

September 29, 2021

ANNUAL TAX INCREMENT DISTRICT REPORT FOR:

# City of Mequon, WI

## Tax Increment District No. 5



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Prepared by:

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Municipal Advisor

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**BUILDING COMMUNITIES. IT'S WHAT WE DO.**

# Annual Tax Increment District Report

## City of Mequon, Wisconsin Tax Increment District No. 5

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**Purpose:** State law requires municipalities with an active Tax Incremental District (TID) to electronically file an Annual Report for each TID by July 1 of each calendar year. This is a summary of that filing to be used at the annually required meeting of the standing Joint Review Board.

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**District Summary:** Tax Increment District No. 5 (“District”) was created on February 21, 2012 as a Rehabilitation or Conservation District. The District has not been amended.

The TID has an expenditure period that ends on February 21, 2034, and has a mandatory termination date of February 21, 2039.

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<b>Background Data:</b>	Base Value	\$51,186,900
	Incremental Value (as of January 1, 2021)	\$14,507,300
	Incremental Value (as of January 1, 2020)	\$13,442,300
	Year End Fund Balance (2020)	\$581,830
	Projected Closure (based on current cash flow*)	Not projected

\* The City expects to make additional projects costs through the end of the District’s expenditure period. The projected closure year has not been identified in the cash flow projections.

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**Notes:** In 2020, there was little change within the district. It is expected in 2021, the district will receive a loss in value due to enforcement action by the City of Mequon to remove building conditions associated with a former motel. The property was identified to be substantially non-compliant for occupancy based on health, safety and building code regulations. The owner was granted time to make corrections to the non-compliant issues but failed to so therefore, the City intends to raze the

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structures. In 2021, the TID will gain substantial new value through the approval of a self-storage facility for the property located 10448N Port Washington Road. The site is approximately 4.5 acres and contains two building lots. The storage facility will convert the former industrial warehouse building on one of the lots through extensive renovation. The project is estimated to add close to \$6.4M value, a net change of 3.8M.

The City's plan is to only provide pay-as-you-go incentives for development within this District. There are currently two development projects receiving incentives, both reflected in the attached cash flow. The adopted project plan allows for approximately \$5 million in project costs. The City anticipates approximately \$2,628,163 in costs yet to be undertaken.

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**Joint Review Board  
Action:**

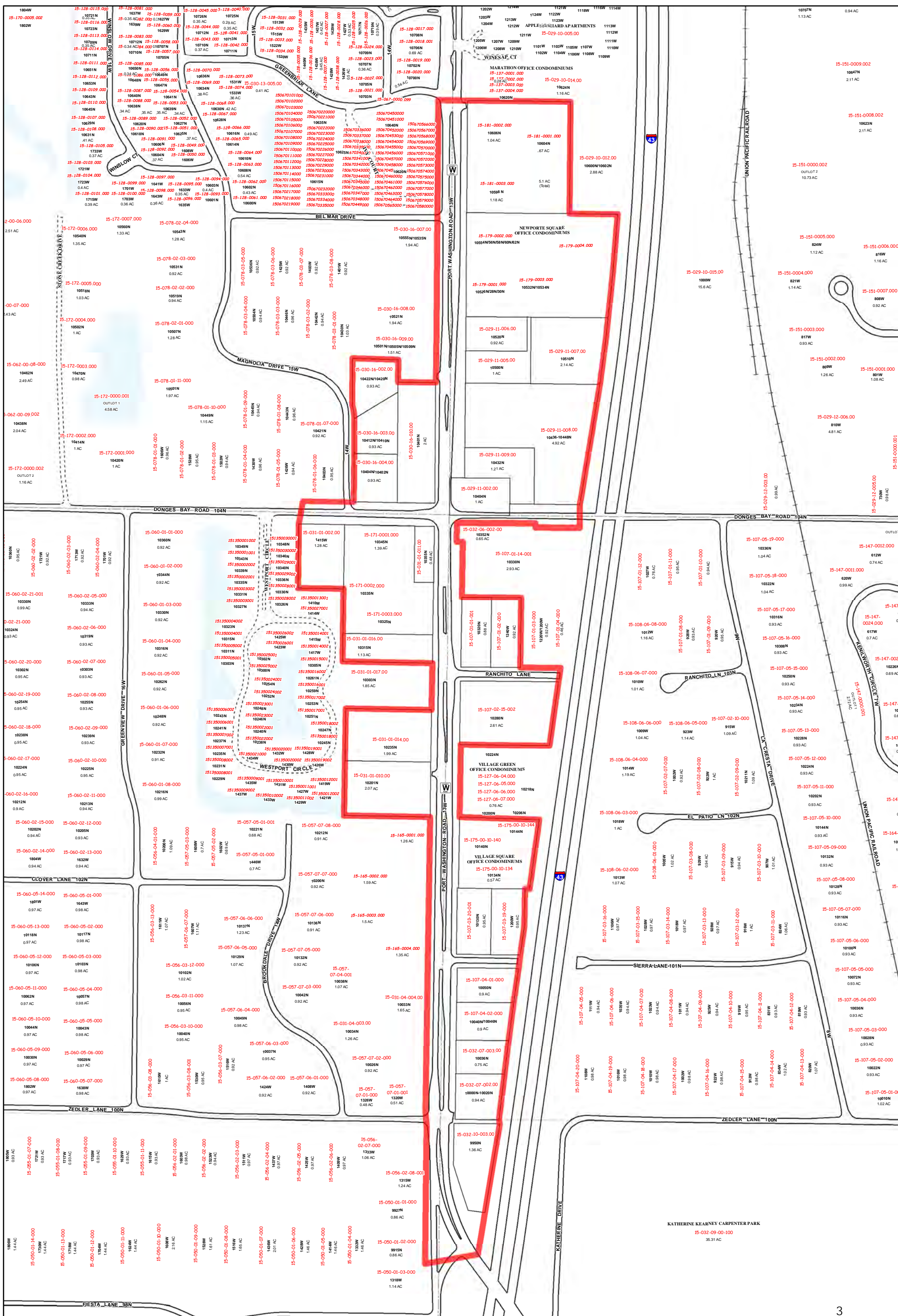
Resolution acknowledging filing of Annual TID Report and compliance with annual meeting requirements.

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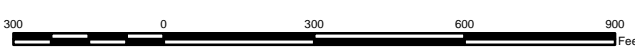
**Attachments:**

- TID Boundary Map
- TID Increment Projection
- TID Cash Flow Projection (Detail)
- State Submittal (DOR Form PE-300)

# Proposed TIF District #5 Parcel Identification



1:4,600



Date: 12/22/2011

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# City of Mequon, Wisconsin

## Tax Increment District #5

### Tax Increment Projection Worksheet

Type of District	Rehabilitation	Base Value	51,186,900
District Creation Date	February 21, 2012	Appreciation Factor	0.25%
Valuation Date	Jan 1, 2012	Base Tax Rate	\$15.58
Max Life (Years)	27	Rate Adjustment Factor	
Expenditure Period/Termination	22 2/21/2034	Tax Exempt Discount Rate	
Revenue Periods/Final Year	26 2039	Taxable Discount Rate	1.50%
Extension Eligibility/Years	Yes 6		
Eligible Recipient District	Yes		

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment
1 2012	404,700	2013	0	404,700	2014	\$15.58	6,307
2 2013	1,203,000	2014	0	1,607,700	2015	\$15.58	25,056
3 2014	5,068,800	2015	0	6,676,500	2016	\$16.38	109,351
4 2015	-683,900	2016	0	5,992,600	2017	\$14.38	86,166
5 2016	973,300	2017	0	6,965,900	2018	\$15.87	110,547
6 2017	1,103,300	2018	0	8,069,200	2019	\$15.44	124,832
7 2018	2,437,600	2019	0	10,506,800	2020	\$15.02	157,765
8 2019	2,935,500	2020	0	13,442,300	2021	\$15.22	204,628
9 2020	1,065,000	2021	0	14,507,300	2022	\$15.22	220,840
10 2021	450,000	2022	36,268	14,993,568	2023	\$15.22	228,242
11 2022	0	2023	37,484	15,031,052	2024	\$15.22	228,813
12 2023	0	2024	37,578	15,068,630	2025	\$15.22	229,385
13 2024	0	2025	37,672	15,106,301	2026	\$15.22	229,958
14 2025	0	2026	37,766	15,144,067	2027	\$15.22	230,533
15 2026	0	2027	37,860	15,181,927	2028	\$15.22	231,109
16 2027	0	2028	37,955	15,219,882	2029	\$15.22	231,687
17 2028	0	2029	38,050	15,257,932	2030	\$15.22	232,266
18 2029	0	2030	38,145	15,296,077	2031	\$15.22	232,847
19 2030	0	2031	38,240	15,334,317	2032	\$15.22	233,429
20 2031	0	2032	38,336	15,372,653	2033	\$15.22	234,013
21 2032	0	2033	38,432	15,411,084	2034	\$15.22	234,598
22 2033	0	2034	38,528	15,449,612	2035	\$15.22	235,184
23 2034	0	2035	38,624	15,488,236	2036	\$15.22	235,772
24 2035	0	2036	38,721	15,526,957	2037	\$15.22	236,362
25 2036	0	2037	38,817	15,565,774	2038	\$15.22	236,953
26 2037	0	2038	38,914	15,604,688	2039	\$15.22	237,545
<b>Totals</b>	<b>14,957,300</b>		<b>647,388</b>		<b>Future Value of Increment</b>		<b>5,004,188</b>

Notes:

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

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

# City of Mequon, Wisconsin

## Tax Increment District #5

### Cash Flow Projection

Year	Projected Revenues					Expenditures				Balances			Year
	Tax Increments	Interest Earnings/ (Cost)	Computer Aid	Other Taxes	Total Revenues	Concord Development 39	Concord Development 40	Admin.	Total Expenditures	Annual	Cumulative	Principal Outstanding	
2017	86,166		42,699		128,865	28,488	30,234	1,900	60,622	68,243	227,296		2017
2018	110,547		43,326		153,873	28,237	29,968	1,650	59,855	94,018	321,314		2018
2019	124,832		44,375		169,207	28,103	29,826	150	58,079	111,128	432,442		2019
2020	157,765		44,375	9,621	211,761	28,488	30,235	3,650	62,373	149,388	581,830		2020
2021	204,628		42,156		246,784	28,488	30,235	150	58,873	187,911	769,741		2021
2022	220,840		40,048		260,888	28,488	10,252	150	38,890	221,999	991,739		2022
2023	228,242		38,046		266,288	28,488		150	28,638	237,650	1,229,389		2023
2024	228,813		36,144		264,956	28,488		150	28,638	236,318	1,465,708		2024
2025	229,385		34,337		263,721	28,488		150	28,638	235,083	1,700,791		2025
2026	229,958		32,620		262,578	4,409		150	4,559	258,019	1,958,810		2026
2027	230,533		30,989		261,522			150	150	261,372	2,220,182		2027
2028	231,109		29,439		260,549			150	150	260,399	2,480,580		2028
2029	231,687		27,967		259,655			150	150	259,505	2,740,085		2029
2030	232,266		26,569		258,835			150	150	258,685	2,998,770		2030
2031	232,847		25,241		258,088			150	150	257,938	3,256,708		2031
2032	233,429		23,978		257,408			150	150	257,258	3,513,966		2032
2033	234,013		22,780		256,792			150	150	256,642	3,770,608		2033
2034	234,598		21,641		256,238			150	150	256,088	4,026,696		2034
2035	235,184		20,559		255,743			150	150	255,593	4,282,289		2035
2036	235,772		19,531		255,303			150	150	255,153	4,537,442		2036
2037	236,362		18,554		254,916			150	150	254,766	4,792,208		2037
2038	236,953		17,626		254,579			150	150	254,429	5,046,637		2038
2039	237,545		16,745		254,290			150	150	254,140	5,300,777		2039
<b>Total</b>	<b>4,863,474</b>	<b>0</b>	<b>699,744</b>	<b>9,621</b>	<b>5,572,839</b>	<b>260,165</b>	<b>160,750</b>	<b>10,200</b>	<b>431,115</b>				<b>Total</b>

Notes: No other project costs are being projected beyond the current incentive agreements for Concord 39 and Concord 40  
 The approved project plan identified \$5 million in project costs, the City estimates and additional \$2,437,183 yet to be undertaken  
 Projections for computer aid projected to decline by 5% annually  
 No assumptions for additional development included  
 .25% appreciation applied to current values

Projected TID Closure

<b>Form PE-300</b>	<b>TID Annual Report</b>	<b>2020 WI Dept of Revenue</b>
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<b>Section 1 - Municipality and TID</b>					
Co-muni code <b>45255</b>	Municipality <b>MEQUON</b>	County <b>OZAUKEE</b>	Due date <b>07/01/2021</b>	Report type <b>ORIGINAL</b>	
TID number <b>005</b>	TID type <b>3</b>	TID name <b>N/A</b>	Creation date <b>02/21/2012</b>	Mandatory termination date <b>02/21/2039</b>	Expected termination date <b>N/A</b>

<b>Section 2 - Beginning Balance</b>	<b>Amount</b>
<b>TID fund balance at beginning of year</b>	<b>\$432,442</b>

<b>Section 3 - Revenue</b>	<b>Amount</b>
<b>Tax increment</b>	\$167,386
<b>Investment income</b>	
<b>Debt proceeds</b>	
<b>Special assessments</b>	
<b>Shared revenue</b>	\$44,375
<b>Sale of property</b>	
<b>Allocation from another TID</b>	
<b>Developer guarantees</b>	
<b>Transfer from other funds</b>	
<b>Grants</b>	
<b>Other revenue</b>	
<b>Total Revenue (deposits)</b>	<b>\$211,761</b>

Section 4 - Expenditures	Amount
Capital expenditures	
Administration	
Professional services	\$3,500
Interest and fiscal charges	
DOR fees	\$150
Discount on long-term debt	
Debt issuance costs	
Principal on long-term debt	
Environmental costs	
Real property assembly costs	
Allocation to another TID	
Developer grants	
Developer name    Concord 39	\$28,488
Developer name    Concord 40	\$30,235
Transfer to other funds	
Other expenditures	
<b>Total Expenditures</b>	<b>\$62,373</b>

Section 5 - Ending Balance	Amount
TID fund balance at end of year	\$581,830
Future costs	\$2,628,163
Future revenue	\$3,572,336
Surplus or deficit	\$1,526,003

Section 6 - Preparer/Contact Information	
Preparer name <b>Kaitlyn Krueger</b>	Preparer title <b>Finance Director</b>
Preparer email <b>kkrueger@ci.mequon.wi.us</b>	Preparer phone <b>(262) 236-2948</b>
Contact name <b>Kaitlyn Krueger</b>	Contact title <b>Finance Director</b>
Contact email <b>kkrueger@ci.mequon.wi.us</b>	Contact phone <b>(262) 236-2955</b>



<b>Form PE-300</b>	<b>TID Annual Report</b>	<b>2020</b> WI Dept of Revenue
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<b>Submission Information</b>	
Co-muni code	<b>45255</b>
TID number	<b>005</b>
Submission date	<b>05-19-2021 05:28 PM</b>
Confirmation	<b>TIDAR20201225O1621283506791</b>
Submission type	<b>ORIGINAL</b>