

December 13, 2021

DRAFT PROJECT PLAN

City of New Berlin, Wisconsin

Tax Incremental District No. 5



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Waukesha, WI 53188

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	December 6, 2021
Public Hearing Held:	December 6, 2021
Approval by Plan Commission:	December 6, 2021
Adoption by Common Council:	January 11, 2022
Approval by the Joint Review Board:	January 18, 2022

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SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 5 (“District”) is a proposed Industrial District comprising approximately 139 acres located along Lincoln Avenue. The District will be created to pay the costs of public improvements needed to facilitate the expansion of ABB (the “Project”), a manufacturer and developer of low and medium voltage drives. As part of this Project, ABB will relocate its current office and lab located in Wauwatosa. In addition to the incremental property value that will be created, ABB expects the Project will result in 100 additional jobs by the year 2025.

The Project consists of two primary/principal structures on parcels #116799003 (north lot) and #1167990002 (south lot). The north lot will consist of a 270,800 square foot structure and a 7,160 square foot connector building, which will tie the north manufacturing and corporate office to the lab portion of ABB to the logistics portion in the south building, occupied by ABB’s logistics partner. The south lot will consist of a 309,474 square foot structure which will house light industrial, distribution, warehousing, support offices, and related uses.

The parcels on the western portion of the District are being added to facilitate potential development that could materialize with improvements to Lincoln Avenue (Tax Keys: NBC 1172999003 and 1167994 and a portion of 1167996001). Veit Regional Headquarters is a possibly in 2022. This project was presented conceptually to the Plan Commission on August 16, 2021 and received favorable direction.

Veit is currently operating two locations along Lincoln Avenue and would like to combine all operations into one location/campus. The proposed location would remain at the current capacity/intensity, but provide for space/room to expand in the future. Veit is proposing a 20,000 square foot regional headquarter office and a 15,000 square foot heavy equipment maintenance facility. Staff from the current New Berlin office would be relocated to the new headquarters. Equipment would be moved from the current shop/storage area to the new location. This project has not been included in the Development Assumptions for this District.

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 \$6 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include street, water, and storm water improvements, and general costs associated with the District (financial, legal, auditing, etc).

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$55 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 all Project Costs within 11 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:

The substantial investment needed to provide the public infrastructure necessary to allow for development within the District. Public street improvements, water improvements, and storm water improvements are necessary to accommodate the proposed structures. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements in the requirement timeframe to facilitate development beginning in 2022.

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 Project will employ up to 100 additional workers once the Project 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.

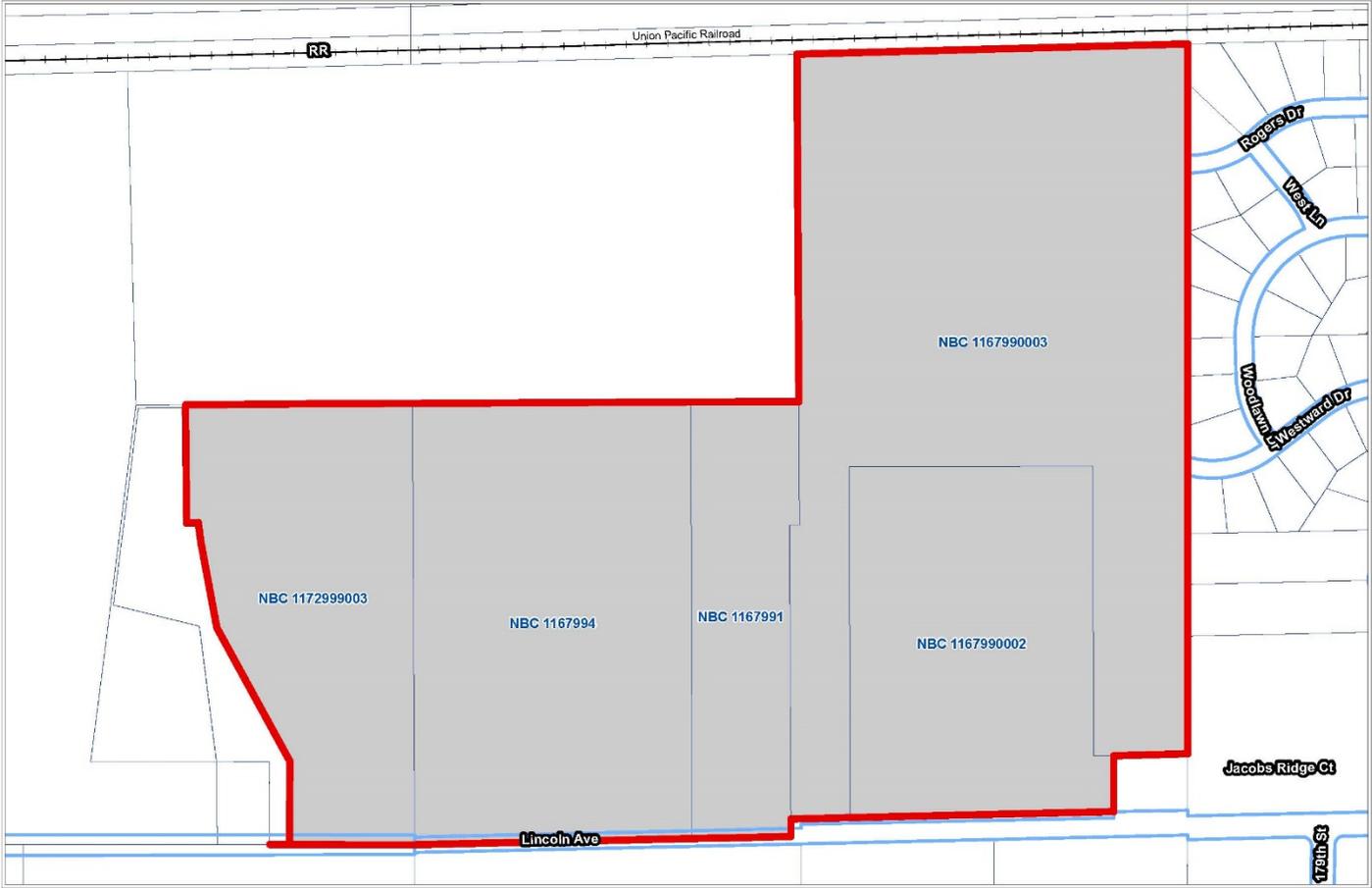
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the 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 industrial sites as defined by Wis. Stat. § 66.1101, and has been zoned for industrial use. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use at the time of creation of the District will remain zoned for industrial use for the life of the District.
5. Based on the foregoing finding, the District is designated as an industrial district.
6. The Project Costs relate directly to promoting industrial 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 none 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. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2: Preliminary Map of Proposed District Boundary

Map Found on Following Page.

To the extent District boundaries include wetlands identified on a map prepared under Wis. Stat. § 23.32, the wetlands are excluded from the District.

TID # 5 Parcels and Project Boundary



- Legend**
- TID Boundary
 - TID Parcels
 - Parcels



1 in = 337 ft

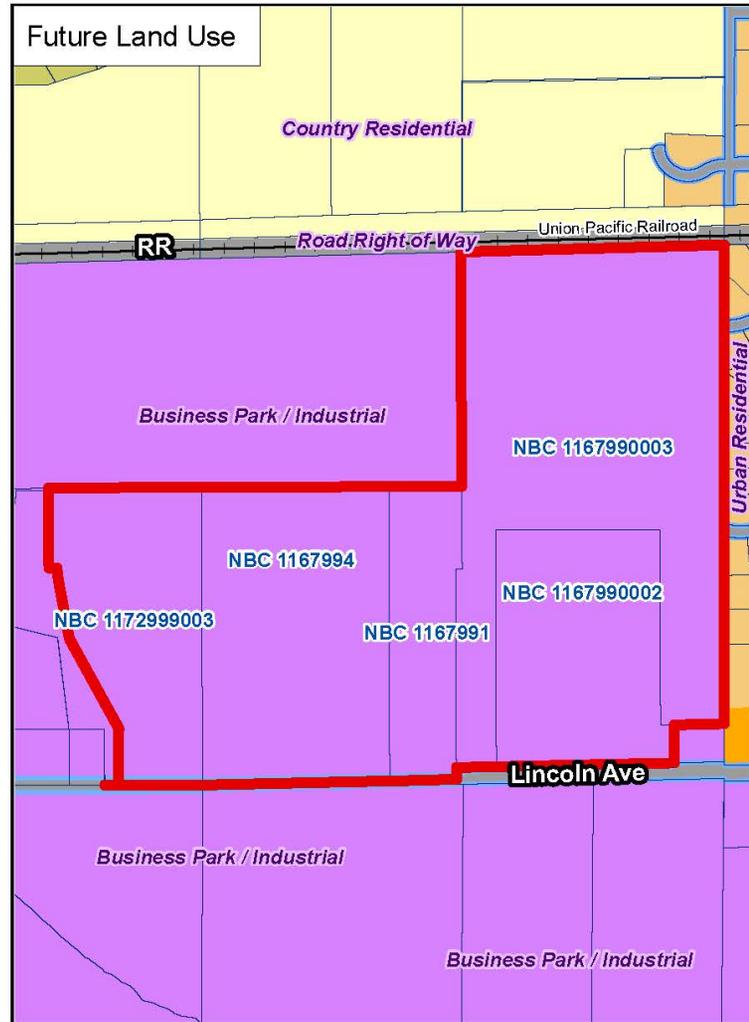
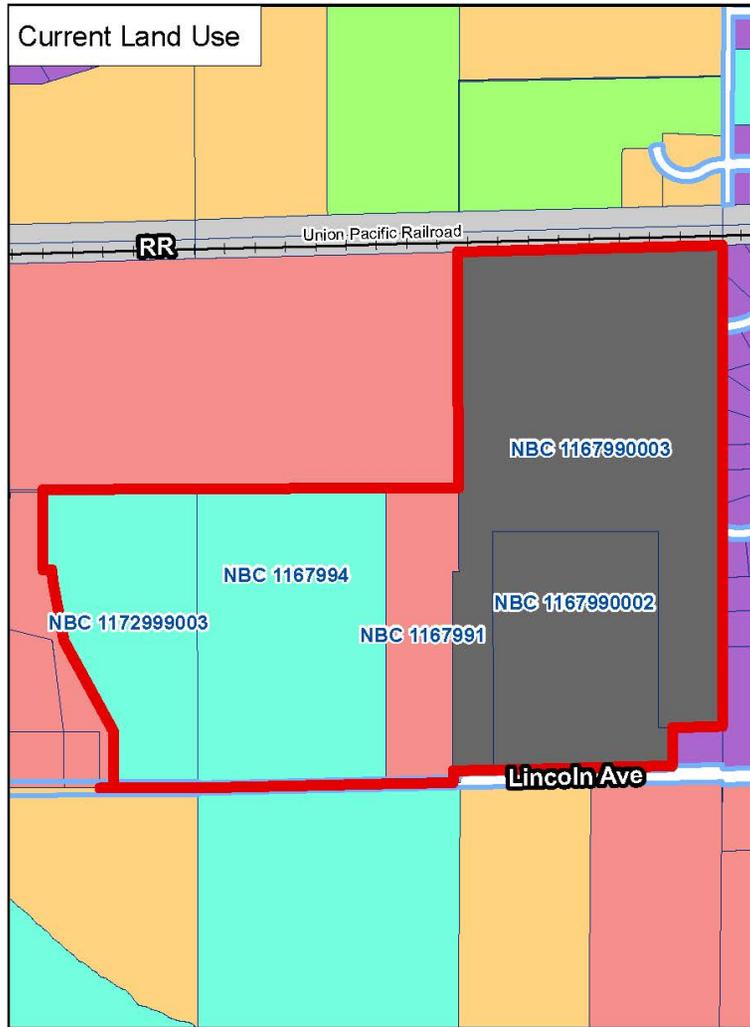

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P:\GIS\Projects\RF\37573\210021\TID # 5 LINCOLN AVE\TID#5\TID #5_District Boundary Map.mxd

SECTION 3:
**Map Showing Existing Uses and Conditions & Future
Land Use**

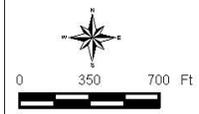
Map Found on Following Page.



Current Land Use	
No Value Assigned	Exempt
Agricultural	Forest
Commercial	Residential
Undeveloped	

**TIF # 5
Lincoln Avenue
TIF--2102121**

Future Land Use	
Business Park / Industrial	Suburban Residential
Mixed Use Residential	Country Residential
Urban Residential	Transportation



SECTION 4: **Preliminary Parcel List and Analysis**

Parcel list is found on Following Page.

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 \$37,339,900. This value is less than the maximum of \$752,504,412 in equalized value that is permitted for the City.

City of New Berlin, WI	
Tax Increment District #5	
Valuation Test Compliance Calculation	
District Creation Date	1/11/2022
	Valuation Data
	Currently Available
	2021
Total EV (TID In)	6,270,870,100
12% Test	752,504,412
Increment of Existing TIDs	
TID #3	36,630,300
TID #4	709,600
Total Existing Increment	<u>37,339,900</u>
Projected Base of New District	1,213,470
Less Value of Any Underlying TID Parcels	0
Total Value Subject to 12% Test	<u><u>38,553,370</u></u>
Compliance	PASS

SECTION 6: Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

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

Property Acquisition for Development

To promote and facilitate development the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as

defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

To promote the objectives of this Plan, the City may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

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.

Demolition

To make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development, 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.

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.

Miscellaneous

Rail Spur

To allow for development, the City may incur costs for installation of a rail spur or other railway improvements to serve development sites located within the District.

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 intends to make the following project cost expenditures outside the District:

- Portions of Lincoln Avenue east and west of TID boundary: \$3,803,000

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.

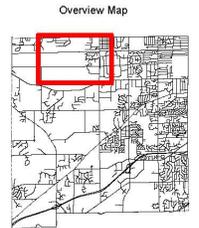
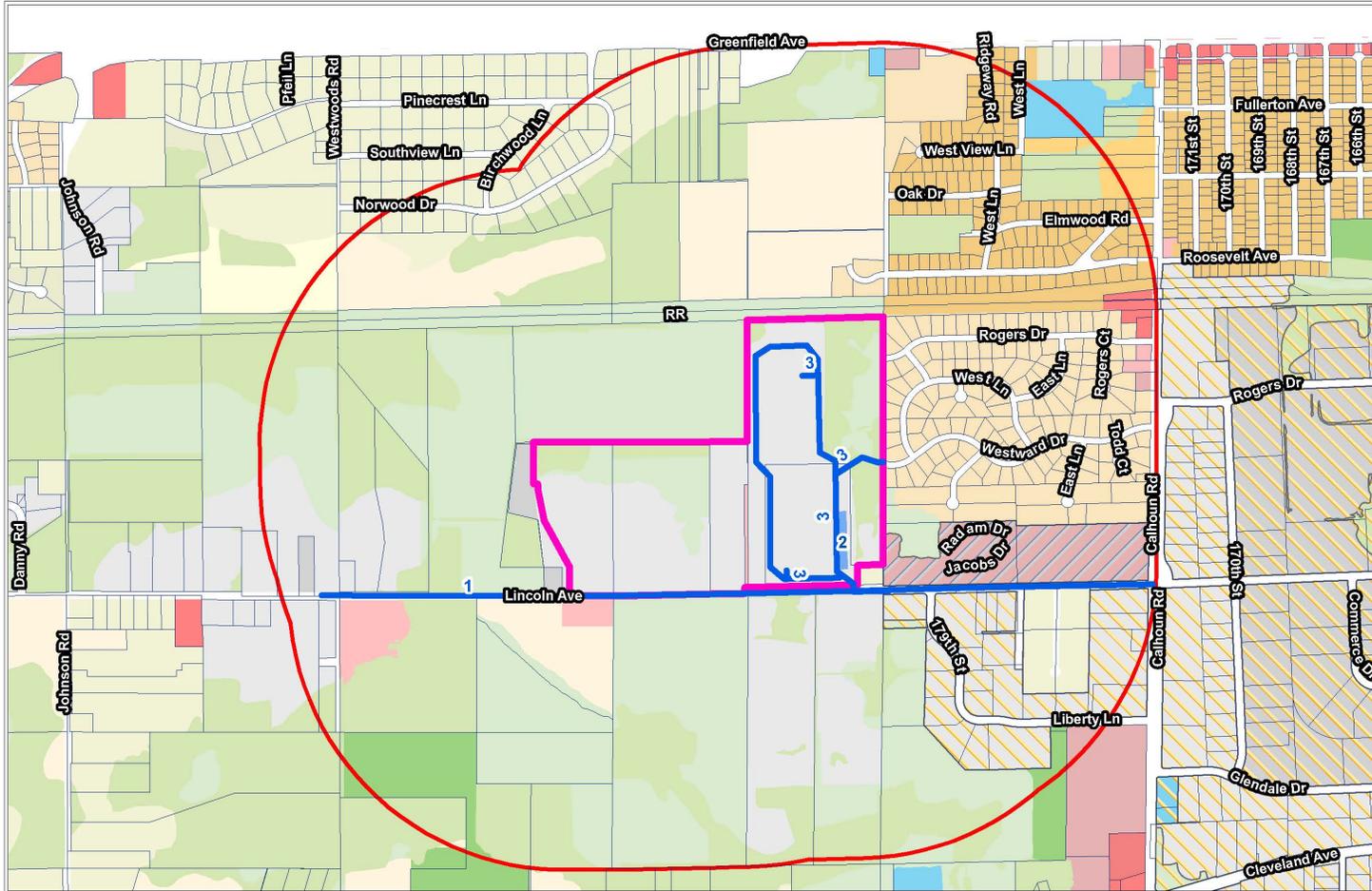
Financing Costs

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.

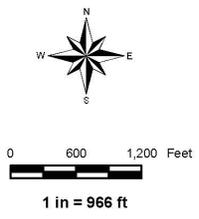
SECTION 7: **Map Showing Proposed Improvements and Uses**

Map Found on Following Page.

TID # 5 Projects



- Legend**
- TID Boundary
 - Half Mile Buffer
 - Parcels
 - TID 5 Project
 - TID 5 Project




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P:\OGD\Projects\TID\TID 5\LINCOLN AVE\ENGLISH\TIF_#5_Project_Map.mxd

SECTION 8:

Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City currently expects to incur in 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.

Lincoln Avenue street improvements

Due to the nature of the proposed land uses and its current condition improvements to Lincoln Avenue are essential to support the new growth within the TID and corridor and to accommodate existing and future projected traffic volumes. This priority project would reconstruct Lincoln Avenue from Calhoun Road west for approximately 1.6 miles in 2023. The current PASER rating for Lincoln Avenue is 30 and the pavement has reached the point where reconstruction of the entire road is required. The overall cost is estimated to be \$4.6 million dollars.

Lincoln Avenue storm water improvements

The Lincoln Avenue corridor is partially served by public water and sanitary sewer. It also has significant stormwater, drainage and floodplain issues. Because of limited available land area to accommodate stormwater management, the City, as part of its stormwater management strategy, seeks to purchase public storage capacity in one of the private development's stormwater ponds - depending upon capacity needs and storage availability.

Public Watermain loop

The overall development is required to extend and loop a public watermain 7,300 lineal feet through the property. This creates essential fire protection coverage, the ability to isolate portions of the public water system without total loss of the entire development and allows for consistent maintenance efforts of the infrastructure.

City of New Berlin, WI

Tax Increment District #5

Estimated Project List

Project ID	Project Name/Type	Amount
1	Street Improvements (adjacent to district)	863,000
1	Street Improvements (within 1/2 mile)	3,803,000
	Subtotal Streets	<u>4,666,000</u>
2	Storm Water Improvements	160,000
3	Public Water Main Loop	
	16" Watermain	85,260
	12" Watermain	313,780
	8" Watermain	336,114
	Hydrant assembly with 6" GV	48,000
	16"x12" Tee	950
	12"x8" Tee	2,175
	8"x8" Tee	460
	12"x8" Reducer	950
	12" Butterfly Valve	21,000
	8" Gate Valve	12,000
	8" Connection to existing watermain	4,200
	16" Connection to existing watermain	4,600
	Engineering	66,359
	Inspection	58,064
	Contingency	41,474
	Subtotal Water	<u>995,387</u>
	General Government Costs (planning, audit, reporting)	225,000
Total Projects		<u><u>6,046,387</u></u>

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

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 the City plans to make are expected to create \$55 million in incremental value. Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming an equalized TID Interim tax rate of \$14.29 per thousand of equalized value (declining at a rate of 0.25% for 3 years), and no economic appreciation or depreciation, the Project would generate \$15,056,826 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 as included within the cash flow exhibit (**Table 3**), the District is projected to accumulate sufficient funds by the year 2033 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.

Table 1 - Development Assumptions

<div style="background-color: #003366; color: white; padding: 10px; text-align: center;"> <h2 style="margin: 0;">City of New Berlin, WI</h2> <h3 style="margin: 0;">Tax Increment District #5</h3> <h3 style="margin: 0;">Development Assumptions</h3> </div>					
Construction Year		Initial Project	Annual Total	Construction Year	
1	2022	13,750,000	13,750,000	2022	1
2	2023	41,250,000	41,250,000	2023	2
3	2024		0	2024	3
4	2025		0	2025	4
5	2026		0	2026	5
6	2027		0	2027	6
7	2028		0	2028	7
8	2029		0	2029	8
9	2030		0	2030	9
10	2031		0	2031	10
11	2032		0	2032	11
12	2033		0	2033	12
13	2034		0	2034	13
14	2035		0	2035	14
15	2036		0	2036	15
16	2037		0	2037	16
17	2038		0	2038	17
18	2039		0	2039	18
19	2040		0	2040	19
20	2041		0	2041	20
Totals		<u><u>55,000,000</u></u>	<u><u>55,000,000</u></u>		

Notes:
 1. 25% constructed in 2022; 75% constructed in 2023

Table 2 – Tax Increment Projection Worksheet

City of New Berlin, WI								
Tax Increment District #5								
Tax Increment Projection Worksheet								
Type of District	Industrial			Base Value	1,213,470			
District Creation Date	January 11, 2022			Appreciation Factor	0.00%			
Valuation Date	Jan 1,	2022		2021/2022 Tax Rate	\$14.33			
Max Life (Years)	20			Rate Adjustment Factor (3 years)	-0.25%			
Expenditure Period/Termination	15	1/11/2037		Tax Exempt Discount Rate	N/A			
Revenue Periods/Final Year	20	2043		Taxable Discount Rate	N/A			
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	
1	2022	13,750,000	2023	0	13,750,000	2024	\$14.29	196,488
2	2023	41,250,000	2024	0	55,000,000	2025	\$14.25	783,985
3	2024	0	2025	0	55,000,000	2026	\$14.22	782,025
4	2025	0	2026	0	55,000,000	2027	\$14.22	782,025
5	2026	0	2027	0	55,000,000	2028	\$14.22	782,025
6	2027	0	2028	0	55,000,000	2029	\$14.22	782,025
7	2028	0	2029	0	55,000,000	2030	\$14.22	782,025
8	2029	0	2030	0	55,000,000	2031	\$14.22	782,025
9	2030	0	2031	0	55,000,000	2032	\$14.22	782,025
10	2031	0	2032	0	55,000,000	2033	\$14.22	782,025
11	2032	0	2033	0	55,000,000	2034	\$14.22	782,025
12	2033	0	2034	0	55,000,000	2035	\$14.22	782,025
13	2034	0	2035	0	55,000,000	2036	\$14.22	782,025
14	2035	0	2036	0	55,000,000	2037	\$14.22	782,025
15	2036	0	2037	0	55,000,000	2038	\$14.22	782,025
16	2037	0	2038	0	55,000,000	2039	\$14.22	782,025
17	2038	0	2039	0	55,000,000	2040	\$14.22	782,025
18	2039	0	2040	0	55,000,000	2041	\$14.22	782,025
19	2040	0	2041	0	55,000,000	2042	\$14.22	782,025
20	2041	0	2042	0	55,000,000	2043	\$14.22	782,025
Totals	55,000,000		0		Future Value of Increment		15,056,926	

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, WI												
Tax Increment District #5												
Cash Flow Projection												
Year	Projected Revenues			Expenditures				Balances			Year	
	Tax Increments	Developer Revenue	Total Revenues	G.O. Promissory Note 5,945,000 Dated Date: 06/01/23			Planning & Administration	Total Expenditures	Annual	Cumulative		Principal Outstanding
				Principal	Est. Rate	Interest						
2022		15,000	15,000				15,000	15,000	0	0		2022
2023			0				10,000	10,000	(10,000)	(10,000)	5,945,000	2023
2024	196,488		196,488			267,525	10,000	277,525	(81,038)	(91,038)	5,945,000	2024
2025	783,985		783,985	500,000	3.00%	170,850	10,000	680,850	103,135	12,098	5,445,000	2025
2026	782,025		782,025	600,000	3.00%	154,350	10,000	764,350	17,675	29,773	4,845,000	2026
2027	782,025		782,025	630,000	3.00%	135,900	10,000	775,900	6,125	35,898	4,215,000	2027
2028	782,025		782,025	655,000	3.00%	116,625	10,000	781,625	400	36,298	3,560,000	2028
2029	782,025		782,025	675,000	3.00%	96,675	10,000	781,675	350	36,648	2,885,000	2029
2030	782,025		782,025	695,000	3.00%	76,125	10,000	781,125	900	37,548	2,190,000	2030
2031	782,025		782,025	715,000	3.00%	54,975	10,000	779,975	2,050	39,599	1,475,000	2031
2032	782,025		782,025	735,000	3.00%	33,225	10,000	778,225	3,800	43,399	740,000	2032
2033	782,025		782,025	740,000	3.00%	11,100	10,000	761,100	20,925	64,324	0	2033
2034	782,025		782,025				10,000	10,000	772,025	836,349	0	2034
2035	782,025		782,025				10,000	10,000	772,025	1,608,374		2035
2036	782,025		782,025				10,000	10,000	772,025	2,380,399		2036
2037	782,025		782,025				10,000	10,000	772,025	3,152,425		2037
2038	782,025		782,025				10,000	10,000	772,025	3,924,450		2038
2039	782,025		782,025				10,000	10,000	772,025	4,696,475		2039
2040	782,025		782,025				10,000	10,000	772,025	5,468,500		2040
2041	782,025		782,025				10,000	10,000	772,025	6,240,525		2041
2042	782,025		782,025				10,000	10,000	772,025	7,012,550		2042
2043	782,025		782,025				10,000	10,000	772,025	7,784,576		2043
Total	15,056,926	15,000	15,071,926	5,945,000		1,117,350	225,000	7,287,350				Total
Notes:									Projected TID Closure			

SECTION 10: Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the property within the proposed District boundary was annexed during the past three years.

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

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that none 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

Zoning Ordinances

The proposed Plan is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development. Land within the District zoned industrial at the time of District creation will remain in a zoning classification suitable for industrial sites for the life of 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 industrial development.

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

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

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by creating new industrial sites in a manner consistent with the City's comprehensive plan. 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 increased employment opportunities. The ABB project is projected to create an additional 100 jobs by 2025.

SECTION 15:

List of Estimated Non-Project Costs

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)**

Legal Opinion Found on Following Page.



City Attorney Mark G. Blum

City Prosecutor Thomas G. Schmitzer

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December 8, 2021

Email: dament@newberlin.org ONLY

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

Re: TID 5 Project Plan

Dear Mayor Ament:

Wisconsin Statute Sec. 66.1105(4)(f) requires that a Project Plan for a Tax Incremental Financing District include an opinion provided by the City Attorney advising as to whether the Plan is complete and complies with Wisconsin Statute Sec. 66.1105. As City Attorney for the City of New Berlin, 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 City of New Berlin Tax Increment District No. 5 is complete and complies with the provisions of Wisconsin Statute Sec. 66.1105.

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 overlaying district would pay by jurisdiction.

2020 Tax Bill	2020
County	13%
Municipality	35%
New Berlin School District	50%
Technical College	3%
Total	100%

Revenue Year	County	Municipality	New Berlin School District	Technical College	Total	Revenue Year
2024	25,326	68,568	97,543	5,051	196,488	2024
2025	101,051	273,585	389,197	20,152	783,985	2025
2026	100,798	272,901	388,224	20,102	782,025	2026
2027	100,798	272,901	388,224	20,102	782,025	2027
2028	100,798	272,901	388,224	20,102	782,025	2028
2029	100,798	272,901	388,224	20,102	782,025	2029
2030	100,798	272,901	388,224	20,102	782,025	2030
2031	100,798	272,901	388,224	20,102	782,025	2031
2032	100,798	272,901	388,224	20,102	782,025	2032
2033	100,798	272,901	388,224	20,102	782,025	2033
2034	100,798	272,901	388,224	20,102	782,025	2034
2035	100,798	272,901	388,224	20,102	782,025	2035
2036	100,798	272,901	388,224	20,102	782,025	2036
2037	100,798	272,901	388,224	20,102	782,025	2037
2038	100,798	272,901	388,224	20,102	782,025	2038
2039	100,798	272,901	388,224	20,102	782,025	2039
2040	100,798	272,901	388,224	20,102	782,025	2040
2041	100,798	272,901	388,224	20,102	782,025	2041
2042	100,798	272,901	388,224	20,102	782,025	2042
2043	100,798	272,901	388,224	20,102	782,025	2043
	<u>1,940,748</u>	<u>5,254,376</u>	<u>7,474,771</u>	<u>387,031</u>	<u>15,056,926</u>	

Notes:

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