



**NOTICE OF JOINT REVIEW BOARD MEETING
REGARDING THE PROPOSED PROJECT PLAN AND DISTRICT BOUNDARY
FOR TAX INCREMENTAL DISTRICT (TID) NO. 4
IN THE VILLAGE OF PEWAUKEE, WISCONSIN**

**Tuesday, April 12, 2022
1:00 p.m.
Pewaukee Village Hall
235 Hickory Street
Pewaukee, WI 53072**

Agenda

1. Call to Order.
2. Roll Call.
3. Approval of the Minutes from the March 8, 2022 Joint Review Board Meeting.
4. Review and discussion of the proposed Project Plan and Boundary for TID No. 4.
5. Approval of the Joint Review Board Resolution creating TID No. 4.
6. Adjourn.

The purpose of this meeting is to organize the Joint Review Board to review the proposed plan and district boundary for the Village of Pewaukee Tax Incremental District No. 4, pursuant to Section 66.1105 of the Wisconsin Statutes. This meeting should be concluded in less than 1 hour. The Village of Pewaukee has contracted with Robert W. Baird & Company to assist in the creation of the project plan listed above. If you have any further questions about the duties of the Joint Review Board or want to discuss this project before the meeting, you may contact Scott Gosse, Pewaukee Village Administrator at 262-691-5660.

Note: It is possible that members and/or possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above-stated meeting to gather information; action will not be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to in this notice. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. To request such assistance, contact the Village Clerk at 262-691-5660.

Dated: April 7, 2022

**Village of Pewaukee Joint Review Board Regular Meeting Minutes (TID) NO. 4
Tuesday, March 8, 2022**

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1. Call to Order

Administrator Gosse called the meeting to order at 3:08 p.m.

2. Roll Call

Present: Waukesha County Representative Andrew Thelke; Pewaukee School District Representative John Gahan; Vice President of Finance/CFO Jane Kittel; Village of Pewaukee Representative, President Jeff Knutson;

Also Present: Village Administrator, Scott Gosse; Village Attorney, Mark Blum; Deputy Clerk-Treasurer, Jackie Schuh;

3. Discuss Role of the Joint Review Board

Brian Ruechel of Robert W. Baird reviewed the purpose of the Joint Review Board and stated that each taxing jurisdiction is entitled to have a representative with the responsibility to deny or approve the Tax Incremental District (TID). The process is to publish all required notices, hear the reason for the TID creation, hold a public hearing with the Plan Commission meeting who will make a recommendation to the Village Board, and forward their decision to the final meeting of the Joint Review Board. Approvals will be made by resolutions and an annual meeting is required for the district.

4. Appointment of Chairperson

**Andrew Thelke moved, seconded by Jane Kittel, to appoint President Jeff Knutson as the Chairperson of the Joint Review Board.
Motion carried unanimously.**

5. Appointment of Public Member

A brief discussion took place regarding Mr. Chuck Nichols and his experience with previous TIDs.

**John Gahan moved, seconded by Andrew Thelke, to appoint Chuck Nichols as the Public Member of the Joint Review Board. Mr. Nichols accepted the nomination.
Motion carried unanimously.**

6. Overview of purpose and description of the TID being created

Administrator Gosse stated the purpose of the TID being created is for a blight elimination district of three parcels under one tax key. The parcels are divided by Riverside Drive and the

property was once the location of a nursing home that closed in 2016. It has remained empty since. The property was rezoned to single-family with an infill redevelopment overlay district added which will allow the development of housing with reduced lot sizes and setbacks. Gosse noted that this is a 13-acre site with a proposed 36-lot subdivision. The request for public assistance is for the demolition of the existing building, including asbestos mitigation, and to prepare the entire site for the developer to proceed with the build-out, which includes bringing in fill to elevate the entire site to alleviate the problems of the high water table. The Village Board had asked the developer to provide multiple bids for the project, and the lowest came in at \$1,942,950.00. Discussion followed regarding the amount of fill needed to make it buildable, details of the funding, and tax rates. Gosse stated that a development agreement will stipulate developer guarantees to cover debt service expenses in the case of lean years.

7. Set next meeting of April 12, 2022, for approval of the Tax Incremental District No.4

The consensus was to set the next meeting to be held on April 12, 2022, at 1 p.m.

8. Adjourn

Jane Kittel moved, seconded by Andrew Thelke, to adjourn the March 8, 2022 meeting at approximately 3:22 p.m.

Motion carried unanimously.

Respectfully submitted,

**Scott Gosse
Village Administrator**



To: Joint Review Board

From: Scott A. Gosse
Village Administrator

Date: April 8, 2022

Re: Agenda Item 4, Discussion and Possible Action on Joint Review Board Resolution #2022-01, Resolution Formally Approving the Creation of Tax Incremental District No. 4 in the Village of Pewaukee, Waukesha County, Wisconsin

BACKGROUND

Attached for your review and consideration please find a copy of draft Discussion and Possible Action on Joint Review Board Resolution #2021-02, Resolution Formally Approving the Creation of Tax Incremental District No. 4 in the Village of Pewaukee, Waukesha County, Wisconsin. Also attached please find a copy of the Plan Commission's resolution adopting the Project Plan and recommending the creation of TID #4 to the Village Board as well as a copy of the Village Board's resolution adopting the project plan and creating TID #4. Incorporated as part of the Plan Commission and Village Board resolution's is the Findings of Fact related to the creation of TID #4 as a blight elimination district.

ACTION REQUESTED

The action requested of the Joint Review Board after reviewing the actions of the Plan Commission and Village Board is to consider adoption of Joint Review Board Resolution #2022-01, Resolution Formally Approving the Creation of Tax Incremental District No. 4 in the Village of Pewaukee, Waukesha County, Wisconsin.

ANALYSIS

Included with the meeting material please find a copy of the developer's pro forma budget for the Riverside Preserve development which was requested at the Joint Review Board's last meeting.

Village staff and Brian Ruechel with Robert W. Baird & Company will be in attendance to answer any questions the Joint Review Board may have on this matter.

Attachments

Project Plan & District Boundary
Tax Incremental District No. 4
in the
VILLAGE OF PEWAUKEE, WISCONSIN



February 18, 2022

Organizational Joint Review Board Meeting Held..... March 8, 2022
Public Hearing Held..... March 10, 2022
Adopted by Planning Commission..... March 10, 2022
Adopted by Village Board..... April 6, 2022
Approved by Joint Review Board..... April 12, 2022

Prepared by:



Robert W. Baird & Co.
Public Finance
777 E. Wisconsin Ave.
Milwaukee, WI 53202
800.792.2473

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

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Village of Pewaukee Officials

Village Board

Jeff Knutson	Village President
Heather Gergen	Village Trustee
Ed Hill	Village Trustee
Chris Krasovich	Village Trustee
Craig Roberts	Village Trustee
Bob Rohde	Village Trustee
Kevin Yonke	Village Trustee

Village Staff

Scott Gosse	Administrator
Cassie Smith	Clerk
Daniel Naze	Director of Public Works/Engineer
Mary Censky	Planner
Mark Blum	Attorney

Planning Commission

Jeff Knutson (Chairperson)	Theresa Huff
Craig Roberts (Trustee)	Ryan Lange
Brian Belt	Cheryl Mantz
Jim Grabowski	

Joint Review Board

Jeff Knutson	Village Representative
Andrew Thelke	Waukesha County
Jane Kittel	Waukesha County Technical College
John Gahan	Pewaukee School District
Chuck Nichols	Public Member

Introduction and Description of District

The Village of Pewaukee (the "Village") is located in Waukesha County, approximately 20 miles west of Milwaukee and 60 miles east of Madison. The Village encompasses an area of approximately four square miles and is bordered by Pewaukee Lake, one of the area's largest lakes. State Highways 16 and 190 provide easy access to the Village. The Village provides police and fire protection, municipal water, sanitary sewer and storm sewer services and maintains two large parks and a public beach on Pewaukee Lake. These amenities allow the Village to flourish as a development area for residential, business, commercial retail, office, and industrial development.

The Village has a history of successful economic development programming using Tax Incremental Financing ("TIF") by providing public improvements to encourage and promote industrial, commercial and residential development and redevelopment. The goal is to increase the tax base, to provide for and preserve employment opportunities within the Village, and to create and enhance tourism opportunities with the area and region. The Village works with developers and property owners to provide infrastructure improvements and/or cash grants as incentives for development and/or redevelopment.

Tax Incremental District No. 4 (the "TID") is being created by the Village under the authority provided by Wisconsin Statute Section 66.1105. The TID is created as a "Blight District" based on the findings that at least 50 percent of the TID is a blighted area. A blighted area is property which is by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, lights, air or sanitation, high density of population and overcrowding, or the existence of conditions, which endanger life or property by fire and other causes. The proposed area is a current 13-acre site consisting of three parcels under one tax key number. Two parcels are vacant and the larger parcel is currently improved with a closed nursing home on the site that was originally built in 1963 and ceased operations in April 2016. Due to the advanced age of the building no other health organizations have shown any interest in acquiring the site. The shuttered building is functionally obsolete and has become blighted. The maximum life (absent extension) of the TID is 27 years from the date of adoption.

A developer has proposed to redevelop the entire site into a planned community of single family-homes with open green space. This would be a compatible use for the site to complement the single-family homes to the north and west of the site with additional single-family homes in a similar size to the surrounding homes. The single-family use is consistent with the Village's long-term plan for this area. The area would feature homes averaging 1,800 to 2,900 sf on lots ranging from 1/8 to 1/3 acres with generous green space along the south and east sides protecting the existing adjacent natural areas. These lot sizes and average size homes would blend with the nearby

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TID #4 Project Plan & District Boundary**

homes already in the neighborhood. Engineering shows 36 lots are feasible on the larger parcel, leaving the two smaller parcels on the east side of Riverside Drive in a natural state.

The Village anticipates various public improvement project cost expenditures of approximately \$1,942,950 plus financing/interest costs during the TID's 22-year expenditure period. Proposed public project improvements may include, but not limited to infrastructure, importing of site fill, environmental remediation and demolition, storm water detention basin, professional and organizational services, administrative costs, and finance costs. As part of the Project Plan, Developer Incentives may be provided by the Village to developers of property within the TID in the form of Developer Funded Grants".

As a result of the creation of this TID, the Village projects a preliminary and conservative cash flow analysis indicating \$6,708,835 in increments. The TID increment will primarily be used to pay the debt service costs of the TID, and project development incentives. The Village projects land and improvement values (incremental value) of approximately \$22,396,010 will be created in the TID by the end of 2049. This additional value will be a result of the improvements made and projects undertaken with the TID.

Maps depicting the boundaries and existing uses and conditions of the TID are found in the respective mapping sections of this project plan.

Summary of Findings

As required by s.66.1105 Wis. Stats., and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. That the area described herein on the boundary map (page 7) is a blighted area as defined in Section 66.1105(2)(ae), Wisconsin Statutes, that the property substantially impairs or arrests the sound growth of the Village and is in need of redevelopment and that "but-for" the creation of a tax incremental district, redevelopment (1) would not occur, or (2) would not occur in the manner at the value, or within the time frame desired by the Village. In making this determination, the Village has considered the following information:
 - Development within the TID has not occurred at the pace anticipated by the Village. Infrastructure and other development related expenses are not likely to be borne exclusively by private developers; therefore, the Village has concluded that public investment will be required to fully achieve the Village's objectives for these areas.
 - To achieve its objectives, the Village has determined that it must take an active role in encouraging development and redevelopment

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- by making appropriate public expenditures in the area. Without the availability of tax increment financing, these expenditures are unlikely to be made. Enhancement of these areas will complement existing venues in the area, promote additional tourism, and benefit, not only the Village, but all overlapping taxing jurisdictions, adjacent communities, and the region. Accordingly, the costs to implement the needed projects and programs are appropriately funded through tax increment financing.
- In order to make the area included within the TID suitable for development, the Village will need to make a substantial investment to pay for the costs of some or all of the projects listed in the project plan. Due to the public investment that is required, the Village has determined that development of the area will not occur at the pace or levels desired solely as a result of private investment.
2. The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property values, 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 and the debt issuance will be more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
 3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.
 - Since the development expected to occur is unlikely to take place without the use of Tax Incremental Financing (see Finding #1) and since the TID 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 TID 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 TID is not created.
 4. The improvements to be made within the TID are likely to significantly enhance the value of substantially all other real property in the TID.
 5. The equalized value of taxable property of the TID plus the value of all existing tax incremental districts in the Village does not exceed 12% of the total equalized value of taxable property within

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- the Village.
6. The Project Plan for the TID is feasible and is in conformity with the master plan of the Village.
 7. The Village estimates that less than 35% 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).
 8. The TID is being created by the Village as a blight district. As described in Finding #1 above, 50% or more of the proposed district's area is a blighted area.

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TID #4 Project Plan & District Boundary

Map of Proposed District Boundary

Current Map is reflective of the 01/01/2022 parcel list.



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TID #4 Project Plan & District Boundary

Map Showing Existing Uses and Conditions

Current Map is reflective of the 01/01/2022 parcel list.



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Preliminary Parcel List and Analysis - Current list is reflective of the 01/01/2022 parcel list. All parcels are bighted properties.

Tax Key	Street Address	Total Acres/Valuation	Use
		13.844/\$682,500 (\$434,000 Land/\$248,500 Improvement)	Vacant/former River Hills Nursing Home
PWV 0925038	321 Riverside Drive, Pewaukee, WI 53072		
Total Acres/Valuation		13.844/\$682,500	

Equalized Valuation Test

The following calculations demonstrate that the Village is in compliance with s.66.1105(4)(gm)4.c. Wis. Stats., which requires that the equalized value of the taxable property in the proposed TID, plus the value increment of any existing Tax Incremental Districts, does not exceed 12% of the total equalized value of taxable property within the Village.

Valuation Test Compliance Calculation

2021 Equalized Valuation (TID IN)	\$1,128,782,800
Limit for 12% Test	\$ 135,453,936
Increment Value of Existing TIDs	\$ 9,482,700
Projected Base Value of New TID	<u>\$ 682,500</u>
Total Value Subject to Test	\$ 10,165,200
Compliance (\$10,165,200 < \$135,453,936)	Meets Requirement

Statement of Kind, Number and Location of Proposed Projects

The Village expects to implement the following public project improvements in conjunction with this TID. Any costs including eligible administrative costs necessary or convenient to the creation of the TID 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 TID.

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IMPROVEMENT #1
DEMOLITION/ON-SITE RECYCLING OF EXISTING BUILDING
LOCATION: Entire TID
TOTAL: \$795,000

IMPROVEMENT #2
ENVIRONMENTAL REMEDIATION/ASBESTOS ABATEMENT
LOCATION: Entire TID
TOTAL: \$167,950

IMPROVEMENT #3
DEMOLITION – DEWATERING ALLOWANCE
LOCATION: Entire TID
TOTAL: \$60,000

IMPROVEMENT #4
SITE DEMOLITION/FILL ALLOWANCE
LOCATION: Entire TID
TOTAL: \$200,000

IMPROVEMENT #5
SITE EARTHWORK/STABILIZATION OF WET SOILS ALLOWANCE
LOCATION: Entire TID

TOTAL: \$120,000

IMPROVEMENT #6
STRUCTURAL FILL IMPORT ALLOWANCE
LOCATION: Entire TID

TOTSL: \$600,000

FINANCING & INTEREST COSTS, ADMINISTRATIVE/ORGANIZATIONAL FEES,
COST OF ISSUANCE
LOCATION: Entire TID

TOTAL: \$788,000

DESCRIPTION: Debt financing and interest costs, Village staff/TID
administration/organizational fees, and debt cost of issuance.

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Map Showing Proposed Improvements and Uses with 1/2 mile radius shown



Detailed List of Project Costs

Demolition/On-Site Recycling of Existing Building	\$795,000
Environmental Remediation/Asbestos Abatement	\$167,950
Demolition – Dewatering Allowance	\$60,000
Site/Demolition Fill Allowance	\$200,000
Site Earthwork/Stabilization of Wet Soils Allowance	\$120,000
Structural Fill Import Allowance	\$600,000
Subtotal	\$1,942,950
Financing & Interest Costs, Administrative/Organizational Fees, Cost of Issuance	\$788,000
Total	\$2,730,950

All costs are based on current prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between creation of the TID 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 Project Plan. Total project costs are estimated and shall not exceed \$1,942,950 plus financing/interest costs. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Project Plan.

This Project 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 Project Plan are estimates based on best information available. 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 Project Plan.

The Project Plan authorizes the expenditure of funds for project costs within a 1/2 mile radius of the TID boundary. There are no anticipated projects outside of the TID boundary at this time.

Economic Feasibility

The information and exhibits contained within this Project Plan demonstrate that the proposed TID 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 Project

**Village of Pewaukee
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Plan. A listing of “Method of Financing and Timing of When Costs are to be Incurred” follows.

- The development anticipated to occur as a result of the implementation of this Project Plan will generate sufficient tax increments to pay for the cost of the projects. This Project Plan identifies the following: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the TID, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available such as debt issuance to the TID will be sufficient to pay all Project Costs.

In order to evaluate the economic feasibility of TID#4 it is necessary to project the amount of tax revenue that can be reasonably generated over the legal life of the TID. Included in Exhibit A is a proforma analysis of TID#4. The proforma analyzes expenses including debt service based on project plan costs of TID#4 against projected TID revenue. Tax revenue is conservatively estimated. Cash received from future TID#4 tax increments will be used to fund project costs and implementation of this Project Plan will also require that the Village issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. In 2050, the final year of revenue collection for the TID, it is projected to have repaid all expenditures and is left with a positive surplus balance.

Method of Financing and Timing of When Costs are to be Incurred

Implementation of this Project Plan will require that the Village issue obligations to provide direct or indirect financing for the Projects to be undertaken. 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 Project Plan. Wisconsin Statutes limit the principal amount of G.O. and State Trust Fund Loan debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values).

Board of Commissioners of Public Lands State Trust Fund Loans

The Village may issue State Trust Fund Loans to finance the cost of Projects included within this Project Plan. Wisconsin Statutes limit the principal amount of State Trust Fund Loan and GO debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values).

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

The Village may issue a bond to one or more developers who provide financing for projects included in this Project Plan. Repayment of the amounts due to the developer under the bonds 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 issued to developers in this fashion are not general obligations of the Village and therefore do not count against the Village’s borrowing capacity.

The actual amount of debt issuance will be determined by the Village at its convenience and as dictated by the nature of the projects as they are implemented. It is estimated that debt issuance costs to finance project costs will incur in the year 2022.

Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area, and appropriate inducements to encourage redevelopment of the area. The Village anticipates making total project expenditures of approximately \$1,942,950 plus financing/interest costs to undertake the projects listed in this Project Plan. The Expenditure Period of this District is 22 years from the date of adoption of the Creation Resolution by the Village Board. The projects to be undertaken pursuant to this Project Plan are expected to be financed primarily with cash received in the form of tax increment collections and the issuance of debt. As detailed in Exhibit A, the Village may choose to debt finance projects during the TID expenditure period. Cash flow proforma’s assume debt issued in the year 2022, to finance certain public projects.

Developer agreements between the Village and property owners will be in place prior to making any public expenditure in direct support of development projects. 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

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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.

Annexed Property

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

Proposed Changes in Zoning Ordinances

The Village anticipates that the TID will require changes in zoning ordinances to implement this project plan. To the extent current zoning of individual parcels is inconsistent with the future uses of land listed in this plan, the Village will rezone those parcels. The District lands are currently zoned Institutional Public Service, the Village will rezone the site as Single Family Residential. The creation of the District does not constitute "newly platted residential development.

Proposed Changes in Master Plan, Map, Building Codes and Village Ordinances

The Village anticipates that the TID will not require changes in the master plan, map, and Village ordinances to implement this project plan.

Relocation

The Village does not anticipate the 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 state statutes as required in Wisconsin Statutes chapter 32.

Orderly Development of the Village

Creation of the TID will enable the Village to undertake projects in furtherance of the stated objectives of its Comprehensive Plan and other planning documents. To this extent, creation of the TID promotes the orderly development of the Village.

A List of Estimated Non-Project Costs

Non-Project costs are public works projects that only partly benefit the TID or are not eligible to be paid with tax increment, or costs not eligible to be paid with Tax Incremental Financing funds. Examples would include:

- A public improvement made within the TID that also benefits property outside the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- A public improvement made outside the TID that only partially benefits property within the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- Projects undertaken within the TID 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 anticipate any non-project costs for the TID.

Village Attorney Opinion

Exhibit B contains a signed opinion from the Village attorney advising whether the project plan amendment is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes.

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TID #4 Project Plan & District Boundary

EXHIBIT A
Village of Pewaukee
Tax Increment District No. 4
Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID.....	2.00%
2021 Gross Tax Rate (per \$1000 Equalized Value).....	\$15.55
Annual Adjustment to tax rate.....	0.00%
Investment rate.....	0.25%
Data above dashed line are actual	

New Issue - Preliminary	
\$2,275,000	
Taxable G.O. Bonds	
Dated July 1, 2022	
Amount for Projects.....	\$2,000,000
Capitalized Interest.....	\$192,589
Cost of Issuance (est.).....	\$82,125
Rounding.....	\$286

Year	Background Data					Revenues			Expenditures				TID Status			Year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Investment Proceeds	Total Revenues	Principal	Interest	Debt Service	Combined Expenditures	Annual Balance	Year End Cumulative Balance	Cost Recovery	
	<i>(January 1)</i>		<i>(1)</i>						<i>(3/1 & 9/1)</i>				<i>(December 31)</i>			
	Base Value								<i>TIC =</i>							
	\$479,000								<i>2.88%</i>							
2022	\$479,000	\$9,580		\$9,580	\$15.55	\$0	\$0	\$0				\$0	\$0	\$0		2022
2023	\$488,580	\$9,772	\$2,250,000	\$2,269,352	\$15.55	\$0	\$0	\$0		\$70,954	\$70,954	\$0	\$0	\$0		2023
2024	\$2,748,352	\$54,967	\$5,625,000	\$7,949,319	\$15.55	\$149	\$0	\$149		\$60,818	\$60,818	\$0	\$149	\$149		2024
2025	\$8,428,319	\$168,566	\$5,625,000	\$13,742,885	\$15.55	\$35,292	\$0	\$35,293		\$60,818	\$60,818	\$0	\$35,293	\$35,442		2025
2026	\$14,221,885	\$284,438		\$14,027,323	\$15.55	\$123,626	\$89	\$123,714	\$95,000	\$59,891	\$154,891	\$154,891	(\$31,177)	\$4,265		2026
2027	\$14,506,323	\$290,126		\$14,317,449	\$15.55	\$213,726	\$11	\$213,736	\$160,000	\$57,325	\$217,325	\$217,325	(\$3,589)	\$676		2027
2028	\$14,796,449	\$295,929		\$14,613,378	\$15.55	\$218,149	\$2	\$218,151	\$160,000	\$53,925	\$213,925	\$213,925	\$4,226	\$4,902		2028
2029	\$15,092,378	\$301,848		\$14,915,226	\$15.55	\$222,661	\$12	\$222,673	\$175,000	\$50,109	\$225,109	\$225,109	(\$2,435)	\$2,466		2029
2030	\$15,394,226	\$307,885		\$15,223,110	\$15.55	\$227,263	\$6	\$227,269	\$180,000	\$45,848	\$225,848	\$225,848	\$1,422	\$3,888		2030
2031	\$15,702,110	\$314,042		\$15,537,152	\$15.55	\$231,957	\$10	\$231,967	\$190,000	\$41,220	\$231,220	\$231,220	\$747	\$4,635		2031
2032	\$16,016,152	\$320,323		\$15,857,475	\$15.55	\$236,746	\$12	\$236,757	\$205,000	\$36,081	\$241,081	\$241,081	(\$4,324)	\$311		2032
2033	\$16,336,475	\$326,730		\$16,184,205	\$15.55	\$241,630	\$1	\$241,630	\$210,000	\$30,425	\$240,425	\$240,425	\$1,205	\$1,517		2033
2034	\$16,663,205	\$333,264		\$16,517,469	\$15.55	\$246,611	\$4	\$246,615	\$215,000	\$24,368	\$239,368	\$239,368	\$7,247	\$8,764		2034
2035	\$16,996,469	\$339,929		\$16,857,398	\$15.55	\$251,692	\$22	\$251,714	\$220,000	\$17,950	\$237,950	\$237,950	\$13,764	\$22,528		2035
2036	\$17,336,398	\$346,728		\$17,204,126	\$15.55	\$256,875	\$56	\$256,931	\$230,000	\$11,085	\$241,085	\$241,085	\$15,846	\$38,375		2036
2037	\$17,683,126	\$353,663		\$17,557,789	\$15.55	\$262,162	\$96	\$262,258	\$235,000	\$3,760	\$238,760	\$238,760	\$23,498	\$61,872	Expenditures Recovered	2037
2038	\$18,036,789	\$360,736		\$17,918,525	\$15.55	\$267,554	\$155	\$267,709				\$0	\$267,709	\$329,581	Expenditures Recovered	2038
2039	\$18,397,525	\$367,950		\$18,286,475	\$15.55	\$273,054	\$824	\$273,878				\$0	\$273,878	\$603,459	Expenditures Recovered	2039
2040	\$18,765,475	\$375,310		\$18,661,785	\$15.55	\$278,664	\$1,509	\$280,173				\$0	\$280,173	\$883,631	Expenditures Recovered	2040
2041	\$19,140,785	\$382,816		\$19,044,600	\$15.55	\$284,386	\$2,209	\$286,595				\$0	\$286,595	\$1,170,226	Expenditures Recovered	2041
2042	\$19,523,600	\$390,472		\$19,435,072	\$15.55	\$290,223	\$2,926	\$293,149				\$0	\$293,149	\$1,463,375	Expenditures Recovered	2042
2043	\$19,914,072	\$398,281		\$19,833,354	\$15.55	\$296,176	\$3,658	\$299,835				\$0	\$299,835	\$1,763,210	Expenditures Recovered	2043
2044	\$20,312,354	\$406,247		\$20,239,601	\$15.55	\$302,249	\$4,408	\$306,657				\$0	\$306,657	\$2,069,867	Expenditures Recovered	2044
2045	\$20,718,601	\$414,372		\$20,653,973	\$15.55	\$308,443	\$5,175	\$313,618				\$0	\$313,618	\$2,383,484	Expenditures Recovered	2045
2046	\$21,132,973	\$422,659		\$21,076,632	\$15.55	\$314,761	\$5,959	\$320,719				\$0	\$320,719	\$2,704,204	Expenditures Recovered	2046
2047	\$21,555,632	\$431,113		\$21,507,745	\$15.55	\$321,205	\$6,761	\$327,965				\$0	\$327,965	\$3,032,169	Expenditures Recovered	2047
2048	\$21,986,745	\$439,735		\$21,947,480	\$15.55	\$327,778	\$7,580	\$335,358				\$0	\$335,358	\$3,367,527	Expenditures Recovered	2048
2049	\$22,426,480	\$448,530		\$22,396,010	\$15.55	\$334,483	\$8,419	\$342,901				\$0	\$342,901	\$3,710,429	Expenditures Recovered	2049
2050						\$341,321	\$9,276	\$350,597				\$0	\$350,597	\$4,061,026	Expenditures Recovered	2050
		\$8,896,010	\$13,500,000			\$6,708,835	\$59,177	\$6,768,012	\$2,275,000	\$431,986	\$2,706,986	\$2,706,986				

Type of TID: Blight Elimination

- 2022 TID Inception
- 2044 Final Year to Incur TIF Related Costs
- 2049 Maximum Legal Life of TID (27 Years)
- 2050 Final Tax Collection Year

(1) Per Village projections.

EXHIBIT B
VILLAGE ATTORNEY OPINION

LAW OFFICES OF

**HIPPENMEYER, REILLY, BLUM,
SCHMITZER, FABIAN & ENGLISH S.C.**

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WILLIAM F. REILLY
(1832-2007)

April 8, 2022

Via Email (villagepresident@villageofpewaukee.com) ONLY

Mr. Jeff Knutson, Village President
Village of Pewaukee
235 Hickory Street
Pewaukee, WI 53072

Re: TID 4

Dear President Knutson:

As Village Attorney for the Village of Pewaukee, Wisconsin Statute Sec. 66.1105(4)(f) requires that a Project Plan for a Tax Incremental Financing District include an opinion provided by the Village Attorney advising as to whether the Plan is complete and complies with Wisconsin Statute Sec. 66.1105. As Village Attorney for the Village of Pewaukee, I have been asked to review the above-referenced Project Plan Amendment for compliance with the applicable statutory requirements noted above. Based upon my review, it is my opinion that the Project Plan for the Village of Pewaukee Tax Increment District No. 4 is complete and complies with the provisions of Wisconsin Statute Sec. 66.1105.

Thank you for your attention to this matter.

Sincerely,

HIPPENMEYER, REILLY, BLUM,
SCHMITZER, FABIAN & ENGLISH, SC



Mark G. Blum

MGB/jb

EXHIBIT C
TID #4 BOUNDARY LEGAL DESCRIPTION

Lots 9 through 14 in Block 3 and Lots 2 through 21 in Block 4 and Lots 3 through 14 in Block 5 and all that part of vacated Longacre Road lying between the described Lots in Blocks 4 and 5, and a part of Outlot 15, in Block 5, all being in River Hills Park, a recorded subdivision, being a part of the Northwest 1/4 of the Northwest 1/4 of Section 15 and the Northeast 1/4 of the Northeast 1/4 of Section 16, Township 7 North, Range 19 East, in the Village of Pewaukee, County of Waukesha, State of Wisconsin, bounded and described as follows:

Commencing at the northwest corner of the Northwest 1/4 of said Section 15; thence South $00^{\circ}21'51''$ East along the west line of said Northwest 1/4, 761.10 feet to a point of curvature on the north right-of-way line of Ridgeway Drive and the Point of Beginning; thence northeasterly 110.55 feet along said south right-of-way line and the arc of said curve to the left, whose radius is 459.89 feet and whose chord bears North $72^{\circ}37'14''$ East, 110.28 feet; thence North $65^{\circ}44'04''$ East along said south right-of-way line 180.00 feet to the west right-of-way line of Riverside Drive; thence South $24^{\circ}15'56''$ East along said west right-of-way line 741.21 feet to the south subdivision line of said River Hills Park; thence North $88^{\circ}31'34''$ East along said south subdivision line, 65.08 feet to the east right-of-way line of Riverside Drive; thence North $24^{\circ}15'56''$ West along said east right-of-way line 796.41 feet; thence North $66^{\circ}12'01''$ East 168.05 feet to a point on a meander line along the Pewaukee River; thence South $08^{\circ}46'20''$ East along said meander line, 261.95 feet; thence South $67^{\circ}22'10''$ West 98.11 feet to a point on the east right-of-way line of Riverside Drive; thence South $24^{\circ}15'56''$ East along said east right-of-way line, 295.53 feet; thence North $64^{\circ}23'47''$ East 110.85 feet to a point on a meander line along the Pewaukee River; thence South $26^{\circ}47'56''$ East along said meander line, 305.00 feet to the south subdivision line of said River Hills Park; thence South $88^{\circ}31'34''$ West along said south subdivision line, 769.80 feet; thence South $86^{\circ}00'34''$ West along said south subdivision line 383.81 feet to the east line of Certified Survey Map No. 381; thence North $00^{\circ}15'56''$ West along said east line, 221.10 feet; thence South $89^{\circ}44'04''$ West along said east line, 10.00 feet; thence North $00^{\circ}15'56''$ West along said east line and east line extended, 380.00 feet to a point on the south right-of-way line of Ridgeway Drive; thence North $89^{\circ}44'04''$ East along said south right-of-way line 309.80 feet to a point of curvature; thence northeasterly 82.09 feet along said south right-of-way line and the arc of said curve to the left, whose radius is 459.89 feet and whose chord bears North $84^{\circ}37'14''$ East, 81.98 feet the Point of Beginning. Containing 567,086 square feet (13.0185 acres) of land to the meander line of the Pewaukee River and 598,357 +/- square feet (13.7365 +/- acres) of land more or less to the water's edge.

DISCLAIMER TEXT

Robert W. Baird & Co. Incorporated is providing this information to you for discussion purposes. The materials do not contemplate or relate to a future issuance of municipal securities. Baird is not recommending that you take any action, and this information is not intended to be regarded as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 or the rules thereunder.

JOINT REVIEW BOARD RESOLUTION #2022-01

Resolution Formally Approving the Creation of Tax Incremental District No. 4

APPROVING THE CREATION OF TAX INCREMENTAL DISTRICT NO. 4, VILLAGE OF PEWAUKEE, WAUKESHA COUNTY, WISCONSIN

WHEREAS, the Village of Pewaukee seeks to create Tax Incremental District No. 4, Village of Pewaukee, Waukesha County, Wisconsin (“the District”); and

WHEREAS, Section §66.1105(4m) of the Wisconsin Statutes requires that a Joint Review Board (the “Board”) shall convene to review the proposal to create a tax incremental district; and

WHEREAS, the Board consists of one representative chosen by the Pewaukee School District, one representative chosen by the Waukesha County Area Technical College District, and one representative chosen by Waukesha County, all of whom represent local governmental entities and school districts that have the power to levy taxes on property within the District, and one representative chosen by the Village and one public member; and

WHEREAS, the public member and the Board’s chairperson were selected by a majority vote of the Board members before the public hearing was held on March 10, 2022, pursuant to Section §66.1105(4)(a) of the Wisconsin Statutes; and

WHEREAS, all Board members were appointed and the first Board meeting held within 14 days after the notice was published pursuant to Section §66.1105(4)(a) and (e) of the Wisconsin Statutes, was held; and

WHEREAS, the Board has reviewed the public record, planning documents, the resolution adopted by the Plan Commission approving the District and adopting the Project Plan, and the resolution adopted by the Village Board approving the creation of the District as authorized by section §66.1105(4)(gm) of the Wisconsin Statutes; and

WHEREAS, the Board has considered whether, and concluded that, the District meets the following criteria:

1. The development expected in the District would not occur without the use of tax increment financing and the creation of a tax incremental district.
2. The economic benefits of the District, as measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of the property in the overlying taxing districts.

NOW THEREFORE, BE IT RESOLVED THAT the Recitals set forth above are approved by the Board and incorporated herein and made an enforceable part of this Resolution.

JOINT REVIEW BOARD RESOLUTION #2022-01

Resolution Formally Approving the Creation of Tax Incremental District No. 4

BE IT FURTHER RESOLVED THAT the Board approves the creation of Tax Incremental District No. 4, Village of Pewaukee, Waukesha County, Wisconsin.

Adopted this 12th day of April, 2022

Joint Review Board

Representing

Andrew Thelke

Waukesha County

John Gahan

Pewaukee School District

Jane Kittel

Waukesha County Technical College

Jeff Knutson

Village of Pewaukee

Chuck Nichols

Public Member

PLANNING COMMISSION RESOLUTION #2022-01

Resolution Formally Adopting Proposed Project Plan and Boundaries for Tax Incremental District No. 4

RECOMMENDED ADOPTION OF THE PROJECT PLAN AND BOUNDARIES FOR TAX INCREMENTAL DISTRICT NO. 4 VILLAGE OF PEWAUKEE, WISCONSIN

WHEREAS, pursuant to Wisconsin Statutes §66.1105 the Village of Pewaukee 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”) is proposed to be created as a “blighted area district” based on findings that that a least 50 percent (by area) of the real property within the District is a blighted area; and

WHEREAS, a Project Plan for Tax Incremental District No. 4 has had been prepared that includes the following:

1. A statement listing the kind, number, and location of proposed public works or improvements within the District;
2. An economic feasibility study;
3. A detailed list of estimated project costs;
4. 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;
5. A map showing existing uses and conditions of real property in the District;
6. A map showing proposed improvements and uses in the District;
7. Proposed changes of zoning ordinance, master plan, map, building codes, and Village Ordinances;
8. A statement of the proposed method for relocation of any person to be displaced;
9. A statement indicating how creation of the District promotes the orderly development of the Village;
10. A list of estimate non-project costs;
11. An Opinion of the Village Attorney advising that the plan is complete and complies with Wis. Statute §66.1105(4)(f); and

WHEREAS, prior to its publication, a copy of the notice of the public hearing by the Plan Commission was sent to Waukesha County, the Pewaukee School District, Waukesha County Technical College which constitutes all of the local governmental entities having the power to levy taxes on property located within the proposed District; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on March 10, 2022, 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 on the proposed creation of a tax incremental district and the proposed boundaries of the District.

PLANNING COMMISSION RESOLUTION #2022-01

Resolution Formally Adopting Proposed Project Plan and Boundaries for Tax Incremental District No. 4

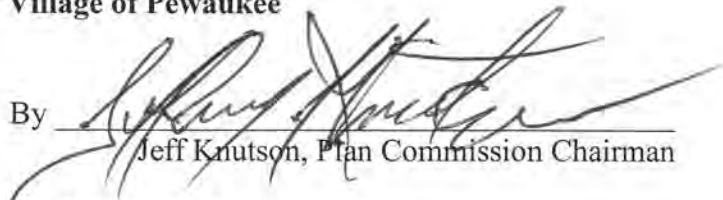
NOW THEREFORE, BE IT RESOLVED by the Plan Commission of the Village of Pewaukee that:

1. It recommends to the Village Board that Tax Incremental District No. 4, Village of Pewaukee, be created with boundaries as designated by Exhibit A, which is attached and incorporated herein by reference;
2. It recommends to the Village Board that based on the findings that at least 50 percent of the real property within the District is a blighted area, the District is declared to be a blighted area district;
3. It approves the Project Plan as prepared by Robert W. Baird & Co, dated February 18, 2022, which is incorporated herein in its entirety by reference, and recommends its approval to the Village Board;
4. Creation of the District promotes orderly development in the Village; and
5. That the Village Administrator is hereby directed to provide the Village Board with a certified copy of this Resolution upon its adoption by the Plan Commission.

Adopted this 10th day of March, 2022

Village of Pewaukee


By



Jeff Knutson, Plan Commission Chairman

CERTIFICATION

I hereby certify that the foregoing Resolution was duly adopted by the Planning Commission of the Village of Pewaukee on the 10th day of March, 2022.



Cassie Smith,
Village of Pewaukee
Clerk

Project Plan & District Boundary
Tax Incremental District No. 4
in the
VILLAGE OF PEWAUKEE, WISCONSIN



February 18, 2022

Organizational Joint Review Board Meeting Held.....	March 8, 2022
Public Hearing Held.....	March 10, 2022
Adopted by Planning Commission.....	March 10, 2022
Adopted by Village Board.....	April 6, 2022
Approved by Joint Review Board.....	April 12, 2022

Prepared by:



Robert W. Baird & Co.
Public Finance
777 E. Wisconsin Ave.
Milwaukee, WI 53202
800.792.2473

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Village of Pewaukee Officials

Village Board

Jeff Knutson	Village President
Heather Gergen	Village Trustee
Ed Hill	Village Trustee
Chris Krasovich	Village Trustee
Craig Roberts	Village Trustee
Bob Rohde	Village Trustee
Kevin Yonke	Village Trustee

Village Staff

Scott Gosse	Administrator
Cassie Smith	Clerk
Daniel Naze	Director of Public Works/Engineer
Mary Censky	Planner
Mark Blum	Attorney

Planning Commission

Jeff Knutson (Chairperson)	Theresa Huff
Craig Roberts (Trustee)	Ryan Lange
Brian Belt	Cheryl Mantz
Jim Grabowski	

Joint Review Board

Jeff Knutson	Village Representative
Andrew Thelke	Waukesha County
Jane Kittel	Waukesha County Technical College
John Gahan	Pewaukee School District
Chuck Nichols	Public Member

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Introduction and Description of District

The Village of Pewaukee (the "Village") is located in Waukesha County, approximately 20 miles west of Milwaukee and 60 miles east of Madison. The Village encompasses an area of approximately four square miles and is bordered by Pewaukee Lake, one of the area's largest lakes. State Highways 16 and 190 provide easy access to the Village. The Village provides police and fire protection, municipal water, sanitary sewer and storm sewer services and maintains two large parks and a public beach on Pewaukee Lake. These amenities allow the Village to flourish as a development area for residential, business, commercial retail, office, and industrial development.

The Village has a history of successful economic development programming using Tax Incremental Financing ("TIF") by providing public improvements to encourage and promote industrial, commercial and residential development and redevelopment. The goal is to increase the tax base, to provide for and preserve employment opportunities within the Village, and to create and enhance tourism opportunities with the area and region. The Village works with developers and property owners to provide infrastructure improvements and/or cash grants as incentives for development and/or redevelopment.

Tax Incremental District No. 4 (the "TID") is being created by the Village under the authority provided by Wisconsin Statute Section 66.1105. The TID is created as a "Blight District" based on the findings that at least 50 percent of the TID is a blighted area. A blighted area is property which is by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, lights, air or sanitation, high density of population and overcrowding, or the existence of conditions, which endanger life or property by fire and other causes. The proposed area is a current 13-acre site consisting of three parcels under one tax key number. Two parcels are vacant and the larger parcel is currently improved with a closed nursing home on the site that was originally built in 1963 and ceased operations in April 2016. Due to the advanced age of the building no other health organizations have shown any interest in acquiring the site. The shuttered building is functionally obsolete and has become blighted. The maximum life (absent extension) of the TID is 27 years from the date of adoption.

A developer has proposed to redevelop the entire site into a planned community of single family-homes with open green space. This would be a compatible use for the site to complement the single-family homes to the north and west of the site with additional single-family homes in a similar size to the surrounding homes. The single-family use is consistent with the Village's long-term plan for this area. The area would feature homes averaging 1,800 to 2,900 sf on lots ranging from 1/8 to 1/3 acres with generous green space along the south and east sides protecting the existing adjacent natural areas. These lot sizes and average size homes would blend with the nearby

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

homes already in the neighborhood. Engineering shows 36 lots are feasible on the larger parcel, leaving the two smaller parcels on the east side of Riverside Drive in a natural state.

The Village anticipates various public improvement project cost expenditures of approximately \$1,942,950 plus financing/interest costs during the TID's 22-year expenditure period. Proposed public project improvements may include, but not limited to infrastructure, importing of site fill, environmental remediation and demolition, storm water detention basin, professional and organizational services, administrative costs, and finance costs. As part of the Project Plan, Developer Incentives may be provided by the Village to developers of property within the TID in the form of Developer Funded Grants".

As a result of the creation of this TID, the Village projects a preliminary and conservative cash flow analysis indicating \$6,708,835 in increments. The TID increment will primarily be used to pay the debt service costs of the TID, and project development incentives. The Village projects land and improvement values (incremental value) of approximately \$22,396,010 will be created in the TID by the end of 2049. This additional value will be a result of the improvements made and projects undertaken with the TID.

Maps depicting the boundaries and existing uses and conditions of the TID are found in the respective mapping sections of this project plan.

Summary of Findings

As required by s.66.1105 Wis. Stats., and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. That the area described herein on the boundary map (page 7) is a blighted area as defined in Section 66.1105(2)(ae), Wisconsin Statutes, that the property substantially impairs or arrests the sound growth of the Village and is in need of redevelopment and that "but-for" the creation of a tax incremental district, redevelopment (1) would not occur, or (2) would not occur in the manner at the value, or within the time frame desired by the Village. In making this determination, the Village has considered the following information:
 - Development within the TID has not occurred at the pace anticipated by the Village. Infrastructure and other development related expenses are not likely to be borne exclusively by private developers; therefore, the Village has concluded that public investment will be required to fully achieve the Village's objectives for these areas.
 - To achieve its objectives, the Village has determined that it must take an active role in encouraging development and redevelopment

Village of Pewaukee
TID #4 Project Plan & District Boundary

by making appropriate public expenditures in the area. Without the availability of tax increment financing, these expenditures are unlikely to be made. Enhancement of these areas will complement existing venues in the area, promote additional tourism, and benefit, not only the Village, but all overlapping taxing jurisdictions, adjacent communities, and the region. Accordingly, the costs to implement the needed projects and programs are appropriately funded through tax increment financing.

- In order to make the area included within the TID suitable for development, the Village will need to make a substantial investment to pay for the costs of some or all of the projects listed in the project plan. Due to the public investment that is required, the Village has determined that development of the area will not occur at the pace or levels desired solely as a result of private investment.
2. The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property values, 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 and the debt issuance will be more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
 3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.
 - Since the development expected to occur is unlikely to take place without the use of Tax Incremental Financing (see Finding #1) and since the TID 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 TID 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 TID is not created.
 4. The improvements to be made within the TID are likely to significantly enhance the value of substantially all other real property in the TID.
 5. The equalized value of taxable property of the TID plus the value of all existing tax incremental districts in the Village does not exceed 12% of the total equalized value of taxable property within

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

the Village.

6. The Project Plan for the TID is feasible and is in conformity with the master plan of the Village.
7. The Village estimates that less than 35% 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).
8. The TID is being created by the Village as a blight district. As described in Finding #1 above, 50% or more of the proposed district's area is a blighted area.

Village of Pewaukee
TID #4 Project Plan & District Boundary

Map of Proposed District Boundary

Current Map is reflective of the 01/01/2022 parcel list.



Village of Pewaukee
TID #4 Project Plan & District Boundary

Map Showing Existing Uses and Conditions

Current Map is reflective of the 01/01/2022 parcel list.



**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Preliminary Parcel List and Analysis - Current list is reflective of the 01/01/2022 parcel list. All parcels are bighted properties.

Tax Key	Street Address	Total Acres/Valuation	Use
		13.844/\$682,500 (\$434,000	
PWV 0925038	321 Riverside Drive, Pewaukee, WI 53072	Land/\$248,500 Improvement)	Vacant/former River Hills Nursing Home
Total Acres/Valuation		13.844/\$682,500	

Equalized Valuation Test

The following calculations demonstrate that the Village is in compliance with s.66.1105(4)(gm)4.c. Wis. Stats., which requires that the equalized value of the taxable property in the proposed TID, plus the value increment of any existing Tax Incremental Districts, does not exceed 12% of the total equalized value of taxable property within the Village.

Valuation Test Compliance Calculation

2021 Equalized Valuation (TID IN)	\$1,128,782,800
Limit for 12% Test	\$ 135,453,936
Increment Value of Existing TIDs	\$ 9,482,700
Projected Base Value of New TID	\$ <u>682,500</u>
Total Value Subject to Test	\$ 10,165,200
Compliance (\$10,165,200 < \$135,453,936)	Meets Requirement

Statement of Kind, Number and Location of Proposed Projects

The Village expects to implement the following public project improvements in conjunction with this TID. Any costs including eligible administrative costs necessary or convenient to the creation of the TID 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 TID.

Village of Pewaukee
TID #4 Project Plan & District Boundary

IMPROVEMENT #1
DEMOLITION/ON-SITE RECYCLING OF EXISTING BUILDING
LOCATION: Entire TID
TOTAL: \$795,000

IMPROVEMENT #2
ENVIRONMENTAL REMEDIATION/ASBESTOS ABATEMENT
LOCATION: Entire TID
TOTAL: \$167,950

IMPROVEMENT #3
DEMOLITION – DEWATERING ALLOWANCE
LOCATION: Entire TID
TOTAL: \$60,000

IMPROVEMENT #4
SITE DEMOLITION/FILL ALLOWANCE
LOCATION: Entire TID
TOTAL: \$200,000

IMPROVEMENT #5
SITE EARTHWORK/STABILIZATION OF WET SOILS ALLOWANCE
LOCATION: Entire TID

TOTAL: \$120,000

IMPROVEMENT #6
STRUCTURAL FILL IMPORT ALLOWANCE
LOCATION: Entire TID

TOTSL: \$600,000

FINANCING & INTEREST COSTS, ADMINISTRATIVE/ORGANIZATIONAL FEES,
COST OF ISSUANCE
LOCATION: Entire TID

TOTAL: \$788,000

DESCRIPTION: Debt financing and interest costs, Village staff/TID
administration/organizational fees, and debt cost of issuance.

Village of Pewaukee
TID #4 Project Plan & District Boundary

Map Showing Proposed Improvements and Uses with 1/2 mile radius shown



**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Detailed List of Project Costs

Demolition/On-Site Recycling of Existing Building	\$795,000
Environmental Remediation/Asbestos Abatement	\$167,950
Demolition – Dewatering Allowance	\$60,000
Site/Demolition Fill Allowance	\$200,000
Site Earthwork/Stabilization of Wet Soils Allowance	\$120,000
Structural Fill Import Allowance	\$600,000
Subtotal	\$1,942,950
Financing & Interest Costs, Administrative/Organizational Fees, Cost of Issuance	\$788,000
Total	\$2,730,950

All costs are based on current prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between creation of the TID 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 Project Plan. Total project costs are estimated and shall not exceed \$1,942,950 plus financing/interest costs. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Project Plan.

This Project 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 Project Plan are estimates based on best information available. 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 Project Plan.

The Project Plan authorizes the expenditure of funds for project costs within a 1/2 mile radius of the TID boundary. There are no anticipated projects outside of the TID boundary at this time.

Economic Feasibility

The information and exhibits contained within this Project Plan demonstrate that the proposed TID 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 Project

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Plan. A listing of "Method of Financing and Timing of When Costs are to be Incurred" follows.

- The development anticipated to occur as a result of the implementation of this Project Plan will generate sufficient tax increments to pay for the cost of the projects. This Project Plan identifies the following: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the TID, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available such as debt issuance to the TID will be sufficient to pay all Project Costs.

In order to evaluate the economic feasibility of TID#4 it is necessary to project the amount of tax revenue that can be reasonably generated over the legal life of the TID. Included in Exhibit A is a proforma analysis of TID#4. The proforma analyzes expenses including debt service based on project plan costs of TID#4 against projected TID revenue. Tax revenue is conservatively estimated. Cash received from future TID#4 tax increments will be used to fund project costs and implementation of this Project Plan will also require that the Village issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. In 2050, the final year of revenue collection for the TID, it is projected to have repaid all expenditures and is left with a positive surplus balance.

Method of Financing and Timing of When Costs are to be Incurred

Implementation of this Project Plan will require that the Village issue obligations to provide direct or indirect financing for the Projects to be undertaken. 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 Project Plan. Wisconsin Statutes limit the principal amount of G.O. and State Trust Fund Loan debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values).

Board of Commissioners of Public Lands State Trust Fund Loans

The Village may issue State Trust Fund Loans to finance the cost of Projects included within this Project Plan. Wisconsin Statutes limit the principal amount of State Trust Fund Loan and GO debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values).

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Bonds Issued to Developers ("Pay as You Go" Financing)

The Village may issue a bond to one or more developers who provide financing for projects included in this Project Plan. Repayment of the amounts due to the developer under the bonds 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 issued to developers in this fashion are not general obligations of the Village and therefore do not count against the Village's borrowing capacity.

The actual amount of debt issuance will be determined by the Village at its convenience and as dictated by the nature of the projects as they are implemented. It is estimated that debt issuance costs to finance project costs will incur in the year 2022.

Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area, and appropriate inducements to encourage redevelopment of the area. The Village anticipates making total project expenditures of approximately \$1,942,950 plus financing/interest costs to undertake the projects listed in this Project Plan. The Expenditure Period of this District is 22 years from the date of adoption of the Creation Resolution by the Village Board. The projects to be undertaken pursuant to this Project Plan are expected to be financed primarily with cash received in the form of tax increment collections and the issuance of debt. As detailed in Exhibit A, the Village may choose to debt finance projects during the TID expenditure period. Cash flow proforma's assume debt issued in the year 2022, to finance certain public projects.

Developer agreements between the Village and property owners will be in place prior to making any public expenditure in direct support of development projects. 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

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

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.

Annexed Property

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

Proposed Changes in Zoning Ordinances

The Village anticipates that the TID will require changes in zoning ordinances to implement this project plan. To the extent current zoning of individual parcels is inconsistent with the future uses of land listed in this plan, the Village will rezone those parcels. The District lands are currently zoned Institutional Public Service, the Village will rezone the site as Single Family Residential. The creation of the District does not constitute "newly platted residential development.

Proposed Changes in Master Plan, Map, Building Codes and Village Ordinances

The Village anticipates that the TID will not require changes in the master plan, map, and Village ordinances to implement this project plan.

Relocation

The Village does not anticipate the 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 state statutes as required in Wisconsin Statutes chapter 32.

Orderly Development of the Village

Creation of the TID will enable the Village to undertake projects in furtherance of the stated objectives of its Comprehensive Plan and other planning documents. To this extent, creation of the TID promotes the orderly development of the Village.

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

A List of Estimated Non-Project Costs

Non-Project costs are public works projects that only partly benefit the TID or are not eligible to be paid with tax increment, or costs not eligible to be paid with Tax Incremental Financing funds. Examples would include:

- A public improvement made within the TID that also benefits property outside the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- A public improvement made outside the TID that only partially benefits property within the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- Projects undertaken within the TID 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 anticipate any non-project costs for the TID.

Village Attorney Opinion

Exhibit B contains a signed opinion from the Village attorney advising whether the project plan amendment is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes.

Village of Pewaukee
TID #4 Project Plan & District Boundary

EXHIBIT A
CASH FLOW PROFORMA ANALYSIS

Village of Pewaukee
Tax Increment District No. 4
Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID	2.00%
2021 Gross Tax Rate (per \$1000 Equalized Value)	\$15.35
Annual Adjustment to Tax Rate	0.05%
Investment Rate	0.25%
Data above stated line are actual	

New Issue - Preliminary	
\$2,275,000	
Taxable G.O. Bonds	
Dated July 1, 2022	
Amount for Projects	\$2,000,000
Capitalized Interest	\$200,000
Cost of Issuance (est.)	\$75,000
Rounding	\$255

Year	Background Data					Revenues			Expenditures				TID Status			Year
	(a) TIF District Valuation (2021)	(b) Inflation Increment	(c) Construction Increment	(d) TIF Increment Over Base	(e) Tax Rate	(f) Tax Revenue	(g) Investment Proceeds	(h) Total Revenues	(i) Original (2021)	(j) Interest (2% & 3%) 75+ 2.5%	(k) Debt Service	(l) Combined Expenditures	(m) Annual Balance	(n) Year End Cumulative Balance (December 31)	(o) Cost Recovery	
	Base Value \$478,000															
2022	\$478,000	\$0,580		\$0,580	\$15.35	\$0	\$0	\$0				\$0	\$0	\$0		2022
2023	\$480,530	\$9,772	\$2,250,000	\$2,259,782	\$15.35	\$0	\$0	\$0	\$78,854	\$70,054	\$0	\$0	\$0	\$0		2023
2024	\$2,748,252	\$54,987	\$5,825,000	\$7,049,210	\$15.35	\$149	\$0	\$149	\$85,113	\$60,818	\$0	\$0	\$149	\$149		2024
2025	\$8,420,210	\$168,288	\$5,825,000	\$13,742,898	\$15.35	\$30,292	\$0	\$30,292	\$68,213	\$60,818	\$0	\$0	\$30,292	\$30,442		2025
2026	\$14,221,682	\$284,438		\$14,507,323	\$15.35	\$123,626	\$69	\$123,714	\$95,000	\$104,691	\$194,891	\$194,891	\$30,292	\$30,442		2026
2027	\$14,306,323	\$290,126		\$14,577,449	\$15.35	\$221,726	\$11	\$221,736	\$160,000	\$107,325	\$217,325	\$217,325	\$30,292	\$67,147		2027
2028	\$14,396,440	\$295,029		\$14,672,378	\$15.35	\$238,149	\$2	\$238,151	\$160,000	\$108,925	\$218,925	\$218,925	\$4,226	\$4,473		2028
2029	\$15,092,378	\$301,948		\$14,974,326	\$15.35	\$222,661	\$12	\$222,673	\$175,000	\$109,225	\$225,109	\$225,109	\$1,946	\$6,419		2029
2030	\$15,394,226	\$307,885		\$15,223,110	\$15.35	\$227,383	\$8	\$227,391	\$180,000	\$109,848	\$225,848	\$225,848	\$1,422	\$7,841		2030
2031	\$15,700,110	\$314,842		\$15,537,152	\$15.35	\$231,907	\$10	\$231,917	\$190,000	\$111,230	\$231,230	\$231,230	\$747	\$8,588		2031
2032	\$16,016,112	\$320,829		\$15,857,475	\$15.35	\$236,746	\$12	\$236,757	\$205,000	\$112,601	\$241,081	\$241,081	\$2,024	\$10,612		2032
2033	\$16,336,473	\$326,830		\$16,184,205	\$15.35	\$241,630	\$1	\$241,630	\$210,000	\$114,025	\$240,425	\$240,425	\$2,546	\$12,158		2033
2034	\$16,663,295	\$332,854		\$16,517,489	\$15.35	\$246,611	\$4	\$246,615	\$215,000	\$115,463	\$239,368	\$239,368	\$3,071	\$13,729		2034
2035	\$16,996,469	\$338,909		\$16,857,388	\$15.35	\$251,692	\$7	\$251,714	\$220,000	\$116,914	\$237,914	\$237,914	\$3,596	\$15,325		2035
2036	\$17,336,398	\$345,000		\$17,204,128	\$15.35	\$256,875	\$10	\$256,910	\$225,000	\$118,385	\$236,385	\$236,385	\$4,121	\$16,946		2036
2037	\$17,683,126	\$351,116		\$17,557,789	\$15.35	\$262,162	\$14	\$262,258	\$230,000	\$119,887	\$234,887	\$234,887	\$4,646	\$18,592	Expenditures Exceeds	2037
2038	\$18,036,789	\$357,259		\$17,919,525	\$15.35	\$267,554	\$18	\$267,700			\$0	\$267,700	\$20,146	\$19,279	Expenditures Exceeds	2038
2039	\$18,397,523	\$363,431		\$18,286,475	\$15.35	\$273,054	\$24	\$273,078			\$0	\$273,078	\$20,671	\$20,000	Expenditures Exceeds	2039
2040	\$18,765,473	\$369,630		\$18,661,785	\$15.35	\$278,664	\$30	\$278,714			\$0	\$278,714	\$21,196	\$20,525	Expenditures Exceeds	2040
2041	\$19,140,785	\$375,858		\$19,044,600	\$15.35	\$284,386	\$37	\$284,423			\$0	\$284,423	\$21,721	\$20,950	Expenditures Exceeds	2041
2042	\$19,523,680	\$382,116		\$19,435,072	\$15.35	\$290,223	\$44	\$290,267			\$0	\$290,267	\$22,246	\$21,375	Expenditures Exceeds	2042
2043	\$19,914,072	\$388,399		\$19,833,384	\$15.35	\$296,176	\$52	\$296,228			\$0	\$296,228	\$22,771	\$21,899	Expenditures Exceeds	2043
2044	\$20,312,384	\$400,707		\$20,239,601	\$15.35	\$302,249	\$60	\$302,309			\$0	\$302,309	\$23,296	\$22,424	Expenditures Exceeds	2044
2045	\$20,718,601	\$413,042		\$20,653,973	\$15.35	\$308,443	\$69	\$308,512			\$0	\$308,512	\$23,821	\$22,949	Expenditures Exceeds	2045
2046	\$21,132,973	\$425,403		\$21,076,632	\$15.35	\$314,761	\$79	\$314,840			\$0	\$314,840	\$24,346	\$23,474	Expenditures Exceeds	2046
2047	\$21,556,632	\$437,792		\$21,507,745	\$15.35	\$321,205	\$89	\$321,294			\$0	\$321,294	\$24,871	\$24,000	Expenditures Exceeds	2047
2048	\$21,989,745	\$450,207		\$21,947,489	\$15.35	\$327,778	\$100	\$327,878			\$0	\$327,878	\$25,396	\$24,525	Expenditures Exceeds	2048
2049	\$22,432,450	\$462,648		\$22,396,010	\$15.35	\$334,483	\$111	\$334,594			\$0	\$334,594	\$25,921	\$25,050	Expenditures Exceeds	2049
2050						\$341,321	\$122	\$341,443			\$0	\$341,443	\$26,446	\$25,575	Expenditures Exceeds	2050
						\$5,708,835	\$50,177	\$5,759,012	\$1,275,000	\$421,908	\$2,706,908	\$2,706,908				

Type of TID: Right Extension
2022 TID Inception
2044 Final Year to Incur TIF Related Costs
2048 Maximum Legal Life of TID (27 Years)
2050 Final Tax Collection Year

(*) Per Village projections.

Village of Pewaukee
TID #4 Project Plan & District Boundary

EXHIBIT B
VILLAGE ATTORNEY OPINION

EXHIBIT C
TID #4 BOUNDARY LEGAL DESCRIPTION

Lots 9 through 14 in Block 3 and Lots 2 through 21 in Block 4 and Lots 3 through 14 in Block 5 and all that part of vacated Longacre Road lying between the described Lots in Blocks 4 and 5, and a part of Outlot 15, in Block 5, all being in River Hills Park, a recorded subdivision, being a part of the Northwest 1/4 of the Northwest 1/4 of Section 15 and the Northeast 1/4 of the Northeast 1/4 of Section 16, Township 7 North, Range 19 East, in the Village of Pewaukee, County of Waukesha, State of Wisconsin, bounded and described as follows:

Commencing at the northwest corner of the Northwest 1/4 of said Section 15; thence South $00^{\circ}21'51''$ East along the west line of said Northwest 1/4, 761.10 feet to a point of curvature on the north right-of-way line of Ridgeway Drive and the Point of Beginning; thence northeasterly 110.55 feet along said south right-of-way line and the arc of said curve to the left, whose radius is 459.89 feet and whose chord bears North $72^{\circ}37'14''$ East, 110.28 feet; thence North $65^{\circ}44'04''$ East along said south right-of-way line 180.00 feet to the west right-of-way line of Riverside Drive; thence South $24^{\circ}15'56''$ East along said west right-of-way line 741.21 feet to the south subdivision line of said River Hills Park; thence North $88^{\circ}31'34''$ East along said south subdivision line, 65.08 feet to the east right-of-way line of Riverside Drive; thence North $24^{\circ}15'56''$ West along said east right-of-way line 796.41 feet; thence North $66^{\circ}12'01''$ East 168.05 feet to a point on a meander line along the Pewaukee River; thence South $08^{\circ}46'20''$ East along said meander line, 261.95 feet; thence South $67^{\circ}22'10''$ West 98.11 feet to a point on the east right-of-way line of Riverside Drive; thence South $24^{\circ}15'56''$ East along said east right-of-way line, 295.53 feet; thence North $64^{\circ}23'47''$ East 110.85 feet to a point on a meander line along the Pewaukee River; thence South $26^{\circ}47'56''$ East along said meander line, 305.00 feet to the south subdivision line of said River Hills Park; thence South $88^{\circ}31'34''$ West along said south subdivision line, 769.80 feet; thence South $86^{\circ}00'34''$ West along said south subdivision line 383.81 feet to the east line of Certified Survey Map No. 381; thence North $00^{\circ}15'56''$ West along said east line, 221.10 feet; thence South $89^{\circ}44'04''$ West along said east line, 10.00 feet; thence North $00^{\circ}15'56''$ West along said east line and east line extended, 380.00 feet to a point on the south right-of-way line of Ridgeway Drive; thence North $89^{\circ}44'04''$ East along said south right-of-way line 309.80 feet to a point of curvature; thence northeasterly 82.09 feet along said south right-of-way line and the arc of said curve to the left, whose radius is 459.89 feet and whose chord bears North $84^{\circ}37'14''$ East, 81.98 feet the Point of Beginning. Containing 567,086 square feet (13.0185 acres) of land to the meander line of the Pewaukee River and 598,357 +/- square feet (13.7365 +/- acres) of land more or less to the water's edge.

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

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Village of Pewaukee Tax Increment District No. 4 Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID	2.00%
2021 Gross Tax Rate (per \$1000 Equalized Value)	\$15.55
Rollback Adjustments to tax rate	0.00%
Investment rate	0.25%
Data above dashed line are actual	

New Issue - Preliminary	
\$2,275,000	
Taxable G.O. Bonds	
Dated July 1, 2022	
Amount for Project	\$2,275,000
Capitalized Interest	\$82,125
Cost of Issuance (est.)	\$786
Rounding	\$0

Year	Background Data					Revenues			Expenditures				TID Status			Year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenues	Investment Proceeds	Total Revenues	Principal	Interest	Debt Service	Combined Expenditures	Annual Balance	Year End Cumulative Balance	Cost Recovery	
	(Empty)	(f)							(3/1)	(3/1 & 9/1) TIC= 2.89%				December 31		
	Base Value															
	\$479,000															
2022	\$479,000	\$9,580		\$9,580	\$15.55	\$0	\$0	\$0				\$0	\$0	\$0		2022
2023	\$488,580	\$9,772	\$2,250,000	\$2,269,352	\$15.55	\$0	\$0	\$0				\$0	\$0	\$0		2023
2024	\$2,748,352	\$54,967		\$7,949,319	\$15.55	\$149	\$0	\$149				\$0	\$149	\$149		2024
2025	\$8,436,319	\$108,566	\$5,625,000	\$13,742,885	\$15.55	\$35,292	\$0	\$35,292				\$0	\$35,293	\$35,442		2025
2026	\$14,221,885	\$284,438		\$18,027,323	\$15.55	\$123,626	\$89	\$123,714	\$95,000	\$59,891	\$154,891	\$154,891	\$31,177	\$4,265		2026
2027	\$14,506,323	\$290,126		\$18,317,444	\$15.55	\$213,726	\$11	\$213,736	\$160,000	\$57,325	\$217,325	\$217,325	(\$3,589)	\$676		2027
2028	\$14,796,449	\$295,929		\$18,613,378	\$15.55	\$218,149	\$2	\$218,151	\$160,000	\$55,525	\$215,525	\$215,525	\$4,206	\$4,902		2028
2029	\$15,092,378	\$301,848		\$18,915,226	\$15.55	\$222,661	\$12	\$222,673	\$175,000	\$50,109	\$225,109	\$225,109	\$2,435	\$2,466		2029
2030	\$15,394,236	\$307,885		\$19,227,110	\$15.55	\$227,267	\$6	\$227,269	\$180,000	\$48,848	\$228,848	\$228,848	\$1,422	\$3,888		2030
2031	\$15,702,110	\$314,042		\$19,557,152	\$15.55	\$231,967	\$10	\$231,967	\$180,000	\$47,220	\$231,220	\$231,220	\$747	\$4,635		2031
2032	\$16,016,152	\$320,323		\$19,897,475	\$15.55	\$236,746	\$12	\$236,757	\$205,000	\$36,081	\$241,081	\$241,081	(\$4,324)	\$311		2032
2033	\$16,336,475	\$326,730		\$20,246,205	\$15.55	\$241,630	\$1	\$241,630	\$210,000	\$34,425	\$244,425	\$244,425	\$1,205	\$1,517		2033
2034	\$16,663,205	\$333,264		\$20,601,469	\$15.55	\$246,611	\$4	\$246,615	\$215,000	\$32,368	\$247,368	\$247,368	\$7,247	\$8,764		2034
2035	\$16,996,469	\$339,929		\$20,967,398	\$15.55	\$251,692	\$22	\$251,714	\$220,000	\$31,950	\$251,950	\$251,950	\$13,764	\$22,526		2035
2036	\$17,336,988	\$346,728		\$21,344,126	\$15.55	\$256,875	\$56	\$256,931	\$230,000	\$31,085	\$261,085	\$261,085	\$15,046	\$38,375		2036
2037	\$17,683,126	\$353,661		\$21,731,789	\$15.55	\$262,162	\$96	\$262,258	\$235,000	\$30,760	\$265,760	\$265,760	\$23,488	\$61,892	Expenditures Exceeds	2037
2038	\$18,036,789	\$360,736		\$22,131,525	\$15.55	\$267,554	\$158	\$267,709				\$0	\$267,709	\$129,581	Expenditures Exceeds	2038
2039	\$18,397,525	\$367,950		\$22,542,475	\$15.55	\$273,054	\$824	\$273,878				\$0	\$273,878	\$603,459	Expenditures Exceeds	2039
2040	\$18,765,475	\$375,310		\$22,964,785	\$15.55	\$278,664	\$1,509	\$280,173				\$0	\$280,173	\$883,631	Expenditures Exceeds	2040
2041	\$19,140,785	\$382,816		\$23,400,600	\$15.55	\$284,386	\$2,209	\$286,595				\$0	\$286,595	\$1,170,226	Expenditures Exceeds	2041
2042	\$19,523,600	\$390,472		\$23,849,072	\$15.55	\$290,223	\$2,920	\$293,143				\$0	\$293,149	\$1,463,375	Expenditures Exceeds	2042
2043	\$19,914,072	\$398,281		\$24,309,354	\$15.55	\$296,176	\$3,658	\$299,835				\$0	\$299,835	\$1,763,210	Expenditures Exceeds	2043
2044	\$20,312,354	\$406,247		\$24,780,601	\$15.55	\$302,249	\$4,408	\$306,657				\$0	\$306,657	\$2,069,867	Expenditures Exceeds	2044
2045	\$20,718,601	\$414,372		\$25,262,973	\$15.55	\$308,443	\$5,176	\$313,618				\$0	\$313,618	\$2,383,484	Expenditures Exceeds	2045
2046	\$21,132,973	\$422,659		\$25,757,632	\$15.55	\$314,761	\$5,959	\$320,719				\$0	\$320,719	\$2,704,204	Expenditures Exceeds	2046
2047	\$21,555,632	\$431,113		\$26,264,745	\$15.55	\$321,205	\$6,761	\$327,966				\$0	\$327,966	\$3,032,169	Expenditures Exceeds	2047
2048	\$21,986,745	\$439,735		\$26,784,480	\$15.55	\$327,778	\$7,580	\$335,358				\$0	\$335,358	\$3,367,527	Expenditures Exceeds	2048
2049	\$22,426,480	\$448,530		\$27,316,010	\$15.55	\$334,831	\$8,419	\$343,250				\$0	\$343,250	\$3,710,429	Expenditures Exceeds	2049
2050						\$341,321	\$9,276	\$350,597				\$0	\$350,597	\$4,061,026	Expenditures Exceeds	2050
	\$8,896,010	\$17,500,000				\$9,708,835	\$59,177	\$9,768,012	\$2,275,000	\$431,986	\$2,706,986	\$2,706,986				

Type of TID: Slight Elimination
 2022 TID Inception
 2044 Final Year to Incur TIF Related Costs
 2049 Maximum Legal Life of TID (27 Years)
 2050 Final Tax Collection Year

(1) Per Village projections.

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VILLAGE OF PEWAUKEE, WI
RESOLUTION No. 2022-05

Resolution Formally Establishing the Boundaries of and Approving the Project Plan for
Tax Incremental District No. 4

**ESTABLISHING THE BOUNDARIES OF AND APPROVING THE PROJECT
PLAN FOR TAX INCREMENTAL DISTRICT NO. 4, VILLAGE OF
PEWAUKEE, WAUKESHA COUNTY, WISCONSIN**

WHEREAS, pursuant to Wisconsin Statutes §66.1105 (the “Tax Increment Law”) the Village of Pewaukee 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”) is proposed to be created as a “blighted area district” based on findings that that a least 50 percent (by area) of the real property within the District is a blighted area; and

WHEREAS, a Project Plan for Tax Incremental District No. 4 has been prepared that includes the following:

1. A statement listing the kind, number, and location of proposed public works or improvements within the District;
2. An economic feasibility study;
3. A detailed list of estimated project costs;
4. 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;
5. A map showing existing uses and conditions of real property in the District;
6. A map showing proposed improvements and uses in the District;
7. Proposed changes of zoning ordinance, master plan, map, building codes, and Village Ordinances;
8. A statement of the proposed method for relocation of any person to be displaced;
9. A statement indicating how creation of the District promotes the orderly development of the Village;
10. A list of estimate non-project costs;
11. An Opinion of the Village Attorney advising that the plan is complete and complies with Wis. Statute §66.1105(4)(f); and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on March 10, 2022, 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 on the proposed creation of a tax incremental district and the proposed boundaries of the District.

WHEREAS, after said public hearing, the Plan Commission adopted, and recommended approval to the Village Board that it create the District, and approve the boundaries of the District.

VILLAGE OF PEWAUKEE, WI
RESOLUTION No. 2022-05

Resolution Formally Establishing the Boundaries of and Approving the Project Plan for
Tax Incremental District No. 4

NOW THEREFORE, BE IT RESOLVED by the Village Board of the Village of Pewaukee that:

1. The Recitals set forth above are incorporated herein and are made an enforceable part of this resolution.
2. The boundaries of the District are hereby approved and established as legally described in Exhibit A attached and incorporated herein by reference.
3. The District is created effective as of January 1, 2022, and shall be known as “Tax Incremental District No.4, Village of Pewaukee, Waukesha County, Wisconsin”..
4. The Village Board finds and declares that:
 - a. At least 50 percent (by area) of the real property within the District is a blighted area as defined in Wisconsin Statute Section 66.1105(2)(ae).
 - b. Based upon the findings, as stated in (a) above, the District is declared to be a blighted area district.
 - c. The improvement of the area is likely to significantly enhance all the other real property’s value in the District.
 - d. The development activities projected in the Project Plan would not occur without tax incremental financing.
 - e. The equalized value of the taxable property in the District plus the value increment of all other existing tax incremental districts within the Village does not exceed 12% of the total equalized value of taxable property within the Village.
 - f. The Village estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Section §66.1105 (5)(b) of the Wisconsin Statutes.
 - g. The project costs relate directly to eliminating blight in the District consistent with the purpose for which the District is created.
 - h. Confirms that the boundaries of the District do not include any annexed territory that was not within the boundaries of the Village on January 1, 2004.
5. The Project Plan, prepared by Robert W. Baird & Co. dated February 18, 2022 which is incorporated herein in its entirety by reference, is approved and the Village further finds that plan is feasible and in conformity with the master plan of the Village.

BE IT FURTHER RESOLVED THAT the Village Clerk is hereby authorized and directed to apply to the Wisconsin Department of Revenue, in such form as may be prescribed, for a “Determination of Tax Incremental Base”, as of January 1, 2022, pursuant to the provisions of Section §66.1105 (5) (b) of the Wisconsin Statutes.

**VILLAGE OF PEWAUKEE, WI
RESOLUTION No. 2022-05**

Resolution Formally Establishing the Boundaries of and Approving the Project Plan for
Tax Incremental District No. 4

BE IT FURTHER RESOLVED THAT the Village Assessor is hereby authorized and directed to identify upon the assessment roll returned and examined under section §70.45 of the Wisconsin Statutes, those parcels of property which are within the District, specifying thereon the name of the District, and the Village Clerk is hereby authorized and directed to make similar notations on the tax roll made under Section §70.65 of the Wisconsin Statutes, pursuant to Section §66.1105(5)(f) of the Wisconsin Statutes.

Adopted this 6th day of April, 2022

Village of Pewaukee

By


Jeff Knutson, Village President

CERTIFICATION

I hereby certify that the foregoing Resolution was duly adopted by the Village Board of
the Village of Pewaukee on the 6th day of April, 2022.


Cassie Smith,
Village Clerk

Project Plan & District Boundary
Tax Incremental District No. 4
in the
VILLAGE OF PEWAUKEE, WISCONSIN



February 18, 2022

Organizational Joint Review Board Meeting Held..... March 8, 2022
Public Hearing Held..... March 10, 2022
Adopted by Planning Commission..... March 10, 2022
Adopted by Village Board..... April 6, 2022
Approved by Joint Review Board..... April 12, 2022

Prepared by:



Robert W. Baird & Co.
Public Finance
777 E. Wisconsin Ave.
Milwaukee, WI 53202
800.792.2473

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Village of Pewaukee Officials

Village Board

Jeff Knutson	Village President
Heather Gergen	Village Trustee
Ed Hill	Village Trustee
Chris Krasovich	Village Trustee
Craig Roberts	Village Trustee
Bob Rohde	Village Trustee
Kevin Yonke	Village Trustee

Village Staff

Scott Gosse	Administrator
Cassie Smith	Clerk
Daniel Naze	Director of Public Works/Engineer
Mary Censky	Planner
Mark Blum	Attorney

Planning Commission

Jeff Knutson (Chairperson)	Theresa Huff
Craig Roberts (Trustee)	Ryan Lange
Brian Belt	Cheryl Mantz
Jim Grabowski	

Joint Review Board

Jeff Knutson	Village Representative
Andrew Thelke	Waukesha County
Jane Kittel	Waukesha County Technical College
John Gahan	Pewaukee School District
Chuck Nichols	Public Member

Introduction and Description of District

The Village of Pewaukee (the "Village") is located in Waukesha County, approximately 20 miles west of Milwaukee and 60 miles east of Madison. The Village encompasses an area of approximately four square miles and is bordered by Pewaukee Lake, one of the area's largest lakes. State Highways 16 and 190 provide easy access to the Village. The Village provides police and fire protection, municipal water, sanitary sewer and storm sewer services and maintains two large parks and a public beach on Pewaukee Lake. These amenities allow the Village to flourish as a development area for residential, business, commercial retail, office, and industrial development.

The Village has a history of successful economic development programming using Tax Incremental Financing ("TIF") by providing public improvements to encourage and promote industrial, commercial and residential development and redevelopment. The goal is to increase the tax base, to provide for and preserve employment opportunities within the Village, and to create and enhance tourism opportunities with the area and region. The Village works with developers and property owners to provide infrastructure improvements and/or cash grants as incentives for development and/or redevelopment.

Tax Incremental District No. 4 (the "TID") is being created by the Village under the authority provided by Wisconsin Statute Section 66.1105. The TID is created as a "Blight District" based on the findings that at least 50 percent of the TID is a blighted area. A blighted area is property which is by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, lights, air or sanitation, high density of population and overcrowding, or the existence of conditions, which endanger life or property by fire and other causes. The proposed area is a current 13-acre site consisting of three parcels under one tax key number. Two parcels are vacant and the larger parcel is currently improved with a closed nursing home on the site that was originally built in 1963 and ceased operations in April 2016. Due to the advanced age of the building no other health organizations have shown any interest in acquiring the site. The shuttered building is functionally obsolete and has become blighted. The maximum life (absent extension) of the TID is 27 years from the date of adoption.

A developer has proposed to redevelop the entire site into a planned community of single family-homes with open green space. This would be a compatible use for the site to complement the single-family homes to the north and west of the site with additional single-family homes in a similar size to the surrounding homes. The single-family use is consistent with the Village's long-term plan for this area. The area would feature homes averaging 1,800 to 2,900 sf on lots ranging from 1/8 to 1/3 acres with generous green space along the south and east sides protecting the existing adjacent natural areas. These lot sizes and average size homes would blend with the nearby

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

homes already in the neighborhood. Engineering shows 36 lots are feasible on the larger parcel, leaving the two smaller parcels on the east side of Riverside Drive in a natural state.

The Village anticipates various public improvement project cost expenditures of approximately \$1,942,950 plus financing/interest costs during the TID's 22-year expenditure period. Proposed public project improvements may include, but not limited to infrastructure, importing of site fill, environmental remediation and demolition, storm water detention basin, professional and organizational services, administrative costs, and finance costs. As part of the Project Plan, Developer Incentives may be provided by the Village to developers of property within the TID in the form of Developer Funded Grants".

As a result of the creation of this TID, the Village projects a preliminary and conservative cash flow analysis indicating \$6,708,835 in increments. The TID increment will primarily be used to pay the debt service costs of the TID, and project development incentives. The Village projects land and improvement values (incremental value) of approximately \$22,396,010 will be created in the TID by the end of 2049. This additional value will be a result of the improvements made and projects undertaken with the TID.

Maps depicting the boundaries and existing uses and conditions of the TID are found in the respective mapping sections of this project plan.

Summary of Findings

As required by s.66.1105 Wis. Stats., and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. That the area described herein on the boundary map (page 7) is a blighted area as defined in Section 66.1105(2)(ae), Wisconsin Statutes, that the property substantially impairs or arrests the sound growth of the Village and is in need of redevelopment and that "but-for" the creation of a tax incremental district, redevelopment (1) would not occur, or (2) would not occur in the manner at the value, or within the time frame desired by the Village. In making this determination, the Village has considered the following information:
 - Development within the TID has not occurred at the pace anticipated by the Village. Infrastructure and other development related expenses are not likely to be borne exclusively by private developers; therefore, the Village has concluded that public investment will be required to fully achieve the Village's objectives for these areas.
 - To achieve its objectives, the Village has determined that it must take an active role in encouraging development and redevelopment

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

by making appropriate public expenditures in the area. Without the availability of tax increment financing, these expenditures are unlikely to be made. Enhancement of these areas will complement existing venues in the area, promote additional tourism, and benefit, not only the Village, but all overlapping taxing jurisdictions, adjacent communities, and the region. Accordingly, the costs to implement the needed projects and programs are appropriately funded through tax increment financing.

- In order to make the area included within the TID suitable for development, the Village will need to make a substantial investment to pay for the costs of some or all of the projects listed in the project plan. Due to the public investment that is required, the Village has determined that development of the area will not occur at the pace or levels desired solely as a result of private investment.
2. The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property values, 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 and the debt issuance will be more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
 3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.
 - Since the development expected to occur is unlikely to take place without the use of Tax Incremental Financing (see Finding #1) and since the TID 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 TID 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 TID is not created.
 4. The improvements to be made within the TID are likely to significantly enhance the value of substantially all other real property in the TID.
 5. The equalized value of taxable property of the TID plus the value of all existing tax incremental districts in the Village does not exceed 12% of the total equalized value of taxable property within

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

the Village.

6. The Project Plan for the TID is feasible and is in conformity with the master plan of the Village.
7. The Village estimates that less than 35% 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).
8. The TID is being created by the Village as a blight district. As described in Finding #1 above, 50% or more of the proposed district's area is a blighted area.

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Map of Proposed District Boundary

Current Map is reflective of the 01/01/2022 parcel list.



**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Map Showing Existing Uses and Conditions

Current Map is reflective of the 01/01/2022 parcel list.



**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Preliminary Parcel List and Analysis - Current list is reflective of the 01/01/2022 parcel list. All parcels are bighted properties.

Tax Key	Street Address	Total Acres/Valuation	Use
		13.844/\$682,500 (\$434,000)	
PWV 0925038	321 Riverside Drive, Pewaukee, WI 53072	Land/\$248,500 Improvement)	Vacant/former River Hills Nursing Home
Total Acres/Valuation		13.844/\$682,500	

Equalized Valuation Test

The following calculations demonstrate that the Village is in compliance with s.66.1105(4)(gm)4.c. Wis. Stats., which requires that the equalized value of the taxable property in the proposed TID, plus the value increment of any existing Tax Incremental Districts, does not exceed 12% of the total equalized value of taxable property within the Village.

Valuation Test Compliance Calculation

2021 Equalized Valuation (TID IN)	\$1,128,782,800
Limit for 12% Test	\$ 135,453,936
Increment Value of Existing TIDs	\$ 9,482,700
Projected Base Value of New TID	<u>\$ 682,500</u>
Total Value Subject to Test	\$ 10,165,200
Compliance (\$10,165,200 < \$135,453,936)	Meets Requirement

Statement of Kind, Number and Location of Proposed Projects

The Village expects to implement the following public project improvements in conjunction with this TID. Any costs including eligible administrative costs necessary or convenient to the creation of the TID 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 TID.

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

IMPROVEMENT #1
DEMOLITION/ON-SITE RECYCLING OF EXISTING BUILDING
LOCATION: Entire TID
TOTAL: \$795,000

IMPROVEMENT #2
ENVIRONMENTAL REMEDIATION/ASBESTOS ABATEMENT
LOCATION: Entire TID
TOTAL: \$167,950

IMPROVEMENT #3
DEMOLITION – DEWATERING ALLOWANCE
LOCATION: Entire TID
TOTAL: \$60,000

IMPROVEMENT #4
SITE DEMOLITION/FILL ALLOWANCE
LOCATION: Entire TID
TOTAL: \$200,000

IMPROVEMENT #5
SITE EARTHWORK/STABILIZATION OF WET SOILS ALLOWANCE
LOCATION: Entire TID

TOTAL: \$120,000

IMPROVEMENT #6
STRUCTURAL FILL IMPORT ALLOWANCE
LOCATION: Entire TID

TOTSL: \$600,000

FINANCING & INTEREST COSTS, ADMINISTRATIVE/ORGANIZATIONAL FEES,
COST OF ISSUANCE
LOCATION: Entire TID

TOTAL: \$788,000

DESCRIPTION: Debt financing and interest costs, Village staff/TID
administration/organizational fees, and debt cost of issuance.

Village of Pewaukee
TID #4 Project Plan & District Boundary

Map Showing Proposed Improvements and Uses with 1/2 mile radius shown



Detailed List of Project Costs

Demolition/On-Site Recycling of Existing Building	\$795,000
Environmental Remediation/Asbestos Abatement	\$167,950
Demolition – Dewatering Allowance	\$60,000
Site/Demolition Fill Allowance	\$200,000
Site Earthwork/Stabilization of Wet Soils Allowance	\$120,000
Structural Fill Import Allowance	\$600,000
Subtotal	\$1,942,950
Financing & Interest Costs, Administrative/Organizational Fees, Cost of Issuance	\$788,000
Total	\$2,730,950

All costs are based on current prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between creation of the TID 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 Project Plan. Total project costs are estimated and shall not exceed \$1,942,950 plus financing/interest costs. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Project Plan.

This Project 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 Project Plan are estimates based on best information available. 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 Project Plan.

The Project Plan authorizes the expenditure of funds for project costs within a 1/2 mile radius of the TID boundary. There are no anticipated projects outside of the TID boundary at this time.

Economic Feasibility

The information and exhibits contained within this Project Plan demonstrate that the proposed TID 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 Project

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

Plan. A listing of "Method of Financing and Timing of When Costs are to be Incurred" follows.

- The development anticipated to occur as a result of the implementation of this Project Plan will generate sufficient tax increments to pay for the cost of the projects. This Project Plan identifies the following: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the TID, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available such as debt issuance to the TID will be sufficient to pay all Project Costs.

In order to evaluate the economic feasibility of TID#4 it is necessary to project the amount of tax revenue that can be reasonably generated over the legal life of the TID. Included in Exhibit A is a proforma analysis of TID#4. The proforma analyzes expenses including debt service based on project plan costs of TID#4 against projected TID revenue. Tax revenue is conservatively estimated. Cash received from future TID#4 tax increments will be used to fund project costs and implementation of this Project Plan will also require that the Village issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. In 2050, the final year of revenue collection for the TID, it is projected to have repaid all expenditures and is left with a positive surplus balance.

Method of Financing and Timing of When Costs are to be Incurred

Implementation of this Project Plan will require that the Village issue obligations to provide direct or indirect financing for the Projects to be undertaken. 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 Project Plan. Wisconsin Statutes limit the principal amount of G.O. and State Trust Fund Loan debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values).

Board of Commissioners of Public Lands State Trust Fund Loans

The Village may issue State Trust Fund Loans to finance the cost of Projects included within this Project Plan. Wisconsin Statutes limit the principal amount of State Trust Fund Loan and GO debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values).

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

The Village may issue a bond to one or more developers who provide financing for projects included in this Project Plan. Repayment of the amounts due to the developer under the bonds 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 issued to developers in this fashion are not general obligations of the Village and therefore do not count against the Village’s borrowing capacity.

The actual amount of debt issuance will be determined by the Village at its convenience and as dictated by the nature of the projects as they are implemented. It is estimated that debt issuance costs to finance project costs will incur in the year 2022.

Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area, and appropriate inducements to encourage redevelopment of the area. The Village anticipates making total project expenditures of approximately \$1,942,950 plus financing/interest costs to undertake the projects listed in this Project Plan. The Expenditure Period of this District is 22 years from the date of adoption of the Creation Resolution by the Village Board. The projects to be undertaken pursuant to this Project Plan are expected to be financed primarily with cash received in the form of tax increment collections and the issuance of debt. As detailed in Exhibit A, the Village may choose to debt finance projects during the TID expenditure period. Cash flow proforma’s assume debt issued in the year 2022, to finance certain public projects.

Developer agreements between the Village and property owners will be in place prior to making any public expenditure in direct support of development projects. 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

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

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.

Annexed Property

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

Proposed Changes in Zoning Ordinances

The Village anticipates that the TID will require changes in zoning ordinances to implement this project plan. To the extent current zoning of individual parcels is inconsistent with the future uses of land listed in this plan, the Village will rezone those parcels. The District lands are currently zoned Institutional Public Service, the Village will rezone the site as Single Family Residential. The creation of the District does not constitute "newly platted residential development.

Proposed Changes in Master Plan, Map, Building Codes and Village Ordinances

The Village anticipates that the TID will not require changes in the master plan, map, and Village ordinances to implement this project plan.

Relocation

The Village does not anticipate the 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 state statutes as required in Wisconsin Statutes chapter 32.

Orderly Development of the Village

Creation of the TID will enable the Village to undertake projects in furtherance of the stated objectives of its Comprehensive Plan and other planning documents. To this extent, creation of the TID promotes the orderly development of the Village.

A List of Estimated Non-Project Costs

Non-Project costs are public works projects that only partly benefit the TID or are not eligible to be paid with tax increment, or costs not eligible to be paid with Tax Incremental Financing funds. Examples would include:

- A public improvement made within the TID that also benefits property outside the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- A public improvement made outside the TID that only partially benefits property within the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- Projects undertaken within the TID 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 anticipate any non-project costs for the TID.

Village Attorney Opinion

Exhibit B contains a signed opinion from the Village attorney advising whether the project plan amendment is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes.

**Village of Pewaukee
TID #4 Project Plan & District Boundary**

**EXHIBIT A
Village of Pewaukee
Tax Increment District No. 4
Cash Flow Proforma Analysis**

Assumptions	
Annual Inflation During Life of TID.....	2.00%
2021 Gross Tax Rate (per \$1000 Equalized Value).....	\$15.55
Annual Adjustment to tax rate.....	0.00%
Investment rate.....	0.25%
Data above dashed line are actual	

New Issue - Preliminary	
\$2,275,000	
Taxable G.O. Bonds	
Dated July 1, 2022	
Amount for Projects.....	\$2,000,000
Capitalized Interest.....	
Cost of Issuance (est.).....	\$82,125
Rounding.....	\$286

Year	Background Data					Revenues			Expenditures				TID Status			Year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
	TIF District Valuation (January 1)	Inflation Increment	Construction Increment (1)	TIF Increment Over Base	Tax Rate	Tax Revenue	Investment Proceeds	Total Revenues	Principal (3/1)	Interest (3/1 & 9/1) TIC= 2.88%	Debt Service	Combined Expenditures	Annual Balance	Year End Cumulative Balance (December 31)	Cost Recovery	
	Base Value \$479,000															
2022	\$479,000	\$9,580		\$9,580	\$15.55	\$0	\$0	\$0				\$0	\$0	\$0		2022
2023	\$488,580	\$9,772	\$2,250,000	\$2,269,352	\$15.55	\$0	\$0	\$0				\$0	\$0	\$0		2023
2024	\$2,748,352	\$54,967	\$5,625,000	\$7,949,319	\$15.55	\$149	\$0	\$149				\$0	\$149	\$149		2024
2025	\$8,428,319	\$168,566	\$5,625,000	\$13,742,885	\$15.55	\$35,292	\$0	\$35,293				\$0	\$35,293	\$35,442		2025
2026	\$14,221,885	\$284,438		\$14,027,323	\$15.55	\$123,626	\$89	\$123,714	\$95,000	\$59,891	\$154,891	\$154,891	(\$31,177)	\$4,265		2026
2027	\$14,506,323	\$290,126		\$14,317,449	\$15.55	\$213,726	\$11	\$213,736	\$160,000	\$57,325	\$217,325	\$217,325	(\$3,589)	\$676		2027
2028	\$14,796,449	\$295,929		\$14,613,378	\$15.55	\$218,149	\$2	\$218,151	\$160,000	\$53,925	\$213,925	\$213,925	\$4,226	\$4,902		2028
2029	\$15,092,378	\$301,848		\$14,915,226	\$15.55	\$222,661	\$12	\$222,673	\$175,000	\$50,109	\$225,109	\$225,109	(\$2,435)	\$2,466		2029
2030	\$15,394,226	\$307,885		\$15,223,110	\$15.55	\$227,263	\$6	\$227,269	\$180,000	\$45,848	\$225,848	\$225,848	\$1,422	\$3,888		2030
2031	\$15,702,110	\$314,042		\$15,537,152	\$15.55	\$231,957	\$10	\$231,967	\$190,000	\$41,220	\$231,220	\$231,220	\$747	\$4,635		2031
2032	\$16,016,152	\$320,323		\$15,857,475	\$15.55	\$236,746	\$12	\$236,757	\$205,000	\$36,081	\$241,081	\$241,081	(\$4,324)	\$311		2032
2033	\$16,336,475	\$326,730		\$16,184,205	\$15.55	\$241,630	\$1	\$241,630	\$210,000	\$30,425	\$240,425	\$240,425	\$1,205	\$1,517		2033
2034	\$16,663,205	\$333,264		\$16,517,469	\$15.55	\$246,611	\$4	\$246,615	\$215,000	\$24,368	\$239,368	\$239,368	\$7,247	\$8,764		2034
2035	\$16,996,469	\$339,929		\$16,857,398	\$15.55	\$251,692	\$22	\$251,714	\$220,000	\$17,950	\$237,950	\$237,950	\$13,764	\$22,528		2035
2036	\$17,336,398	\$346,728		\$17,204,126	\$15.55	\$256,875	\$56	\$256,931	\$230,000	\$11,085	\$241,085	\$241,085	\$15,846	\$38,375		2036
2037	\$17,683,126	\$353,663		\$17,557,789	\$15.55	\$262,162	\$96	\$262,258	\$235,000	\$3,760	\$238,760	\$238,760	\$23,498	\$61,872	Expenditures Recovered	2037
2038	\$18,036,789	\$360,736		\$17,918,525	\$15.55	\$267,554	\$155	\$267,709				\$0	\$267,709	\$329,581	Expenditures Recovered	2038
2039	\$18,397,525	\$367,950		\$18,286,475	\$15.55	\$273,054	\$824	\$273,878				\$0	\$273,878	\$603,459	Expenditures Recovered	2039
2040	\$18,765,475	\$375,310		\$18,661,785	\$15.55	\$278,664	\$1,509	\$280,173				\$0	\$280,173	\$883,631	Expenditures Recovered	2040
2041	\$19,140,785	\$382,816		\$19,044,600	\$15.55	\$284,386	\$2,209	\$286,595				\$0	\$286,595	\$1,170,226	Expenditures Recovered	2041
2042	\$19,523,600	\$390,472		\$19,435,072	\$15.55	\$290,223	\$2,926	\$293,149				\$0	\$293,149	\$1,463,375	Expenditures Recovered	2042
2043	\$19,914,072	\$398,281		\$19,833,354	\$15.55	\$296,176	\$3,658	\$299,835				\$0	\$299,835	\$1,763,210	Expenditures Recovered	2043
2044	\$20,312,354	\$406,247		\$20,239,601	\$15.55	\$302,249	\$4,408	\$306,657				\$0	\$306,657	\$2,069,867	Expenditures Recovered	2044
2045	\$20,718,601	\$414,372		\$20,653,973	\$15.55	\$308,443	\$5,175	\$313,618				\$0	\$313,618	\$2,383,484	Expenditures Recovered	2045
2046	\$21,132,973	\$422,659		\$21,076,632	\$15.55	\$314,761	\$5,959	\$320,719				\$0	\$320,719	\$2,704,204	Expenditures Recovered	2046
2047	\$21,555,632	\$431,113		\$21,507,745	\$15.55	\$321,205	\$6,761	\$327,965				\$0	\$327,965	\$3,032,169	Expenditures Recovered	2047
2048	\$21,986,745	\$439,735		\$21,947,480	\$15.55	\$327,778	\$7,580	\$335,358				\$0	\$335,358	\$3,367,527	Expenditures Recovered	2048
2049	\$22,426,480	\$448,530		\$22,396,010	\$15.55	\$334,483	\$8,419	\$342,901				\$0	\$342,901	\$3,710,429	Expenditures Recovered	2049
2050						\$341,321	\$9,276	\$350,597				\$0	\$350,597	\$4,061,026	Expenditures Recovered	2050
		\$8,896,010	\$13,500,000			\$6,708,835	\$59,177	\$6,768,012	\$2,275,000	\$431,986	\$2,706,986	\$2,706,986				

Type of TID: Blight Elimination

2022 TID Inception

2044 Final Year to Incur TIF Related Costs

2049 Maximum Legal Life of TID (27 Years)

2050 Final Tax Collection Year

(1) Per Village projections.

**EXHIBIT B
VILLAGE ATTORNEY OPINION**

**EXHIBIT C
TID #4 BOUNDARY LEGAL DESCRIPTION**

Lots 9 through 14 in Block 3 and Lots 2 through 21 in Block 4 and Lots 3 through 14 in Block 5 and all that part of vacated Longacre Road lying between the described Lots in Blocks 4 and 5, and a part of Outlot 15, in Block 5, all being in River Hills Park, a recorded subdivision, being a part of the Northwest 1/4 of the Northwest 1/4 of Section 15 and the Northeast 1/4 of the Northeast 1/4 of Section 16, Township 7 North, Range 19 East, in the Village of Pewaukee, County of Waukesha, State of Wisconsin, bounded and described as follows:

Commencing at the northwest corner of the Northwest 1/4 of said Section 15; thence South $00^{\circ}21'51''$ East along the west line of said Northwest 1/4, 761.10 feet to a point of curvature on the north right-of-way line of Ridgeway Drive and the Point of Beginning; thence northeasterly 110.55 feet along said south right-of-way line and the arc of said curve to the left, whose radius is 459.89 feet and whose chord bears North $72^{\circ}37'14''$ East, 110.28 feet; thence North $65^{\circ}44'04''$ East along said south right-of-way line 180.00 feet to the west right-of-way line of Riverside Drive; thence South $24^{\circ}15'56''$ East along said west right-of-way line 741.21 feet to the south subdivision line of said River Hills Park; thence North $88^{\circ}31'34''$ East along said south subdivision line, 65.08 feet to the east right-of-way line of Riverside Drive; thence North $24^{\circ}15'56''$ West along said east right-of-way line 796.41 feet; thence North $66^{\circ}12'01''$ East 168.05 feet to a point on a meander line along the Pewaukee River; thence South $08^{\circ}46'20''$ East along said meander line, 261.95 feet; thence South $67^{\circ}22'10''$ West 98.11 feet to a point on the east right-of-way line of Riverside Drive; thence South $24^{\circ}15'56''$ East along said east right-of-way line, 295.53 feet; thence North $64^{\circ}23'47''$ East 110.85 feet to a point on a meander line along the Pewaukee River; thence South $26^{\circ}47'56''$ East along said meander line, 305.00 feet to the south subdivision line of said River Hills Park; thence South $88^{\circ}31'34''$ West along said south subdivision line, 769.80 feet; thence South $86^{\circ}00'34''$ West along said south subdivision line 383.81 feet to the east line of Certified Survey Map No. 381; thence North $00^{\circ}15'56''$ West along said east line, 221.10 feet; thence South $89^{\circ}44'04''$ West along said east line, 10.00 feet; thence North $00^{\circ}15'56''$ West along said east line and east line extended, 380.00 feet to a point on the south right-of-way line of Ridgeway Drive; thence North $89^{\circ}44'04''$ East along said south right-of-way line 309.80 feet to a point of curvature; thence northeasterly 82.09 feet along said south right-of-way line and the arc of said curve to the left, whose radius is 459.89 feet and whose chord bears North $84^{\circ}37'14''$ East, 81.98 feet the Point of Beginning. Containing 567,086 square feet (13.0185 acres) of land to the meander line of the Pewaukee River and 598,357 +/- square feet (13.7365 +/- acres) of land more or less to the water's edge.

DISCLAIMER TEXT

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Exhibit C - Pro forma budget

	Total Project		Year 1	Year 2	Year 3	Year 4
	\$ Cost	Cost/Unit	\$ Cost	\$ Cost	\$ Cost	\$ Cost
Land Acquisition / Development Costs						
Land Costs	650,000	18,100	650,000			
Early Start Work	25,000	700	25,000			
Erosion Control	32,000	900	8,000	8,000	8,000	8,000
Demolition of Existing Structure	795,000	22,100	795,000			
Demolition - Recycling Material	147,000	4,100	147,000			
Demolition - De-watering	150,000	4,200	150,000			
Utility Shut-off	10,000	300	10,000			
Environmental Remediation	123,000	3,400	123,000			
Site Fill (40k-50k sq yds)	600,000	16,700	600,000			
Fill Placement	200,000	5,600	200,000			
Sanitary Sewer	688,000	19,100	688,000			
Watermain						
Storm Sewer						
Curb & Gutter	199,000	5,500	169,000			30,000
Pavement						
Engineering	126,000	3,500	126,000			
Subtotal Hard Costs	3,745,000		3,691,000	8,000	8,000	38,000
Home Building Costs	9,900,000	275,000	825,000	3,300,000	3,300,000	2,475,000
Soft Costs						
Survey	45,000	1,300	45,000			
Government Fees	130,000	3,600	90,000	10,000	10,000	20,000
Market Study	16,000	400	8,000	8,000		
Legal	80,000	2,200	80,000			
Interest Costs - Land Development	381,000	10,600	119,000	150,000	88,000	24,000
Interest Costs - Building Loan	186,000	5,200	12,000	54,000	62,000	58,000
Developer Paid Property Taxes	152,000	4,200	20,000	66,000	44,000	22,000
Insurance	8,000	200	2,000	2,000	2,000	2,000
Title Insurance	30,000	800	3,000	9,000	9,000	9,000
Start-up Maintenance	36,000	1,000	9,000	9,000	9,000	9,000
	1,064,000		388,000	308,000	224,000	144,000
Contingency	212,000	5,900	197,400	5,600	4,000	5,000
Developer Overhead	-	-	-	-	-	-
Land Capital Return Incentive	-	-	-	-	-	-
	212,000		197,400	5,600	4,000	5,000
Subtotal Soft Costs	1,276,000	35,400	585,400	313,600	228,000	149,000
Total Project Costs	14,921,000					
Total Land Only Costs	4,570,000	126,900	4,107,400	229,600	144,000	89,000
Total Building Only Costs	10,351,000	287,500	994,000	3,392,000	3,392,000	2,573,000
Total Land & Building Costs	14,921,000	414,500	5,101,400	3,621,600	3,536,000	2,662,000

Notes:

- All dollar costs (except per unit cost) rounded to the nearest '000s

Exhibit C - Pro forma budget - con't

Surplus - Deficit Calculation

		Number of Units	Avg. Price/Unit
Single Family Homes		36	375,000
Estimate of Average Home Sales Price			13,500,000
	Per Unit		
less: Sales Commissions	22,500	36	810,000
less: Marketing	600	36	21,600
Net Sales Revenue			12,668,400
Project Expense w/o Upfront TIF	14,921,000	414,500	Profit %
Net Surplus/(Deficit) w/o Upfront TIF	(2,253,000)	(62,600)	-15%
Requested Upfront TIF	2,025,000	56,300	
Project Cost w/ Upfront TIF	12,896,000	358,200	Profit %
Net Surplus/(Deficit) w/ Upfront TIF	(228,000)	(6,300)	-2%