

**Project Plan  
for the Creation of  
Tax Incremental District No. 3  
in the  
CITY OF MEQUON, WISCONSIN**



***April 21, 2008***

<i>Organizational Joint Review Board Meeting Held:</i>	<i>March 10, 2008</i>
<i>Public Hearing Held:</i>	<i>March 10, 2008</i>
<i>Adopted by Planning Commission:</i>	<i>March 10, 2008</i>
<i>Adopted by Common Council:</i>	<i>April 8, 2008</i>
<i>Anticipated to be Considered for Approval by Joint Review Board:</i>	<i>May 2, 2008</i>



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# Tax Incremental District No. 3 Creation Project Plan

## City of Mequon Officials

### *Common Council*

Dan Abendroth	Council President
Ken Zganjar	Alderman
Dale Mayr	Alderman
John Wirth	Alderman
Mark Seider	Alderman
John Hawkins	Alderman
Dan Gannon	Alderman
Pamela Adams	Alderman

### *City Staff*

Lee Szymborski	City Administrator - Clerk
John L. DeStefanis	City Attorney
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Kim Tollefson	Community Development Director

### *Planning Commission*

Mayor Christine Nuernberg, Chair	Joseph Fenzel, District # 6
Kim Tollefson, Staff Liaison	John Ridley, District # 7
Clifford Mayer, Architect	Keith Tracy, Alternate At Large
Paul Leonard, District # 2	John Wirth, Aldermanic Rep
Anthony Karabon, District # 2	Pam Adams, Alternate Aldermanic Rep
Sigrid Dynek, District # 5	

## Joint Review Board

Mayor Christine Nuernberg, Chair	City Representative
Jennifer Rothstein	Ozaukee County
Michael Townsend	Milwaukee Area Technical College District
Gail Grieger	Mequon – Thiensville School District
Curt Gielow	Public Member

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# 1

## EXECUTIVE SUMMARY

### ***DESCRIPTION OF DISTRICT***

- Type of District, Size and Location. TID No. 3 is proposed to be created as a mixed-use district. A map of the proposed District boundaries are located in Section 3 of this plan.
- Estimated Total Project Expenditures. The City anticipates making expenditures of approximately \$7,000,000 to undertake the projects listed in this Project Plan. The City anticipates completing the projects in 2 phases. The Expenditure Period of this District is 15 years from the date of adoption of the Creation Resolution by the Common Council. The projects to be undertaken pursuant to this Project Plan are expected to be financed with General Obligation debt issued by the City, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of project financing by phase is located in Section 10 of this plan.
- Economic Development. As a result of the creation of this District, the City projects that additional land and improvements value of approximately \$44,200,000 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment, and associated values is located in Section 10 of this plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.
- Expected Termination of District. Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to ultimately recover all project costs by the year 2025; three years earlier than the 20 year maximum life of this District.

### ***SUMMARY OF FINDINGS***

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

1. **That “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 City.** In making this determination, the City has considered the following information:
    - Given that the sites have not developed as would have been expected under normal market conditions, it is the judgment of the City that the use of TIF will be required to
-

provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the City.

- In order to make the areas included within the District suitable for development and/or redevelopment, the City will need to make a substantial investment to pay for the costs of: right-of-way and easement acquisition, installation of utilities; installation of streets and related streetscape items; façade, and other associated costs. Due to the extensive initial investment in public infrastructure that is required in order to allow development to occur, the City has determined that development and/or redevelopment of the area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development and/or redevelopment of the area is unlikely to occur.
- The Retail Market Feasibility Study for the Proposed Mequon Town Center , prepared by Melaniphy & Associates, recommends that the City create a tax increment financing district to assist in the initial public expenditures to jump-start a development and further additions and expansions within the area.

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 City 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.

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 creation would become effective for valuation purposes as of January 1, 2008. 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, 2008 would be collected by the Tax Increment District 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 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 City 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 found in Appendix A of this plan.

4. Not less than 50% by area of the real property within the District is suitable for a combination of commercial and residential uses, defined as “mixed-use development” within the meaning of Section 66.1105(2)(cm) of the Wisconsin Statutes. Lands proposed for newly platted residential development comprise not more than 35% by area of the real property within the District. Project costs related to newly platted residential development are eligible expenditures based on the finding that the development; has a residential housing density of at least 3 units per acre as defined in Section 66.1105(2)(f)3.a, Wisconsin Statutes.
5. Based upon the findings, as stated above, the District is declared to be a mixed-use district based on the identification and classification of the property included within the district.
6. The project costs relate directly to promoting mixed-use development in the District consistent with the purpose for which the District is created.
7. The improvements to be made within the District are 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 City, does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that approximately 30% of the territory within the District will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin Statutes.
10. The Project Plan for the District in the City is feasible, and is in conformity with the master plan of the City.

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## TYPE & GENERAL DESCRIPTION OF DISTRICT

Tax Incremental District No. 3 (the “District”) is being created by the City of Mequon under the authority provided by Wisconsin Statute Section 66.1105. The District is created as a “Mixed Use District” based upon a finding that at least 50%, by area, of the real property within the District is suitable for a combination of commercial and residential uses as defined within the meaning of Wisconsin Statute Section 66.1105(2)(cm) (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test). Lands proposed for newly platted residential development comprise not more than 35% of the area of the District. To the extent that project costs will be incurred by the City for newly platted residential development, the residential development will have a density of at least 3 units per acre as defined in s. 66.1105(2)(f)3.a., Wisconsin Statutes

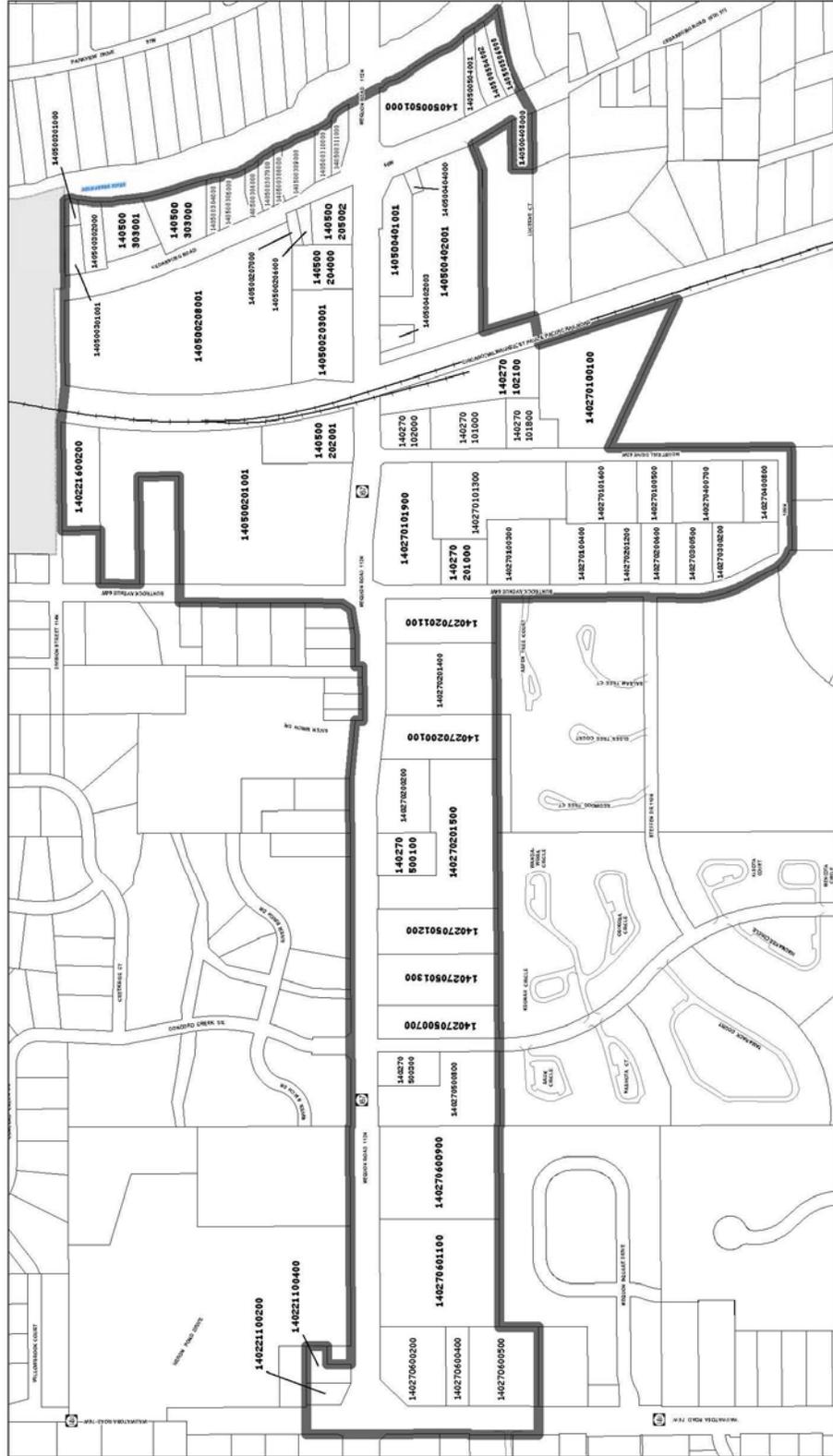
A map depicting the boundaries of the District is found in Section 3 of this Plan. A map depicting the proposed uses of the District is found in Section 8 of this plan. The City of Mequon intends that tax increment financing (TIF) will be used to assure that a combination of private commercial and residential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

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

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MAP OF PROPOSED DISTRICT BOUNDARY

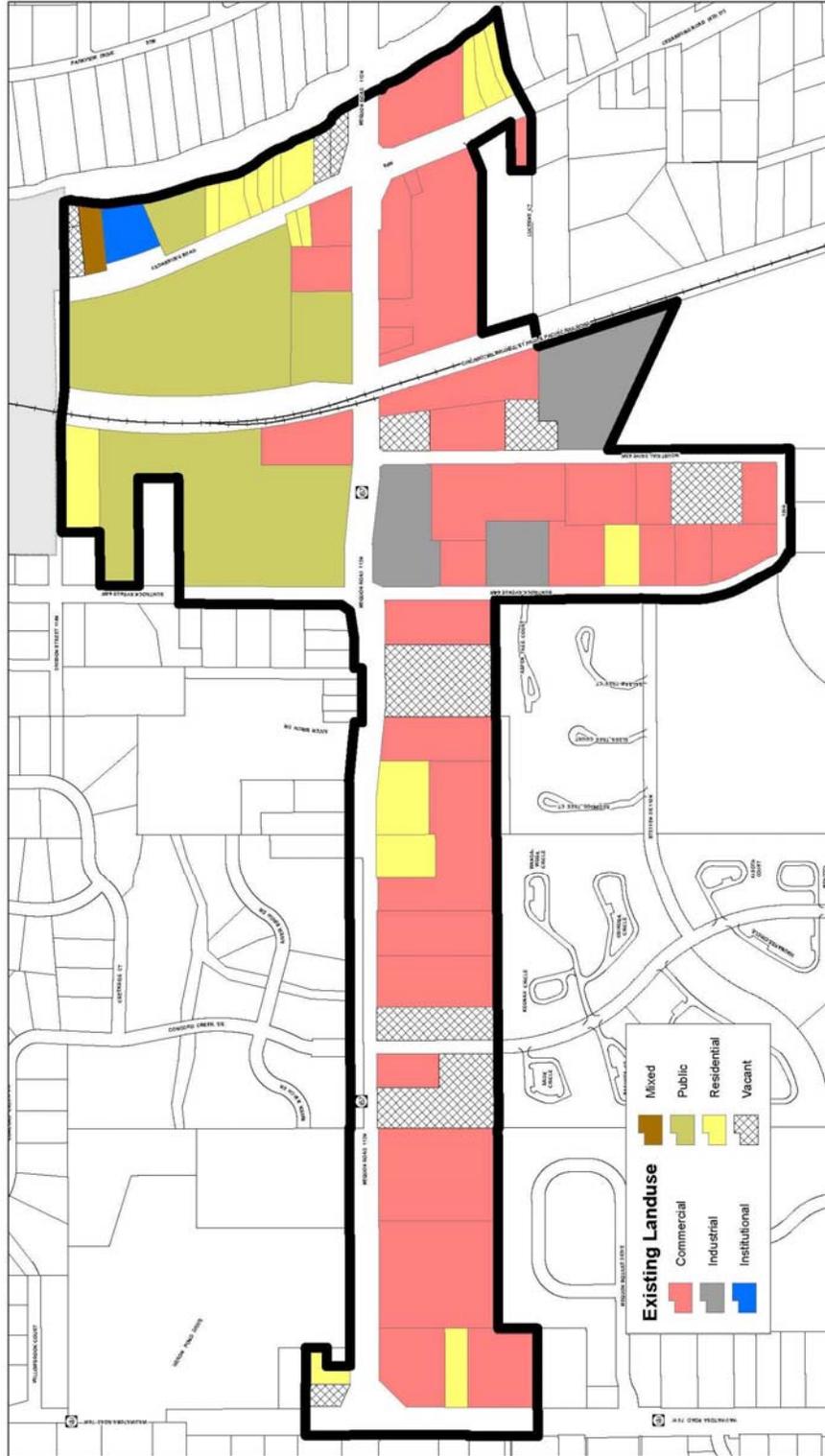
Tax Increment Finance District # 3 - Parcel Identification



4

MAP SHOWING EXISTING USES AND CONDITIONS

Proposed TIF #3 District - Existing Landuse



**5**

**PRELIMINARY PARCEL LIST & ANALYSIS**

<i>City of Mequon</i>										
Tax Increment District No. 3										
Preliminary Parcel List										
PARCEL NO.	ASSESSED VALUE - PERS PROP	TOTAL ASSESSED VALUE (LAND & IMP)	ASSESSMENT CLASSIFICATION	LAND RATIO (BY CLASS)	IMPROVEMENTS RATIO (BY CLASS)	EQUALIZED VALUE	PARCEL ACREAGE	ACRES ZONED OR PLANNED FOR COMMERCIAL/ BUSINESS USE	ACRES ZONED OR PLANNED FOR NEWLY PLATTED RESIDENTIAL DEVELOPMENT	ACRES SUITABLE FOR MIXED USE DEVELOPMENT
140221100400	0	64,400	1 - Residential	83.82%	84.51%	76,695	0.555	0.555		0.555
140221101000	0	37,200	5 - Undeveloped Land	39.54%	39.54%	94,088	0.410	0.410		0.410
140221600200	0	161,900	1 - Residential	83.82%	84.51%	192,276	1.840		1.840	1.840
140270100100	17,300	402,000	3 - Manufacturing	100.00%	100.00%	402,000	5.456	2.273	2.273	4.546
140270100300	2,400	262,700	3 - Manufacturing	100.00%	100.00%	262,700	1.911	0.9655	0.9655	1.911
140270100400	14,300	257,700	2 - Commercial	86.88%	92.37%	265,678	1.630	0.815	0.815	1.630
140270100500	3,520	205,200	2 - Commercial	86.88%	92.37%	226,284	1.007	0.5035	0.5035	1.007
140270101000	171,630	215,900	2 - Commercial	86.88%	92.37%	240,253	1.588	0.794	0.794	1.588
140270101300	11,910	325,200	2 - Commercial	86.88%	92.37%	364,734	4.026	2.013	2.013	4.026
140270101600	89,660	557,300	2 - Commercial	86.88%	92.37%	611,553	2.000	1	1	2.000
140270101800	0	61,400	5 - Undeveloped Land	39.54%	39.54%	155,296	1.023	0.5115	0.5115	1.023
140270101900	800	1,035,400	3 - Manufacturing	100.00%	100.00%	1,035,400	3.375	1.6875	1.6875	3.375
140270102000	0	51,700	5 - Undeveloped Land	39.54%	39.54%	130,763	0.861	0.4305	0.4305	0.861
140270102100	40,670	417,800	2 - Commercial	86.88%	92.37%	462,261	2.588	1.294	1.294	2.588
140270200100	14,200	686,300	2 - Commercial	86.88%	92.37%	760,423	2.338	1.169	1.169	2.338
140270200200	0	266,500	1 - Residential	83.82%	84.51%	316,270	1.761	0.8805	0.8805	1.761
140270200600	0	216,900	2 - Commercial	86.88%	92.37%	238,930	1.001	0.5005	0.5005	1.001
140270201000	0	88,300	2 - Commercial	86.88%	92.37%	99,689	0.998	0.499	0.499	0.998
140270201100	147,170	1,689,800	2 - Commercial	86.88%	92.37%	1,846,521	2.273	1.137	1.137	2.273
140270201200	0	148,700	1 - Residential	83.82%	84.51%	176,600	1.002		1.002	1.002
140270201400	0	315,100	5 - Undeveloped Land	39.54%	39.54%	796,969	3.657		3.657	3.657
140270201500	19,890	1,022,300	2 - Commercial	86.88%	92.37%	1,132,442	5.350	2.500	2.850	5.350
140270300200	20,620	333,600	2 - Commercial	86.88%	92.37%	366,975	1.417		1.417	1.417
140270300500	0	496,900	2 - Commercial	86.88%	92.37%	542,062	0.999		0.999	0.999
140270400700	0	120,800	5 - Undeveloped Land	39.54%	39.54%	305,534	2.013		2.013	2.013
140270400800	107,650	305,600	2 - Commercial	86.88%	92.37%	334,960	1.002		1.002	1.002
140270500100	0	177,400	1 - Residential	83.82%	84.51%	210,727	1.205	1.205		1.205
140270500300	24,130	658,800	2 - Commercial	86.88%	92.37%	722,335	0.970	0.970	0.000	0.970
140270500700	0	202,300	5 - Undeveloped Land	39.54%	39.54%	511,669	1.839		1.839	1.839
140270500800	0	264,300	5 - Undeveloped Land	39.54%	39.54%	668,483	3.189	1.500	1.689	3.189
140270501200	0	404,300	2 - Commercial	86.88%	92.37%	451,361	2.515		2.515	2.515
140270501300	9,530	360,000	2 - Commercial	86.88%	92.37%	403,749	2.863		2.863	2.863
140270600200	222,910	1,217,400	2 - Commercial	86.88%	92.37%	1,339,757	2.215		2.215	2.215
140270600400	0	149,800	1 - Residential	83.82%	84.51%	177,797	0.834	0.834		0.834
140270600500	0	428,500	2 - Commercial	86.88%	92.37%	481,920	2.536		2.536	2.536
140270600900	102,590	1,729,500	2 - Commercial	86.88%	92.37%	1,900,181	5.158	5.518		5.518

City of Mequon

Tax Increment District No. 3  
Preliminary Parcel List

PARCEL NO.	ASSESSED VALUE - PERS PROP	TOTAL ASSESSED VALUE (LAND & IMP)	ASSESSMENT CLASSIFICATION	LAND RATIO (BY CLASS)	IMPROVEMENTS RATIO (BY CLASS)	EQUALIZED VALUE	PARCEL ACREAGE	ACRES ZONED OR PLANNED FOR COMMERCIAL/BUSINESS USE	ACRES ZONED OR PLANNED FOR NEWLY PLATTED RESIDENTIAL DEVELOPMENT	ACRES SUITABLE FOR MIXED USE DEVELOPMENT
140270601100	0	442,800	2 - Commercial	86.88%	92.37%	508,088	5.935	5.000	4.935	9.935
140500201001	0	0	7 - Other	98.41%	92.24%	0	16.471	0.000	0.000	0.000
140500202001	41,630	593,900	2 - Commercial	86.88%	92.37%	651,594	1.931	1.000	0.931	1.931
140500203001	0	0	7 - Other	98.41%	92.24%	0	2.590	0.000	0.000	0.000
140500204000	3,530	194,400	2 - Commercial	86.88%	92.37%	218,889	1.415	1.415		1.415
140500205002	201,480	1,211,600	2 - Commercial	86.88%	92.37%	1,336,771	0.962	0.962		0.962
140500206000	0	171,300	1 - Residential	83.82%	84.51%	203,196	0.219		0.219	0.219
140500207000	0	150,100	1 - Residential	83.82%	84.51%	178,015	0.177		0.177	0.177
140500208001	0	0	7 - Other	98.41%	92.24%	0	13.092	0.000	0.000	0.000
140500301000	0	0	5 - Undeveloped Land	39.54%	39.54%	0	0.177	0.178		0.178
140500301001	0	22,300	5 - Undeveloped Land	39.54%	39.54%	56,402	0.427	0.427		0.427
140500302000	0	207,900	2 - Commercial	86.88%	92.37%	229,692	0.732	0.400	0.332	0.732
140500303000	0	0	7 - Other	98.41%	92.24%	0	1.455	0.000	0.000	0.000
140500303001	0	0	7 - Other	98.41%	92.24%	0	1.237	0.600	0.637	1.237
140500304000	0	0	1 - Residential	83.82%	84.51%	0	0.293	0.293		0.293
140500305000	0	171,200	1 - Residential	83.82%	84.51%	203,232	0.685	0.685		0.685
140500306000	0	133,800	1 - Residential	83.82%	84.51%	158,911	0.313	0.313		0.313
140500307000	0	163,000	1 - Residential	83.82%	84.51%	193,489	0.455	0.455		0.455
140500308000	0	117,000	1 - Residential	83.82%	84.51%	138,965	0.209	0.209		0.209
140500309000	0	0	5 - Undeveloped Land	39.54%	39.54%	0	0.833	0.833		0.833
140500310000	0	0	5 - Undeveloped Land	39.54%	39.54%	0	0.407	0.408		0.408
140500311000	0	0	2 - Commercial	86.88%	92.37%	0	0.436	0.410		0.410
140500401001	71,460	1,352,100	2 - Commercial	86.88%	92.37%	1,492,967	1.680	1.680		1.680
140500402001	1,486,530	6,548,700	2 - Commercial	86.88%	92.37%	7,176,467	6.560	6.560		6.560
140500402003	6,220	216,200	2 - Commercial	86.88%	92.37%	240,523	0.349	0.349		0.349
140500404000	8,370	160,400	2 - Commercial	86.88%	92.37%	177,030	0.147	0.147		0.147
140500408000	7,770	276,400	2 - Commercial	86.88%	92.37%	305,950	0.494	0.494		0.494
140500501000	160,630	2,645,300	2 - Commercial	86.88%	92.37%	2,918,532	3.046	1.500	1.546	3.046
140500504001	0	163,400	1 - Residential	83.82%	84.51%	193,977	0.542	1.680		1.680
140500504002	0	125,400	1 - Residential	83.82%	84.51%	149,026	0.630	0.630		0.630
140500506000	0	164,600	1 - Residential	83.82%	84.51%	195,396	0.534	0.534		0.534
										0.000
										0.000
<b>TOTALS:</b>		<b>30,570,700</b>								0.000
	<b>3,008,500</b>				<b>84.94%</b>	3,541,898	NA	NA	NA	NA
						<b>38,794,366</b>	<b>139.838</b>	<b>67.246</b>	<b>43.548</b>	<b>110.794</b>
						ESTIMATED BASE VALUE	TOTAL DISTRICT ACREAGE	TOTAL COMMERCIAL ACREAGE	TOTAL RESIDENTIAL ACREAGE	TOTAL MIXED USE ACREAGE
					<i>As of January 1</i>	<b>2008</b>		<b>48.089%</b>	<b>31.142%</b>	<b>79.230%</b>



**6**

**EQUALIZED VALUE TEST**

The following calculations demonstrate that the City is in compliance with s.66.1105(4)(gm)4.c. Wis. Stats., which requires that the equalized value of the taxable property in the proposed 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 \$38,794,366. This value is less than the maximum of \$548,305,284 in equalized value that is permitted for the City of Mequon. The City is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

 <b>City of Mequon</b> <b>Tax Increment District No. 3</b> <b>Valuation Test Compliance Calculation</b>	
<b>Anticipated Creation Date:</b>	2/12/2008
<b>Property Appreciation Fac</b>	<b>5.00%</b>
	<b>Valuation Data</b> <b>Currently Available</b>
	<b>ACTUAL</b>
As of January 1,	2007
Total Equalized Value (TID IN)	4,569,210,700
<b>Limit for 12% Test</b>	<b>548,305,284</b>
Increment Value of Existing TID's	
TID No. 1 Increment	13,473,600
Total Existing Increment	13,473,600
<b>Projected Base Value of New District</b>	<b>38,794,366</b>
<b>Existing TID New Construction Fac</b>	
TOTAL VALUE SUBJECT TO TEST/LIMIT	<b>52,267,966</b>
<b>COMPLIANCE</b>	<b>PASS</b>



# 7

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

The following is a list of public works and other projects that the City 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

- **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.

### 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 City related to environmental audits, testing, and remediation are eligible Project Costs.

### UTILITIES

- **SANITARY SEWER SYSTEM IMPROVEMENTS.** There are inadequate sanitary sewer facilities serving the District. To allow development and/or redevelopment 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; 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.

- **WATER SYSTEM IMPROVEMENTS.** There are inadequate water distribution facilities serving the District. To allow development and/or redevelopment 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; 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 and/or redevelopment within the District will cause stormwater runoff and pollution. 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.** In order to create sites suitable for development and/or redevelopment, 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.** In order to create sites suitable for development and/or redevelopment, 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.** In order to create sites suitable for development and/or redevelopment, 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.** There are inadequate street improvements serving the District. To allow development and/or redevelopment to occur, the City may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.
- **STREETSCAPING AND LANDSCAPING.** In order to attract development and/or redevelopment 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.

## **ECONOMIC DEVELOPMENT TYPE ACTIVITIES**

- **REVOLVING LOAN/GRANT PROGRAM.** To encourage private redevelopment consistent with the objectives of this Plan, the City, through its CDA, may provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA in the program manual. Any funds returned to the CDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds will be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA for purposes of implementing this program are considered eligible Project Costs.

## **MISCELLANEOUS**

- **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 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 the 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.

In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statute Section 66.1105, in the written opinion of nationally recognized bond counsel retained by the City 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 "Plan").

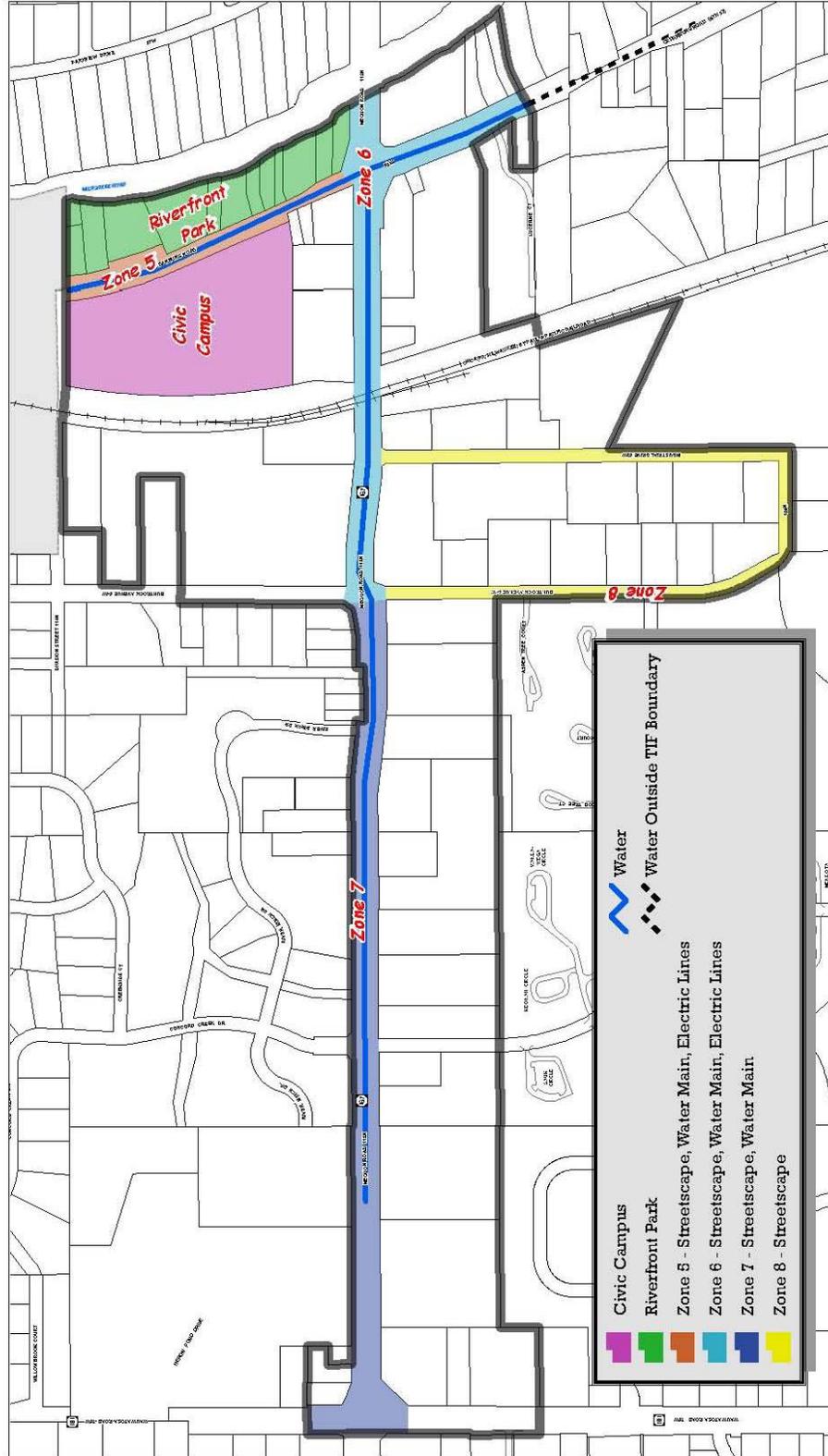
**The City reserves the right to implement only those projects that remain viable as the Plan period proceeds.**

Project costs are any expenditures made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City 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. Proration of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

8

MAP SHOWING PROPOSED IMPROVEMENTS

Tax Increment Finance District # 3 - Improvement Areas



# 9

## DETAILED LIST OF PROJECT COSTS

All costs are based on 2007 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2007 and the time of construction. The City 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 neither 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 City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without amending the Plan.**

**PROPOSED TIF PROJECT COST ESTIMATES**

	Priority 1	Priority 2
	2008/2009	2012/Phase
<b>Projects</b>		
Zone 5 Cedarburg Road (Division to Mequon)		
Road Improvements	483,567	
Lighting	230,500	
Landscaping & other features	120,332	
Electrical System Improvements - Cedarburg Rd.	226,000	
Zone 6 - Mequon Road (Cedarburg Road to Buntrock)		
Road Improvements	155,250	
Landscaping & street amenities	98,554	
Lighting	322,680	
Stormwater management analysis	50,000	
Other including electrical system improvements	2,442,920	
Zone 7 - Mequon Road (Buntrock to Wauwatosa)		
Landscaping & other features	105,575	
Lighting	391,540	
Zone 8 - Buntrock and Industrial Road		
Lighting		300,000
Landscaping		50,000
Sidewalks		85,000
Civic Campus		
Parking Facilities & paths		321,800
Landscaping & other features		154,500
Lighting		109,440
Riverfront Park		
Design & Development	30,000	
Improvements	182,640	
Lighting	55,620	
Landscaping & other features	345,050	
Water System Looping	750,000	
<b>Subtotal Needed for Projects</b>	<b>5,990,228</b>	<b>1,020,740</b>

\* Projects and costs provided by City

# 10

## **ECONOMIC FEASIBILITY STUDY & A DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS RELATED THERETO ARE TO BE INCURRED**

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

- The City 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 City expects to complete the projects in one or more phases, and can adjust the timing of implementation as needed to coincide with the pace of private development. 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 incur 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 development expected to occur, 2) a projection of tax increments to be collected resulting from that development 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**

Implementation of this Plan will require that the City issue obligations to provide direct or indirect financing for the Projects to be undertaken. The following is a list of the types of obligations the City may choose to utilize.

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

The City may issue G.O. Bonds or Notes to finance the cost of Projects included within this Plan. Wisconsin Statutes limit the principal amount of G.O. debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values). The tables on page 22 provide a calculation of the City’s current and projected G.O. debt capacity. Tables 1 and 2 project, respectively, the City’s equalized value, and the full faith and credit borrowing capacity of the City. Equalized valuation projections were made using two methods. The first projects future valuation of the City using the average annual percentage of valuation growth experienced between 2003 and 2007. This method is identified as the percentage method. The second method projects the future valuation based upon the average annual increment between 2003 and 2007. This method is identified as the straight-line method. Table 2 projects the G.O. borrowing capacity of the City utilizing the straight-line valuation projection and considering the existing debt of the City, demonstrating that the City will have sufficient G.O. debt capacity during the implementation period of the District to finance projects using this method if it chooses.

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

The City may issue a bond 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 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 City’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds issued to developers in this fashion are not general obligations of the City and therefore do not count against the City’s borrowing capacity.

### Utility Revenue Bonds

The City can issue revenue bonds to be repaid from revenues of the sewer and/or water systems, including revenues paid by the City that represent service of the system to the City. 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 City must demonstrate to bond underwriters its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

### Special Assessment “B” Bonds

The City 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 City determines that special assessments are appropriate, the City 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 City’s G.O. debt limit. If special assessments are levied, the City must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

**EQUALIZED VALUATION PROJECTION**



*City of Mequon*

**Projection of General Obligation Debt Borrowing Capacity**



**Table 1 - Projection of Growth in Equalized Value (TID OUT)**

----PERCENTAGE METHOD----			--STRAIGHT LINE METHOD--		
HISTORICAL DATA					
2003	3,444,894,300		2003	3,444,894,300	
2004	3,758,931,200		2004	3,758,931,200	
2005	3,997,387,500		2005	3,997,387,500	
2006	4,214,913,800		2006	4,214,913,800	
2007	4,569,210,700	8.16%	2007	4,569,210,700	281,079,100
PROJECTED VALUATIONS					
2008	4,942,026,096	8.16%	2008	4,850,289,800	6.15%
2009	5,345,260,600	8.16%	2009	5,131,368,900	5.80%
2010	5,781,396,199	8.16%	2010	5,412,448,000	5.48%
2011	6,253,117,390	8.16%	2011	5,693,527,100	5.19%
2012	6,763,327,706	8.16%	2012	5,974,606,200	4.94%
2013	7,315,167,588	8.16%	2013	6,255,685,300	4.70%
2014	7,912,033,716	8.16%	2014	6,536,764,400	4.49%
2015	8,557,599,914	8.16%	2015	6,817,843,500	4.30%
2016	9,255,839,764	8.16%	2016	7,098,922,600	4.12%

**Table 2 - Projection of G.O. Debt Capacity (Based on Straight Line Method)**

<u>BUDGET YEAR</u>	<u>EQUALIZED VALUE</u>	<u>GROSS DEBT LIMIT</u>	<u>DEBT BALANCE</u>	<u>NET BORROWING CAPACITY</u>
2008	4,569,210,700	228,460,535	25,155,000	203,305,535
2009	4,850,289,800	242,514,490	22,455,000	220,059,490
2010	5,131,368,900	256,568,445	19,685,000	236,883,445
2011	5,412,448,000	270,622,400	16,925,000	253,697,400
2012	5,693,527,100	284,676,355	14,145,000	270,531,355
2013	5,974,606,200	298,730,310	12,080,000	286,650,310
2014	6,255,685,300	312,784,265	9,480,000	303,304,265
2015	6,536,764,400	326,838,220	7,210,000	319,628,220
2016	6,817,843,500	340,892,175	4,955,000	335,937,175
2017	7,098,922,600	354,946,130	2,800,000	352,146,130
2018	7,380,001,700	369,000,085	610,000	368,390,085
2019	7,661,080,800	383,054,040		383,054,040
2020	7,942,159,900	397,107,995		397,107,995
2021	8,223,239,000	411,161,950		411,161,950
2022	8,504,318,100	425,215,905		425,215,905
2023	8,785,397,200	439,269,860		439,269,860
2024	9,066,476,300	453,323,815		453,323,815
2025	9,347,555,400	467,377,770		467,377,770
2026	9,628,634,500	481,431,725		481,431,725
2027	9,909,713,600	495,485,680		495,485,680
2028	10,190,792,700	509,539,635		509,539,635
2029	10,471,871,800	523,593,590		523,593,590

## **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 development occurs to assure increment is sufficient to cover expenses.

It is anticipated developer agreements between the City 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 City 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 issued.

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

**IMPLEMENTATION & FINANCING TIMELINE**

					
<b>City of Mequon</b> Tax Increment District No. 3 Estimated Project Costs & Financing Plan					
		G.O. Bond		G.O. Promissory Note	
		2008/2009		2012/Phase	Total Project Costs
					All Phases
<b>Projects</b>					
	Zone 5 Cedarburg Road (Division to Mequon)	1,060,399			1,060,399
	Zone 6 - Mequon Road (Cedarburg Road to Buntrock)	3,069,404			3,069,404
	Zone 7 - Mequon Road (Buntrock to Wauwatosa)	497,115			497,115
	Zone 8 - Buntrock and Industrial Road			435,000	435,000
	Civic Campus			585,740	585,740
	Riverfront Park	613,310			613,310
	Water System looping	750,000			750,000
	<b>Subtotal Needed for Projects</b>	<b>5,990,228</b>		<b>1,020,740</b>	<b>7,010,968</b>
<b>Finance Related Expenses</b>					
	Issuance Costs (not to exceed per bond)	\$20 133,300		\$20 36,796	
	Capitalized Interest	577,316		0	
	<b>Total Financing Required</b>	<b>6,700,844</b>		<b>1,057,536</b>	
	<i>Estimated Interest Earnings</i>	3.00% (37,446)		3.00% (6,333)	
	<i>Assumed Spend Down (Months)</i>	6		6	
	Rounding	1,602		(1,204)	
	<b>NET ISSUE SIZE</b>	<b>6,665,000</b>		<b>1,050,000</b>	

**DEVELOPMENT ASSUMPTIONS**



*City of Mequon*

**Tax Increment District No. 3  
Development Assumptions**



<u>Construction Year</u>	<u>Brewery Project</u>	<u>Town Center Development</u>	<u>Arrival Corridor Development</u>	<u>Miscellaneous Town Center</u>	<u>Concord Commons</u>	<u>Annual Total</u>
2008						0
2009	6,000,000	4,000,000				10,000,000
2010	2,000,000	2,000,000	4,000,000		4,000,000	12,000,000
2011	2,000,000		2,000,000		4,000,000	8,000,000
2012	6,000,000	500,000	500,000			7,000,000
2013						0
2014						0
2015						0
2016						0
2017						0
2018				3,000,000		3,000,000
2019				2,000,000		2,000,000
2020				1,200,000		1,200,000
2021				1,000,000		1,000,000
2022						0
2023						0
2024						0
2025						0
2026						0
<b>TOTALS</b>	16,000,000	6,500,000	6,500,000	7,200,000	8,000,000	44,200,000

**NOTES: Development Assumptions provided by City**

INCREMENT REVENUE PROJECTIONS



## City of Mequon

### Tax Increment District No. 3 Tax Increment Projection Worksheet

**Type of District** Mixed Use

**Anticipated Creation Date** 2/12/2008

Valuation Date Jan. 1, 2008

Maximum Life (In Years) 20

Expenditure Period (In Years) 15

Revenue Periods/Final Rev Year 19 | 2028

End of Expenditure Period 2/12/2023

Latest Termination Date 2/12/2028

Eligible for Extension/No. of Years Yes | 3

Eligible Recipient District No

Projected Base Value **38,794,366**

Property Appreciation Factor **3.00%**

Current Tax Rate (Per \$1,000 EV) **\$16.45**

Tax Rate Adjustment Factor (Next 2 Years) **-5.00%**

Tax Rate Adjustment Factor (Following 2 Years) **-2.50%**

Tax Rate Adjustment Factor (Thereafter) **-0.50%**

Discount Rate 1 for NPV Calculation **4.50%**

Discount Rate 2 for NPV Calculation **6.50%**

Apply Inflation Factor to Base? **X**

	Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment
1	2008	0	2009	1,163,831	1,163,831	2010	14.80	17,229
2	2009	10,000,000	2010	1,198,746	12,362,577	2011	14.43	178,439
3	2010	12,000,000	2011	1,534,708	25,897,285	2012	14.07	364,451
4	2011	8,000,000	2012	1,940,750	35,838,035	2013	14.00	501,825
5	2012	7,000,000	2013	2,238,972	45,077,007	2014	13.93	628,038
6	2013	0	2014	2,516,141	47,593,148	2015	13.86	659,779
7	2014	0	2015	2,591,625	50,184,773	2016	13.79	692,228
8	2015	0	2016	2,669,374	52,854,147	2017	13.72	725,403
9	2016	0	2017	2,749,455	55,603,603	2018	13.66	759,323
10	2017	0	2018	2,831,939	58,435,542	2019	13.59	794,006
11	2018	3,000,000	2019	2,916,897	64,352,439	2020	13.52	870,031
12	2019	2,000,000	2020	3,094,404	69,446,843	2021	13.45	934,211
13	2020	1,200,000	2021	3,247,236	73,894,079	2022	13.38	989,066
14	2021	1,000,000	2022	3,380,653	78,274,733	2023	13.32	1,042,463
15	2022	0	2023	3,512,073	81,786,806	2024	13.25	1,083,790
16	2023	0	2024	3,617,435	85,404,241	2025	13.19	1,126,068
17	2024	0	2025	3,725,958	89,130,199	2026	13.12	1,169,319
18	2025	0	2026	3,837,737	92,967,936	2027	13.05	1,213,569
19	2026	0	2027	3,952,869	96,920,805	2028	12.99	1,258,842
		44,200,000			52,720,805	1,117,188,029		
							Future Value of Increment	15,008,080



**EHLERS**  
LEADERS IN PUBLIC FINANCE

**CASH FLOW**

*City of Mequon*  
**Tax Increment District No. 3**  
**Cash Flow Pro Forma**



Year	Revenues					Expenditures						Balances		Project Cost Principal Outstanding	Year	
	Tax Increments	Investment Earnings	Capitalized Interest 2008 Issue	Capitalized Interest 2012 Issue	Total Revenues	G.O. Bond \$6,665,000 2008/2009			G.O. Promissory Note \$1,050,000 2012			Total Expenditures	Annual			Cumulative
						Prin (9/1)	Est. Rate	Interest	Prin (9/1)	Est. Rate	Interest					
		<b>4.00%</b>														
2008		0	577,316		577,316			0				0	577,316	577,316	7,715,000	2008
2009		23,093			23,093			288,658				288,658	(265,565)	311,751	7,715,000	2009
2010	17,229	12,470			29,699			288,658				288,658	(258,959)	52,792	7,715,000	2010
2011	178,439	2,112			180,551			288,658				288,658	(108,107)	(55,316)	7,715,000	2011
2012	364,451	0			364,451			288,658			0	288,658	75,793	20,477	7,715,000	2012
2013	501,825	819			502,644	125,000	3.100%	288,658			46,840	460,498	42,146	62,623	7,590,000	2013
2014	628,038	2,505			630,543	175,000	3.250%	284,783	100,000	3.710%	46,840	606,623	23,920	86,544	7,315,000	2014
2015	659,779	3,462			663,241	200,000	3.400%	279,096	100,000	3.940%	43,130	622,226	41,015	127,559	7,015,000	2015
2016	692,228	5,102			697,331	200,000	3.550%	272,296	100,000	4.100%	39,190	611,486	85,845	213,404	6,715,000	2016
2017	725,403	8,536			733,939	250,000	3.700%	265,196	100,000	4.250%	35,090	650,286	83,654	297,058	6,365,000	2017
2018	759,323	11,882			771,205	250,000	3.860%	255,946	100,000	4.400%	30,840	636,786	134,420	431,478	6,015,000	2018
2019	794,006	17,259			811,265	300,000	4.030%	246,296	125,000	4.550%	26,440	697,736	113,529	545,007	5,590,000	2019
2020	870,031	21,800			891,831	400,000	4.180%	234,206	125,000	4.700%	20,753	779,958	111,873	656,880	5,065,000	2020
2021	934,211	26,275			960,487	550,000	4.280%	217,486	125,000	4.860%	14,878	907,363	53,124	710,004	4,390,000	2021
2022	989,066	28,400			1,017,466	550,000	4.370%	193,946	175,000	5.030%	8,803	927,748	89,718	799,722	3,665,000	2022
2023	1,042,463	31,989			1,074,451	550,000	4.460%	169,911			0	719,911	354,541	1,154,263	3,115,000	2023
2024	1,083,790	46,171			1,129,961	600,000	4.540%	145,381			0	745,381	384,580	1,538,843	2,515,000	2024
2025	1,126,068	61,554			1,187,621	600,000	4.620%	118,141			0	718,141	469,481	2,008,324	1,915,000	2025
2026	1,169,319	80,333			1,249,652	600,000	4.670%	90,421			0	690,421	559,231	2,567,556	1,315,000	2026
2027	1,213,569	102,702			1,316,271	650,000	4.720%	62,401			0	712,401	603,870	3,171,426	665,000	2027
2028	1,258,842	126,857			1,385,699	665,000	4.770%	31,721			0	696,721	688,979	3,860,405	0	2028
<b>Total</b>	<b>15,008,080</b>	<b>613,321</b>	<b>577,316</b>	<b>0</b>	<b>16,198,717</b>	<b>6,665,000</b>		<b>4,310,510</b>	<b>1,050,000</b>		<b>312,803</b>	<b>12,338,313</b>	<b>3,860,405</b>			

NOTES: Interest Rates based on 2/15/07 MMD "AA" plus 30 BP for 2008 issue and 130 BP for 2012 issue  
Capitalized Interest: 2008 issue 2.0 years, if increment falls short in early year add Cap I for 2012

Projected TID Closure

## **11** ANNEXED PROPERTY

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

## **12** ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

Pursuant to Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin State Statutes the City estimates that 30% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

## **13** PROPOSED CHANGES IN ZONING ORDINANCES

The City of Mequon does not anticipate that the District will require any changes in zoning ordinances.

## **14** PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND CITY OF MEQUON ORDINANCES

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

## **15** RELOCATION

It is not anticipated there will be a need to relocate any persons or businesses in conjunction with this Plan.

In the event relocation becomes necessary at some time during the implementation period, the City will take the following steps and actions:

Before negotiations begin for the acquisition of property or easements, all property owners will be provided an informational pamphlet prepared by the Wisconsin Department of Commerce and if any person is to be displaced as a result of the acquisition, they will be given a pamphlet on "Relocation Rights". The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project and a list of all or at least ten neighboring landowners to whom offers are being made. The City will file a relocation plan with the Department of Commerce and shall keep records as required in Wisconsin Statute Section 32.27.

## **16** ORDERLY DEVELOPMENT AND/OR REDEVELOPMENT OF THE CITY OF MEQUON

The District contributes to the orderly development and/or redevelopment of the City by providing the opportunity for continued growth in tax base and job opportunities as were identified in the 2005 Schreiber/Anderson Associates report on the Mequon/Thiensville Town Center Design Guidelines and Phase I Concept Design Plans and incorporate the Town Center Master Plan done by Teska Associates. Overall the identified Town Center plan encompasses the proposed Tax Increment District.

The identified goal of the concept design plans is to strengthen the Town Center as the heart of both Mequon and Thiensville in a coordinated effort. Utilizing existing attributes, and expanding upon them, will allow the Town Center area to flourish as an attractive location for shopping, working, visiting and living.

The Schreiber/Anderson Associates report provided for General Site Design, Building, and General Sign Guidelines that have been incorporated into the zoning for the TID. Contained on the following page are excerpts from the Schreiber/Anderson Associates report that identify features and design guidelines:



**17**

**A LIST OF ESTIMATED NON-PROJECT COSTS**

The following is a list of the estimated non-project costs. The City neither represents nor commits to funding any of the projects.

Description of Non-Project Costs	Estimated Cost
1. Civic Campus – Pool Fence	\$ 67,200
2. Civic Campus – Spray Ground	\$ 154,500
3. Building Demolition	\$ 51,500
4. Community Center Construction	\$1,442,000
5. Community Center Plaza	\$ 103,000
6. Amphitheater Plaza	\$ 154,500
7. Land Acquisition	\$1,076,350
<b>Total</b>	<b>\$3,049,050</b>

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**OPINION OF ATTORNEY FOR THE CITY OF MEQUON  
ADVISING WHETHER THE PLAN IS COMPLETE AND  
COMPLIES WITH WISCONSIN STATUTES, SECTION 66.1105**



11333 N. Cedarburg Road 60W  
Mequon, Wisconsin 53092  
Phone (262) 242-3100  
FAX (262) 242-9655

April 4, 2008

Mayor Christine Nuernberg  
City of Mequon  
11333 N. Cedarburg Road 60W  
Mequon, WI 53092

**RE: City of Mequon, Wisconsin Tax Incremental District No. 3**

Dear Mayor:

As City Attorney for the City of Mequon, I have reviewed the Project Plan and various resolutions passed by the Common Council, Planning Commission and Joint Review Board regarding Tax Incremental District No. 3 located in the City of Mequon. In my opinion, the Project Plan is complete and complies with Section 66.1105 of the Wisconsin Statutes.

Sincerely,

A handwritten signature in black ink, appearing to read 'John L. DeStefanis', is written over a large, stylized circular flourish.

Attorney John L. DeStefanis  
City of Mequon

## EXHIBIT A - CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO THE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS

Estimated Share by Taxing Jurisdiction of Projected Tax Increments to be paid by Owners of Taxable Property in each of the Taxing Jurisdictions Overlying the Tax Increment District

Revenue Year	City	County	School District	Special District	Tech College	Total
	17.26%	10.27%	51.42%	9.77%	11.28%	
2010	2,974	1,769	8,859	1,683	1,944	17,229
2011	30,799	18,320	91,751	17,435	20,135	178,439
2012	62,904	37,417	187,396	35,610	41,124	364,451
2013	86,615	51,521	258,031	49,033	56,625	501,825
2014	108,399	64,479	322,929	61,365	70,867	628,038
2015	113,878	67,737	339,249	64,466	74,448	659,779
2016	119,478	71,069	355,934	67,637	78,110	692,228
2017	125,204	74,475	372,992	70,878	81,853	725,403
2018	131,059	77,957	390,433	74,193	85,681	759,323
2019	137,045	81,518	408,267	77,582	89,594	794,006
2020	150,167	89,323	447,358	85,010	98,173	870,031
2021	161,245	95,912	480,359	91,281	105,415	934,211
2022	170,713	101,544	508,564	96,641	111,605	989,066
2023	179,929	107,026	536,020	101,858	117,630	1,042,463
2024	187,062	111,269	557,270	105,896	122,293	1,083,790
2025	194,359	115,609	579,008	110,027	127,064	1,126,068
2026	201,824	120,050	601,248	114,253	131,944	1,169,319
2027	209,462	124,593	624,000	118,577	136,937	1,213,569
2028	217,276	129,241	647,279	123,000	142,046	1,258,842
	2,590,392	1,540,827	7,716,948	1,466,425	1,693,487	15,008,080

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