



June 16, 2014

Project Plan for the Creation of Tax Incremental District No. 5



Organizational Joint Review Board Meeting Held:	June 2, 2014
Public Hearing Held:	June 2, 2014
Adoption by CDA:	June 2, 2014
Consideration for Adoption by Village Board:	Scheduled for: June 16, 2014
Approval by the Joint Review Board:	Scheduled for: June 27, 2014



Tax Incremental District No. 5 Creation Project Plan

Village of Shorewood Officials

Village Board

Guy Johnson	Village President
Tammy Bockhorst	Village Trustee
Jeff Hanewall	Village Trustee
Patrick Linnane	Village Trustee
Ann McKaig	Village Trustee
Michael Maher	Village Trustee
Thad Nation	Village Trustee

Village Staff

M. Chris Swartz	Village Manager
Sherry Grant	Village Clerk
Raymond Pollen	Village Attorney
Ericka Lang	Village Planning Director

CDA

Pete Petrie, Chair	Andrea Roschke
Vida Langenkamp	Tammy Bockhorst
John Florsheim	Jeff Hanewall
Peter Hammond	

Joint Review Board

Guy Johnson	Village Representative
Teig Whaley-Smith	Milwaukee County
Al Shoreibah	Milwaukee Area Technical College District
Colin Plese	Shorewood School District
Michael Spector/Michael Paulson	Public Member



Table of Contents

EXECUTIVE SUMMARY.....4

TYPE AND GENERAL DESCRIPTION OF DISTRICT.....8

MAP OF PROPOSED DISTRICT BOUNDARY9

MAP SHOWING EXISTING USES AND CONDITIONS.....10

PRELIMINARY PARCEL LIST AND ANALYSIS.....11

EQUALIZED VALUE TEST.....12

STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS.....13

MAP SHOWING PROPOSED IMPROVEMENTS AND USES.....17

DETAILED LIST OF PROJECT COSTS24

ECONOMIC FEASIBILITY STUDY, FINANCING METHODS, AND THE TIME WHEN COSTS OR MONETARY OBLIGATIONS RELATED ARE TO BE INCURRED.....25

ANNEXED PROPERTY.....33

ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS33

PROPOSED ZONING ORDINANCE CHANGES.....33

PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND VILLAGE OF SHOREWOOD ORDINANCES33

RELOCATION.....34

ORDERLY REDEVELOPMENT OF THE VILLAGE OF SHOREWOOD.....34

LIST OF ESTIMATED NON-PROJECT COSTS34

OPINION OF ATTORNEY FOR THE VILLAGE OF SHOREWOOD ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES 66.110535

CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS.....36

SECTION 1: Executive Summary

Description of District and Project Overview

Type of District, Size and Location

Tax Incremental District (“TID”) No. 5 (the “TID” or “District”) is proposed to be created by the Village of Shorewood (“Village”) as a rehabilitation - conservation, district. A map of the proposed District boundaries is located in Section 3 of this plan.

The Project

The first phase of the proposed project would consist of a new 80,000 square foot Roundy’s Metro Market with completion estimated for the fall of 2015. This two-level store, slated to be Roundy’s Milwaukee flagship Metro Market, will offer a fresh selection of produce, meat and seafood as well as a sushi bar, wine bar, olive oil bar and smoothie bar. There will also be a vegan department, expanded organics line and other casual restaurant options. Phase I also includes the construction of a parking garage with approximately 335 stalls for the Metro Market and other retail customers and employees, and to provide additional parking for the community.

The second phase of the proposed project consists of a mixed use building featuring approximately 100 upscale apartments and 15,000 square feet of retail space. Parking for building tenants would be provided within this building. Phase II would begin in the fall of 2015 and be completed in 2016.

The total approximate development cost of phases I and II is expected to be approximately \$40 million. Village financial support to the proposed project is expected to be approximately \$13,750,000, consisting of:

- | | |
|--|-------------|
| • A grant for the construction of the parking structure | \$5,500,000 |
| • A loan to the developer for construction of the Metro Market and mixed use building | \$6,500,000 |
| • Village costs of financing activities, TID Creation, Legal, and capitalization of early interest | \$1,750,000 |

As the loan principal would eventually be repaid to the Village, the total net Village investment for the proposed project at the end of the day would be approximately \$6,300,000.

With these projections, we estimate that the payback period for this project will be 15 years - 12 years shorter than that required by Wisconsin TID statutes. The Village will have realized \$30.2 million in increased assessed value - \$4.51 for every \$1.00 of the \$6.7 million invested by the Village in the proposed project. At the end of the payback period, these properties are expected to be contributing approximately \$1,168,492 annually in additional property taxes to the Village taxing entities – continuing to grow thereafter at the rate of inflation

These numbers are expected to be fine-tuned during the vetting and review process to reflect decisions made before final project approval.

Estimated Total Project Expenditures.

This district encompasses a 2 block area within the heart of the Village's business district. It currently houses a grocery store which is still active, a vacant drug store, a vacant, bookstore and surface parking. The plan of redevelopment calls for the demolition and reconstruction of all of the existing structures and the creation of a 2 story state of the art grocery store facility a multi-story parking structure and a multi-story residential apartment structure with first floor retail.

The Village anticipates making total project expenditures of approximately \$13,750,000 to undertake the projects listed in this Project Plan. The Village anticipates completing the projects in 2 phases. Of the total \$13.750 M, \$6,500,000 is in the form of a loan to the developer which is expected to be repaid by the developer to the TID district. The Expenditure Period of this District is 22 years from the date of adoption of the authorizing Resolution of the Village Board (the "Creation Resolution"). The projects to be undertaken pursuant to this Project Plan are expected to be financed with General Obligation Bonds issued by the Village, however, the Village may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the Village, or provide other advantages as determined by the Village Board. A discussion and listing of other possible financing mechanisms, as well as a summary of total project financing, is located in Section 10 of this plan.

Economic Development

As a result of the creation of this District, the Village projects that additional land and improvements net value of approximately \$30,176,101 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment and associated values is located in Section 10 of this Plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.

Expected Termination of District

Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to recover all project costs by the year 2029; 14 years earlier than the 27 year maximum life of this District.

Summary of Findings

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

1. **That "but for" the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the Village.** In making this determination, the Village has considered the following information:

- The Village has conducted an independent review of the intended developer's sources and uses proforma for the initial proposed redevelopment project. This review has concluded that a public investment through Tax Incremental Financing as proposed herein is required to enable the development to occur in the manner desired by the Village, while providing the developer a fair and reasonable return on their investment.
- Two of the sites (a former bookstore and former drugstore) within the 2 block area proposed for redevelopment have remained vacant for between 1 and 3 years due to lack of adequate infrastructure (parking), obsolete platting and unique leasehold ownership impacting the properties. Given that the sites have not been re-developed as would have been expected under normal market conditions, it is the judgment of the Village that the use of Tax Incremental Financing ("TIF") will be required to provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the Village.
- In order to make the areas included within the District suitable for redevelopment, the Village will need to make a substantial investment to pay for the costs of: the provision of capital for a portion of the cost for a loan to acquire the property, adequate structure parking, site preparation, installation of utilities; installation of street ingress and egress and related streetscape items; development incentive payments, and other associated costs. Due to the extensive initial investment in public infrastructure and/or rehabilitation that is required in order to allow development and/or redevelopment to occur, the Village has determined that development and/or redevelopment of the area will not occur solely as a result of private investment. Accordingly, the Village finds that absent the use of TIF, development and/or redevelopment of the area is unlikely to occur.
- Due to market conditions impacted by the national recession, the Village has seen modest growth or new investment in the community. Net new construction within the Village for the period of 2009 to 2013 has averaged less than 1%. Absent the use of Tax Increment Financing (TIF), this trend is likely to continue. Use of TIF will provide the Village with the means to stimulate new development.
- This plan is a further extension of the original strategy for the redevelopment of Oakland Avenue as set forth in TID # 1 and more specifically for the block to the south in TID # 4.

2. **The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the Village has considered the following information:

- As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
- The development expected to occur in Phase 1 is likely to generate approximately 350 jobs in the grocery operation with wages ranging from \$7.50 to \$50.00 per hour. In Phase 2, between the retail and residential component, an additional 75 positions with wages ranging from \$7.50 to \$30.00 / hr. These would be permanent full and part time jobs. In addition, there are a total of 80 construction jobs are expected that range from \$10.00 - \$78.00 / Hr. (Source: Roundy's Contractor & Developer June 3, 2014).

- Based upon preliminary plans from the developer, the development expected to occur within the District would create approximately 100 residential units, providing housing opportunities for the community.
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
 - If approved, the District’s creation would become effective for valuation purposes as of January 1, 2014. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation or appreciation of property values occurring after January 1, 2014 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
 - Since the development expected to occur is unlikely to take place or in the same manner without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the Village reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of this plan.
 4. Not less than 50% by area of the real property within the District is in need of rehabilitation - conservation work within the meaning of Wisconsin Statutes Section 66.1337(2m)(b). Furthermore, any property standing vacant for the entire seven years preceding adoption of the Creation Resolution does not comprise more than 25% of the area in the District in compliance with Wisconsin Statutes Section 66.1105(4)(gm)1.
 5. Based upon the findings, as stated above, the District is declared to be a rehabilitation - conservation District based on the identification and classification of the property included within the District.
 6. The project costs relate directly to promoting the rehabilitation of the area consistent with the purpose for which the District is created.
 7. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
 8. The equalized value of taxable property of the District, plus the value increment of all existing tax incremental districts within the Village, does not exceed 12% of the total equalized value of taxable property within the Village.
 9. The Village estimates that approximately 40% of the territory within the District will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
 10. The Project Plan for the District in the Village is feasible, and is in conformity with the master plan of the Village.

SECTION 2: Type and General Description of District

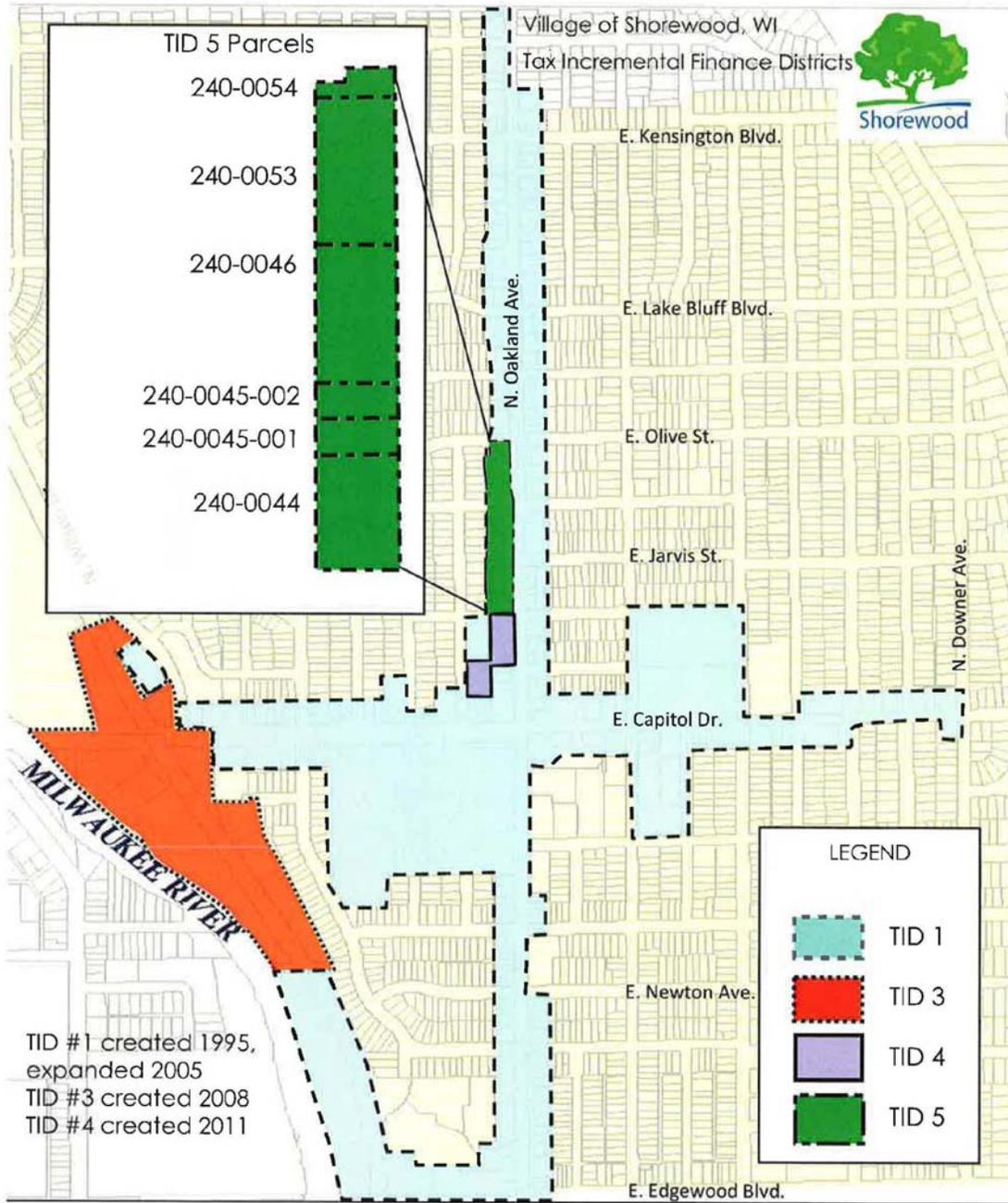
The District is being created by the Village under the authority provided by Wisconsin Statutes Section 66.1105. The District is created as a “Rehabilitation - conservation District” based upon a finding that at least 50%, by area, of the real property within the District is in need of rehabilitation - conservation work. In Section 5 of this Plan, the Village has identified those properties within the District that meet the criteria of “rehabilitation - conservation areas” as defined in Wisconsin Statutes Section 66.1337(2m)(a) and relies on these characterizations as the basis for making the above finding.

Property standing vacant for seven years immediately preceding adoption of the Creation Resolution for this District will not comprise more than 25% of the area in the District in compliance with Wisconsin Statutes Section 66.1105(4)(gm)1. A calculation demonstrating compliance with this test is found as part of the Preliminary Parcel List in Section 5 of this plan.

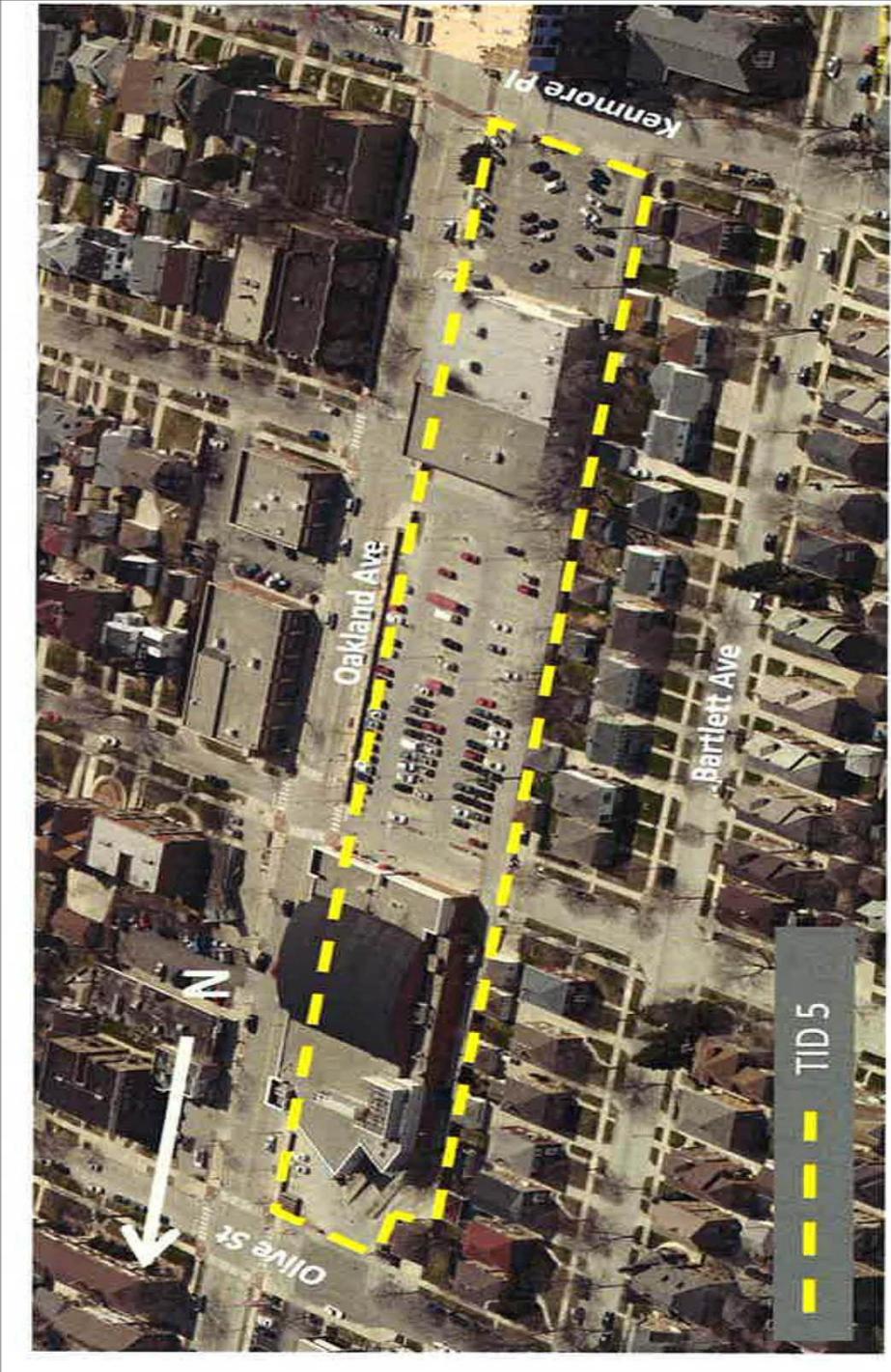
A map depicting the boundaries of the District is found in Section 3 of this Plan. A map depicting the proposed uses of the District is found in Section 8 of this plan. The Village intends that TIF will be used to assure that private development occurs within the District consistent with the Village’s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

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

SECTION 3: Map of Proposed District Boundary



SECTION 4:
Map Showing Existing Uses and Conditions



SECTION 5: Preliminary Parcel List and Analysis

SHOREWOOD ASSESSMENTS- Roundlys Block
Draft 27

Village of Shorewood
Summary of Roundly's Property Values 2011 to 2012
Revised and provided by Village Assessor & Manager 11/28/12



Address	2011 Property Value	Improvement 2012 Est	2012 Property Value	Change	% Chg
4145 N Oakland Ave	\$ 4,823,500	\$ 1,657,400	\$ 3,031,700	\$ (1,791,800)	-37.15%
4093 N Oakland Ave	1,430,000	620,300	957,500	(472,500)	-33.04%
4145 N Oakland Ave	226,000	\$3,200	226,000	-	0.00%
4081 N Oakland Ave	2,029,000	\$1,047,500	2,029,000	-	0.00%
4095 N Oakland Ave	340,500	\$5,000	340,500	-	0.00%
4097 N. Oakland	990,300	\$29,200	990,300	-	0.00%
Total	\$ 9,839,300	\$ 3,362,600	\$ 7,575,000	\$ (2,264,300)	-23.01%

This subject to demolition
Demo in 2014
Demo in 2015

SECTION 6: Equalized Value Test

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

The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the proposed District, totals \$12,538,500. This value is less than the maximum of \$159,705,036 in equalized value that is permitted for the Village of Shorewood. The Village is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

Village of Shorewood, Wisconsin	
Tax Increment District # 5	
Valuation Test Compliance Calculation	
Creation Date	1/1/2014
	Valuation Data Currently Available 2013
Total EV (TID In)	1,330,875,300
12% Test	159,705,036
Increment of Existing TIDs	
TID #1	2,773,900
TID #3	0
TID #4	2,189,600
Total Existing Increment	<u>4,963,500</u>
Projected Base of New or Amended District	7,575,000
Total Value Subject to 12% Test	<u><u>12,538,500</u></u>
Compliance	PASS

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

\$5,500,000

The proposed Tax Incremental District No. 5 proposed projects costs may include, but are not limited to: \$6,000,000 for a parking structure grant, capitalization of a land loan to the developer in the amount of \$6,500,000, and \$1,445,000 for public infrastructure for sewer and water improvements, storm water and street improvements, professional and organizational services, administrative costs, and finance costs. The proposed costs include projects within the proposed boundary and within a ½ mile radius of the proposed boundary of the District.

\$1,750,000

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

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Redevelopment

In order to promote and facilitate development and/or redevelopment the Village expects to acquire property within the District and to resell it to the Developer at a discounted price. The acquisition price is considered above market due to the long term land lease that is held by a third party. Without the purchase of the land lease the entire redevelopment project would not be feasible. It is anticipated that the additional marginal cost of the land will be repaid by the developer to the Village TID fund in accordance with the terms of a development agreement. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the Village from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. Because the total Project Costs incurred by the Village to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount is considered "real property assembly costs" as defined in Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Parking Structure Grant Funding

In order to support the land uses for this district, a multi story parking structure will be required. The total cost of the structure is expected to be approximately \$7,500,000 of which, the Village is providing \$5,500,000 in the form of a TIF grant to make the project economically feasible. The structure will be open to the public and no fees for parking are anticipated to be charged for day use. A portion for the structure will be used for the residential units but 100% of that cost is to be borne by the Developer and not the Village. Parking in the Shorewood business district is in short supply and this facility provides much needed relief to this portion of the district, thereby helping to make it more economically viable for the long term.

Relocation Costs

No relocation costs are currently anticipated, but if relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are

not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

Site Preparation Activities

Environmental Audits and Remediation

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

Demolition

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

Site Grading

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

Utilities

Sanitary Sewer System Improvements

Sanitary sewer facilities currently exist and serve the site. To allow redevelopment to occur, the Village or the developer may need to 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; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Water System Improvements

Water System services currently exist serving site. To allow redevelopment to occur, the Village or the developer may need to 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; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Redevelopment within the District will cause stormwater runoff. To manage this stormwater runoff, the Village or the developer 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; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Streets and Streetscape

Street Improvements

To allow redevelopment to occur, the Village or the developer may need to construct and/or reconstruct streets, 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 signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping and Landscaping

In order to attract redevelopment consistent with the objectives of this Plan, the Village or the developer 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 Village are eligible Project Costs.

CDA Type Activities

Contribution to Community Development Authority

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the Village may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

Miscellaneous

Cash Grants (Development Incentives)

The Village expects to enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs. No cash grants will be provided until the

Village executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the Village are eligible Project Costs.

Projects Outside the Tax Increment District

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

Professional Service and Organizational Costs

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

Administrative Costs

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

Financing Costs

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

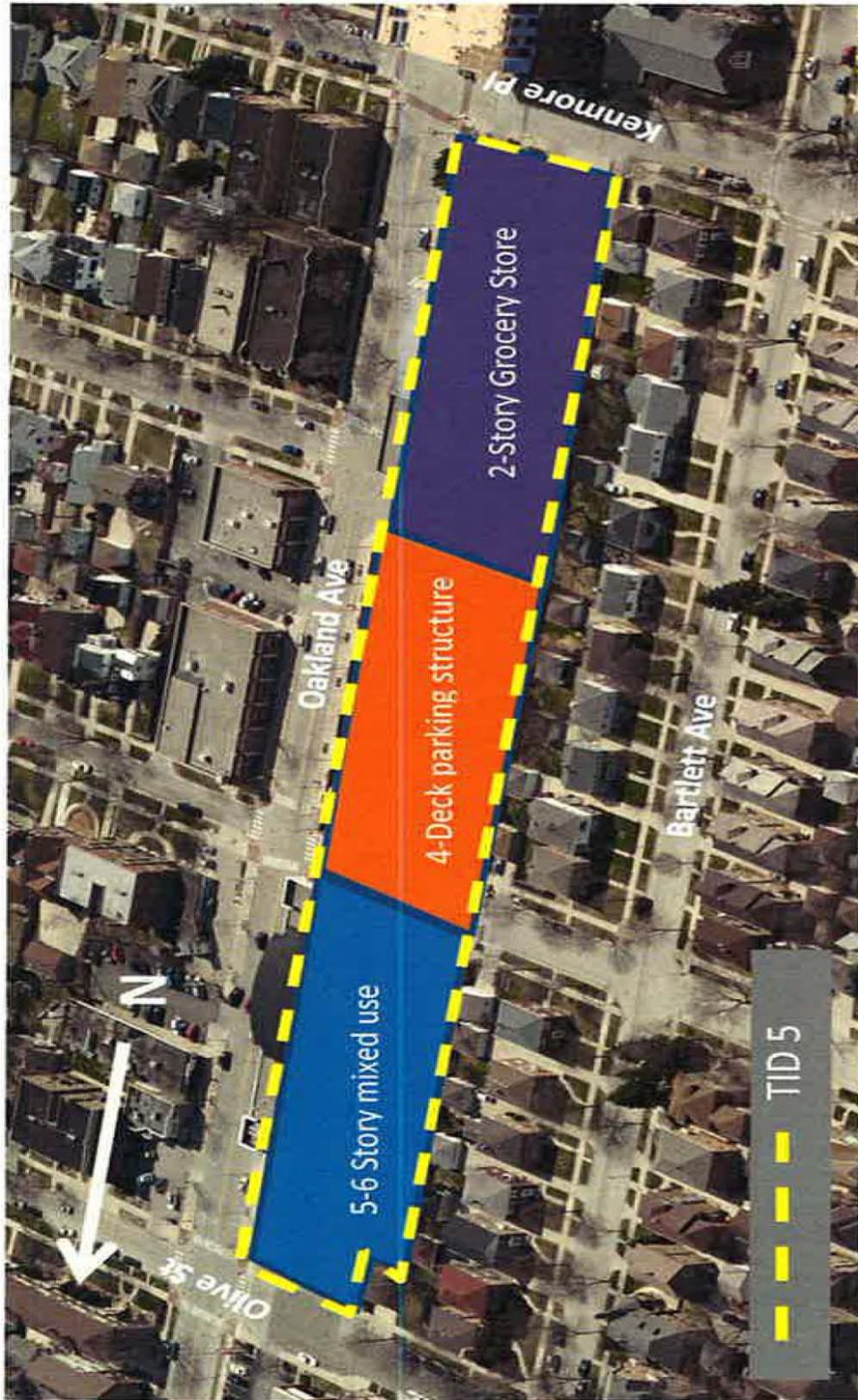
With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating Village ordinances and plans, judgments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

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

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

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

SECTION 8: Map Showing Proposed Improvements and Uses









Illustrative only. Actual plan subject to further revisions.





SHOREWOOD METRO MARKET

SHOREWOOD, WISCONSIN
MAY 21, 2014



SECTION 9: Detailed List of Project Costs

All costs are based on 2013 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2013 and the time of construction. The Village also reserves the right to increase certain project costs to the extent others are reduced or not implemented without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The Village retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Village Board, without amending the Plan.

Proposed TIF Project Cost Estimates

 		
Tax Increment District No. 5 (Metro Market / Roundys) Estimated Project Costs & Financing Plan Phases I & II		
Draft 28	Taxable G.O. Bond Aug-14	Net Project Costs All Phases
Projects		
Parking Structure Grant	5,500,000	5,500,000
Capitalization of Land Loan to Developer	6,500,000	6,500,000
TID Creation Consulting & Legal	300,000	300,000
Subtotal Needed for Projects	12,300,000	12,300,000

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

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

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

Available Financing Methods

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

General Obligation (G.O.) Bonds or Notes

The Village may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN). As of the date of this plan, the Village has a G.O. debt limit of \$66,543,765, of which \$25,441,186 is currently unused and could be made available to finance Project Costs.

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

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

Tax Increment Revenue Bonds

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

Utility Revenue Bonds

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

Special Assessment "B" Bonds

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

Plan Implementation

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

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

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

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

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

Implementation and Financing Timeline

<i>Village of Shorewood</i>		 EHLERS <small>LEADERS IN PUBLIC FINANCE</small>
Tax Increment District No. 5 (Metro Market / Roundys)		
Estimated Project Costs & Financing Plan Phases I & II		
Draft 28	Taxable G.O. Bond	Net Project Costs
	Aug-14	All Phases
Projects		
Parking Structure Grant	5,500,000	5,500,000
Capitalization of Land Loan to Developer	6,500,000	6,500,000
TID Creation Consulting & Legal	300,000	300,000
Subtotal Needed for Projects	12,300,000	12,300,000
Finance Related Expenses		
Financial Advisor	32,430	
Bond Counsel (Estimate)	19,000	
Rating Agency Fee	17,000	
Paying Agent (if Term Bonds)	675	
Max. Underwriter's Discount	171,875	
Capitalized Interest	1,199,730	
Total Financing Required	13,740,710	
<i>Estimated Interest Earnings</i>	0.25%	(6,411)
<i>Assumed Spend Down (Months)</i>	6	
Rounding	15,701	
NET ISSUE SIZE	13,750,000	13,750,000

Development Assumptions

									
Village of Shorewood Tax Increment District No. 5 (Metro Market / Roundys) Development Assumptions Phases I & II		Actual	Existing Base Value Demo	Metro Market	Aprtments	1st Floor Retail	Parking Deck	Personal Property w Depreciation	Annual Total
Construction Year									
2014			(5,917,600)	6,000,000				3,093,750	82,400
2015				11,000,000			5,000,000	(460,300)	19,093,750
2016			(1,657,400)		12,000,000	3,000,000		(390,600)	12,882,300
2017								(331,475)	(390,600)
2018								(280,556)	(331,475)
2019								(238,453)	(280,556)
2020								(204,667)	(238,453)
2021								(169,717)	(204,667)
2022								(144,260)	(169,717)
2023								(122,621)	(144,260)
2024								0	(122,621)
2025								0	0
2026								0	0
2027								0	0
2028								0	0
2029								0	0
2030								0	0
2031								0	0
2032								0	0
2033								0	0
2034								0	0
2035								0	0
2036								0	0
2037								0	0
2038								0	0
2039								0	0
2040								0	0
TOTALS			(7,575,000)	17,000,000	12,000,000	3,000,000	5,000,000	751,101	30,176,101

NOTES: Development Assumption values based upon General Capital Spreadsheet of 4/17/13 with addition for depreciation on PP values timing updated per Bruce Block email of 3/26/14.
Existing Values for Demo to be updated by Assessor

Draft 28

Increment Revenue Projections

Village of Shorewood

Tax Increment District No. 5 (Metro Market / Roundys) Tax Increment Projection Worksheet PHASES 1 & 2

Type of District	Blighted Area
Anticipated Creation Date	6/16/2014
Valuation Date	Jan. 1, 2014
Maximum Life (In Years)	27
Expenditure Period (In Years)	22
Revenue Periods/Final Rev Year	27 2042
End of Expenditure Period	6/16/2036
Latest Termination Date	6/16/2041
Eligible for Extension/No. of Years	Yes 3
Eligible Recipient District	Yes

Projected Base Value	7,575,000
Pre-Amendment Base Value (Actual)	NA
Property Appreciation Factor 2014	0.00%
Property Appreciation Factor 2015	0.50%
Property Appreciation Factor 2016	1.00%
Property Appreciation Factor 2017	1.50%
Property Appreciation Factor 2018	2.00%
Current Tax Rate 2013 (Per \$1,000 EV)	\$31.91
Tax Rate Projection 2014	\$31.12
Tax Rate Projection 2015	\$31.44
Tax Rate Adjustment Factor (Thereafter)	-0.50%
Discount Rate 1 for NPV Calculation	4.00%
Discount Rate 2 for NPV Calculation	6.50%



Apply Inflation Factor to Base?

Net Present Value Calculation

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment	Cumulative @ 4.00%	Cumulative @ 6.50%
1	82,400	2015	0	82,400	2016	31.44	2,591	2,303	2,145
2	19,093,750	2016	38,287	19,214,437	2017	31.29	601,170	516,186	469,448
3	12,882,300	2017	267,894	32,364,631	2018	31.13	1,007,342	1,344,312	1,204,834
4	(390,600)	2018	599,094	32,573,126	2019	30.98	1,008,962	2,141,709	1,896,310
5	(331,475)	2019	802,963	33,044,613	2020	30.82	1,018,449	2,915,647	2,551,688
6	(280,556)	2020	812,392	33,576,449	2021	30.67	1,029,666	3,668,014	3,173,844
7	(238,453)	2021	823,029	34,161,026	2022	30.51	1,042,355	4,400,359	3,765,228
8	(204,667)	2022	834,721	34,791,079	2023	30.36	1,056,272	5,115,938	4,327,932
9	(169,717)	2023	847,322	35,468,683	2024	30.21	1,071,460	5,809,938	4,863,889
10	(144,260)	2024	860,874	36,185,297	2025	30.06	1,087,642	6,489,276	5,374,736
11	(122,621)	2025	875,706	36,937,882	2026	29.91	1,104,712	7,152,738	5,861,932
12	0	2026	890,258	37,828,140	2027	29.76	1,125,681	7,802,790	6,328,077
13	0	2027	908,063	38,736,203	2028	29.61	1,146,939	8,439,645	6,774,037
14	0	2028	926,224	39,662,427	2029	29.46	1,168,492	9,063,512	7,200,648
15	0	2029	944,749	40,607,175	2030	29.31	1,190,343	9,674,602	7,608,713
16	0	2030	963,644	41,570,819	2031	29.17	1,212,498	10,273,125	7,999,003
17	0	2031	982,916	42,553,735	2032	29.02	1,234,961	10,859,290	8,372,263
18	0	2032	1,002,575	43,556,310	2033	28.88	1,257,737	11,433,305	8,729,205
19	0	2033	1,022,626	44,578,936	2034	28.73	1,280,830	11,995,515	9,070,515
20	0	2034	1,043,079	45,622,015	2035	28.59	1,304,245	12,545,709	9,396,863
21	0	2035	1,063,940	46,685,955	2036	28.45	1,327,988	13,084,509	9,708,852
22	0	2036	1,085,219	47,771,174	2037	28.30	1,352,063	13,611,978	10,007,120
23	0	2037	1,106,923	48,878,098	2038	28.16	1,376,475	14,128,317	10,292,240
24	0	2038	1,129,062	50,007,159	2039	28.02	1,401,230	14,633,725	10,564,774
25	0	2039	1,151,643	51,158,803	2040	27.88	1,426,332	15,128,401	10,825,258
26	0	2040	1,174,676	52,333,479	2041	27.74	1,451,787	15,612,539	11,074,209
27	0	2041	1,198,170	53,531,648	2042	27.60	1,477,600	16,086,334	11,312,122
								23,355,547	30,766,021

Future Value of Increment

NOTE: Beginning Tax Rate of \$31.91 is 2012-13 rate. See separate Tax rate projection worksheet for detailed projections through budget year 2015 for each jurisdiction.



Draft 28

Cash Flow

Year		Revenues					Expenditures					Balances			Project Cost Principal Outstanding	Year		
		Tax Increments	Investment Earnings	Capitalized Interest	Payment of Land Loan by Dev	Bond Proceeds for Parking Grant	Total Revenues	Taxable G.O. Bond \$13,750,000 8/1/2014	Prin (8/1)	Est. Rate	Interest	Village Admin Expense	Parking Grant Disbursement	Total Expenditures			Annual	Coverage
2014			0.25%	1,199,730		5,500,000	6,699,730						5,500,000	1,199,730		1,199,730	13,750,000	2014
2015			2,999				2,999	0	1.150%	599,865			599,865	(596,866)	0.25	602,864	13,750,000	2015
2016		2,591	1,507	145,674			149,772	0	1.150%	599,865	5,000		5,000	(455,093)	1.12	147,771	13,750,000	2016
2017		601,170	369	582,696			1,184,235	440,000	1.550%	599,865	21,218		21,218	1,061,083	1.41	270,923	13,310,000	2017
2018		1,007,542	677	582,696			1,590,915	510,000	2.000%	593,045	21,855		21,855	1,124,900	1.40	736,939	12,800,000	2018
2019		1,008,962	1,842	582,696			1,593,500	535,000	2.500%	582,845	22,510		22,510	1,140,355	1.37	1,190,084	12,265,000	2019
2020		1,018,449	2,975	582,696			1,604,120	575,000	2.850%	569,470	23,185		23,185	1,167,655	1.37	1,626,548	11,690,000	2020
2021		1,029,666	4,066	582,696			1,616,428	605,000	3.250%	553,083	23,881		23,881	1,181,964	1.37	2,061,013	11,085,000	2021
2022		1,042,355	5,153	582,696			1,630,203	635,000	3.500%	533,420	24,597		24,597	1,193,017	1.37	2,498,199	10,450,000	2022
2023		1,056,272	6,245	582,696			1,645,213	670,000	3.750%	511,195	25,335		25,335	1,206,530	1.36	2,936,882	9,780,000	2023
2024		1,071,460	7,342	468,187			1,546,990	710,000	4.000%	486,070	26,095		26,095	1,222,165	1.27	3,261,706	9,070,000	2024
2025		1,087,642	8,154	468,187			1,563,984	750,000	4.250%	457,670	26,878		26,878	1,234,548	1.27	3,591,142	8,320,000	2025
2026		1,104,712	8,978	468,187			1,581,877	785,000	4.500%	425,795	27,685		27,685	1,238,480	1.28	3,934,539	7,535,000	2026
2027		1,125,681	9,836	468,187			1,603,704	825,000	4.700%	390,470	28,515		28,515	1,243,985	1.29	4,294,258	6,710,000	2027
2028		1,146,939	10,736	468,187			1,625,862	850,000	4.850%	351,695	29,371		29,371	1,231,066	1.32	4,689,055	5,860,000	2028
2029		1,168,492	11,723	468,187			1,648,402	900,000	4.900%	310,470	30,252		30,252	1,240,722	1.33	5,096,735	4,960,000	2029
2030		1,190,343	12,742	468,187			1,671,272	925,000	5.100%	266,370	31,159		31,159	1,222,529	1.37	5,545,478	4,035,000	2030
2031		1,212,498	13,864	468,187			1,694,549	945,000	5.200%	219,195	32,094		32,094	1,196,289	1.42	6,043,738	3,090,000	2031
2032		1,234,961	15,109	468,187			1,718,258	990,000	5.350%	170,055	33,057		33,057	1,193,112	1.44	6,568,884	2,100,000	2032
2033		1,257,737	16,422	468,187			1,742,346	1,040,000	5.500%	117,090	34,049		34,049	1,191,139	1.46	7,120,091	1,060,000	2033
2034		1,280,830	17,800	4,053,229			5,351,859	1,060,000	5.650%	59,890	35,070		35,070	1,154,960	4.63	11,316,990	0	2034
2035		1,304,245	28,292				1,332,538							0	1,332,538	12,649,528	0	2035
2036		1,327,988	31,624				1,359,612							0	1,359,612	14,009,139	0	2036
2037		1,352,063	35,023				1,387,086							0	1,387,086	15,396,225	0	2037
2038		1,376,475	38,491				1,414,966							0	1,414,966	16,811,191	0	2038
2039		1,401,230	42,028				1,443,258							0	1,443,258	18,254,448	0	2039
2040		1,426,332	45,636				1,471,968							0	1,471,968	19,726,416	0	2040
2041		1,451,787	49,316				1,501,103							0	1,501,103	21,227,519	0	2041
2042		1,477,600	53,069				1,530,669							0	1,530,669	22,758,188	0	2042
Total		30,766,021	482,020	1,199,730	12,959,647	5,500,000	50,907,418	13,750,000		8,397,423	501,807	5,500,000	28,149,230	22,758,188	1.46			

NOTES Actual first year interest rates to be refined based on actual timing of issues. This will also impact capitalization of interest and rate formulas. This run assumes borrowing in 2nd half of calendar year. Assumes Taxable Aa2 Scale from Green Bay sale on 1/13/14 + .50 bps

Projected TID Closure



Village of Shorewood



EHLERS
LEADERS IN PUBLIC FINANCE

Tax Increment District No. 5 (Metro Market / Roundlys)
Development Assumptions **Phases I & II**

Draft 28

Projects	TOTAL w Costs
Parking Structure Grant 45.83%	Parking Grant 6,302,083
Land Loan to Developer 54.17%	Land Loan 7,447,917
0.00%	0
13,750,000	13,750,000

Parking Grant Portion

Land Loan to Developer Portion

TOTAL Amortization

	<u>Principal</u>	<u>Est Rate</u>	<u>Interest</u>	<u>Principal</u>	<u>Est Rate</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014									
2015		1.150%	276,738		1.150%	323,128	0	599,865	599,865
2016		1.150%	276,738		1.150%	323,128	0	599,865	599,865
2017	150,000	1.550%	276,738	290,000	1.550%	323,128	440,000	1,039,865	1,039,865
2018	200,000	2.000%	274,413	310,000	2.000%	318,633	510,000	1,103,045	1,103,045
2019	225,000	2.500%	270,413	310,000	2.500%	312,433	535,000	1,117,845	1,117,845
2020	250,000	2.850%	264,788	325,000	2.850%	304,683	575,000	1,144,470	1,144,470
2021	275,000	3.250%	257,663	330,000	3.250%	295,420	605,000	1,158,083	1,158,083
2022	300,000	3.500%	248,725	335,000	3.500%	284,695	635,000	1,168,420	1,168,420
2023	325,000	3.750%	238,225	345,000	3.750%	272,970	670,000	1,181,195	1,181,195
2024	350,000	4.000%	226,038	360,000	4.000%	260,033	710,000	1,196,070	1,196,070
2025	375,000	4.250%	212,038	375,000	4.250%	245,633	750,000	1,207,670	1,207,670
2026	400,000	4.500%	196,100	385,000	4.500%	229,695	785,000	1,210,795	1,210,795
2027	425,000	4.700%	178,100	400,000	4.700%	212,370	825,000	1,215,470	1,215,470
2028	425,000	4.850%	158,125	425,000	4.850%	193,570	850,000	1,201,695	1,201,695
2029	425,000	4.900%	137,513	475,000	4.900%	172,958	900,000	1,210,470	1,210,470
2030	425,000	5.100%	116,688	500,000	5.100%	149,683	925,000	266,370	1,191,370
2031	425,000	5.200%	95,013	520,000	5.200%	124,183	945,000	219,195	1,164,195
2032	425,000	5.350%	72,913	565,000	5.350%	97,143	990,000	170,055	1,160,055
2033	450,000	5.500%	50,175	590,000	5.500%	66,915	1,040,000	117,090	1,157,090
2034	450,000	5.650%	25,425	610,000	5.650%	34,465	1,060,000	59,890	1,119,890
TOTALS	6,300,000		3,852,563	7,450,000		4,544,860	13,750,000	8,397,423	22,147,423



Draft 28

Village of Shorewood

TID Loan Structure Village Payments on Bonds vs. Developer Payments to Village

ALTERNATE TID LOAN STRUCTURE For Loan to Developer

DEVELOPER PAYMENTS on Loan from Village

VILLAGE DEBT PAYMENTS for LOAN to Developer

Year	VILLAGE DEBT PAYMENTS for LOAN to Developer			DEVELOPER PAYMENTS on Loan from Village			Pmt to TID fund by Developer		Target Amortization
	BOY Principal	Actual Princ	Actual Interest	BOY Principal	Developer Principal	Developer Rate	Developer Interest	Total	
1 2014	7,450,000	0	0	7,450,000	0			0	582,696
2 2015	\$7,450,000	0	323,128	7,450,000		1.15%	145,674	145,674	582,696
3 2016	\$7,450,000	0	323,128	7,450,000		1.15%	358,583	582,696	582,696
4 2017	\$7,450,000	290,000	323,128	7,012,978	224,112	1.55%	355,110	582,696	582,696
5 2018	\$7,160,000	310,000	318,633	6,788,866	227,586	2.00%	350,558	582,696	582,696
6 2019	\$6,850,000	310,000	312,433	6,561,280	232,137	2.50%	344,755	582,696	582,696
7 2020	\$6,540,000	325,000	304,683	6,329,143	237,941	2.85%	337,974	582,696	582,696
8 2021	\$6,215,000	330,000	295,420	6,091,203	244,722	3.25%	330,021	582,696	582,696
9 2022	\$5,885,000	335,000	284,695	5,846,481	252,675	3.50%	321,177	582,696	582,696
10 2023	\$5,550,000	345,000	272,970	5,593,806	261,519	3.75%	311,370	582,696	582,696
11 2024	\$5,205,000	360,000	260,033	5,332,288	156,817	4.00%	305,098	468,187	468,187
12 2025	\$4,845,000	375,000	245,633	5,175,471	163,090	4.25%	298,167	468,187	468,187
13 2026	\$4,470,000	385,000	229,695	5,012,381	170,021	4.50%	290,516	468,187	468,187
14 2027	\$4,085,000	400,000	212,370	4,842,361	177,672	4.70%	282,166	468,187	468,187
15 2028	\$3,685,000	425,000	193,570	4,664,689	186,022	4.85%	273,144	468,187	468,187
16 2029	\$3,260,000	475,000	172,958	4,478,668	195,044	4.90%	263,587	468,187	468,187
17 2030	\$2,785,000	500,000	149,683	4,283,624	204,601	5.10%	253,152	468,187	468,187
18 2031	\$2,285,000	520,000	124,183	4,079,023	215,035	5.20%	241,970	468,187	468,187
19 2032	\$1,765,000	565,000	97,143	3,863,988	226,217	5.35%	229,868	468,187	468,187
20 2033	\$1,200,000	590,000	66,915	3,637,771	238,319	5.50%	216,761	468,187	468,187
21 2034	\$610,000	610,000	34,465	3,399,452	3,836,471	5.65%	5,509,650	4,053,232	468,187
		\$7,450,000	4,544,860	11,994,860	7,450,000		5,509,650	12,959,650	

SECTION 11: Annexed Property

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

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

Pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1, the Village estimates that 40% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 13: Proposed Zoning Ordinance Changes

The Village does not anticipate that the District will require any changes in zoning ordinances.

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

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

SECTION 15: Relocation

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

SECTION 16: Orderly Redevelopment of the Village of Shorewood

The District contributes to the orderly redevelopment of the Village by providing the opportunity for continued growth in tax base, job opportunities and general economic activity.

As detailed above, this district enables the implementation of the strategy for the continued redevelopment of the heart of the Village's business district which began with the original creation of TID # 1 in 1995 and TID # 4 in 2012. Without the creation of TID # 5 this two block area will continue with vacant store fronts and provide only marginal services to Village and area residents. The tax base will not grow and may further deteriorate.

SECTION 17: List of Estimated Non-Project Costs

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

Examples would include:

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

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

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

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

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



Village Attorney's Office

Raymond J. Pollen
William P. Dineen
Nathan J. Bayer

June 9, 2014

VIA EMAIL

Guy Johnson, Village President
Village of Shorewood
3930 N. Murray Avenue
Shorewood, Wisconsin 53211

RE: Village of Shorewood, Wisconsin Tax Incremental District No. 5

Dear Village President:

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

Sincerely,

A handwritten signature in black ink, appearing to read "Raymond J. Pollen". The signature is written in a cursive style with a large initial "R".

Attorney Raymond Pollen
Village of Shorewood

RJP/way

cc: Paula Czaplewski

Crivello Carlson S.C., 710 N. Plankinton Ave., Milwaukee, WI 53203
Phone: (414) 271-7722 • Fax: (414) 271-4438

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

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.							
2013/2014 Tax Incremental Worksheet				Percentage			
Milwaukee County				0.005130497	16.62%		
Metro Sewer District				0.001702931	5.52%		
Village of Shorewood				0.008017692	25.98%		
Shorewood School District				0.013883030	44.98%		
Milwaukee Area Technical College				0.002127350	6.89%		
Total				<u>0.030861500</u>			
Revenue Year	Milwaukee County	Metro Sewer District	Village of Shorewood	Shorewood School District	Milwaukee Area Technical College	Total	Revenue Year
2016	431	143	673	1,166	179	2,591	2016
2017	99,940	33,172	156,181	270,436	41,440	601,170	2017
2018	167,496	55,596	261,755	453,242	69,452	1,007,542	2018
2019	167,733	55,674	262,124	453,881	69,550	1,008,962	2019
2020	169,310	56,198	264,589	458,149	70,204	1,018,449	2020
2021	171,174	56,817	267,503	463,195	70,977	1,029,666	2021
2024	178,122	59,123	278,361	481,996	73,858	1,071,460	2024
2025	180,813	60,016	282,565	489,275	74,974	1,087,642	2025
2026	183,650	60,958	287,000	496,954	76,150	1,104,712	2026
2027	187,136	62,115	292,447	506,387	77,596	1,125,681	2027
2028	190,670	63,288	297,970	515,950	79,061	1,146,939	2028
2029	194,253	64,477	303,569	525,645	80,547	1,168,492	2029
2030	197,886	65,683	309,246	535,475	82,053	1,190,343	2030
2031	201,569	66,905	315,002	545,442	83,580	1,212,498	2031
2032	205,303	68,145	320,838	555,547	85,129	1,234,961	2032
2033	209,089	69,402	326,755	565,792	86,699	1,257,737	2033
2034	212,929	70,676	332,754	576,181	88,290	1,280,830	2034
2035	216,821	71,968	338,838	586,714	89,904	1,304,245	2035
2036	220,768	73,278	345,006	597,395	91,541	1,327,988	2036
2037	224,770	74,607	351,260	608,225	93,201	1,352,063	2037
2038	228,829	75,954	357,603	619,207	94,883	1,376,475	2038
2039	232,944	77,320	364,034	630,342	96,590	1,401,230	2039
2040	237,117	78,705	370,555	641,635	98,320	1,426,332	2040
2041	241,349	80,109	377,168	653,086	100,075	1,451,787	2041
2042	245,640	81,534	383,875	664,698	101,854	1,477,600	2042
<u>5,114,624</u>	<u>1,697,663</u>	<u>7,992,887</u>	<u>13,840,079</u>	<u>2,120,768</u>	<u>30,766,021</u>		

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