



April 3, 2020

# Project Plan

## Tax Incremental District No. 4

### City of New Berlin, Wisconsin

Organizational Joint Review Board Meeting Held:	April 13, 2020
Public Hearing Held:	April 13, 2020
Approval by Plan Commission:	May 4, 2020
Adoption by Common Council:	May 12, 2020
Approval by the Joint Review Board:	June 4, 2020

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# **SECTION 1:**

## **Executive Summary**

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### **Description of District**

Tax Incremental District (“TID”) No. 4 (“District”) is a proposed Mixed-Use District comprising approximately 27 acres located south of Interstate 43, west of Moorland Road, north of Westridge Drive. The District will be created to pay for the costs of road improvements, utility extensions, and storm water management to facilitate the Phase I construction of the development that includes a 109 room Hampton Inn and Suites (“Project”) to be developed by Catalyst Partners (“Developer”). Phase II would include uses to be determined based upon market demand, but the target users include a restaurant, retail, and office/medical tenants. The site presents access challenges (1,000 feet from Moorland Road), significant topography challenges (30’ slope elevation change across the site), and underground storm water management that warrants TID assistance to make the project economically feasible.

### **Authority**

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

### **Estimated Total Project Cost Expenditures**

The City anticipates making total expenditures of approximately \$1.6 million towards a development incentive for Phase I. In addition, the City has identified other infrastructure costs within a ½ mile radius of the District totaling approximately \$9.6 million, and \$162,000 of administrative costs (“Project Costs”) listed in this Project Plan (“Plan”). Total District eligible expenses total approximately \$11.3 million. Based on Phase I and Phase II development only, the City projects only \$2.7 million of project costs will be supported. Other project costs are identified as TID eligible only to the extent sufficient increment is available to support these projects. Approval of this Project Plan does not represent a commitment, budget, or appropriation of funds by the City or Common Council to implement any of these projects. Development incentives require approval of a Development Agreement and specific infrastructure improvements require separate authorization by the Common Council.

### **Incremental Valuation**

The City projects that new land and improvements value of approximately \$16.7 million will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

## **Expected Termination of District**

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay Phase I and Phase II project costs within 15 of its allowable 20 years.

## **Summary of Findings**

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

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:

A review of the Project’s sources and uses, and cash flow proforma. The Project’s projected return on investment over 10 years without TIF assistance is 6.4%. The Developer has requested that the City provide incentive payments on a pay as you go-basis per a Municipal Revenue Obligation (“MRO”). Provision of the requested assistance would improve the Project’s return on investment to 8.14%. Based on Ehlers’ review, provision of pay as you go incentives in the amount requested is necessary to provide an acceptable return on investment and indicates that “but for” the incentives, the project would not likely proceed.

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. In making this determination, the City has considered the following information:
  - The expectation that the Phase I will employ up to 40-50 construction workers, and 20 full-time equivalents once Phase I is fully operational.
  - That the Developer is likely to purchase goods and services from local suppliers in construction of the Project, and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for

creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.

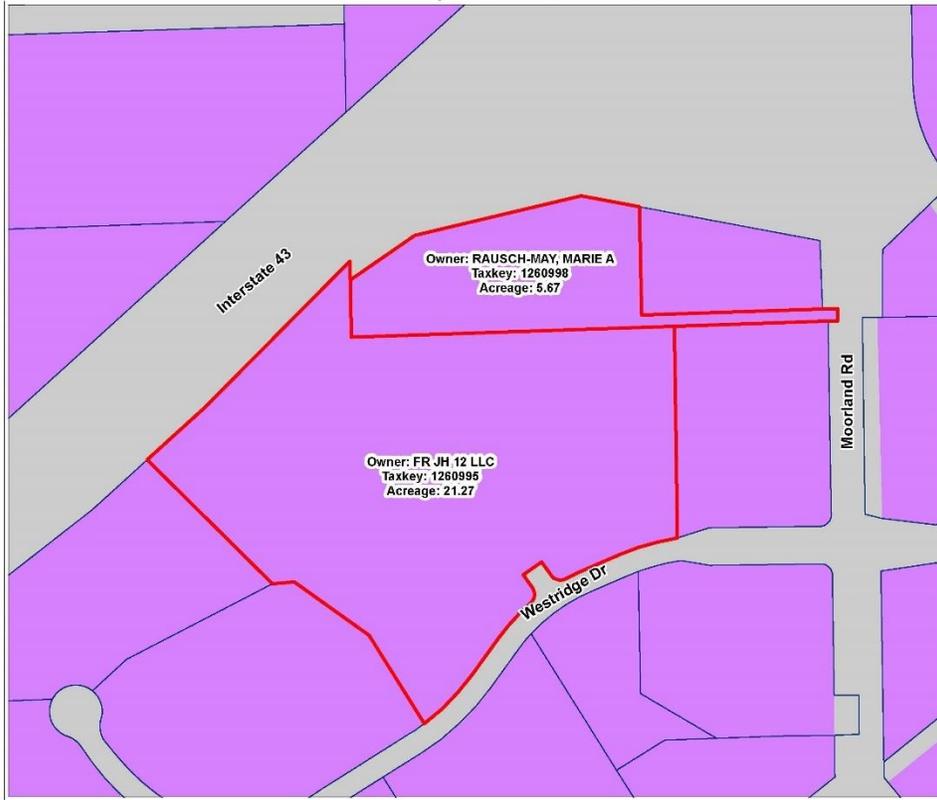
4. Not less than 50% by area of the real property within the District is suitable for mixed use development as defined by Wis. Stat. § 66.1105(2)(cm).
5. Based on the foregoing finding, the District is designated as a mixed-use district.
6. The Project Costs relate directly to promoting mixed use development in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City 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 Wis. Stat. § 66.1105(5)(b).
10. The Plan for the District is feasible and is in conformity with the Master Plan of the City.
11. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.

## **SECTION 2:**

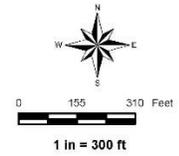
# **Preliminary Map of Proposed District Boundary**

Map Found on Following Page.

### TID #4 Boundary with Future Land Use



- Legend**
- TID #4 Boundary
  - Parcels
  - Business Park / Industrial
  - City Center Mixed Use
  - Suburban Commercial
  - Rural Commercial
  - Mixed Use Residential
  - City Center Single Family Res.
  - Urban Residential
  - Suburban Residential
  - Country Residential
  - Residential Estate
  - Park
  - Quarry
  - Institutional
  - Transportation
  - Water
  - Road Right-of-Way




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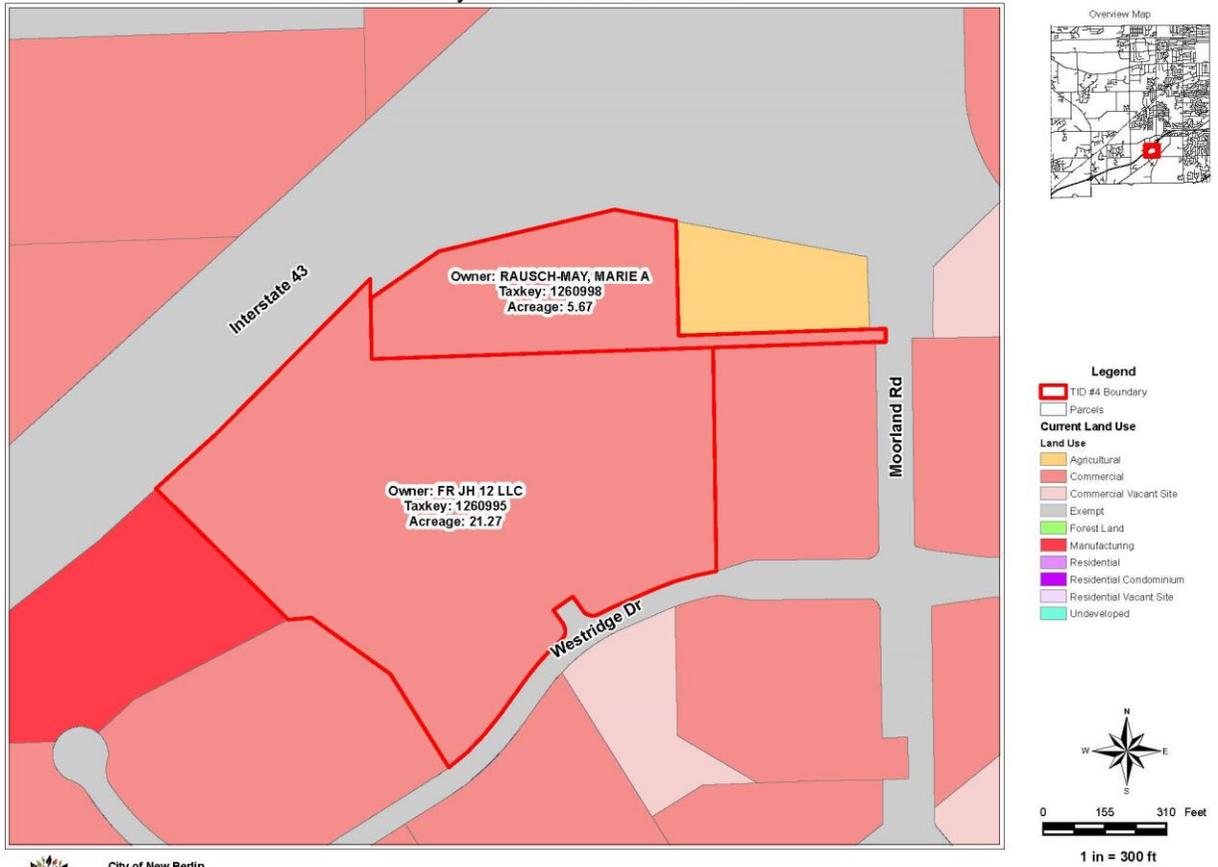
## **SECTION 3:**

# **Map Showing Existing Uses and Conditions**

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Map Found on Following Page.

# TID #4 Boundary with Current Land Use




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# SECTION 4: Preliminary Parcel List and Analysis

City of New Berlin, Wisconsin																
Tax Increment District 4																
Base Property Information																
Property Information				Assessment Information				Equalized Value				District Classification				
Parcel Number	Street Address	Owner	Acreage	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Industrial	Commercial / Business	Suitable for Mixed Use	
1260998	5295 S Moorland Rd	Marie Rausch-May	5.67	474,200	28,900	0	503,100	93.30%	508,231	30,974	0	539,205		5.67	5.67	
1260995	5355 S. Westridge Lane	FR JH 12 LLC	21.27	2,312,200	8,668,200		10,980,400	93.30%	2,478,136	9,290,277	0	11,768,414	21.27		21.27	
<b>Total Acreage</b>			<b>26.94</b>	2,786,400	8,697,100	0	11,483,500		2,986,367	9,321,252	0		21.27	5.67	26.94	
												<b>Estimated Base Value</b>	<b>12,307,619</b>	78.95%	21.05%	100.00%

# SECTION 5: Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$25,479,419. This value is less than the maximum of \$685,728,684 in equalized value that is permitted for the City.

<b>City of New Berlin, Wisconsin</b>	
<b>Tax Increment District #4</b>	
<b>Valuation Test Compliance Calculation</b>	
District Creation Date	5/12/2020
	Valuation Data Currently Available 2019
Total EV (TID In)	5,714,405,700
12% Test	685,728,684
Increment of Existing TIDs TID #3	13,171,800
Total Existing Increment	13,171,800
Projected Base of New or Amended District	12,307,619
Less Value of Any Underlying TID Parcels	0
Total Value Subject to 12% Test	25,479,419
Compliance	<b>PASS</b>

## SECTION 6:

# Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

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Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

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

The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

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

#### **Acquisition of Rights-of-Way**

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

#### **Acquisition of Easements**

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs

incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

### **Relocation Costs**

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

### **Site Preparation Activities**

#### **Environmental Audits and Remediation**

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.

#### **Site Grading**

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

### **Utilities**

#### **Sanitary Sewer System Improvements**

To allow development to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation

of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, is an eligible project cost under Wis. Stat. § 66.1105(2)(f)1 k.

### **Water System Improvements**

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

### **Stormwater Management System Improvements**

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

### **Electric Service**

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

### **Gas Service**

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

### **Communications Infrastructure**

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

## **Streets and Streetscape**

### **Street Improvements**

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

### **Streetscaping and Landscaping**

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

## **Community Development**

### **Cash Grants (Development Incentives)**

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

### **Projects Outside the Tax Increment District**

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

#### Other Infrastructure Projects (1/2 mile radius)

Small/Grange/Moorland Intersection	\$3,000,000
Moorland Road Expansion	\$4,000,000
Lowering ANR Pipeline	\$1,380,000
ROW Acquisition on Small Road & Grange Ave.	\$80,000
Small Road Resurfacing	\$310,000
Section 35 Grange Ave. Intersection	\$816,000
Subtotal	<u>\$9,586,000</u>

These project costs are identified as TID eligible only to the extent sufficient increment is available to support these projects. Inclusion of these project costs in the Project Plan does not represent a commitment, budget, or appropriation of funds by the City or Common Council to implement any of these projects.

### **Professional Service and Organizational Costs**

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

### **Administrative Costs**

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

### **Financing Costs**

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

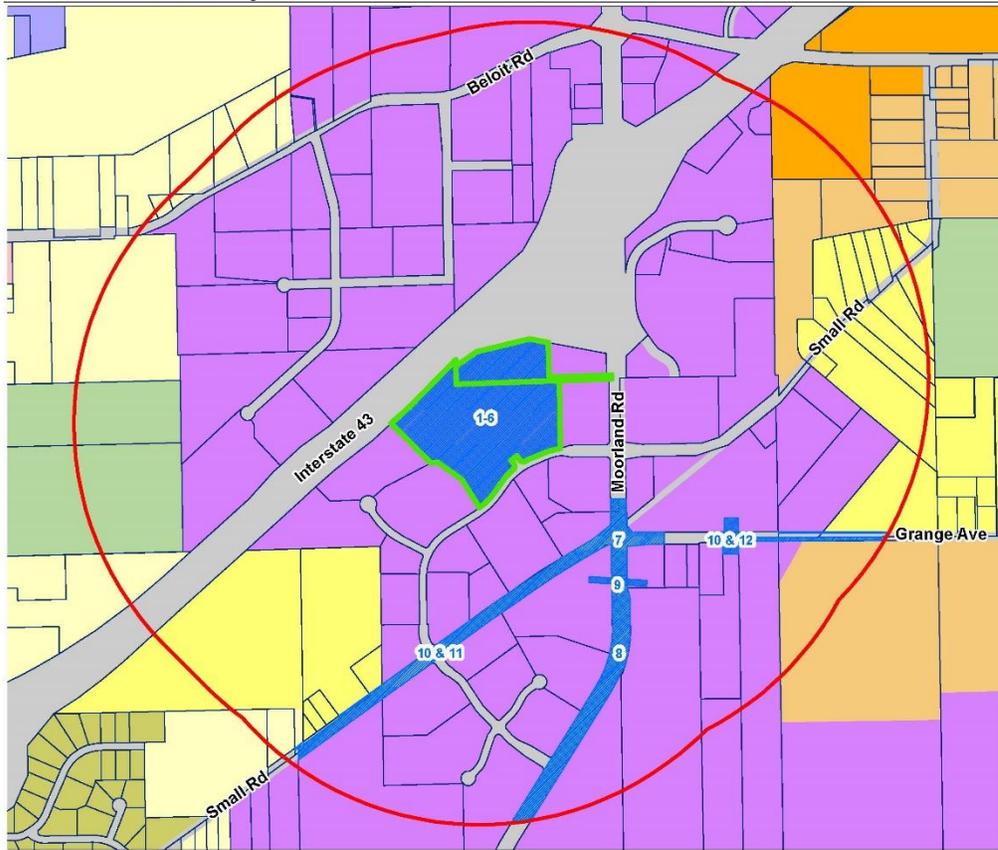
## **SECTION 7:**

# **Map Showing Proposed Improvements and Uses**

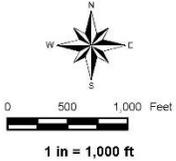
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Map Found on Following Page.

# TID #4 Project Locations with Future Land Use & Half Mile Buffer



- Legend**
- Parcels
  - TID #4 Boundary
  - TID #4 1/2 Mile Buffer
  - TID Project Location
  - Business Park / Industrial
  - City Center Mixed Use
  - Suburban Commercial
  - Rural Commercial
  - Mixed Use Residential
  - City Center Single Family Res.
  - Urban Residential
  - Suburban Residential
  - Country Residential
  - Residential Estate
  - Park
  - Quarry
  - Institutional
  - Transportation
  - Water
  - Road Right-of-Way




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## SECTION 8: Detailed List of Estimated Project Costs

The following list identifies the Project Costs for implementing the District's Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

Based on Phase I and Phase II of the proposed development only, the City projects only \$2.7 million of project costs will be supported. Other project costs are identified as TID eligible only to the extent sufficient increment is available to support these projects.

Project Costs		
<u>Project ID</u>	<u>Developer Incentive for Phase 1 Development</u>	
1	Road (Moorland to Sites)	\$107,302
2	Moorland Road Left Turn Lane Extension	\$99,000
3	Site Utilities	\$341,614
4	Storm Water Management	\$909,538
5	Earthwork Applicable to Access Drive	\$77,909
6	Electrical - Light poles (5) on Access Drive	\$19,360
	Developer Proforma Review	\$4,500
	TID Creation Costs	\$12,000
	Subtotal	\$1,571,223
	<u>Other Infrastructure Projects (1/2 mile radius)</u>	
7	Small/Grange/Moorland Intersection	\$3,000,000
8	Moorland Road Expansion	\$4,000,000
9	Lowering ANR Pipeline	\$1,380,000
10	ROW Acquisition on Small Road & Grange Ave.	\$80,000
11	Small Road Resurfacing	\$310,000
12	Section 35 Grange Ave. Intersection	\$816,000
	Subtotal	\$9,586,000
	Administrative and planning costs	\$161,803
	Total Projects	\$11,319,026
Notes:		
	Note 1	Project costs are estimates and are subject to modification

## **SECTION 9: Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred**

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This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

### **Key Assumptions**

The Project Costs for development of Phase I and Phase II are expected to create \$16.7 million in incremental value. Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming the City's current equalized TID Interim tax rate of \$16.20 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$5.2 million in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

### **Financing and Implementation**

Based on the Project Cost expenditures for Phase I, additional project costs of approximately \$1.0 million, and ongoing administrative costs as included within the cash flow exhibit (**Table 3**), the District is projected to accumulate sufficient funds by the year 2035 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected. If increment projections exceed projections, the other project costs identified in the Plan could be funded with approval by the Common Council.

**Table 1 - Development Assumptions**

<div style="background-color: #003366; color: white; padding: 10px; text-align: center;"> <b>City of New Berlin, Wisconsin</b>  <b>Tax Increment District 4</b>  <b>Development Assumptions</b> </div>							
Construction Year		Phase 1 Hampton Inn	Phase 2 Retail Pad A	Phase 2 Retail Pad B	Annual Total	Construction Year	
1	2020	8,995,708			8,995,708	2020	1
2	2021	4,708,077			4,708,077	2021	2
3	2022		1,500,000		1,500,000	2022	3
4	2023			1,500,000	1,500,000	2023	4
5	2024				0	2024	5
6	2025				0	2025	6
7	2026				0	2026	7
8	2027				0	2027	8
9	2028				0	2028	9
10	2029				0	2029	10
11	2030				0	2030	11
12	2031				0	2031	12
13	2032				0	2032	13
14	2033				0	2033	14
15	2034				0	2034	15
16	2035				0	2035	16
17	2036				0	2036	17
18	2037				0	2037	18
19	2038				0	2038	19
20	2039				0	2039	20
Totals		<u>13,703,785</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>16,703,785</u>		

Notes:  
 Hotel Increment reflects deduction of \$503K base parcel value  
 Assumed value of pad-ready retail parcels after completion of hotel  
 (release prices of outlots assumed at \$545K each, reflected in Sales Analysis as partial recapture of equity)

## Table 2 – Tax Increment Projection Worksheet

City of New Berlin, Wisconsin										
Tax Increment District 4										
Tax Increment Projection Worksheet										
Type of District	Mixed Use				Base Value	12,307,619		2019 Assessment		
District Creation Date	January 1, 2020				Appreciation Factor	0.00%		Apply to Base Value		
Valuation Date	Jan 1,	2020			Base Tax Rate	\$16.20				
Max Life (Years)	20				Rate Adjustment Factor					
Expenditure Period/Termination	15	1/1/2035			Tax Exempt Discount Rate	3.00%				
Revenue Periods/Final Year	20	2041			Taxable Discount Rate	4.50%				
Extension Eligibility/Years	Yes	3								
Eligible Recipient District	No									

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV		
								Calculation	Taxable NPV Calculation	
1	2020	8,995,708	2021	0	8,995,708	2022	\$16.20	145,753	133,385	127,723
2	2021	4,708,077	2022	0	13,703,785	2023	\$16.20	222,036	330,661	313,914
3	2022	1,500,000	2023	0	15,203,785	2024	\$16.20	246,340	543,155	511,589
4	2023	1,500,000	2024	0	16,703,785	2025	\$16.20	270,643	769,815	719,415
5	2024	0	2025	0	16,703,785	2026	\$16.20	270,643	989,873	918,292
6	2025	0	2026	0	16,703,785	2027	\$16.20	270,643	1,203,521	1,108,604
7	2026	0	2027	0	16,703,785	2028	\$16.20	270,643	1,410,947	1,290,721
8	2027	0	2028	0	16,703,785	2029	\$16.20	270,643	1,612,331	1,464,996
9	2028	0	2029	0	16,703,785	2030	\$16.20	270,643	1,807,850	1,631,766
10	2029	0	2030	0	16,703,785	2031	\$16.20	270,643	1,997,673	1,791,355
11	2030	0	2031	0	16,703,785	2032	\$16.20	270,643	2,181,968	1,944,071
12	2031	0	2032	0	16,703,785	2033	\$16.20	270,643	2,360,896	2,090,211
13	2032	0	2033	0	16,703,785	2034	\$16.20	270,643	2,534,611	2,230,058
14	2033	0	2034	0	16,703,785	2035	\$16.20	270,643	2,703,267	2,363,883
15	2034	0	2035	0	16,703,785	2036	\$16.20	270,643	2,867,011	2,491,945
16	2035	0	2036	0	16,703,785	2037	\$16.20	270,643	3,025,986	2,614,493
17	2036	0	2037	0	16,703,785	2038	\$16.20	270,643	3,180,330	2,731,763
18	2037	0	2038	0	16,703,785	2039	\$16.20	270,643	3,330,178	2,843,983
19	2038	0	2039	0	16,703,785	2040	\$16.20	270,643	3,475,663	2,951,371
20	2039	0	2040	0	16,703,785	2041	\$16.20	270,643	3,616,909	3,054,135
<b>Totals</b>		<b>16,703,785</b>	<b>0</b>		<b>Future Value of Increment</b>		<b>5,215,067</b>			

Notes:

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

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

**Table 3 - Cash Flow**

City of New Berlin, Wisconsin														
Tax Increment District 4														
Cash Flow Projection														
Year	Projected Revenues		Expenditures						Balances			Year		
	Tax Increments	Total Revenues	MRO \$1,571,223			G.O. Notes, Series 2025 \$1,060,000			Total Expenditures	Annual	Cumulative		Principal Outstanding	
			Dated Date: Principal	Est. Rate	Interest	Total	Dated Date: Principal (6/1)	Interest	Admin.					
2020		0		5%					2%	0	0	0	1,060,000	2020
2021		0								0	0	0	1,060,000	2021
2022	145,753	145,753	0	5.00%	78,561	78,561			15,000	93,561	52,192	52,192	2,631,223	2022
2023	222,036	222,036	124,041	5.00%	78,561	202,602			10,000	212,602	9,434	61,626	2,507,182	2023
2024	246,340	246,340	103,163	5.00%	72,359	175,522			10,200	185,722	60,618	122,243	2,404,019	2024
2025	270,643	270,643	113,073	5.00%	67,201	180,274			10,404	190,678	79,965	202,209	2,290,946	2025
2026	270,643	270,643	114,336	5.00%	61,547	175,883	100,000	28,688	10,612	315,183	(44,539)	157,669	2,076,610	2026
2027	270,643	270,643	105,836	5.00%	55,831	161,667	100,000	20,475	10,824	292,966	(22,322)	135,347	1,870,774	2027
2028	270,643	270,643	107,097	5.00%	50,539	157,636	100,000	18,225	11,041	286,902	(16,258)	119,089	1,663,677	2028
2029	270,643	270,643	118,482	5.00%	45,184	163,666	100,000	15,975	11,262	290,902	(20,259)	98,830	1,445,195	2029
2030	270,643	270,643	125,464	5.00%	39,260	164,724	105,000	13,669	11,487	294,879	(24,236)	74,594	1,214,731	2030
2031	270,643	270,643	132,850	5.00%	32,987	165,837	105,000	11,306	11,717	293,859	(23,216)	51,378	976,881	2031
2032	270,643	270,643	140,649	5.00%	26,344	166,993	110,000	8,888	11,951	297,831	(27,188)	24,190	726,232	2032
2033	270,643	270,643	138,959	5.00%	19,312	158,271	105,000	6,469	12,190	281,929	(11,286)	12,904	482,273	2033
2034	270,643	270,643	142,356	5.00%	12,364	154,720	100,000	4,163	12,434	271,316	(672)	12,231	239,917	2034
2035	270,643	270,643	104,917	5.00%	5,246	110,163	135,000	1,519	12,682	259,364	11,279	23,511	0	2035
2036	270,643	270,643								0	270,643	294,154		2036
2037	270,643	270,643								0	270,643	564,797		2037
2038	270,643	270,643								0	270,643	835,441		2038
2039	270,643	270,643								0	270,643	1,106,084		2039
2040	270,643	270,643								0	270,643	1,376,728		2040
2041	270,643	270,643								0	270,643	1,647,371		2041
Total	5,215,067	5,215,067	1,571,223		645,294	2,216,517	1,060,000	129,375	161,803	3,567,695				Total

Notes: Projected TID Closure

## **SECTION 10: Annexed Property**

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

## **SECTION 11: Estimate of Property to Be Devoted to Retail Business**

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Pursuant to Wis. Stat. § 66.1105(5)(b), the City 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.

## **SECTION 12: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances**

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### **Zoning Ordinances**

The proposed Plan is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning changes or approvals to facilitate development within the District.

### **Master (Comprehensive) Plan and Map**

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for Business Park/Industrial uses consistent with a mixed-use District that promotes commercial and industrial uses.

### **Building Codes and Ordinances**

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

## **SECTION 13: Statement of the Proposed Method for the Relocation of any Persons to be Displaced**

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Should implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

## **SECTION 14: How Creation of the Tax Incremental District Promotes the Orderly Development of the City**

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Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by creating opportunities for mixed use development, and facilitating development of a site with challenging access and site topography to a higher use. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as the expectation Phase I of the development will employ up to 40-50 construction workers, and 20 full-time equivalents once the Phase I is fully operational.

## **SECTION 15:**

### **List of Estimated Non-Project Costs**

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Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

**SECTION 16:  
Legal Opinion Advising Whether the Plan is  
Complete and Complies with Wis. Stat. §  
66.1105(4)(f)**

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Legal Opinion Found on Following Page.



**City Attorney Mark G. Blum**

City Prosecutor Thomas G. Schmitzer

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May 7, 2020

**Email: [dament@newberlin.org](mailto:dament@newberlin.org) ONLY**

Mayor David Ament  
City of New Berlin  
3805 S. Casper Drive  
New Berlin, WI 53151

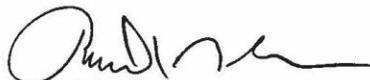
Re: TID 4

Dear Mayor Ament:

As City Attorney for the City of New Berlin, I have reviewed the Project Plan for City of New Berlin's Tax Incremental District No. 4 and, in my opinion, have determined that it is complete and complies with Wisconsin Statute Section 66.1105(4)(f).

Thank you for your attention to this matter.

Sincerely,



Mark G. Blum

MGB/jb

*Distinct, Friendly Community - Extensive Transportation Network - Vibrant Future*

# SECTION 17: Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.						
TIF Calculation Worksheet				2019-2020		
County				11%		
Municipality				29%		
School District				58%		
Technical College				2%		
Total				100%		
Revenue Year	County	Municipality	School District	Technical College	Total	Revenue Year
2022	16,369	41,959	84,184	3,242	145,753	2022
2023	24,936	63,918	128,243	4,938	222,036	2023
2024	27,666	70,915	142,280	5,479	246,340	2024
2025	30,395	77,911	156,318	6,019	270,643	2025
2026	30,395	77,911	156,318	6,019	270,643	2026
2027	30,395	77,911	156,318	6,019	270,643	2027
2028	30,395	77,911	156,318	6,019	270,643	2028
2029	30,395	77,911	156,318	6,019	270,643	2029
2030	30,395	77,911	156,318	6,019	270,643	2030
2031	30,395	77,911	156,318	6,019	270,643	2031
2032	30,395	77,911	156,318	6,019	270,643	2032
2033	30,395	77,911	156,318	6,019	270,643	2033
2034	30,395	77,911	156,318	6,019	270,643	2034
2035	30,395	77,911	156,318	6,019	270,643	2035
2036	30,395	77,911	156,318	6,019	270,643	2036
2037	30,395	77,911	156,318	6,019	270,643	2037
2038	30,395	77,911	156,318	6,019	270,643	2038
2039	30,395	77,911	156,318	6,019	270,643	2039
2040	30,395	77,911	156,318	6,019	270,643	2040
2041	30,395	77,911	156,318	6,019	270,643	2041
				<hr/> 585,689      1,501,283      3,012,110      115,985      5,215,067 <hr/>		
Notes:						
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.						