

**CITY OF
MIDDLETON**

**TID NO. 3
AMENDMENT NO. 6**

**Plan Commission
Public Hearing**

July 21, 2009

SECTION I INTRODUCTION

The City of Middleton is proposing to amend the TID #3 boundary for the third time. This amendment reflects that boundary change as well as the estimated equalized value of property that will be taken out of the district and put back on the general tax rolls.

SECTION III. TAX INCREMENT BOUNDARY AND EQUALIZED VALUES

The first boundary amendment took place in 1996 which added parcels to the northwest portion of the district. In 2006, the City amended the boundary a second with the subtraction of approximately \$150,000,000 of value from the district. This subtraction was effective under new legislation passed that allowed the City to amend the district boundaries up to a total of four times and also allow the subtraction of parcels as an eligible activity. Prior to the 2005 legislation, a municipality could only add parcels to an existing TID boundary.

The City deems it advisable to take an additional minimum of \$50,000,000 of equalized real estate value and personal property value out of the TID #3 boundary. Current budget constraints require more tax revenues for general City expenditures. Historically, more growth has taken place proportionately within the TID #3 boundaries as compared to within the total City corporate limits. Subtracting an additional \$50,000,000 plus of real estate and personal property will help equalize the disproportionate growth between the TID and the remainder of the City.

The following table identifies which parcels are proposed for subtraction. The table includes the current TID #3 map number (please refer to Map 1: Proposed Property Subtraction), the Parcel number, assessed land, improvements and total values, equalized total real estate values, personal property (assessed) and equalized personal property as well as current zoning classification. It also identifies the original 1993 TID parcels and values and calculates an estimated net subtraction based on those values.

The table has used 2009 real estate and personal property assessed valuations. However, the equalization ratios for 2009 will not be available until after August 15, 2009. The project plan will have already been approved by the Council at their August 4, 2009 meeting. Consequently, the total deduction from the district may be slightly modified once the 2009 equalization ratios are made available to the City. The lack of the most current information is reflected in the table showing an estimated equalized value of \$51,086,265 taken out of the district. This value (\$51,086,265) minus the base value when the district was created in 1993 (\$177,565) equals a total subtraction of \$50,908,700. This “extra” over \$900,000 included in case the equalization ratios are lower than the 2008 numbers which would lower the equalized value of the improved properties and lessen the amount of value subtracted from the district.

Additionally, the 2009 equalized value of the City and TID is not available until August 15, 2009. This project plan assumes that the City has no further capacity within the 12% limitation to create additional TIDs or expand the boundary after August 15, 2009 without conducting appraisals and a concurrent subtraction/addition amendment.

Properties 233, 234, 250, 252, 253, 254, 256 and 257 were all part of the original Bruce Company nursery property (parcel #3497505) which totaled over 180 acres and had an original land value of \$390,500. The value per acre was \$2,169.50 when the TID was created in 1993. The total amount of acreage within these 8 parcels is 38.6101. If multiplied by the original base value per acre of \$2,169.50, the total base value of these parcels is \$83,765. The total valuation for these parcels is \$42,852,475 or 512 times the original value for the same acreage.

Parcel #15 on the map, the Lexus dealership, had an original base value of \$93,800. Its current equalized value, with personal property, is \$8,233,790 which reflects the original base value increasing 88 times.

The City has one more boundary amendment remaining. Developer agreements for two properties within TID #3 run until the end of the statutory retirement period for the district, or 2020. The City will need to carefully monitor future needs of the TID in reference to finalizing projects and completing those projects by 2015 as well as future needs of the City in its budgetary process. These factors will determine whether or not the City uses the final boundary amendment prior to retirement of the district.

No other sections of the original project plan or any subsequent amendments have been amended in this amended project plan.

MIDDLETON TID #3 AMENDMENT #6
PARCEL SUBTRACTION 2009

TID #3 AMENDMENT #6 SUBTRACTION 2009		2009 ESTIMATED EQUALIZED VALUES										ORIG					
TID #3 CUR MAP #	CURRENT PARCEL #	ASSESSED LAND (1/1/09)	ASSESSED IMPRVM (1/1/09)	ASSESSED TOTAL (1/1/09)	EQUAL LAND (1/1/09)*	EQUAL IMPRV (1/1/09)*	EQUALIZED TOTAL (1/1/09)*	ASSESSED PERSONAL PROPERTY (1/1/09)	EQUAL PERSONAL PROPERTY (1/1/09)*	TID #3 BASE MAP #	ORIGINAL PARCEL #	ORIGINAL BASE VALUE	AC	ORIG. VALUE PER LOT	NET SUBTRAC	CUR CLASS	
233	3454/57	\$6,509,600	\$3,295,600	\$9,805,200	\$5,726,249	\$3,855,896	\$9,582,105	\$0	\$0	1	3497505	2,169.50	3,1729	\$6,884	\$9,575,221	Com	
234	3454/02	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	1	3497505	2,169.50	3,9508	\$8,571	-\$8,571	Com	
250	3446131	\$1,105,300	\$7,021,900	\$8,127,200	\$972,291	\$8,215,631	\$9,187,922	\$558,800	\$592,703	1	3497505	2,169.50	5,2641	\$11,420	\$4,909,122	Com	
252	3445114	\$1,077,600	\$3,395,400	\$4,473,000	\$947,924	\$3,972,622	\$4,920,546	\$188,500	\$199,936	1	3497505	2,169.50	5,2659	\$11,424	\$4,909,122	Com	
253	3444606	\$599,500	\$2,759,400	\$3,358,900	\$527,357	\$3,228,501	\$3,755,859	\$360,500	\$382,372	1	3497505	2,169.50	5,2668	\$11,426	\$3,744,432	Com	
254	3443852	\$2,112,200	\$6,713,200	\$8,825,400	\$1,858,023	\$7,854,452	\$9,712,474	\$99,350	\$99,014	1	3497505	2,169.50	10,7793	\$23,386	\$9,689,089	Com	
256	3440619	\$784,200	\$2,989,000	\$3,773,200	\$689,831	\$3,438,633	\$4,128,465	\$0	\$0	1	3497505	2,169.50	3,4969	\$7,587	\$4,120,878	Com	
257	3440799	\$330,900	\$0	\$330,900	\$291,080	\$0	\$291,080	\$0	\$0	1	3497505	2,169.50	1,4134	\$3,066	\$288,014	Com	
15	2292002	\$3,229,400	\$4,539,600	\$7,769,000	\$2,840,781	\$5,311,337	\$8,152,118	\$77,000	\$81,672	62	2293003	\$93,800		\$177,565	\$8,058,318	Com	
		\$15,748,700	\$30,664,100	\$46,412,800	\$13,853,596	\$35,877,033	\$49,730,569	\$1,278,150	\$1,355,696								

Total	\$51,086,265
Only Park RE & Laxus	\$49,730,569
Personal Prop	\$1,355,696
Minus Original Base Values	-\$177,565
Total Deduct	\$50,908,700

* NOTE: 2008 equalization ratios used in this table until 2009 ratios available.

