,194 | | | | | | | 2018 |
| 2019 | 616,023 | 4,987 | 134,880 | 2,039 | 7,926 | 765,855 | 0 | 6.00% | 125,000 | 210,694 | | | | | | | 2019 |
| 2020 | 646,553 | 1,805 | 134,880 | 1,592 | | 784,830 | 0 | 6.00% | 150,000 | 202,444 | | | | | | | 2020 |
| 2021 | 1,183,196 | | 134,880 | 1,143 | | 1,319,219 | 100,945 | 6.00% | 49,055 | 193,444 | | | | | | | 2021 |
| 2022 | 2,702,107 | | 134,880 | 1,143 | | 2,838,130 | 200,000 | 6.00% | | 182,943 | 190,000 | 5.00% | 275,000 | 300,000 | 5.50% | 759,220 | 2022 |
| 2023 | 3,108,169 | | 134,880 | 1,143 | | 3,244,192 | 200,000 | 6.00% | | 170,943 | 235,000 | 5.00% | 265,500 | 400,000 | 5.50% | 742,720 | 2023 |
| 2024 | 3,108,091 | | 134,880 | 1,143 | | 3,244,114 | 200,000 | 6.00% | | 158,943 | 260,000 | 5.00% | 253,750 | 500,000 | 5.50% | 720,720 | 2024 |
| 2025 | 3,108,014 | | 134,880 | 1,143 | | 3,244,037 | 200,000 | 6.00% | | 146,943 | 285,000 | 5.00% | 240,750 | 600,000 | 5.50% | 693,220 | 2025 |
| 2026 | 3,107,936 | | 134,880 | 1,143 | | 3,243,959 | 200,000 | 6.00% | | 134,943 | 300,000 | 5.00% | 226,500 | 700,000 | 5.50% | 660,220 | 2026 |
| 2027 | 3,107,858 | | 134,880 | 1,143 | | 3,243,881 | 200,000 | 6.00% | | 122,943 | 325,000 | 5.00% | 211,500 | 800,000 | 5.50% | 621,720 | 2027 |
| 2028 | 3,107,780 | | 134,880 | 1,143 | | 3,243,803 | 225,000 | 6.00% | | 110,193 | 345,000 | 5.00% | 195,250 | 900,000 | 5.50% | 577,720 | 2028 |
| 2029 | 3,107,703 | | 134,880 | 1,143 | | 3,243,726 | 225,000 | 6.00% | | 96,693 | 365,000 | 5.00% | 178,000 | 1,200,000 | 5.50% | 528,220 | 2029 |
| 2030 | 3,107,625 | | 134,880 | 1,143 | | 3,243,648 | 250,000 | 6.00% | | 82,443 | 390,000 | 5.00% | 159,750 | 1,200,000 | 5.50% | 462,220 | 2030 |
| 2031 | 3,107,547 | | 134,880 | 1,143 | | 3,243,570 | 250,000 | 6.00% | | 67,443 | 415,000 | 5.00% | 140,250 | 1,200,000 | 5.50% | 396,220 | 2031 |
| 2032 | 3,107,470 | | 134,880 | 1,143 | | 3,243,493 | 250,000 | 6.00% | | 52,443 | 440,000 | 5.00% | 119,500 | 1,200,000 | 5.50% | 330,220 | 2032 |
| 2033 | 3,107,392 | | 134,880 | 1,143 | | 3,243,415 | 250,000 | 6.00% | | 37,443 | 465,000 | 5.00% | 97,500 | 1,200,000 | 5.50% | 264,220 | 2033 |
| 2034 | 3,107,314 | | 134,880 | 1,143 | | 3,243,337 | 250,000 | 6.00% | | 22,443 | 495,000 | 5.00% | 74,250 | 1,200,000 | 5.50% | 198,220 | 2034 |
| 2035 | 3,107,237 | | 134,880 | 1,143 | | 3,243,260 | 249,055 | 6.00% | | 7,472 | 525,000 | 5.00% | 49,500 | 1,200,000 | 5.50% | 132,220 | 2035 |
| 2036 | 3,107,159 | | 134,880 | 1,143 | | 3,243,182 | | | | | 465,000 | 5.00% | 23,250 | 1,204,000 | 5.50% | 66,220 | 2036 |
| Total | 49,197,043 | 12,579 | 3,689,318 | 21,919 | 7,926 | 52,928,785 | 3,250,000 | | 449,055 | 2,219,011 | 5,500,000 | | 2,510,250 | 13,804,000 | | 7,153,300 | |

Notes:

Estimate

Estimate

City of Fitchburg, Wisconsin

Tax Increment District # 9

Cash Flow Projection Page 2 of 3

Potential Debt Financed Expenditures

| Year | Supreme Structures MRO | | | G.O. Bond \$7,660,000 | | G.O. Bond \$1,635,000 | | G.O. Bond \$1,785,000 | |
|------|------------------------|----------|----------|--------------------------|----------|--------------------------|----------|--------------------------|----------|
| | Dated Date: | 03/22/21 | | Dated Date: | 12/01/21 | Dated Date: | 12/01/22 | Dated Date: | 12/01/25 |
| | Principal | Rate | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2015 | | | | | | | | | |
| 2016 | | | | | | | | | |
| 2017 | | | | | | | | | |
| 2018 | | | | | | | | | |
| 2019 | | | | | | | | | |
| 2020 | | | | | | | | | |
| 2021 | 3,000 | 5.00% | 16,015 | | | | | | |
| 2022 | 56,000 | 5.00% | 14,540 | 675,000 | 99,133 | | | | |
| 2023 | 59,000 | 5.00% | 11,665 | 845,000 | 95,758 | 105,000 | 27,423 | | |
| 2024 | 62,000 | 5.00% | 8,640 | 775,000 | 91,110 | 105,000 | 26,478 | | |
| 2025 | 65,000 | 5.00% | 5,465 | 695,000 | 85,685 | 110,000 | 25,480 | | |
| 2026 | 69,000 | 5.00% | 2,115 | 470,000 | 79,778 | 110,000 | 24,270 | 135,000 | 62,475 |
| 2027 | 7,797 | 5.00% | 195 | 475,000 | 75,078 | 110,000 | 22,895 | 140,000 | 57,750 |
| 2028 | | | | 415,000 | 69,615 | 115,000 | 21,355 | 145,000 | 52,850 |
| 2029 | | | | 185,000 | 64,220 | 115,000 | 19,573 | 150,000 | 47,775 |
| 2030 | | | | 240,000 | 61,630 | 115,000 | 17,675 | 155,000 | 42,525 |
| 2031 | | | | 320,000 | 57,790 | 120,000 | 15,663 | 160,000 | 37,100 |
| 2032 | | | | 400,000 | 52,190 | 120,000 | 13,443 | 170,000 | 31,500 |
| 2033 | | | | 485,000 | 44,790 | 125,000 | 11,103 | 175,000 | 25,550 |
| 2034 | | | | 550,000 | 35,575 | 125,000 | 8,540 | 180,000 | 19,425 |
| 2035 | | | | 560,000 | 24,300 | 130,000 | 5,915 | 185,000 | 13,125 |
| 2036 | | | | 570,000 | 12,540 | 130,000 | 2,990 | 190,000 | 6,650 |
| | 321,797 | | 58,635 | 7,660,000 | 949,190 | 1,635,000 | 242,800 | 1,785,000 | 396,725 |

City of Fitchburg, Wisconsin

Tax Increment District #9

Cash Flow Projection Page 3 of 3

| Other Expenditures | | | | | | | Balances | | | |
|--------------------|----------------|---------------------------|----------------------------|----------------|--------------|--------------------|-----------------------|------------|-----------------------|-------|
| Year | Capital Outlay | 1/2 mile Sub Zero Parkway | 1/2 mile Marketplace Dr. N | Fiscal Charges | Admin. Costs | Total Expenditures | Annual | Cumulative | Principal Outstanding | Year |
| 2015 | 30 | | | | 27,633 | 27,663 | (27,663) | (27,663) | | 2015 |
| 2016 | 904,946 | | | 708 | 40,329 | 945,983 | (945,950) | (973,613) | | 2016 |
| 2017 | 19,640 | 70,492 | | | 1,745 | 91,877 | 1,062,068 | 88,455 | | 2017 |
| 2018 | 88,689 | 821,740 | 60,910 | 7,100 | 13,412 | 1,335,045 | (679,890) | (591,435) | 3,250,000 | 2018 |
| 2019 | 50 | | | 9,486 | 45,626 | 390,856 | 374,999 | (216,436) | 3,250,000 | 2019 |
| 2020 | 240,813 | | | 4,104 | 27,698 | 625,059 | 159,771 | (56,665) | 3,250,000 | 2020 |
| 2021 | | | | | 28,252 | 390,711 | 928,508 | 871,843 | 11,127,852 | 2021 |
| 2022 | | | | | 28,817 | 2,780,653 | 57,477 | 929,320 | 29,010,852 | 2022 |
| 2023 | | | | | 29,393 | 3,187,402 | 56,790 | 986,110 | 27,271,852 | 2023 |
| 2024 | | | | | 29,981 | 3,191,622 | 52,492 | 1,038,602 | 25,474,852 | 2024 |
| 2025 | | | | | 30,581 | 3,183,124 | 60,912 | 1,099,515 | 25,264,852 | 2025 |
| 2026 | | | | | 31,192 | 3,205,494 | 38,465 | 1,137,980 | 25,200,852 | 2026 |
| 2027 | | | | | 31,816 | 3,201,694 | 42,187 | 1,180,167 | 23,143,055 | 2027 |
| 2028 | | | | | 32,453 | 3,204,436 | 39,367 | 1,219,534 | 20,998,055 | 2028 |
| 2029 | | | | | 33,102 | 3,207,583 | 36,143 | 1,255,677 | 18,758,055 | 2029 |
| 2030 | | | | | 33,764 | 3,210,007 | 33,641 | 1,289,318 | 16,408,055 | 2030 |
| 2031 | | | | | 34,439 | 3,213,905 | 29,665 | 1,318,983 | 13,943,055 | 2031 |
| 2032 | | | | | 35,128 | 3,214,424 | 29,069 | 1,348,052 | 11,363,055 | 2032 |
| 2033 | | | | | 35,830 | 3,216,436 | 26,979 | 1,375,031 | 8,663,055 | 2033 |
| 2034 | | | | | 36,547 | 3,195,001 | 48,337 | 1,423,368 | 5,863,055 | 2034 |
| 2035 | | | | | 37,278 | 3,118,865 | 124,395 | 1,547,762 | 3,014,000 | 2035 |
| 2036 | | | | | 38,023 | 2,708,674 | 534,508 | 2,082,271 | 455,000 | 2036 |
| | 1,254,168 | 892,232 | 60,910 | 21,398 | 683,039 | 50,846,514 | | | | Total |
| | | | | | | | Projected TID Closure | | | |

| | | |
|------------------------|--------------------------|------------------------------------|
| Form PE-300 | TID Annual Report | 2020 WI Dept of Revenue |
|------------------------|--------------------------|------------------------------------|

| Section 1 - Municipality and TID | | | | | |
|---|----------------------------------|----------------------------------|-----------------------------------|--|---|
| Co-muni code 13225 | Municipality FITCHBURG | | County DANE | Due date 07/01/2021 | Report type ORIGINAL |
| TID number 009 | TID type 5 | TID name Seminole/Lacy | Creation date N-/N/NaN- | Mandatory termination date N-/N/NaN- | Expected termination date N/A |

| Section 2 - Beginning Balance | Amount |
|--|-------------------|
| TID fund balance at beginning of year | \$-216,436 |

| Section 3 - Revenue | Amount |
|------------------------------------|------------------|
| Tax increment | \$646,554 |
| Investment income | \$1,805 |
| Debt proceeds | |
| Special assessments | |
| Shared revenue | \$136,471 |
| Sale of property | |
| Allocation from another TID | |
| Developer guarantees | |
| Transfer from other funds | |
| Grants | |
| Other revenue | |
| Total Revenue (deposits) | \$784,830 |

| | | |
|----------------|--------------------------|-----------------------------------|
| Form PE-300 | TID Annual Report | 2020 WI Dept of Revenue |
|----------------|--------------------------|-----------------------------------|

| Section 4 - Expenditures | Amount |
|--------------------------------------|------------------|
| Capital expenditures | \$240,813 |
| Administration | \$7,342 |
| Professional services | \$20,206 |
| Interest and fiscal charges | \$4,104 |
| DOR fees | \$150 |
| Discount on long-term debt | |
| Debt issuance costs | |
| Principal on long-term debt | |
| Environmental costs | |
| Real property assembly costs | |
| Allocation to another TID | |
| Developer grants | |
| Developer name Sub-Zero Group Inc | \$352,444 |
| Transfer to other funds | |
| Other expenditures | |
| Total Expenditures | \$625,059 |

| Section 5 - Ending Balance | Amount |
|---------------------------------|--------------|
| TID fund balance at end of year | \$-56,665 |
| Future costs | \$47,430,027 |
| Future revenue | \$46,568,967 |
| Surplus or deficit | \$-917,725 |

| Section 6 - Preparer/Contact Information | |
|--|---|
| Preparer name Misty Dodge | Preparer title Finance Director/Treasurer |
| Preparer email misty.dodge@fitchburgwi.gov | Preparer phone (608) 270-4252 |
| Contact name Misty Dodge | Contact title Finance Director/Treasurer |
| Contact email misty.dodge@fitchburgwi.gov | Contact phone (608) 270-4252 |

| | | |
|------------------------|--------------------------|-----------------------------------|
| Form PE-300 | TID Annual Report | 2020 WI Dept of Revenue |
|------------------------|--------------------------|-----------------------------------|

| Submission Information | |
|-------------------------------|------------------------------------|
| Co-muni code | 13225 |
| TID number | 009 |
| Submission date | 06-16-2021 09:54 PM |
| Confirmation | TIDAR20200389O1623898488401 |
| Submission type | ORIGINAL |