

**CITY OF APPLETON 2025 BUDGET
CAPITAL PROJECTS FUNDS**

Tax Incremental District #11

Business Unit 4140

PROGRAM MISSION

This fund provides for redevelopment of East College Avenue from Durkee Street to just west of Superior Street, south to Water Street and to areas north of Packard Street and for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

PROGRAM NARRATIVE

Link to City Goals:

Implements Key Strategy #2: "Encourage active community participation and involvement".

Objectives:

This area of East College Avenue is characterized by a large blighted and vacant commercial site, a mixture of small businesses, office space, and housing which have the potential to create, and in some cases already have created, a blighting influence on the surrounding area. Assisting with the rehabilitation and conservation of existing properties and businesses, as well as redevelopment of vacant, blighted, and underutilized properties as needed to support the urban renewal of this area, is a priority for the City as outlined in the Comprehensive Plan 2010-2030 (Chapter 14 Downtown Plan). The City created TIF District #11 in 2017 to provide targeted investments in this commercial corridor in conjunction with the private market, while recapturing the cost of participation through the increased property tax revenues. The TIF District provides for a 22-year expenditure period (August 9, 2039) to make investments to support the goals of the District. The maximum life of the District is 27 years (August 9, 2044).

Summary of Advances	General Fund
2017	\$ 1,025
2018	348,551
2019	437,729
2020	449,365
2021	(219,468)
2022	(300,000)
2023	(100,000)
2024	(100,000)
2025	(100,000)
12/31/25 Balance	<u>\$ 417,202</u>

Major changes in Revenue, Expenditures, or Programs:

The Business Enhancement Grant program demand has softened after significant utilization by eligible businesses since the inception of the program in 2018. As of July 1, 2024, \$56,500 in grants funds remained available in TIF District #11. The remaining balance will be proposed to carry forward from FY24 to FY25.

The decrease in Property Taxes is related to a valuation error in 2023. The District was overvalued resulting in additional revenues received for the 2023 tax increment, collected in 2024. The value has been corrected and an adjustment in the 2024 tax increment has been made to account for the excess amounts received in 2024.

DEPARTMENT BUDGET SUMMARY

Programs		Actual		Budget			% Change *
Unit	Title	2022	2023	Adopted 2024	Amended 2024	2025	
Program Revenues		\$ 985,431	\$ 4,060,924	\$ -	\$ -	\$ 428,052	N/A
Program Expenses		\$ 1,459,041	\$ 4,109,146	\$ 1,392,302	\$ 1,600,308	\$ 1,486,684	6.78%
Expenses Comprised Of:							
Personnel		112,584	180,587	17,645	17,645	27,187	54.08%
Supplies & Materials		6,987	778,069	-	71,049	-	N/A
Purchased Services		12,147	138,635	16,650	27,107	16,650	0.00%
Miscellaneous Expense		276,626	224,643	260,897	317,397	516,397	97.93%
Capital Expenditures		999,547	2,475,250	-	70,000	-	N/A
Transfers Out		51,150	311,962	1,097,110	1,097,110	926,450	-15.56%

* % change from prior year adopted budget
TIF 11.xls

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Tax Incremental District #11

Business Unit 4140

PROGRAM BUDGET SUMMARY

Description	Actual		Budget		
	2022	2023	Adopted 2024	Amended 2024	2025
Revenues					
411000 Property Tax	\$ 607,543	\$ 889,522	\$ 1,800,000	\$ 2,139,000	\$ 55,000
422800 State Aid - Personal Prop	-	-	-	-	418,052
471000 Interest on Investments	(9,569)	37,148	-	-	10,000
591000 Proceeds of Debt	995,000	4,023,776	-	-	-
Total Revenue	\$ 1,592,974	\$ 4,950,446	\$ 1,800,000	\$ 2,139,000	\$ 483,052
Expenses					
610100 Regular Salaries	\$ -	\$ 5,330	\$ 13,015	\$ 13,015	\$ 19,924
610200 Labor Pool Allocations	86,055	123,180	-	-	-
610800 Part-Time Wages	70	4,998	-	-	-
615000 Fringes	26,459	47,079	4,630	4,630	7,263
630901 Shop Supplies	-	402	-	-	-
632503 Other Materials	6,463	14,108	-	71,049	-
632510 Street Lights	-	458,003	-	-	-
632800 Signs	524	305,556	-	-	-
640100 Accounting/Audit Fees	1,060	1,268	1,500	1,500	1,500
640202 Recording/Filing Fees	150	150	150	150	150
640400 Consulting Services	10,457	-	15,000	25,457	15,000
640600 Architect Fees	480	-	-	-	-
640800 Contractor Fees	-	137,217	-	-	-
642501 CEA Operations/Maint.	977	3,241	-	-	-
642502 CEA Depreciation/Replace.	1,241	2,871	-	-	-
659900 Other Contracts/Obligation	189,588	185,171	258,397	314,897	513,897
660200 Tax Refunds	41,460	-	-	-	-
672000 Interest Payments	43,360	33,360	2,500	2,500	2,500
680900 Infrastructure Construction	999,547	-	-	-	-
680901 Streets	-	1,929,002	-	-	-
680902 Sidewalks	-	546,248	-	70,000	-
791300 Transfer Out - Debt Service	51,150	311,962	1,097,110	1,097,110	926,450
Total Expense	\$ 1,459,041	\$ 4,109,146	\$ 1,392,302	\$ 1,600,308	\$ 1,486,684

DETAILED SUMMARY OF 2025 PROPOSED EXPENDITURES > \$15,000

Other Contracts/Obligations

Developer funded incentive -	
Avant	\$ 70,000
Gabriel Lofts	70,000
320 East College Ave	160,000
Zuelke Flats	80,000
Urbane 115, LLC	127,500
Fox Cities Regional Partnership support	6,397
	<u>\$ 513,897</u>

Consulting Services

Environmental assessments, site analysis, development due diligence, etc.	\$ 15,000
	<u>\$ 15,000</u>

CITY OF APPLETON 2025 BUDGET
TAX INCREMENTAL DISTRICT #11
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)

Revenues	2022 Actual	2023 Actual	2024 Budget	2024 Projected	2025 Budget
Property Taxes	\$ 607,543	\$ 889,522	\$ 1,800,000	\$ 2,139,000	\$ 55,000
Intergovernmental Revenue	-	-	-	-	418,052
Interest on Investments (Loss)	(9,569)	37,148	-	-	10,000
Total Revenues	597,974	926,670	1,800,000	2,139,000	483,052
Expenses					
Program Costs	1,363,321	3,762,407	291,042	499,048	556,084
Administration	1,210	1,417	1,650	1,650	1,650
Total Expenses	1,364,531	3,763,824	292,692	500,698	557,734
Revenues over (under) Expenses	(766,557)	(2,837,154)	1,507,308	1,638,302	(74,682)
Other Financing Sources (Uses)					
Proceeds of G.O. Debt	995,000	4,023,776	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-
Interest Payments	(43,360)	(33,360)	(2,500)	(2,500)	(2,500)
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(51,150)	(311,962)	(1,097,110)	(1,097,110)	(926,450)
Total Other Financing Sources (Uses)	900,490	3,678,454	(1,099,610)	(1,099,610)	(928,950)
Net Change in Equity	133,933	841,300	407,698	538,692	(1,003,632)
Fund Balance - Beginning	(653,373)	(519,440)	321,860	321,860	860,552
Fund Balance - Ending	\$ (519,440)	\$ 321,860	\$ 729,558	\$ 860,552	\$ (143,080)

SCHEDULE OF CASH FLOWS

Cash - Beginning of Year	\$ 939,251	\$ 1,377,943
+ Net Change in Equity	538,692	(1,003,632)
- Principal Repayment	-	-
+ Long Term Debt	-	-
- Fixed Assets	-	-
+ Advance from General Fund	-	-
- General Fund Advance Repayment	(100,000)	(100,000)
Working Cash - End of Year	\$ 1,377,943	\$ 274,311

**CITY OF APPLETON 2025 BUDGET
TAX INCREMENTAL DISTRICT #11
LONG TERM DEBT**

2019A G.O. Notes			
Year	Principal	Interest	Total
2025	280,000	31,050	311,050
2026	285,000	22,575	307,575
2027	295,000	15,350	310,350
2028	305,000	9,350	314,350
2029	315,000	3,150	318,150
	<u>\$ 1,480,000</u>	<u>\$ 81,475</u>	<u>\$ 1,561,475</u>

2022 G.O. Notes			
Year	Principal	Interest	Total
2025	95,000	39,075	134,075
2026	105,000	34,075	139,075
2027	105,000	28,825	133,825
2028	110,000	23,450	133,450
2029	110,000	17,950	127,950
2030	120,000	12,800	132,800
2031	130,000	7,800	137,800
2032	130,000	2,600	132,600
	<u>\$ 905,000</u>	<u>\$ 166,575</u>	<u>\$ 1,071,575</u>

2023 G.O. Notes			
Year	Principal	Interest	Total
2025	325,000	156,325	481,325
2026	340,000	139,700	479,700
2027	355,000	122,325	477,325
2028	375,000	104,075	479,075
2029	395,000	84,825	479,825
2030	415,000	64,575	479,575
2031	435,000	45,500	480,500
2032	450,000	27,800	477,800
2033	470,000	9,400	479,400
	<u>\$ 3,560,000</u>	<u>\$ 754,525</u>	<u>\$ 4,314,525</u>

Total G.O. Notes			
Year	Principal	Interest	Total
2025	700,000	226,450	926,450
2026	730,000	196,350	926,350
2027	755,000	166,500	921,500
2028	790,000	136,875	926,875
2029	820,000	105,925	925,925
2030	535,000	77,375	612,375
2031	565,000	53,300	618,300
2032	580,000	30,400	610,400
2033	470,000	9,400	479,400
	<u>\$ 5,945,000</u>	<u>\$ 1,002,575</u>	<u>\$ 6,947,575</u>