

**JOINT ARCHITECTURAL BOARD/PLAN COMMISSION AGENDA**

**TAX INCREMENTAL DISTRICT NO. 4  
PROJECT PLAN / BOUNDARY AMENDMENT\  
AND  
TAX INCREMENTAL DISTRICT NO. 6 CREATION**

**THURSDAY, JUNE 4, 2015  
7:00 p.m.**

**BOARD ROOM, MUNICIPAL BUILDING, 210 COTTONWOOD AVE.**

Roll Call

1. Public Hearing regarding the proposed amendment of boundaries and project plan for Tax Incremental District No. 4 (See the Public Hearing Notice which was published on May 22, 2015 & May 26, 2015).
2. Public Hearing regarding the proposed project plan, boundaries and creation of Tax Incremental District No. 6 (See the Public Hearing Notice which was published on May 22, 2015 & May 26, 2015).
3. Consideration of "Resolution Designating Proposed Amended Boundaries and Approving a Project Plan Amendment for Tax Incremental District No. 4, Village of Hartland, Wisconsin".
4. Consideration of "Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 6, Village of Hartland, Wisconsin".
5. Adjourn.

David E. Cox, Village Administrator

Notice: Please note that upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, contact Darlene Igl, WCPC/CMC, Village Clerk, at 262/367-2714. The Municipal Building is handicap accessible.

May 26,2015

# Project Plan for the Territory & Project Plan Amendment of Tax Incremental District No. 4



|   |                              |
|---|------------------------------|
| Organizational Joint Review Board Meeting Held: | Scheduled for: May 27, 2015  |
| Public Hearing Held:                            | Scheduled for: June 4, 2015  |
| Adoption by Plan Commission:                    | Scheduled for: June 4, 2015  |
| Consideration for Adoption by Village Board:    | Scheduled for: June 22, 2015 |
| Approval by the Joint Review Board:             | Scheduled for: TBD           |

# Tax Incremental District No. 4 Territory & Project Plan Amendment

## Village of Hartland Officials

### Village Board

David Lamerand  
Richard Landwehr  
Karen Compton  
Randy Swenson  
Rick Stevens  
Ann Wallschlager  
Michael C. Meyers

Village President  
Village Trustee  
Village Trustee  
Village Trustee  
Village Trustee  
Village Trustee  
Village Trustee  
Village Trustee

### Village Staff

Darlene Igl  
David Cox  
Ryan Bailey  
William E. Taibl

Village Clerk  
Village Administrator  
Village Finance Director/Treasurer  
Village Attorney

### Plan Commission

David de Courcy Bower  
Tim Hallquist  
David Lamerand  
James “Chip” Schneeberger

Randy Swenson  
Ryan Amtmann  
Jack Wenstrom

### Joint Review Board

David Lamerand  
Norman Cummings  
Cary Tessmann  
Diana Taylor  
Steve Kopecky  
To Be Appointed

Village Representative  
Waukesha County  
Waukesha Area Technical College District  
Hartland-Lakeside J3 School District  
UHS District of Arrowhead Union High  
Public Member



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# SECTION 1: Executive Summary

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## Description of District

### Type of District, Size and Location

Tax Incremental District (“TID”) No. 4 (the “TID” or “District”) is an existing mixed-use district, which was created by a resolution of the Village of Hartland (“Village”) Village Board adopted on July 28, 2008 (the “Creation Resolution”).

### Amendments

The District was previously amended in 2011 whereby a resolution was adopted to remove territory from the District, and to amend the list of projects to be undertaken. This amendment was the first of four territory amendments permitted for this District.

The DOR adjusted the base value of the District in 2012.

### Purpose of this Amendment

The Village proposes to remove specified parcels from the TID #4 as it is not anticipated that additional development is going to occur, and the Village has been working to establish a new TID that overlaps a portion of the current boundaries TID #4, as amended in 2011. A map, located in Section 3 of this plan, identifies the Territory to be removed and its geographic relationship to the existing District’s boundaries. An additional map, located in Section 3 of this plan, identifies the proposed boundaries of the proposed District.

This amendment may also modify the categories, locations or costs of the Projects to be undertaken, providing incentive and opportunities for additional private development and redevelopment.

### Summary of Findings

- The subtraction of the territory will reduce the base value of the district to approximately \$890,000;
- The 2014 Equalized Value of the TID, including personal property results in an increment of \$1,044,000, which would have produced an increment of approximately \$20,000.
- The 2015 estimated Equalized Value of the TID, including personal property results in an increment of \$1,135,000, which is anticipated to generate approximately \$22,000 of increment;
- Throughout the remaining life of the district, the current increment will generate approximately \$340,000 of tax revenue, or a net present value of approximately \$270,000.

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan Amendment and the exhibits contained and referenced herein, the following findings are made (since the purpose of this amendment is solely to subtract property, these tests cannot be applied in the conventional way. The Joint Review Board has previously concluded that these tests have been met. Accordingly, the Village finds that it is reasonable to conclude these tests continue to be satisfied):

1. **That “but for” amendment of this District, the additional development projected to occur within the amendment areas as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner at the values, or within the timeframe desired by the Village. In**

making this determination, the Village has considered the following information:

- That “but for” amendment of the District’s Project Plan, the ability of the district to provide resources to recoup costs associated with the district will not occur. The district has been in a negative increment position since the economic downturn started in 2008. In evaluating the appropriateness of the proposed amendment, the Joint Review Board must consider “whether the development expected in the tax incremental district would occur without the use of tax incremental financing,” customarily referred to as the “but for” test. Since the purpose of this amendment is solely to subtract property, this test cannot be applied in the conventional way. The Joint Review Board has previously concluded that the “but for” test was met. Accordingly, the Village finds that it is reasonable to conclude the “but for” test continues to be satisfied. *Finding Required by Wisconsin Statutes Section 66.1105(4m)(c)1.a.*
2. **The economic benefits of amending the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the Village has considered the following information:
    - Tax increment collections currently are not and are not expected to be sufficient to pay for the cost of all improvements made in the District, however, the subtraction amendment will improve the cash flow of the district. *Finding Required by Wisconsin Statutes Section 66.1105(4m)(c)1.b.*
  3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
    - It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the Project Plan is not amended. *Finding Required by Wisconsin Statutes Section 66.1105(4m)(c)1.c.*
  4. Not less than 50% by area of the real property within the District, as amended, is suitable for a combination of commercial and residential uses, defined as “mixed-use development” within the meaning of Wisconsin Statutes Section 66.1105(2)(cm).
  5. Based upon the findings, as stated above, and the original findings as stated in the Creation Resolution, the District remains declared a mixed-use District based on the identification and classification of the property included within the District.
  6. The Project Costs of the District relate directly to promoting mixed-use development in the District consistent with the purpose for which the District was created.
  7. There are no additional improvements as a result of this amendment.
  8. The Village estimates that none of the territory within the District, as amended, will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
  9. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the Village.

## SECTION 2: Type and General Description of District

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The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on July 28, 2008 by resolution of the Village Board. The District's valuation date, for purposes of establishing base value, was January 1, 2008.

The existing District is a "Mixed Use District" based upon a finding that at least 50%, by area, of the real property within the District was suitable for a combination of commercial and residential uses within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). The District will remain in compliance with this finding after the subtraction of the territory identified in this Amendment. The District will also remain in compliance with the prohibition that no more than 35% of the area of the District be allocated for newly-platted residential development.

Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a Village to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have been amended once prior to this Amendment.

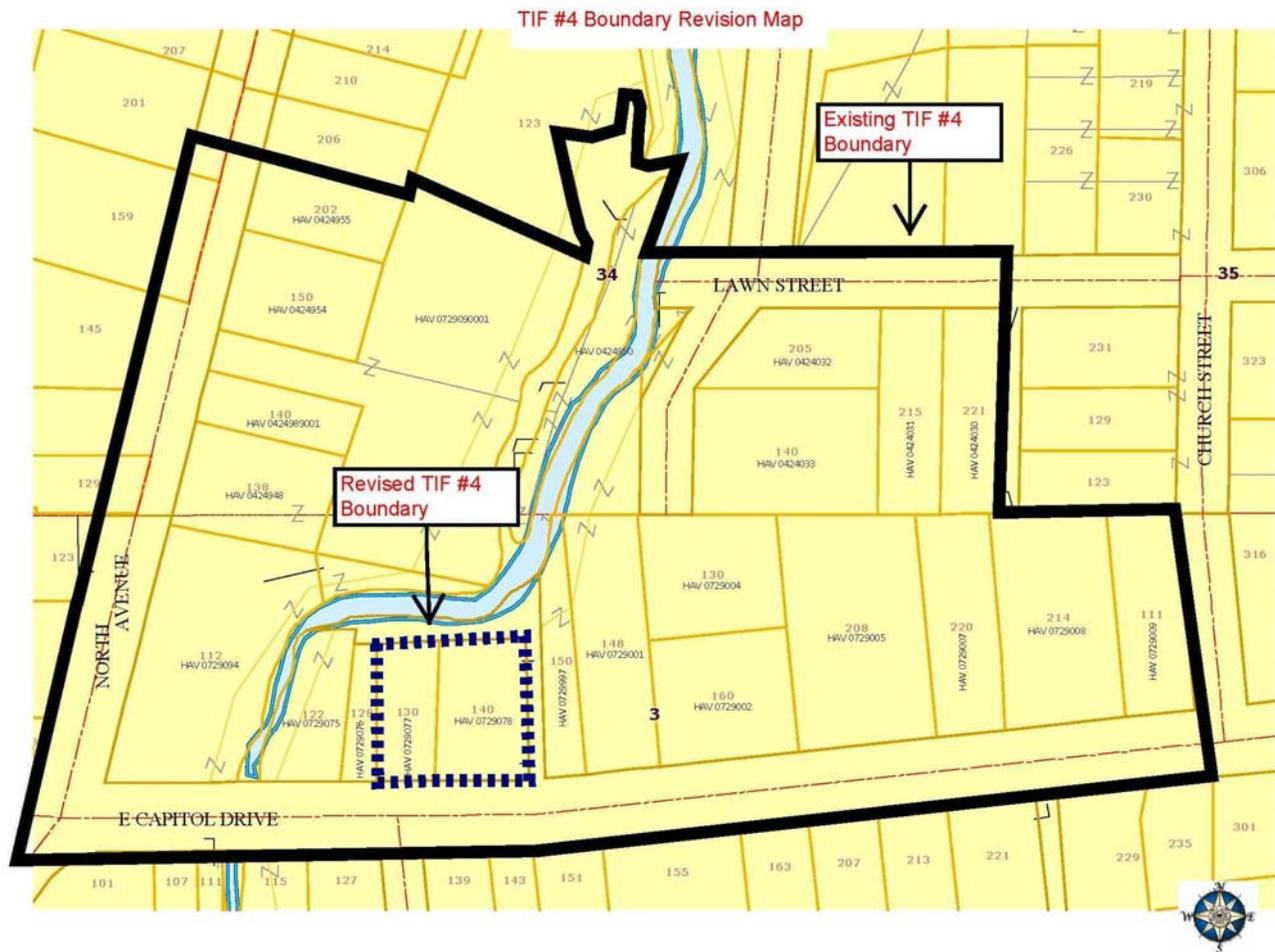
This Project Plan Amendment supplements, and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and its previously adopted Project Plan Amendments, remain in effect.

The Village proposes to remove specified parcels from the TID #4 as it is not anticipated that additional development is going to occur, and the Village has been working to establish a new TID that overlaps a portion of the current boundaries TID #4, as amending in 2011. A map, located in Section 3 of this plan, identifies the Territory to be removed and its geographic relationship to the existing District's boundaries. An additional map, located in Section 3 of this plan, identifies the proposed boundaries of the proposed District.

A map depicting the boundaries of the District is found in Section 3 of this Plan. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution, the District remains a mixed-use District based on the identification and classification of the property included within the District.

### SECTION 3: Preliminary Maps of Existing District Boundary and Territory Amendment Area Identified

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### SECTION 4: Map Showing Existing Uses and Conditions Within The Territory Remaining

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There will be no change to the existing uses within the District as a result of this amendment. A copy of this map can be found in the Original and/or Amended Project Plan Documents.



## SECTION 6: Equalized Value Test

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No additional territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Amendment.

## SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

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The proposed TID #4 amendment is to remove some territory from the existing District's boundaries.

The project costs will not change, nor are there any additional improvements as a result of this amendment. The statement of kind, number and location of proposed public works and other projects as documented in the Original and/or Amended Project Plan Document(s) remains in effect.

In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the Village for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment.

**The Village reserves the right to implement only those projects that remain viable as the Plan period proceeds.**

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the Village and as outlined in this Plan or the original Project Plan. To the extent the costs benefit the Village outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received by the Village in connection with the implementation of this Plan.

## SECTION 8: Map Showing Proposed Improvements and Uses Within The District

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There will be no change to the proposed improvements or uses within the District as a result of this amendment. A copy of this map can be found in the Original and/or Amended Project Plan Documents.

## SECTION 9: Detailed List of Additional and/or Updated Project Costs

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The project costs will not change, nor are there any additional improvements as a result of this amendment. The statement of kind, number and location of proposed public works and other projects as documented in the Original and/or Amended Project Plan Document remains in effect.

### Proposed TIF Project Cost Estimates (from original and amended plan)

| Village of Hartland, Wisconsin                                     |                                   |                  |                  |
|--|-----------------------------------|------------------|------------------|
| Tax Increment District # 4   |                                   |                  |                  |
| Estimated Project List   |                                   |                  |                  |
| Project ID   | Project Name/Type                 | Phase I<br>Year  | Total (Note 1)   |
| 1  | Utility Relocation                | 30,000           | 30,000           |
| 2  | Street Amenities                  | 50,000           | 50,000           |
| 3  | Planning                          | 15,000           | 15,000           |
| 4  | Alley/River Improvements          | 50,000           | 50,000           |
| 5  | Property Acquisition & Demolition | 450,000          | 450,000          |
| 6  | Administrative Expense            | 10,000           | 10,000           |
| 7  | Development Incentives            | 550,000          | 550,000          |
| 8  | Contingency                       | 25,000           | 25,000           |
| Total Projects   |                                   | <u>1,180,000</u> | <u>1,180,000</u> |
| Notes:   |                                   |                  |                  |
| Note 1 Project costs are estimates and are subject to modification |                                   |                  |                  |

It is not anticipated that the Village will be spending any additional dollars within the tax Increment District, other than for the administration of the District.

## SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

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The information and exhibits contained within this Section demonstrate that the District, as amended by the subtraction of Territory, will remain economically feasible. The analysis in this section demonstrates the overall cash flow of the District improves by subtracting the identified parcels.

### Available Financing Methods

The following is a list of the types of obligations the Village may choose to utilize.

#### General Obligation (G.O.) Bonds or Notes

The Village may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN). As of the date of this plan, the Village has a G.O. debt limit of \$58,379,530, of which \$43,994,530 is currently unused and could be made available to finance Project Costs.

#### Bonds Issued to Developers (“Pay as You Go” Financing)

The Village may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the Village’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the Village and, therefore, do not count against the Village’s statutory borrowing capacity.

#### Tax Increment Revenue Bonds

The Village has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the Village, or as a form of lease revenue bond by its Community Development Authority (CDA) or by a Redevelopment Authority (RDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the Village and therefore do not count against the Village’s statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the Village may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

#### Utility Revenue Bonds

The Village can issue revenue bonds to be repaid from revenues of its various utility systems, including revenues paid by the Village that represent service of the system to the Village. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the Village must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the Village utilizes

utility revenues other than tax increments to repay a portion of the bonds, the Village must reduce the total eligible Project Costs in an equal amount.

### Special Assessment “B” Bonds

The Village has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the Village determines that special assessments are appropriate, the Village can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the Village's statutory borrowing capacity. If special assessments are levied, the Village must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

## Plan Implementation

As stated in the original project plan, projects identified will provide the necessary anticipated governmental services and/or development incentives to the remaining district. The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements, if any. The Village reserves the right to alter the implementation of this Plan to accomplish this objective.

**If financing as outlined in this Plan proves unworkable, the Village reserves the right to use alternate financing solutions for the projects as they are implemented.**

## Implementation and Financing Timeline

There are no proposed changes to the projects or projects costs identified in the Original and/or Amended Project Plan documents.

# Development Assumptions

It is not anticipated that there will be any additional development in the district.

# Increment Revenue Projections

| Village of Hartland, Wisconsin     |               |           |                          |         |  |                     |  |  |  |  |
|------------------------------------|---------------|-----------|--------------------------|---------|--|---------------------|--|--|--|--|
| Tax Increment District # 4         |               |           |                          |         |  |                     |  |  |  |  |
| Tax Increment Projection Worksheet |               |           |                          |         |  |                     |  |  |  |  |
| Type of District                   | Mixed Use     |           | Base Value               | 882,700 |  | Apply to Base Value |  |  |  |  |
| Creation Date                      | July 28, 2008 |           | Appreciation Factor      | 1.00%   |  |                     |  |  |  |  |
| Valuation Date                     | Jan 1,        | 2008      | Base Tax Rate            | \$18.95 |  |                     |  |  |  |  |
| Max Life (Years)                   | 20            |           | Rate Adjustment Factor   |         |  |                     |  |  |  |  |
| Expenditure Periods/Termination    | 15            | 7/28/2023 | Tax Exempt Discount Rate | 3.00%   |  |                     |  |  |  |  |
| Revenue Periods/Final Year         | 20            | 2029      | Taxable Discount Rate    | 4.50%   |  |                     |  |  |  |  |
| Extension Eligibility/Years        | Yes           | 3         |                          |         |  |                     |  |  |  |  |
| Recipient District                 | No            |           |                          |         |  |                     |  |  |  |  |

| Construction Year | Value Added      | Valuation Year | Inflation Increment | Total Increment | Revenue Year                     | Tax Rate | Tax Increment  | Tax Exempt NPV Calculation | Taxable NPV Calculation |
|-------------------|------------------|----------------|---------------------|-----------------|----------------------------------|----------|----------------|----------------------------|-------------------------|
| 1                 | 2008             | 0              | 2009                | 0               | 0                                | 2010     | \$18.95        | 0                          | 0                       |
| 2                 | 2009             | 0              | 2010                | 0               | 0                                | 2011     | \$18.95        | 0                          | 0                       |
| 3                 | 2010             | 0              | 2011                | 0               | 0                                | 2012     | \$18.95        | 0                          | 0                       |
| 4                 | 2011             | 0              | 2012                | 0               | 0                                | 2013     | \$18.95        | 0                          | 0                       |
| 5                 | 2012             | 0              | 2013                | 0               | 0                                | 2014     | \$18.95        | 0                          | 0                       |
| 6                 | 2013             | 1,044,000      | 2014                | 0               | 1,044,000                        | 2015     | \$18.95        | 19,784                     | 16,569                  |
| 7                 | 2014             | 80,900         | 2015                | 10,440          | 1,135,340                        | 2016     | \$18.95        | 21,515                     | 34,062                  |
| 8                 | 2015             | 0              | 2016                | 11,353          | 1,146,693                        | 2017     | \$18.95        | 21,730                     | 51,216                  |
| 9                 | 2016             | 0              | 2017                | 11,467          | 1,158,160                        | 2018     | \$18.95        | 21,947                     | 68,036                  |
| 10                | 2017             | 0              | 2018                | 11,582          | 1,169,742                        | 2019     | \$18.95        | 22,167                     | 84,530                  |
| 11                | 2018             | 0              | 2019                | 11,697          | 1,181,439                        | 2020     | \$18.95        | 22,388                     | 100,704                 |
| 12                | 2019             | 0              | 2020                | 11,814          | 1,193,254                        | 2021     | \$18.95        | 22,612                     | 116,564                 |
| 13                | 2020             | 0              | 2021                | 11,933          | 1,205,186                        | 2022     | \$18.95        | 22,838                     | 132,116                 |
| 14                | 2021             | 0              | 2022                | 12,052          | 1,217,238                        | 2023     | \$18.95        | 23,067                     | 147,365                 |
| 15                | 2022             | 0              | 2023                | 12,172          | 1,229,411                        | 2024     | \$18.95        | 23,297                     | 162,319                 |
| 16                | 2023             | 0              | 2024                | 12,294          | 1,241,705                        | 2025     | \$18.95        | 23,530                     | 176,982                 |
| 17                | 2024             | 0              | 2025                | 12,417          | 1,254,122                        | 2026     | \$18.95        | 23,766                     | 191,361                 |
| 18                | 2025             | 0              | 2026                | 12,541          | 1,266,663                        | 2027     | \$18.95        | 24,003                     | 205,460                 |
| 19                | 2026             | 0              | 2027                | 12,667          | 1,279,330                        | 2028     | \$18.95        | 24,243                     | 219,286                 |
| 20                | 2027             | 0              | 2028                | 12,793          | 1,292,123                        | 2029     | \$18.95        | 24,486                     | 258,243                 |
| <b>Totals</b>     | <b>1,124,900</b> |                | <b>167,223</b>      |                 | <b>Future Value of Increment</b> |          | <b>341,373</b> |                            |                         |

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).

## Cash Flow

| Village of Hartland, Wisconsin |                    |                                 |                   |              |                       |          |            |                          |       |
|--------------------------------|--------------------|---------------------------------|-------------------|--------------|-----------------------|----------|------------|--------------------------|-------|
| Tax Increment District # 4     |                    |                                 |                   |              |                       |          |            |                          |       |
| Cash Flow Projection           |                    |                                 |                   |              |                       |          |            |                          |       |
| Year                           | Projected Revenues |                                 |                   | Expenditures |                       | Balances |            |                          | Year  |
|                                | Tax<br>Increments  | Interest<br>Earnings/<br>(Cost) | Total<br>Revenues | Admin.       | Total<br>Expenditures | Annual   | Cumulative | Principal<br>Outstanding |       |
| 2014                           | 0                  |                                 | 0                 |              | 0                     | 0        | (494,471)  |                          | 2014  |
| 2015                           | 19,784             |                                 | 19,784            | 15,000       | 15,000                | 4,784    | (489,687)  |                          | 2015  |
| 2016                           | 21,515             |                                 | 21,515            | 1,500        | 1,500                 | 20,015   | (469,673)  |                          | 2016  |
| 2017                           | 21,730             |                                 | 21,730            | 1,500        | 1,500                 | 20,230   | (449,443)  |                          | 2017  |
| 2018                           | 21,947             |                                 | 21,947            | 1,500        | 1,500                 | 20,447   | (428,996)  |                          | 2018  |
| 2019                           | 22,167             |                                 | 22,167            | 1,500        | 1,500                 | 20,667   | (408,329)  |                          | 2019  |
| 2020                           | 22,388             |                                 | 22,388            | 1,500        | 1,500                 | 20,888   | (387,441)  |                          | 2020  |
| 2021                           | 22,612             |                                 | 22,612            | 1,500        | 1,500                 | 21,112   | (366,329)  |                          | 2021  |
| 2022                           | 22,838             |                                 | 22,838            | 1,500        | 1,500                 | 21,338   | (344,990)  |                          | 2022  |
| 2023                           | 23,067             |                                 | 23,067            | 1,500        | 1,500                 | 21,567   | (323,424)  |                          | 2023  |
| 2024                           | 23,297             |                                 | 23,297            | 1,500        | 1,500                 | 21,797   | (301,626)  |                          | 2024  |
| 2025                           | 23,530             |                                 | 23,530            | 1,500        | 1,500                 | 22,030   | (279,596)  |                          | 2025  |
| 2026                           | 23,766             |                                 | 23,766            | 1,500        | 1,500                 | 22,266   | (257,330)  |                          | 2026  |
| 2027                           | 24,003             |                                 | 24,003            | 1,500        | 1,500                 | 22,503   | (234,827)  |                          | 2027  |
| 2028                           | 24,243             |                                 | 24,243            | 1,500        | 1,500                 | 22,743   | (212,084)  |                          | 2028  |
| 2029                           | 24,486             |                                 | 24,486            | 1,500        | 1,500                 | 22,986   | (189,098)  |                          | 2029  |
| Total                          | 341,373            | 0                               | 341,373           | 36,000       | 36,000                |          |            |                          | Total |

Notes: Projected TID Closure

Fund balance as projected by the Village

## SECTION 11: Annexed Property

No territory will be added to the District.

## SECTION 12: Estimate of Property to be Devoted to Retail Business

The Village estimates that none of the territory within the District, as amended, will be devoted to retail business at the end of the District's maximum expenditure period. This finding is made to fulfill the reporting requirement as contained in Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.

## **SECTION 13: Proposed Zoning Ordinance Changes**

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The Village does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Amended Project Plan.

## **SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and Village of Hartland Ordinances**

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It is expected that this Plan will be complementary to the Village's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other Village ordinances for the implementation of this Plan.

## **SECTION 15: Relocation**

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It is not anticipated there will be a need to relocate persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the Village will follow applicable Wisconsin Statutes Section chapter 32.

## **SECTION 16: Orderly Development and/or Redevelopment of the Village of Hartland**

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This amendment will have no impact on the viability of the original District Project Plan as it relates to the orderly development and/or redevelopment of the Village.

## SECTION 17: List of Estimated Non-Project Costs

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Non-Project Costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds.

### Examples would include:

A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.

A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.

Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The Village does not expect to incur any non-project costs in the implementation of this Project Plan.

SECTION 18:  
Opinion of Attorney for the Village of Hartland Advising  
Whether the Plan is Complete and Complies with  
Wisconsin Statutes 66.1105

---

June 1, 2015

**SAMPLE**

David Lamerand, Village President  
Village of Hartland  
210 Cottonwood Avenue  
Hartland, Wisconsin 53029

**RE: Village of Hartland, Wisconsin Tax Incremental District No. 4 Amendment**

Dear Village President:

As Village Attorney for the Village of Hartland, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Section 66.1105 of the Wisconsin Statutes. This opinion is provided pursuant to Wisconsin Statutes Section 66.1105(4)(f).

Sincerely,

Attorney William E. Taibl  
Village of Hartland

Exhibit A:  
**Calculation of the Share of Projected Tax Increments  
 Estimated to be Paid by the Owners of Property in the  
 Overlying Taxing Jurisdictions**

| Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction. |        |                   |                                      |                                      |                   |               |                |
|---|--------|-------------------|--------------------------------------|--------------------------------------|-------------------|---------------|----------------|
| Statement of Taxes Data Year:   |        | 2013              |                                      |                                      |                   |               |                |
|   |        |                   |                                      | Percentage                           |                   |               |                |
| County  |        | 2,421,651         |                                      | 12.95%                               |                   |               |                |
| Technical College   |        | 1,485,500         |                                      | 7.94%                                |                   |               |                |
| Municipality  |        | 5,201,297         |                                      | 27.81%                               |                   |               |                |
| Hartland-Lakeside J3 School District  |        | 5,646,939         |                                      | 30.19%                               |                   |               |                |
| UHS District of Arrowhead Union High  |        | 3,950,449         |                                      | 21.12%                               |                   |               |                |
| Total   |        | <u>18,705,836</u> |                                      |                                      |                   |               |                |
| Revenue Year  | County | Municipality      | Hartland-Lakeside J3 School District | UHS District of Arrowhead Union High | Technical College | Total         | Revenue Year   |
| 2010  | 0      | 0                 | 0                                    | 0                                    | 0                 | 0             | 2010           |
| 2011  | 0      | 0                 | 0                                    | 0                                    | 0                 | 0             | 2011           |
| 2012  | 0      | 0                 | 0                                    | 0                                    | 0                 | 0             | 2012           |
| 2013  | 0      | 0                 | 0                                    | 0                                    | 0                 | 0             | 2013           |
| 2014  | 0      | 0                 | 0                                    | 0                                    | 0                 | 0             | 2014           |
| 2015  | 2,561  | 5,501             | 5,972                                | 4,178                                | 1,571             | 19,784        | 2015           |
| 2016  | 2,785  | 5,982             | 6,495                                | 4,544                                | 1,709             | 21,515        | 2016           |
| 2017  | 2,813  | 6,042             | 6,560                                | 4,589                                | 1,726             | 21,730        | 2017           |
| 2018  | 2,841  | 6,103             | 6,625                                | 4,635                                | 1,743             | 21,947        | 2018           |
| 2019  | 2,870  | 6,164             | 6,692                                | 4,681                                | 1,760             | 22,167        | 2019           |
| 2020  | 2,898  | 6,225             | 6,759                                | 4,728                                | 1,778             | 22,388        | 2020           |
| 2021  | 2,927  | 6,287             | 6,826                                | 4,775                                | 1,796             | 22,612        | 2021           |
| 2022  | 2,957  | 6,350             | 6,894                                | 4,823                                | 1,814             | 22,838        | 2022           |
| 2023  | 2,986  | 6,414             | 6,963                                | 4,871                                | 1,832             | 23,067        | 2023           |
| 2024  | 3,016  | 6,478             | 7,033                                | 4,920                                | 1,850             | 23,297        | 2024           |
| 2025  | 3,046  | 6,543             | 7,103                                | 4,969                                | 1,869             | 23,530        | 2025           |
| 2026  | 3,077  | 6,608             | 7,174                                | 5,019                                | 1,887             | 23,766        | 2026           |
| 2027  | 3,107  | 6,674             | 7,246                                | 5,069                                | 1,906             | 24,003        | 2027           |
| 2028  | 3,139  | 6,741             | 7,319                                | 5,120                                | 1,925             | 24,243        | 2028           |
| 2029  | 3,170  | 6,808             | 7,392                                | 5,171                                | 1,945             | 24,486        | 2029           |
|   |        | <u>44,194</u>     | <u>94,921</u>                        | <u>103,054</u>                       | <u>72,094</u>     | <u>27,110</u> | <u>341,373</u> |

Notes:  
 The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.



June 4, 2015

# Project Plan for the Creation of Tax Incremental District No. 6



|   |                              |
|---|------------------------------|
| Organizational Joint Review Board Meeting Held: | Scheduled for: May 27, 2015  |
| Public Hearing Held:                            | Scheduled for: June 4, 2015  |
| Adoption by Plan Commission:                    | Scheduled for: June 4, 2015  |
| Consideration for Adoption by Village Board:    | Scheduled for: June 22, 2015 |
| Approval by the Joint Review Board:             | Scheduled for: TBD           |



# Tax Incremental District No. 6 Creation Project Plan

## Village of Hartland Officials

### Village Board

|                   |                   |
|-------------------|-------------------|
| David Lamerand    | Village President |
| Richard Landwehr  | Village Trustee   |
| Karen Compton     | Village Trustee   |
| Randy Swenson     | Village Trustee   |
| Rick Stevens      | Village Trustee   |
| Ann Wallschlager  | Village Trustee   |
| Michael C. Meyers | Village Trustee   |

### Village Staff

|                  |                                    |
|------------------|------------------------------------|
| Darlene Igl      | Village Clerk                      |
| David Cox        | Village Administrator              |
| Ryan Bailey      | Village Finance Director/Treasurer |
| William E. Taibl | Village Attorney                   |

### Plan Commission

|                           |               |
|---------------------------|---------------|
| David de Courcy Bower     | Randy Swenson |
| Tim Hallquist             | Ryan Amtmann  |
| David Lamerand            | Jack Wenstrom |
| James "Chip" Schneeberger |               |

### Joint Review Board

|                 |  |
|-----------------|--|
| David Lamerand  | Village Representative                   |
| Norman Cummings | Waukesha County                          |
| Cary Tessmann   | Waukesha Area Technical College District |
| Diana Taylor    | Hartland-Lakeside J3 School District     |
| Steve Kopecky   | UHS District of Arrowhead Union High     |
| Connie Casper   | Public Member                            |



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# SECTION 1: Executive Summary

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## Description of District

### Type of District, Size and Location

Tax Incremental District (“TID”) No. 6 (the “TID” or “District”) is proposed to be created by the Village of Hartland (“Village”) as a mixed-use district. A map of the proposed District boundaries is located in Section 3 of this plan.

### Estimated Total Project Expenditures.

The Village anticipates making total project expenditures of approximately \$1,900,000 to undertake the projects listed in this Project Plan. The Village anticipates completing the projects in a single phase. The Expenditure Period of this District is 15 years from the date of adoption of the authorizing Resolution of the Village Board (the “Creation Resolution”). The projects to be undertaken pursuant to this Project Plan are expected to be financed with a combination of a Municipal Revenue Obligation and advanced from Village funds, however, the Village may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the Village, or provide other advantages as determined by the Village Board. A discussion and listing of other possible financing mechanisms, as well as a summary of total project financing, is located in Section 10 of this plan.

### Economic Development

As a result of the creation of this District, the Village projects that additional land and improvements value of between \$7,800,000 and \$10,000,000 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment and associated values is located in Section 10 of this Plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.

### Expected Termination of District

Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to recover all project costs between 2030 and 2033, dependent upon the final value of the project, which is earlier than the 20 year maximum life of this District.

### Conclusions

Based upon the above, Ehlers conclude that:

- It is likely that the development of the TID area would not occur without the assistance from a tax increment district due to the sunk redevelopment cost of purchasing the commercial site, demolition of the commercial building and relocating utilities;
- Based upon the above information and attached analysis, the creation of a tax increment district would spur residential and commercial development.
- With the private development assumptions, coupled with the district costs assumptions, the tax increment revenue stream generated by the tax increment generated would support the proposed expenditure of \$1,900,000 of public funds within a tax increment district;
- The assumptions would result in a tax increment district created in 2015 that would generate a surplus of tax increments in 2034, dependent upon the final value of the development. Both

scenarios would result in the district closing prior to its required statutory closure in 2035 (with final increment in 2036).

## Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. **That “but for” the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the Village.** In making this determination, the Village has considered the following information:
  - The Village has conducted an independent review of the intended developer’s sources and uses proforma for the initial proposed redevelopment project. This review has concluded that a public investment of approximately \$1,900,000 is required to enable the development to occur in the manner desired by the Village, while providing the developer a fair and reasonable return on their investment.
  - The Village caused an analysis of the developer’s sources and uses for the construction of the project. In that analysis, the Return on Investment (ROI) was below what would normally be expected for a project of this type. With the assistance of the TID, the ROI increased into the range which would normally be expected for a similar project.
  - In order to make the areas included within the District suitable for redevelopment, the developer will need to make a substantial investment to pay for the costs of: site preparation, installation of utilities; installation of related streetscape items; development incentive payments, grants and loans, and other associated costs. Due to the extensive initial investment in acquisition and demolition of existing structures and the public infrastructure that is required in order to allow redevelopment to occur, the Village has determined that redevelopment of the area will not occur solely as a result of private investment. Accordingly, the Village finds that absent the use of TIF, redevelopment of the area is unlikely to occur.
2. **The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the Village has considered the following information:
  - As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
  - The development expected to occur within the District would create approximately 77 residential units, providing housing opportunities for workers. Currently, the Village and surrounding area has a limited inventory of the type of housing proposed, and the Village carries a zero vacancy rate.
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**

- If approved, the District's creation would become effective for valuation purposes as of January 1, 2015. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation or appreciation of property values occurring after January 1, 2015 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
  - Since the development expected to occur is unlikely to take place or in the same manner without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the Village reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the "but for" test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of this plan.
4. Not less than 50% by area of the real property within the District is suitable for a combination of commercial and residential uses, defined as "mixed-use development" within the meaning of Wisconsin Statutes Section 66.1105(2)(cm)
  5. Based upon the findings, as stated above, the District is declared to be a mixed-use District based on the identification and classification of the property included within the District.
  6. The project costs relate directly to promoting mixed-use development in the District consistent with the purpose for which the District is created.
  7. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
  8. The equalized value of taxable property of the District, plus the value increment of all existing tax incremental districts within the Village, does not exceed 12% of the total equalized value of taxable property within the Village.
  9. The Village estimates that approximately 10% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
  10. The Project Plan for the District in the Village is feasible, and is in conformity with the master plan of the Village.

## SECTION 2: Type and General Description of District

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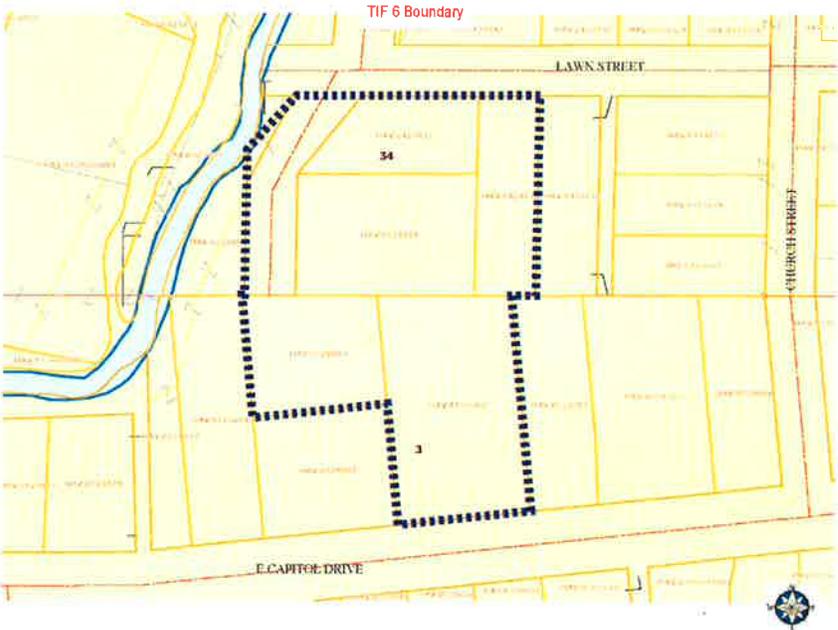
The District is being created by the Village under the authority provided by Wisconsin Statutes Section 66.1105. The District is created as a “Mixed Use District” based upon a finding that at least 50%, by area, of the real property within the District is suitable for a combination of commercial and residential uses as defined within the meaning of Wisconsin Statutes Section 66.1105(2)(cm) (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test).

A map depicting the boundaries of the District is found in Section 3 of this Plan. A map depicting the proposed uses of the District is found in Section 8 of this plan. The Village intends that TIF will be used to assure that a combination of private commercial and residential development occurs within the District consistent with the Village’s development objectives. This will be accomplished by installing public improvements and making necessary related expenditures to induce and promote development within the District. The goal is to increase the tax base and to provide for and preserve employment opportunities within the Village. The project costs included in the Plan relate directly to promoting mixed-use development in the District consistent with the purpose for which the District is created.

Based upon the findings, as stated within this Plan, the District is declared to be a mixed-use District based on the identification and classification of the property included within the district.

# SECTION 3: Preliminary Maps of Proposed District Boundary

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# SECTION 4: Map Showing Existing Uses and Conditions

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# SECTION 5: Preliminary Parcel List and Analysis

Village of Hartland, WI  
Tax Incremental District No. 6  
\$500 Property Information

These results were derived from data being delivered from IDB to Geac, Inc. in February 2015. The data was then processed into this report for 2015.

| Parcel Number | Street Address      | Owner  | Acres     | Assessed Price | Municipality | Part of | Charged | Lot           | Area    | PSF  | 2014 Estimated Market Value |                 |                      | 2015 Estimated Value |                 |                 | Newly Sited Residential | Suitable for Residential | Rebby Conserved |                 |
|---------------|---------------------|--|-----------|----------------|--------------|---------|---------|---------------|---------|------|-----------------------------|-----------------|----------------------|----------------------|-----------------|-----------------|-------------------------|--------------------------|-----------------|-----------------|
|               |                     |  |           |                |              |         |         |               |         |      | Equalized Value             | Equalized Value | Equalized Value      | Equalized Value      | Equalized Value | Equalized Value |                         |                          |                 | Equalized Value |
| HAY 022605    | 208 E CAPITOL DRIVE | S2 PROPERTIES LLC - 20420 BROOK PARK DR BROOKFIELD, WI 53045 | 607 ACRES |                | X            |         |         | 203,300       | 728,700 |      | 540,000                     | 200,575         | 741,018              | 0                    | 0               | 0               | 0                       | 0                        | 0               | 0               |
| HAY 022606    | 130 OAK ST          | S2 PROPERTIES LLC - 20420 BROOK PARK DR BROOKFIELD, WI 53045 | 360 ACRES |                | X            |         |         | 47,000        | 47,000  |      | 47,000                      | 47,088          | 0                    | 0                    | 0               | 0               | 0                       | 0                        | 0               | 0               |
| HAY 022607    | 140 OAK ST          | VILLAGE OF HARTLAND  | 485 ACRES |                | X            |         |         | 78,800        | 78,800  |      | 78,800                      | 78,848          | 0                    | 0                    | 0               | 0               | 0                       | 0                        | 0               | 0               |
| HAY 022608    | 205 JAWALET         | VILLAGE OF HARTLAND  | 293 ACRES |                | X            |         |         | 64,400        | 64,400  |      | 64,400                      | 64,521          | 0                    | 0                    | 0               | 0               | 0                       | 0                        | 0               | 0               |
| 0246          | 233 JAWALET         | JOSEPH D MCCORMACK - 181 N. WOLF ST. MADISON, WI 53701       | 271 ACRES |                | X            |         |         | 61,600        | 124,600 |      | 108,400                     | 61,513          | 214,814              | 0                    | 0               | 0               | 0                       | 0                        | 0               | 0               |
|               |                     |  |           |                |              |         |         | 457,300       | 884,100 | 0    | 1,316,600                   | 453,149         | 865,932              | 0                    | 0               | 0               | 0                       | 0                        | 0               | 0               |
|               |                     |  |           |                |              |         |         | Total Average |         | 0.00 | Total Average               |                 | Estimated Base Value |                      | 1,318,070       |                 |                         |                          |                 |                 |

# SECTION 6: Equalized Value Test

The following calculations demonstrate that the Village is in compliance with Wisconsin Statutes Section.66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the Village.

The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the proposed District, totals \$2,670,570. This value is less than the maximum of \$140,110,872, in equalized value that is permitted for the Village of Hartland. The Village is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

| Village of Hartland                       |                     |        |         |                    |  |
|---|---------------------|--------|---------|--------------------|--|
| Tax Increment District #6                 |                     |        |         |                    |  |
| Valuation Test Compliance Calculation     |                     |        |         |                    |  |
| Anticipated Creation/Boundary Amendment   | 7/1/2015            |        |         |                    |  |
|   | Valuation Data      | Dollar | Percent | Valuation Data     |  |
|   | Currently Available | Charge | Change  | Est. Creation Date |  |
| Total EV (TID In)                         | 1,167,590,600       |        | 3.00%   | 1,202,618,318      |  |
| 12% Test                                  | 140,110,872         |        |         | 140,110,872        |  |
| Increment of Existing TIDs                |                     |        |         |                    |  |
| TID #4                                    | 0                   |        |         | 0                  |  |
| TID #5                                    | 1,351,500           |        |         | 1,351,500          |  |
|   |                     |        |         | 0                  |  |
|   |                     |        |         | 0                  |  |
|   |                     |        |         | 0                  |  |
|   |                     |        |         | 0                  |  |
| Total Existing Increment                  | 1,351,500           |        |         | 1,351,500          |  |
| Projected Base of New or Amended District | 1,589,000           |        | 3.00%   | 1,636,670          |  |
| Total Value Subject to 12% Test           | 2,940,500           |        |         | 2,988,170          |  |
| Compliance                                | PASS                |        |         | PASS               |  |

**Version 1**

## SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

---

The proposed TID #6 creation would be a mixed-use district based on the identification and classification of the property proposed to be included within the District. Proposed project costs include various public improvements, acquisition of properties for redevelopment, cash grants to owners or lessee or developers of land located within the district (development incentives), relocation costs and professional and organizational services, administrative costs, and finance costs. The proposed costs include projects within the proposed boundary and within a ½ mile radius of the proposed boundary of the District.

It is not anticipated that a portion of the above improvements will be either assessed directly back to the benefitting properties, will be paid directly by developers or will benefit areas outside of the TID.

The following is a list of public works and other TIF-eligible projects that the Village expects to implement in conjunction with this District. Any costs necessary or convenient to the creation of the District or directly or indirectly related to the public works and other projects are considered "Project Costs" and eligible to be paid with tax increment revenues of the District.

### Property, Right-of-Way and Easement Acquisition

#### Property Acquisition for Redevelopment

In order to promote and facilitate development and/or redevelopment the Village may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the Village from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the Village to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

#### Acquisition of Rights-of-Way

The Village may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire rights-of-way are eligible Project Costs.

#### Acquisition of Easements

The Village may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire easement rights are eligible Project Costs.

#### Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation

benefits as required by Wisconsin Statutes Sections 32.19 and 32.195, if applicable.

## Site Preparation Activities

### Environmental Audits and Remediation

There have been no known environmental studies performed within the proposed District. If, however, it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the Village related to environmental audits, testing, and remediation are eligible Project Costs.

### Demolition

In order to make sites suitable for redevelopment, the Village may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

### Site Grading

Land within the District may require grading to make it suitable for development and/or redevelopment, to provide access, and to control stormwater runoff. The Village may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the Village for site grading are eligible Project Costs.

## Utilities

### Sanitary Sewer System Improvements

To allow development and/or redevelopment to occur, the Village may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, is an eligible project cost under Section 66.1105(2)(f)1 k.

### Water System Improvements

There are inadequate water distribution facilities serving areas of the District. To allow redevelopment to occur, the Village will need to construct, alter, rebuild or expand water system infrastructure within, or immediately adjacent, to the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

## **Stormwater Management System Improvements**

Redevelopment within the District may cause additional stormwater runoff and pollution. To manage this stormwater runoff, the Village may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

## **Electric Service**

In order to create sites suitable for redevelopment, the Village may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the Village to undertake this work are eligible Project Costs.

## **Gas Service**

In order to create sites suitable for redevelopment, the Village may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the Village to undertake this work are eligible Project Costs.

## **Communications Infrastructure**

In order to create sites suitable for redevelopment, the Village may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the Village to undertake this work are eligible Project Costs.

## **Streets and Streetscape**

### **Street Improvements**

To allow redevelopment to occur, the Village may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

### **Streetscaping and Landscaping**

In order to attract redevelopment consistent with the objectives of this Plan, the Village may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, pathways, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar

amenities installed by the Village are eligible Project Costs.

## Miscellaneous

### Cash Grants (Development Incentives)

The Village may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs. No cash grants will be provided until the Village executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the Village are eligible Project Costs.

### Projects Outside the Tax Increment District

Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the Village may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the Village's corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District. The Village may make the following project cost expenditures outside the District:

- Street Improvements to E. Capital Drive and Lawn Street
- Water System Improvements in Lawn Street and E. Capital Drive

### Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

### Administrative Costs

The Village may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by Village employees in connection with the implementation of the Plan.

### Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating Village ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the Village for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan.

The Village reserves the right to implement only those projects that remain viable as the Plan period proceeds.

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the Village and as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges. To the extent the costs benefit the municipality outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

## SECTION 8: Map Showing Proposed Improvements and Uses

EXHIBIT A  
Land Use Designation Amendment – Riverwalk Development



## SECTION 9: Detailed List of Project Costs

All costs are based on 2015 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2015 and the time of construction. The Village also reserves the right to increase certain project costs to the extent others are reduced or not implemented without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

**This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. It is anticipated that the overall costs to be reimbursed through the TID represent \$1,900,000, not including administrative costs. In the event that the reimbursable costs associated with the TID exceed a 10% overage, the Village will amend the plan to address said project cost increases. The Village retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Village Board, without amending the Plan.**

### Proposed TIF Project Cost Estimates

| Village of Hartland   |                             |                         |  |                              |                                 |                          |
|---|-----------------------------|-------------------------|--|------------------------------|---------------------------------|--------------------------|
| Tax Increment District #6   |                             |                         |  |                              |                                 |                          |
| Estimated Project List  |                             |                         |  |                              |                                 |                          |
| Project ID  | Project Name/Type           | Total Development Costs | Developer Costs to be Recovered (TID Eligible) | Village Costs (TID Eligible) | Relocation Costs (TID Eligible) | Developer Responsibility |
|   |                             |                         |  |                              |                                 | Total (Note 1)           |
| 1   | Engineering                 | 50,000                  |  | 50,000                       |                                 | 0                        |
| 2   | Land Acquisition/Demolition | 1,134,000               | 940,900  |                              |                                 | 193,100                  |
| 3   | Utility Relocation          | 68,000                  |  | 68,000                       |                                 | 0                        |
| 4   | Water System Looping        | 265,000                 |  | 265,000                      |                                 | 0                        |
| 5   | Pedestrian Bridge           | 70,000                  |  | 70,000                       |                                 | 0                        |
| 6   | Development Incentive       |                         | 281,100  | 75,000                       |                                 | 0                        |
| 7   | Relocation Costs            | 150,000                 |  |                              | 150,000                         | 0                        |
| 8   | Del-Hart Charges            | 700,000                 |  |                              |                                 | 700,000                  |
| 9   | Building Construction       | 9,585,000               |  |                              |                                 | 9,228,900                |
| <b>Total Projects</b>   |                             | <b>12,022,000</b>       | <b>1,222,000</b>                               | <b>528,000</b>               | <b>150,000</b>                  | <b>10,122,000</b>        |
| <b>Notes:</b><br>Note 1 Project costs are estimates and are subject to modification |                             |                         |  |                              |                                 |                          |

Version 2

## SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

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The information and exhibits contained within this Section demonstrate that the proposed District is economically feasible insofar as:

- The Village has available to it the means to secure the necessary financing required to accomplish the projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The Village expects to complete the projects in one or multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private redevelopment. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur as a result of the implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the redevelopment expected to occur, 2) a projection of tax increments to be collected resulting from that redevelopment and other economic growth within the District, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

### Available Financing Methods

The following is a list of the types of obligations the Village may choose to utilize.

#### General Obligation (G.O.) Bonds or Notes

The Village may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN). As of the date of this plan, the Village has a G.O. debt limit of \$58,379,530, of which \$43,994,530 is currently unused and could be made available to finance Project Costs.

#### Bonds Issued to Developers (“Pay as You Go” Financing)

The Village may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the Village’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the Village and, therefore, do not count against the Village’s statutory borrowing capacity.

## Tax Increment Revenue Bonds

The Village has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the Village, or as a form of lease revenue bond by a Community Development Authority (CDA) or by a Redevelopment Authority (RDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the Village and therefore do not count against the Village's statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the Village may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

## Utility Revenue Bonds

The Village can issue revenue bonds to be repaid from revenues of the its various systems, including revenues paid by the Village that represent service of the system to the Village. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the Village must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the Village utilizes utility revenues other than tax increments to repay a portion of the bonds, the Village must reduce the total eligible Project Costs in an equal amount.

## Special Assessment "B" Bonds

The Village has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the Village determines that special assessments are appropriate, the Village can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the Village's statutory borrowing capacity. If special assessments are levied, the Village must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

## Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined on the following page. However, public debt and expenditures should be made at the pace private redevelopment occurs to assure increment is sufficient to cover expenses.

It is anticipated developer agreements between the Village and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement, these agreements might include levying of special assessments against benefited properties.

The order in which public improvements are made should be adjusted in accordance with development and execution of developer agreements. The Village reserves the right to alter the implementation of this Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

**If financing as outlined in this Plan proves unworkable, the Village reserves the right to use alternate financing solutions for the projects as they are implemented.**

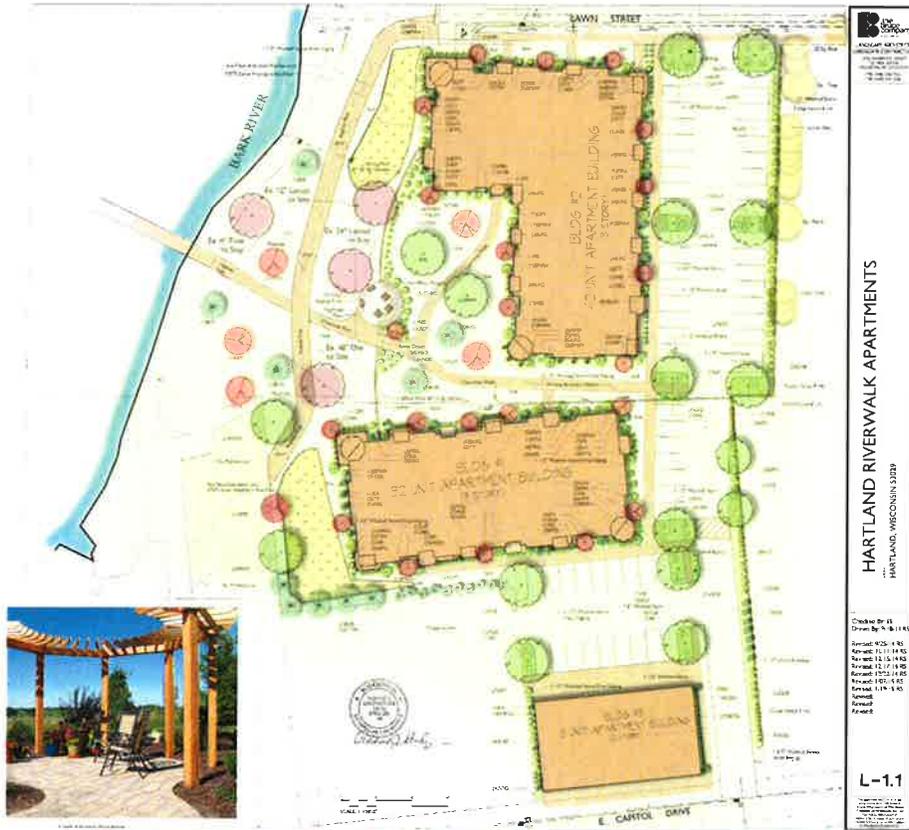
# Implementation and Financing Timeline

| <b>Village of Hartland</b><br><b>Tax Increment District #6</b><br><b>Estimated Financing Plan</b> |           |   |                  |
|---|-----------|---|------------------|
|   | 2015      | Municipal Revenue Obligation (MRO) 2015 | Totals           |
| <b>Projects</b>   |           |   |                  |
| Phase I   | 678,000   | 1,222,000                               | 1,900,000        |
| Phase II  |           |   | 0                |
| Phase III   |           |   | 0                |
| Phase IV  |           |   | 0                |
| Less Advances   | (678,000) |   | (678,000)        |
| <b>Total Project Funds</b>  | <u>0</u>  | <u>1,222,000</u>                        | <u>1,222,000</u> |
| <b>Estimated Finance Related Expenses</b>   |           |   |                  |
| Financial Advisor   | 0         | 10,000                                  |                  |
| Bond Counsel  | 0         | 10,000                                  |                  |
| Rating Agency Fee   |           |   |                  |
| Paying Agent  |           |   |                  |
| Underwriter Discount  | 0.00      | 0                                       | 0                |
| Debt Service Reserve  |           |   |                  |
| Capitalized Interest  |           |   |                  |
| <b>Total Financing Required</b>   | 0         | 1,242,000                               |                  |
| Estimated Interest  | 0.00%     | 0                                       | 0                |
| Assumed spend down (months)   | 6         | 6                                       |                  |
| Rounding  | 0         | (20,000)                                |                  |
| <b>Net Issue Size</b>   | <b>0</b>  | <b>1,222,000</b>                        | <b>1,222,000</b> |
| Notes:  |           |   |                  |

**Version 2**

# Development Assumptions

The Riverwalk Development (project) is anticipated to provide for the construction of 77 residential units and approximately 4,000 square feet of gross commercial space. Below is the overall site plan and the proposed elevations of the north and south buildings.



1 NORTH ELEVATION - BUILDING 1



3 SOUTH ELEVATION - BUILDING 3

# Increment Revenue Projections

## Village of Hartland

### Tax Increment District #6

#### Tax Increment Projection Worksheet

|                                 |              |                          |           |   |
|---------------------------------|--------------|--------------------------|-----------|---|
| Type of District                | Mixed Use    | Base Value               | 1,589,000 |   |
| Creation Date                   | July 1, 2015 | Appreciation Factor      | 1.00%     | <input checked="" type="checkbox"/> Apply to Base Value |
| Valuation Date                  | Jan 1, 2015  | Base Tax Rate            | \$18.95   |   |
| Max Life (Years)                | 20           | Rate Adjustment Factor   |           |   |
| Expenditure Periods/Termination | 15 7/1/2030  | Tax Exempt Discount Rate | 0.00%     | Current STF 20 Year                                     |
| Revenue Periods/Final Year      | 20 2036      | Requested Discount Rate  | 3.25%     |   |
| Extension Eligibility/Years     | Yes 3        |                          |           |   |
| Recipient District              | No           |                          |           |   |

| Construction Year | Value Added      | Valuation Year | Inflation Increment | Total Increment | Revenue Year                     | Tax Rate         | Tax Increment | Tax Exempt      | Taxable NPV |
|-------------------|------------------|----------------|---------------------|-----------------|----------------------------------|------------------|---------------|-----------------|-------------|
|                   |                  |                |                     |                 |                                  |                  |               | NPV Calculation |             |
| 1                 | 2015             | (858,900)      | 2016                | 0               | (858,900)                        | 2017             | \$18.95       | 0               | 0           |
| 2                 | 2016             | 7,860,000      | 2017                | (8,589)         | 6,992,511                        | 2018             | \$18.95       | 132,508         | 132,508     |
| 3                 | 2017             | 0              | 2018                | 69,925          | 7,062,436                        | 2019             | \$18.95       | 133,833         | 266,341     |
| 4                 | 2018             | 0              | 2019                | 70,624          | 7,133,060                        | 2020             | \$18.95       | 135,171         | 401,513     |
| 5                 | 2019             | 0              | 2020                | 71,331          | 7,204,391                        | 2021             | \$18.95       | 136,523         | 538,036     |
| 6                 | 2020             | 0              | 2021                | 72,044          | 7,276,435                        | 2022             | \$18.95       | 137,888         | 675,924     |
| 7                 | 2021             | 0              | 2022                | 72,764          | 7,349,199                        | 2023             | \$18.95       | 139,267         | 815,192     |
| 8                 | 2022             | 0              | 2023                | 73,492          | 7,422,691                        | 2024             | \$18.95       | 140,660         | 955,852     |
| 9                 | 2023             | 0              | 2024                | 74,227          | 7,496,918                        | 2025             | \$18.95       | 142,067         | 1,097,918   |
| 10                | 2024             | 0              | 2025                | 74,969          | 7,571,887                        | 2026             | \$18.95       | 143,487         | 1,241,406   |
| 11                | 2025             | 0              | 2026                | 75,719          | 7,647,606                        | 2027             | \$18.95       | 144,922         | 1,386,328   |
| 12                | 2026             | 0              | 2027                | 76,476          | 7,724,082                        | 2028             | \$18.95       | 146,371         | 1,532,699   |
| 13                | 2027             | 0              | 2028                | 77,241          | 7,801,323                        | 2029             | \$18.95       | 147,835         | 1,680,534   |
| 14                | 2028             | 0              | 2029                | 78,013          | 7,879,336                        | 2030             | \$18.95       | 149,313         | 1,829,848   |
| 15                | 2029             | 0              | 2030                | 78,793          | 7,958,130                        | 2031             | \$18.95       | 150,807         | 1,980,654   |
| 16                | 2030             | 0              | 2031                | 79,581          | 8,037,711                        | 2032             | \$18.95       | 152,315         | 2,132,969   |
| 17                | 2031             | 0              | 2032                | 80,377          | 8,118,088                        | 2033             | \$18.95       | 153,838         | 2,286,807   |
| 18                | 2032             | 0              | 2033                | 81,181          | 8,199,269                        | 2034             | \$18.95       | 155,376         | 2,442,183   |
| 19                | 2033             | 0              | 2034                | 81,993          | 8,281,262                        | 2035             | \$18.95       | 156,930         | 2,599,113   |
| 20                | 2034             | 0              | 2035                | 82,813          | 8,364,074                        | 2036             | \$18.95       | 158,499         | 2,757,612   |
| <b>Totals</b>     | <b>7,001,100</b> |                | <b>1,362,974</b>    |                 | <b>Future Value of Increment</b> | <b>2,757,612</b> |               |                 |             |

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).

Version 1

# Village of Hartland

## Tax Increment District #6

### Cash Flow Projection

| Year         | Projected Revenues |                                 |                   | Expenditures                                    |           |          |                          |               |                       | Balances  |            |                          | Year         |
|--------------|--------------------|---------------------------------|-------------------|---|-----------|----------|--------------------------|---------------|-----------------------|-----------|------------|--------------------------|--------------|
|              | Tax<br>Increments  | Interest<br>Earnings/<br>(Cost) | Total<br>Revenues | Municipal Revenue Obligation (MRO)<br>1,222,000 |           |          | Public<br>Infrastructure | Admin.        | Total<br>Expenditures | Annual    | Cumulative | Principal<br>Outstanding |              |
|              |                    |                                 |                   | Dated Date:                                     | Est. Rate | Interest |                          |               |                       |           |            |                          |              |
| 2015         |                    |                                 | 0                 |   |           |          | 528,000                  | 35,000        | 563,000               | (563,000) | (563,000)  |                          | 2015         |
| 2016         |                    | (18,298)                        | (18,298)          |   |           |          | 150,000                  | 0             | 150,000               | (168,298) | (731,298)  |                          | 2016         |
| 2017         | 0                  | (23,767)                        | (23,767)          |   |           |          |                          | 3,000         | 3,000                 | (26,767)  | (758,065)  |                          | 2017         |
| 2018         | 132,508            | (24,637)                        | 107,871           | 119,257   | 0.00%     | 0        |                          | 3,000         | 122,257               | (14,386)  | (772,451)  |                          | 2018         |
| 2019         | 133,833            | (25,105)                        | 108,729           | 120,450   | 0.00%     | 0        |                          | 3,000         | 123,450               | (14,721)  | (787,172)  |                          | 2019         |
| 2020         | 135,171            | (25,583)                        | 109,588           | 121,654   | 0.00%     | 0        |                          | 3,000         | 124,654               | (15,066)  | (802,238)  |                          | 2020         |
| 2021         | 136,523            | (26,073)                        | 110,450           | 122,871   | 0.00%     | 0        |                          | 3,000         | 125,871               | (15,420)  | (817,659)  |                          | 2021         |
| 2022         | 137,888            | (26,574)                        | 111,315           | 124,100   | 0.00%     | 0        |                          | 3,000         | 127,100               | (15,785)  | (833,444)  |                          | 2022         |
| 2023         | 139,267            | (27,087)                        | 112,180           | 125,341   | 0.00%     | 0        |                          | 3,000         | 128,341               | (16,160)  | (849,604)  |                          | 2023         |
| 2024         | 140,660            | (27,612)                        | 113,048           | 126,594   | 0.00%     | 0        |                          | 3,000         | 129,594               | (16,546)  | (866,150)  |                          | 2024         |
| 2025         | 142,067            | (28,150)                        | 113,917           | 127,860   | 0.00%     | 0        |                          | 3,000         | 130,860               | (16,943)  | (883,093)  |                          | 2025         |
| 2026         | 143,487            | (28,701)                        | 114,787           | 129,139   | 0.00%     | 0        |                          | 3,000         | 132,139               | (17,352)  | (900,445)  |                          | 2026         |
| 2027         | 144,922            | (29,264)                        | 115,658           | 104,735   | 0.00%     | 0        |                          | 3,000         | 107,735               | 7,923     | (892,522)  |                          | 2027         |
| 2028         | 146,371            | (29,007)                        | 117,364           |   |           |          |                          | 1,500         | 1,500                 | 115,864   | (776,658)  |                          | 2028         |
| 2029         | 147,835            | (25,241)                        | 122,594           |   |           |          |                          | 1,500         | 1,500                 | 121,094   | (655,564)  |                          | 2029         |
| 2030         | 149,313            | (21,306)                        | 128,008           |   |           |          |                          | 1,500         | 1,500                 | 126,508   | (529,057)  |                          | 2030         |
| 2031         | 150,807            | (17,194)                        | 133,612           |   |           |          |                          | 1,500         | 1,500                 | 132,112   | (396,944)  |                          | 2031         |
| 2032         | 152,315            | (12,901)                        | 139,414           |   |           |          |                          | 1,500         | 1,500                 | 137,914   | (259,031)  |                          | 2032         |
| 2033         | 153,838            | (8,418)                         | 145,419           |   |           |          |                          | 1,500         | 1,500                 | 143,919   | (115,111)  |                          | 2033         |
| 2034         | 155,376            | (3,741)                         | 151,635           |   |           |          |                          | 1,500         | 1,500                 | 150,135   | 35,024     |                          | 2034         |
| 2035         | 156,930            | 1,138                           | 158,068           |   |           |          |                          | 1,500         | 1,500                 | 156,568   | 191,592    |                          | 2035         |
| 2036         | 158,499            | 6,227                           | 164,726           |   |           |          |                          | 1,500         | 1,500                 | 163,226   | 354,818    |                          | 2036         |
| <b>Total</b> | <b>2,757,612</b>   | <b>(421,294)</b>                | <b>2,336,318</b>  | <b>1,222,000</b>                                |           | <b>0</b> | <b>678,000</b>           | <b>81,500</b> | <b>1,981,500</b>      |           |            |                          | <b>Total</b> |

Notes:  
 Public Infrastructure Costs covered through advance from Village  
 Advance charged back to TID at 3.25%  
 MRO payment schedule based on 90% of increment revenue stream not to exceed \$1,222,000

**Version 1**

## **SECTION 11: Annexed Property**

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There are no lands proposed for inclusion within the District that were annexed by the Village on or after January 1, 2004.

## **SECTION 12: Estimate of Property to be Devoted to Retail Business**

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Pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1, the Village estimates that 10% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

## **SECTION 13: Proposed Zoning Ordinance Changes**

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The Village has already made changes to the zoning of the District area to accommodate the development.

## **SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and Village of Hartland Ordinances**

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It is expected that this Plan will be complementary to the Village's Master Plan. There are no proposed additional changes to the Master Plan, map, building codes or other Village ordinances for the implementation of this Plan.

## SECTION 15: Relocation

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It is anticipated there will be a need to relocate persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the Village will follow applicable Wisconsin Statutes Section chapter 32.

## SECTION 16: Orderly Redevelopment of the Village of Hartland

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The District contributes to the orderly redevelopment of the Village by providing the opportunity for continued growth in tax base, job opportunities and general economic activity. The development of the project will provide additional foot traffic into the downtown section of the Village. This additional foot traffic will add to the viability of the downtown business' currently residing and may add to the ability of the Village to attract additional investment into the downtown business district.

## SECTION 17: List of Estimated Non-Project Costs

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Non-Project costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds.

### Examples would include:

A public improvement made within the District that also benefits property outside the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.

A public improvement made outside the District that only partially benefits property within the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.

Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The Village does not expect to incur any non-project costs in the implementation of this Project Plan.

SECTION 18:  
Opinion of Attorney for the Village of Hartland Advising  
Whether the Plan is Complete and Complies with  
Wisconsin Statutes 66.1105

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June 1, 2015

**SAMPLE**

David Lamerand, Village President  
Village of Hartland  
210 Cottonwood Avenue  
Hartland, Wisconsin 53029

**RE: Village of Hartland, Wisconsin Tax Incremental District No. 6**

Dear Village President:

As Village Attorney for the Village of Hartland, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

Sincerely,

Attorney William E. Taibl  
Village of Hartland

# Exhibit A: Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.

| Statement of Taxes Data Year: |  | 2013              |  | Percentage |  |
|-------------------------------|--|-------------------|--|------------|--|
| County                        |  | 2,421,651         |  | 12.95%     |  |
| Technical College             |  | 1,485,500         |  | 7.94%      |  |
| Municipality                  |  | 5,201,297         |  | 27.81%     |  |
| SCH D OF HARTLAND-LAKESIDE J3 |  | 5,646,939         |  | 30.19%     |  |
| UHS D OF ARROWHEAD UNION HIGH |  | 3,950,449         |  | 21.12%     |  |
| <b>Total</b>                  |  | <b>18,705,836</b> |  |            |  |

| Revenue Year | County         | Municipality   | SCH D OF<br>HARTLAND-<br>LAKESIDE J3 | UHS D OF<br>ARROWHEAD<br>UNION HIGH | Technical<br>College | Total            | Revenue Year |
|--------------|----------------|----------------|--------------------------------------|-------------------------------------|----------------------|------------------|--------------|
| 2017         | 0              | 0              | 0                                    | 0                                   | 0                    | 0                | 2017         |
| 2018         | 17,137         | 36,808         | 39,961                               | 27,956                              | 10,512               | 132,374          | 2018         |
| 2019         | 17,308         | 37,176         | 40,361                               | 28,235                              | 10,617               | 133,698          | 2019         |
| 2020         | 17,482         | 37,547         | 40,764                               | 28,518                              | 10,724               | 135,035          | 2020         |
| 2021         | 17,656         | 37,923         | 41,172                               | 28,803                              | 10,831               | 136,385          | 2021         |
| 2022         | 17,833         | 38,302         | 41,584                               | 29,091                              | 10,939               | 137,749          | 2022         |
| 2023         | 18,011         | 38,685         | 42,000                               | 29,382                              | 11,049               | 139,127          | 2023         |
| 2024         | 18,191         | 39,072         | 42,420                               | 29,676                              | 11,159               | 140,518          | 2024         |
| 2025         | 18,373         | 39,463         | 42,844                               | 29,972                              | 11,271               | 141,923          | 2025         |
| 2026         | 18,557         | 39,857         | 43,272                               | 30,272                              | 11,383               | 143,342          | 2026         |
| 2027         | 18,743         | 40,256         | 43,705                               | 30,575                              | 11,497               | 144,776          | 2027         |
| 2028         | 18,930         | 40,658         | 44,142                               | 30,881                              | 11,612               | 146,223          | 2028         |
| 2029         | 19,119         | 41,065         | 44,583                               | 31,189                              | 11,728               | 147,686          | 2029         |
| 2030         | 19,311         | 41,476         | 45,029                               | 31,501                              | 11,846               | 149,162          | 2030         |
| 2031         | 19,504         | 41,890         | 45,480                               | 31,816                              | 11,964               | 150,654          | 2031         |
| 2032         | 19,699         | 42,309         | 45,934                               | 32,135                              | 12,084               | 152,161          | 2032         |
| 2033         | 19,896         | 42,732         | 46,394                               | 32,456                              | 12,204               | 153,682          | 2033         |
| 2034         | 20,095         | 43,160         | 46,858                               | 32,780                              | 12,327               | 155,219          | 2034         |
| 2035         | 20,296         | 43,591         | 47,326                               | 33,108                              | 12,450               | 156,771          | 2035         |
| 2036         | 20,499         | 44,027         | 47,800                               | 33,439                              | 12,574               | 158,339          | 2036         |
|              | <u>356,639</u> | <u>765,999</u> | <u>831,629</u>                       | <u>581,786</u>                      | <u>218,771</u>       | <u>2,754,824</u> |              |

Notes:  
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.

**RESOLUTION DESIGNATING PROPOSED AMENDED BOUNDARIES  
AND APPROVING A PROJECT PLAN AMENDMENT  
FOR TAX INCREMENTAL DISTRICT NO. 4,  
VILLAGE OF HARTLAND, WISCONSIN**

WHEREAS, the Village of Hartland (the “Village”) has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the Village; and

WHEREAS, Tax Incremental District No. 4 (the “District”) was created by the Village on July 28, 2008 as a mixed-use district; and

WHEREAS, the Village now desires to amend the Project Plan and boundaries of the District in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, such amendment will cause territory to be subtracted from the District, adding to the tax base of the Village and all overlapping taxing jurisdictions; and

WHEREAS, such amendment may also modify the categories, locations or costs of the Projects to be undertaken, providing incentives and opportunities for additional private development and redevelopment; and

WHEREAS, an amended Project Plan for the District (the “Amendment”) has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and Village ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the amendment of the district promotes the orderly development of the Village;
- k. An opinion of the Village Attorney or of an attorney retained by the Village advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to the chief executive officers of Waukesha County, the Hartland-Lakeside J3 & UHS District of Arrowhead Union High School Districts, and the Waukesha Area Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on June 4, 2015 held a public hearing concerning the proposed amendment to the Project

Plan and boundaries of the District, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the Village of Hartland that:

1. It recommends to the Village Board that the boundaries of Tax Incremental District No. 4 be amended as designated in Exhibit A of this Resolution.
2. It approves and adopts the amended Project Plan for the District, attached as Exhibit B, and recommends its approval to the Village Board.
3. Amendment of the Project Plan and Boundaries of the District promotes orderly development in the Village.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_

Plan Commission Chair

\_\_\_\_\_

Secretary of the Plan Commission

**LEGAL BOUNDARY DESCRIPTION OR MAP OF  
TAX INCREMENTAL DISTRICT NO. 4  
VILLAGE OF HARTLAND**

THIS CAN BE FOUND IN THE PROJECT PLAN

**PROJECT PLAN**

THIS WILL BE HANDED OUT SEPARATELY

**RESOLUTION DESIGNATING PROPOSED BOUNDARIES  
AND APPROVING A PROJECT PLAN  
FOR TAX INCREMENTAL DISTRICT NO. 6,  
VILLAGE OF HARTLAND, WISCONSIN**

WHEREAS, the Village of Hartland (the "Village") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the Village; and

WHEREAS, Tax Incremental District No. 6 (the "District") is proposed to be created by the Village as a mixed-use district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and Village ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the District promotes the orderly development of the Village;
- k. An opinion of the Village Attorney or of an attorney retained by the Village advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to the chief executive officers of Waukesha County, the Hartland-Lakeside J3 & UHS District of Arrowhead Union High School Districts, and the Waukesha Area Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on June 4, 2015 held a public hearing concerning the project plan and boundaries and proposed creation of the District, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the Village of Hartland that:

1. It recommends to the Village Board that Tax Incremental District No. 6 be created with boundaries as designated in Exhibit A of this Resolution.
2. It approves and adopts the Project Plan for the District, attached as Exhibit B, and recommends its approval to the Village Board.
3. Creation of the District promotes orderly development in the Village.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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Plan Commission Chair

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Secretary of the Plan Commission

**LEGAL BOUNDARY DESCRIPTION OR MAP OF  
TAX INCREMENTAL DISTRICT NO. 6  
VILLAGE OF HARTLAND**

THIS CAN BE FOUND IN THE PROJECT PLAN

**PROJECT PLAN**

THIS WILL BE HANDED OUT SEPARATELY

JOINT REVIEW BOARD MINUTES  
TAX INCREMENTAL DISTRICT NO. 4  
PROJECT PLAN / BOUNDARY AMENDMENT

May 27, 2015 at 8:00 a.m.

Hartland Village Hall  
Board Room, Municipal Building, 210 Cottonwood Avenue

Roll call

Present: Cary Tessmann, David Lamerand, Norm Cummings, Steve Kopecky

Absent: Hartland-Lakeside Representative

Others: Jim Mann (Ehlers), David Cox, Ryan Bailey, Connie Casper and Darlene Igl.

The meeting was called to order 8:00 a.m.

1. Consideration and appointment of the Joint Review Board's public member

Motion (Cummings/Tessmann) to appoint Connie Casper as the Joint Review Board's public member. Carried (4-0).

2. Election of Chairperson

Motion (Cummings/Lamerand) to confirm Cary Tessmann as the Chairperson of the Joint Review Board. Carried (5-0).

3. Discuss responsibilities of the Joint Review Board

The Board discussed their responsibilities and criteria for making its decision of whether to approve or deny the proposal to amend TID #4 as proposed.

4. Discuss & review project plans

Jim Mann stated that what is being proposed is a second amendment to TID #4 which was created in 2008 as a mixed use district with original acreage of approximately 250 acres. The District was amended in 2011 to reduce the size to nearly half of the original district. It is being proposed that the district now be amended to only encompass the one development that has occurred within the district. No additional development is anticipated in the district in a timeframe that would allow TID 4 to effectively provide assistance. TID #4 is currently in the negative. This amendment would put the district into a positive increment position where it would start to recoup some of the costs that were advanced to the district. He stated that it will not meet its financial goals at the end of its life even with this amendment. It is anticipated that there will be no further expenditures other than annual administrative costs of the Village.

Norm Cummings stated that the project plan documents should include a maximum expenditure (not to exceed amount) which may include contingency. The expected cash flow of the district

was reviewed and it is anticipated that the District will be in the negative approximately \$190,000 at the end of its life in 2029. It is anticipated that this would be a loss to the Village as there is no additional growth anticipated or value to be generated.

5. Set next meeting date

The next meeting of the Joint Review Board was scheduled for Tuesday, June 23<sup>rd</sup> at 5:00 p.m.in the Village Board room.

6. Adjourn

Motion (Casper/Kopecky) to adjourn at 8:12 a.m.

Respectfully submitted,

Darlene Igl  
Village Clerk

## JOINT REVIEW BOARD MINUTES

### TAX INCREMENTAL DISTRICT NO. 6 CREATION

May 27, 2015 at 8:00 a.m.

Hartland Village Hall  
Board Room, Municipal Building, 210 Cottonwood Avenue

Roll call

Present: Cary Tessmann, David Lamerand, Norm Cummings, Steve Kopecky

Absent: Hartland-Lakeside Representative

Others: Jim Mann (Ehlers), David Cox, Ryan Bailey, Connie Casper and Darlene Igl

The meeting was called to order 8:00 a.m.

1. Consideration and appointment of the Joint Review Board's public member

Motion (Cummings/Tessmann) to appoint Connie Casper as the Joint Review Board's public member. Carried (4-0).

2. Election of Chairperson

Motion (Cummings/Lamerand) to appoint Cary Tessmann as the Chairperson of the Joint Review Board. Carried (5-0).

3. Discuss responsibilities of the Joint Review Board

The Board discussed their responsibilities and the criteria for making its decision of whether to approve or deny the proposal to create TID #6. The Board discussed whether the development would occur without the use of Tax Incremental Financing.

4. Discuss & review project plans

Jim Mann stated that the proposed TID #6 is comprised of several parcels that were originally in the TID #4 plan that previously housed two residential properties as well as one commercial building on E. Capitol Drive. The area is a section of the Village bounded by E Capitol on the south up to Lawn Street on the north. On the frontage along E. Capitol immediately adjacent to the commercial building is the US Bank building. The proposed district would include residential properties abutting Lawn Street that have either been purchased and razed by the Village, or are owned by the proposed developer. TID #6 would cause 77 residential units to be developed and the replacement of the existing commercial building with approximately 4,000 square feet of commercial space. It is estimated that the value of the improvements will be between \$7.8 million and \$10 million dollars. The project plan is based upon the developer's assertion that there will be \$7.8 million dollars of new development value. It was stated that Ehlers has identified that there is a gap in the financing of the project based upon the developer's sources and uses for the completion of the project. That gap includes some extraordinary site costs which

have been divided into three areas. The gap includes direct site costs related to utility relocation, water system looping, the pedestrian bridge and reimbursement for the excess cost of having to purchase the existing structure and demolish.

There was discussion regarding what the developer's costs or contributions would be to the project. It was stated that he is acquiring the strip mall property and razing the structure, and has previously acquired an adjacent residential property. The Village has two parcels that would be contributed to the development with a carrying cost of \$143,000. Mr. Cummings stated that it would be helpful to provide the Board with a spreadsheet breaking down costs between the developer's costs, the Village's contribution and what the TIF would be contributing. Mr. Cummings also requested "not to exceed" language be added to the project plan which may include a contingency.

Based on analysis of information provided by the developer, the rate of return would be below what would be expected for a project like this. The analysis arrived at a figure of \$1.75 million to be contributed to bring rate of return to an acceptable rate of return in the 13% range. Without the assistance, the developer would not be able to secure adequate financing. Costs of relocating businesses currently located in the strip mall were included as they will be displaced from Class C retail space that is in existence that will be replaced with Class A space.

Based on the developer's assertion that the value of the project will be \$7.8 million dollars an increment of about \$7 million dollars would be generated. The district would go out to 2034. The Village plans on advancing the majority of the public infrastructure funds and relocation costs to the district. There would be a municipal revenue obligation of \$1,222,000 paid at 0% interest over 10 years. The District would close in 2034 with a small positive balance.

Mr. Mann stated that the sources and uses have been reviewed and that based on what the developer has provided, it is believed that the value of the development will be quite a bit higher at approximately \$10 million. This would move the closing of the district to 2031 or 2032. If property values increase faster than anticipated, that would impact how quickly the district would close.

It was discussed that the 77 residential units will be one or two bedrooms with rents ranging from \$1,060 to \$1,650. The majority (46) of the units are one bedroom units.

Mr. Kopecky asked whether this is a development that is within the master plan for the Village. Administrator Cox stated that this site and design is almost exactly what was shown in the master plan. It was stated that the Business Improvement District is in favor of the proposed development.

5. Set next meeting date

The next meeting of the Joint Review Board was scheduled for Tuesday, June 23<sup>rd</sup> at 5:00 p.m. in the Village Board room.

6. Adjourn

Motion (Casper/Kopecky) to adjourn at 8:35 a.m.

Respectfully submitted,

Darlene Igl  
Village Clerk