

**JOINT PLANNING COMMISSION / ECONOMIC DEVELOPMENT COMMITTEE
AND SPECIAL VILLAGE BOARD**

**AGENDA
VILLAGE OF DEERFIELD**

**FOR A JOINT MEETING OF THE PLANNING COMMISSION / ECONOMIC DEVELOPMENT
COMMITTEE AND DEERFIELD VILLAGE BOARD OF THE VILLAGE OF DEERFIELD TO BE HELD
AT THE DEERFIELD VILLAGE HALL, 4 N. MAIN STREET, DEERFIELD, WISCONSIN ON
THURSDAY, AUGUST 8, 2019 AT 6:00 P.M.**

- I. CALL TO ORDER – NOTING OF ROLL BY CLERK**
- II. CONSENT AGENDA**
- III. REVIEW AND DISCUSS PROPOSED PROJECT PLAN, BOUNDARIES, AND CREATION OF TAX
INCREMENTAL DISTRICT NO. 6 AND PROPOSED AMENDMENT OF PROJECT PLAN FOR TAX
INCREMENTAL DISTRICT NO. 3.**
- IV. ADJOURN**

Notice is hereby given that it is possible that a majority of the Village Board or other governmental body may be present at the above meeting of the JOINT PLANNING COMMISSION AND ECONOMIC DEVELOPMENT COMMITTEE/SPECIAL VILLAGE BOARD to gather information about a subject over which they have ultimate decision making responsibility. If such a majority is present, it will constitute a meeting of the Village Board or other governmental body under Wisconsin's Open Meeting Laws and is hereby being noticed as such, although only the JOINT PLANNING COMMISSION AND ECONOMIC DEVELOPMENT COMMITTEE/SPECIAL VILLAGE BOARD may take formal action at the above meeting.

If you require an interpreter, materials in alternate formats, or other accommodations to access this meeting, please contact the Village Clerk at 764-5404 at least 24 hours prior to the meeting.

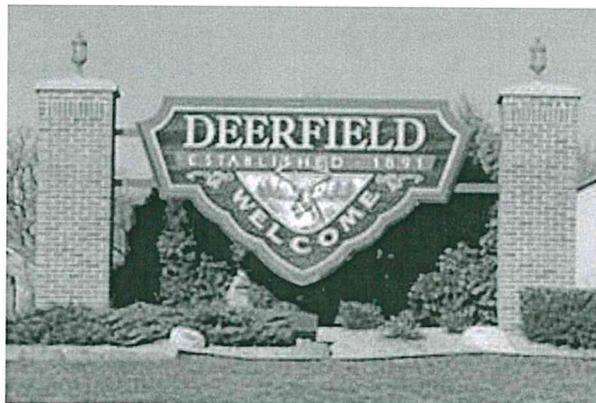
Elizabeth McCredie, Clerk
Village of Deerfield

Posted 8/6/2019



August 1, 2019

Draft Project Plan for the Project Plan Amendment of Tax Incremental District No. 3



Organizational Joint Review Board Meeting Held:	Scheduled for: August 19, 2019
Public Hearing Held:	Scheduled for: August 19, 2019
Consideration for Adoption by Plan Commission:	Scheduled for: August 19, 2019
Consideration for Adoption by Village Board:	Scheduled for: September 23, 2019
Consideration for Approval by the Joint Review Board:	Scheduled for: TBD

Tax Incremental District No. 3 Project Plan Amendment

Village of Deerfield Officials

Village Board

Greg Frutiger

Scott Tebon

Jerry McMullen

David Wilkinson

Don Kositzke

Arnold Evensen

Gary Wiczorek

Village President

Village Trustee

Village Trustee

Village Trustee

Village Trustee

Village Trustee

Village Trustee

Village Staff

Elizabeth McCredie

Jared Walker Smith

Village Clerk-Treasurer - Administrator

Village Attorney

Plan Commission

Scott Tebon (Chair)

Greg Frutiger

Arnie Evensen

David Riesop

Jerry Bastian

Jeff Quamme

Chris Frutiger

Joint Review Board

Village Representative

Dane County

Madison Area Technical College District

Deerfield Community School District

Public Member

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SECTION 1: Executive Summary

Description of District

Type of District, Size and Location

Tax Incremental District (“TID”) No. 3 (The “TID” or “ District” or “District”) is an existing mixed-use district, created by a resolution of the Village of Deerfield (“Village”) Village Board adopted on September 12, 2005 (the “Creation Resolution”).

Amendments

The District was previously amended on September 11, 2006 and August 13, 2007, whereby resolutions were adopted to add additional territory to the District, and to amend the list of projects to be undertaken. These amendments were the first and second of four territory amendments permitted for this District.

Purposes of this Amendment

This Project Plan Amendment supplements and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and its previously adopted Project Plan Amendments, remain in effect. Although through this Project Plan Amendment, the Village has identified its remaining initiatives and project to be undertaken within the District.

The proposed additional and updated projects costs within the District totaling up to approximately \$2.1 million which may include but are not limited to: updated project costs pertaining to existing brownfield and site remediation efforts in progress and new public improvements, cash grants to owners, lessees or developers of land located within the District (development incentives), professional and organizational services, administrative costs, and finance costs. The proposed amendment is also to allow for the District to incur project costs outside of, but within ½ mile of, the boundaries of the District as allowed under Wisconsin Statutes Section.66.1105(2)(f)1.n. specifically a portion of Park Drive/Main Street. Ongoing professional services costs, audit expenses, and Village administrative costs can continue to be incurred by the District after the end of the expenditure period.

Estimated Total Project Expenditures

The current Project Plan and amendments provides for estimated total project cost expenditures of \$8.9 million. Through 2018, project costs have totaled approximately \$6.7 million. The expenditure period for the District ends on September 12, 2020.

The proposed amendment updates existing/ongoing project costs and additional projects costs totaling up to approximately \$2.1 million over the remaining expenditure period which may include but are not limited to: updated project costs pertaining to existing brownfield and site remediation efforts in progress and new public improvements and cash grants to owners, lessees or developers of land located within the District (development incentives), and professional and organizational services, administrative costs, and finance costs. The proposed amendment is also to allow for the District to incur project costs outside of, but within ½ mile of, the boundaries of the District as allowed under Wisconsin Statutes Section.66.1105(2)(f)1.n specifically a portion of Park Drive/Main Street. Ongoing professional services costs, audit expenses, and Village administrative costs can continue to be incurred by the District after the end of the expenditure period.

Specific details as to the types, locations and cost estimates are found in Sections 7, 8 and 9 of this plan. It is anticipated that the remaining and additional projects will be completed in phases until the expenditure period ends of September 12, 2020. The projects are expected to be financed with increment generated annually and General Obligation debt service, 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

The increment valuation of TID #3 as of 1/1/2019 is \$24,237,900. At a minimum, appreciation of this increment value is anticipated to occur and is needed to pay for existing brownfield and site remediation efforts in progress and new public improvements and cash grants to owners, lessees or developers of land located within the District (development incentives), and professional and organizational services, administrative costs, and finance costs. Additional value could also result from additional improvements made and projects undertaken as detailed in this amendment.

Expected Termination of District

The District has a maximum statutory life of 20 years, and must close not later than September 12, 2025, resulting in a final collection of increment in budget year 2026. Considering only existing increment value, appreciation of value, and assuming only existing initiatives in progress are completed and no additional financings are undertaken the anticipated total cumulative revenues will exceed total liabilities by the year 2024, enabling the District to close 2 years earlier than its maximum life. Based on the Economic Feasibility Study located in Section 10 of this Plan, amendment of the District would shift the projected closure year from 2024 to 2026.

Summary of Findings

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

1. **That “but for” amendment of the District’s Project Plan, the remaining 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 additional expenditures contemplated by the plan amendment are necessary to fully achieve the original goals of the District Project Plan, including creation of new tax base and other economic benefits. The Village expects that without the amendment, the full development as projected will be less likely to occur.
 - Some of these additional expenditures are associated with projects that were unanticipated or have expanded in scope since the time of District creation but have now been determined necessary to enable the District to fully implement its Project Plan.

2. **The economic benefits of amending the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the Village has considered the following information:
 - As demonstrated in the Economic Feasibility Section of this Project Plan amendment, the tax increments projected to be collected are sufficient to pay for the remaining 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.**
 - Given that it is not likely that the District will achieve all of the objectives of its Project Plan or in the same manner without the continued use of tax incremental financing (see finding # 1), and since the District is expected to generate additional economic benefits that are more than sufficient to compensate for the additional cost of the improvements (see Finding #2), the Village reasonably concludes that the overall additional 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 Project Plan is not amended.
4. The boundaries of the District are not being amended. At the time of creation, and any subsequent additions of territory, not less than 50%, by area, of the real property within the District is suitable for a combination of industrial, commercial and residential uses, defined as “mixed-use development” within the meaning of Wisconsin Statutes Section 66.1105(2)(cm).
5. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution and in any subsequent resolutions amending the boundaries of the District, the District remains declared a mixed-use district based on the identification and classification of the property included within the District.
6. The Project Costs of the District relate directly to promoting mixed-use development in the District consistent with the purpose for which the District was created.
7. The improvements of such area are likely to enhance significantly the value of substantially all of the other real property in the District.
8. The Village estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b).
9. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the Village.

SECTION 2: Type and General Description of District

The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on September 12, 2005 by resolution of the Village Board. The District's valuation date, for purposes of establishing base value, was January 1, 2005.

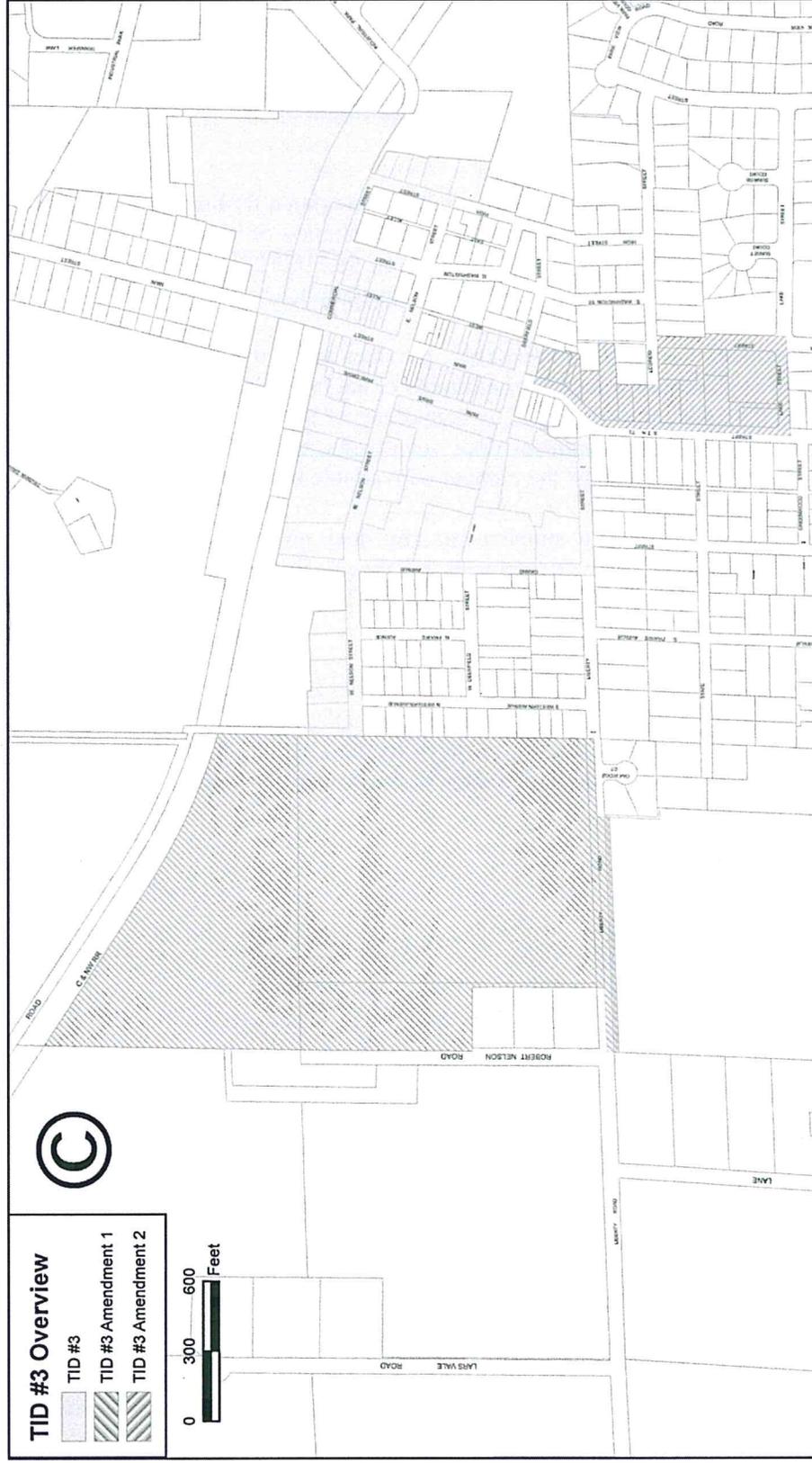
The existing District is a "Mixed Use District" based upon a finding that at least 50%, by area, of the real property within the District was suitable for a combination of industrial, commercial and residential uses within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). Since this amendment does not add any territory to the District, the District remains in compliance with this provision.

Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a Village to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have been amended twice prior to this Amendment. Since this amendment does not involve the addition or subtraction of territory from the District, it is not counted against the number of available boundary amendments.

This Project Plan Amendment supplements and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and its previously adopted Project Plan Amendments, remain in effect.

A map depicting the current boundaries of the District is found in Section 3 of this Plan. Based upon the findings stated above, the original findings stated in the Creation Resolution, and the findings contained in any subsequent resolution adding territory to the District, the District remains a mixed-use district based on the identification and classification of the property included within the District.

SECTION 3: Map of Current District Boundary



SECTION 4: Map Showing Existing Uses and Conditions

There will be no change to District boundaries, nor any changes to the existing uses and conditions within the District as a result of this amendment. A copy of this map can be found in the Original and Amended Project Plan Documents.

SECTION 5: Equalized Value Test

No additional territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Amendment.

SECTION 6: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

This Project Plan Amendment supplements and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and its previously adopted Project Plan Amendments, remain in effect. Although through this Project Plan Amendment, the Village has identified its remaining initiatives and projects to be undertaken within the District.

The proposed additional and updated projects costs within the District totaling up to approximately \$2.1 million which may include but are not limited to: updated project costs pertaining to existing brownfield and site remediation efforts in progress and new public improvements, cash grants to owners, lessees or developers of land located within the District (development incentives), professional and organizational services, administrative costs, and finance costs. The proposed amendment is also to allow for the District to incur project costs outside of, but within ½ mile of, the boundaries of the District as allowed under Wisconsin Statutes Section.66.1105(2)(f)1.n. specifically a portion of Park Drive/Main Street. Ongoing professional services costs, audit expenses, and Village administrative costs can continue to be incurred by the District after the end of the expenditure period.

The following is a summary list of public works and other TIF-eligible projects that includes the modifications detailed above. Any costs directly or indirectly related to the public works and other projects are considered "Project Costs" and are eligible to be paid with tax increment revenues of the District.

Site Preparation Activities

Brownfield Cleanup and Remediation on West Nelson

The Village will continue brownfield cleanup efforts presently in progress and submit for grant funds related to these efforts. These projects were identified in the original project plan for the District and it is anticipated will continue through the expenditure period for the District. Expenses incurred by the Village for brownfield cleanup and remediation are eligible Project Costs.

Demolition

In order to make sites suitable for redevelopment, the Village may incur costs related to demolition and removal of structures or other land improvements. Expenses incurred by the Village for demolition and remediation are eligible Project Costs.

Site Grading

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

Streets and Streetscape

Street Improvements

To allow redevelopment to occur, the Village may need to construct or reconstruct streets 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; utility relocation, street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; installation of fences, berms, and landscaping; and relocation of access points/driveways onto West Nelson. These and any other similar amenities installed by the Village are eligible Project Costs.

Streetscaping and Landscaping

In order to attract redevelopment consistent with the objectives of this Plan, the Village 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.

Miscellaneous

Revolving Loan/Grant Program

To encourage private redevelopment consistent with the objectives of this Plan, the Village 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 in the program manual. Any funds returned 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 may be placed into a fund and will continue to be used for the program purposes stated above.

Cash Grants (Development Incentives)

The Village may 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: portions of Park Drive/Main Street.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, amendment, 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.

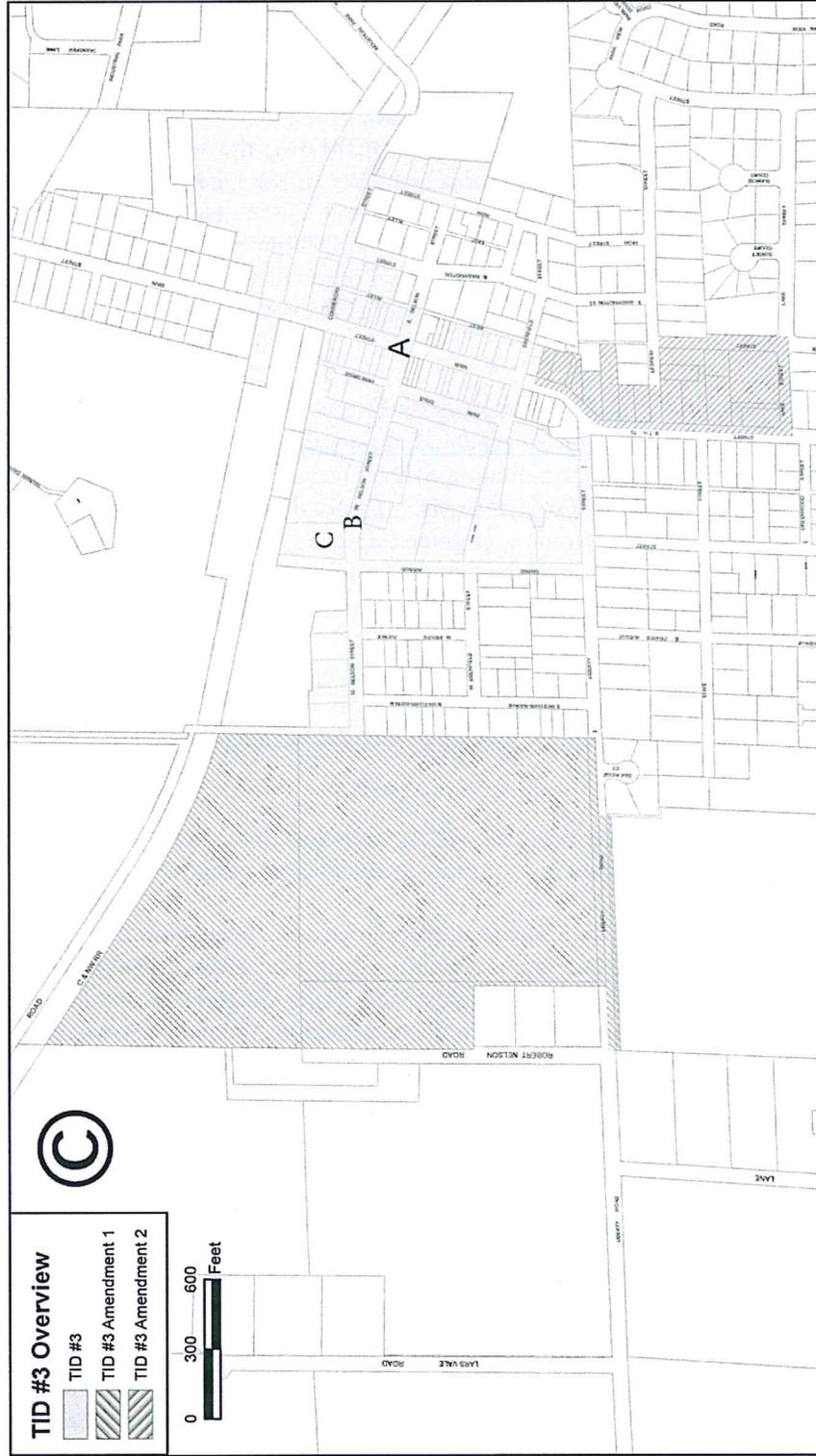
Financing Costs

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, site preparation, 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 tax increment finance 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 Amendment.

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 listed in this Plan or the original Project Plan. To the extent the costs benefit the Village 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. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received by the Village in connection with the implementation of this Plan.

SECTION 7: Map Showing Proposed Improvements and Uses



SECTION 8: Detailed List of Additional, Updated and Existing Project Costs

This Section contains information relative to the specific projects and expenditures that the Village anticipates it will undertake within the District during the remainder of the expenditure period, expiring on September 12, 2020. Ongoing professional services costs, audit expenses, and Village administrative costs can continue to be incurred by the District after the end of the expenditure period. In addition, included for reference purposes, is a listing of the project cost estimates for the original District and prior amendments along with a summary of expenditures incurred through December 31, 2018.

All costs for existing and updated project costs are based on 2019 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2019 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 further amending this Plan.

TIF Project Costs in Original Plan and Prior Amendments

Village of Deerfield	
Tax Increment District #3	
Original Project List (2005) & Plan Amendments (2006 & 2007)	
	Total Cost
Original Project Plan 2005	
Downtown Well Upgrades/Replacement	124,000
Storm Sewer Upgrade (Park Street)	92,000
Sanitary Sewer Installation (Park Street)	250,000
High Street Cul-de-sac	166,000
West Alley Street Improvements	50,000
Zechzer Road Street Improvements	100,000
Washington Street Infrastructure Upgrades	250,000
Main Street Streetscape Improvements	200,000
Regional Stormwater Retention Facility	50,000
Land Acquisition (for parking lot)	40,000
Glacial Drumlin Bike Trail Connections to Downtown	50,000
Brownfield Clean-Up & Redevelopment	75,000
Firemen's Park Redevelopment	300,000
Firemen's Park Relocation / Demolition of Facilities	50,000
Home Improvement Program	25,000
Commercial Building Improvement Program	50,000
T'Baccy Barn Redevelopment	10,000
Main Street Vacant Parcel Infill	40,000
Liberty Commons Redevelopment	75,000
Residential PUD Development	25,000
Washington Street Residential Redevelopment	25,000
Nelson Street Residential Redevelopment	50,000
Main Street Park Development	100,000
217 N. Main Street Redevelopment	25,000
209 N. Main Street / 8 S. Industrial Park Dr. Renovation	20,000
DNR Trail Area	75,000
Misc. Downtown Land and Building Acquisition	175,000
Administrative Costs	45,000
TIF Organizational Costs	30,500
Inflation Cost Adjustment	463,794
Interest and Financing Fees	1,208,349
Capitalized Interest	301,796
Total Original Plan Projects	<u>4,541,439</u>
2006 Amendment #1	
Storm Water Land Purchase	600,000
Developer Installed Infrastructure	3,655,000
Total Amendment #1	<u>4,255,000</u>
2007 Amendment #2	
Developer Incentives	150,000
TOTAL EXPENDITURES	<u><u>8,946,439</u></u>

Summary of Revenues and Expenditures 2005-2018

Village of Deerfield	
Tax Increment District #3	
Summary of Revenues and Expenditures 2005-2018	
	2005-2018
<u>Revenues</u>	
Tax Increment	2,141,770
Tax Exempt Computer Aid	4,352
Interest Income	25,839
Proceeds from LT Debt	1,976,548
Borrowing	1,929,000
Grants	12,882
Other	10,208
Advance General Fund	16,364
Total Revenues	6,116,963
<u>Expenditures</u>	
Administrative Fees	426,915
Audit	13,840
Misc. Other Expenditures ¹	144,741
40 W Nelson Street	139,126
23 W Nelson Street	88,064
Grants	172,846
Debt Proceed & Issue costs	470,859
Interest on Advance	11,212
Payment to General	31,013
Payment to Escrow Agent	143,194
Cap Outlay (Pd to Tierney)	2,364,000
Prin/Int on Bonds	2,694,012
Total Expenditures	6,699,823
Fund Balance as of 12/31/2018 per audit	(\$582,860)
Notes	
1. Misc. other expenses is for ads, legal fees, engineering fees and professional services.	

Summary of Anticipated Expenditures 2019 – remainder of maximum life

Village of Deerfield					
Tax Increment District #3					
Estimated Project List (2019-2026) current initiatives & new projects					
Project ID	Project Name/Type	Debt financed Prior to 9/12/2020	Cash/Increment Costs 1/1/2019 to 9/12/2020	Ongoing Cash Financed Costs 2019-2026	Total ¹
Multiple	Grant Program	500,000			500,000
A	Park Drive/Main Street/Walkway (portion within 1.5 mile)	500,000			500,000
B	W Nelson Street Improvements ²	400,000			400,000
C	40 West Nelson Site Costs (see below)				
	Misc. Costs incurred by Village 1/1/19 to 6/30/19		11,997		11,997
	Professional Costs incurred by Village 1/1/19 to 12/30/19		20,000		20,000
	Brownfield Grant Application		6,700		6,700
	Subdivision of W. Nelson Parcel		2,000		2,000
	Demolition of Existing Slab		30,000		30,000
	Site Closure/DNR Packet		16,700		16,700
	SAG contingency		14,000		14,000
	Ayres consulting costs for SAG		5,500		5,500
	Removal of contaminated soil and infill		30,000		30,000
	Relocation of Pump and treat system building		24,000		24,000
	Remediation documentation/consulting fees		15,000		15,000
	WDNR fees and oversight for remediation		5,250		5,250
	Additional monitoring / well closure		10,000		10,000
	Subtotal		191,147		191,147
Multiple	Economic Development Coordinator		70,000		70,000
Multiple	23 West Nelson		12,971		12,971
Multiple	Liberty Commons Grant		945		945
Multiple	D&J Service Grant		24,000		24,000
Multiple	Welsh Grant		56,000		56,000
Multiple	Tierney Payment		125,000		125,000
Multiple	Interest on Advances			1,800	1,800
Multiple	Administrative Fees ³			112,550	112,550
Multiple	Audit Costs			11,850	11,850
Multiple	Other Costs ⁴			87,960	87,960
	Total Projects	1,400,000	480,063	214,160	2,094,223
	Estimated Brownfield Grant Funds		(130,000)		(130,000)
	Estimated SAG Grant Funds		(127,397)		(127,397)
			(257,397)		1,836,826

Notes:

1. Project costs are estimates and subject to modification
2. Street improvement funds could be reallocated to parking lot or brownfield site improvements as an alternate use of a portion of these funds
3. Administrative fees pay for portion of Village costs for labor and materials related to TID #3 administration
4. Other costs include professional services costs

SECTION 9: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

This amendment updates the specific projects and expenditures that the Village anticipates it will undertake within the District during the remainder of the expenditure period.

The information and exhibits contained within this Section demonstrate that the District, as proposed to be amended, will remain economically feasible insofar as:

- The Village has available to it the means to secure the necessary financing required to accomplish the remaining projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The Village expects to complete the remaining 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 continued 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) an updated projection of tax increments to be collected resulting from that development and other economic growth within the District, and 3) an updated 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 \$12,066,275, of which approximately \$8.9 million 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.

Utility Revenue Bonds

The Village can issue revenue bonds to be repaid from revenues of its various utility 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

As stated in the original and amended project plan, projects identified will provide the necessary anticipated governmental services and/or development incentives to the remaining district. The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements, if any. The Village reserves the right to alter the implementation of this Plan to accomplish this objective.

The order in which expenditures 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

The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements when necessary. The Village reserves the right to alter the implementation of this Plan to accomplish this objective. The Village intends to revisit the status of the District prior to the expenditure period ending to determine if additional project costs can be supported.

Increment Revenue Projections

Village of Deerfield Tax Increment District #3 Tax Increment Projection Worksheet							
Type of District	Mixed Use			Base Value	9,970,400		
District Creation Date	September 12, 2005			Appreciation Factor	2.15%		
Valuation Date	Jan 1,	2005		Base Tax Rate	\$21.29		
Max Life (Years)	20			Rate Adjustment Factor			
Expenditure Period/Termination	15	9/12/2020					
Revenue Periods/Final Year	20	2026					
Extension Eligibility/Years	Yes	6					
Recipient District	No						

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment
12 2016	0	2017		18,568,000	2018	\$23.10	428,976
13 2017	3,333,300	2018		21,901,300	2019	\$21.29	466,332
14 2018	2,336,000	2019		24,237,300	2020	\$21.29	516,072
15 2019	0	2020	521,102	24,758,402	2021	\$21.29	527,167
16 2020	0	2021	532,306	25,290,708	2022	\$21.29	538,501
17 2021	0	2022	543,750	25,834,458	2023	\$21.29	550,079
18 2022	0	2023	555,441	26,389,899	2024	\$21.29	561,906
19 2023	0	2024	567,383	26,957,281	2025	\$21.29	573,987
20 2024	0	2025	579,582	27,536,863	2026	\$21.29	586,327
Totals			3,299,563		Future Value of Increment		4,749,348

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).

Cash Flow

Village of Deerfield Tax Increment District #3 Cash Flow Projection Page 1 of 2

Year	Projected Revenues						Debt Issues						
	Tax Increments	Other Revenue	Borrowed Funds	Personal Property Aid payment	Brownfield Grant	SAG Grant	Total Revenues	G.O. Bonds 2,440,000 Dated Date: 07/15/08	G.O. Notes 1,090,000 Dated Date: 12/03/15	G.O. Bonds 1,495,000 Dated Date: 05/26/16	Proposed State Trust Fund Loan 1,400,000 Dated Date: 12/01/20		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Est. Rate	Interest
2017	428,976	338					429,314	57,341	4,476	23,565	22,024		
2018	466,332	200		1,611		468,143	84,833	52,128	3,845	117,824	21,788		
2019	516,072	200	1,400,000	1,611	130,000	2,175,280		52,128	3,168	113,111	20,610		
2020	527,167	200		1,611		528,978		50,390	2,386	113,111	19,366	200,061	3.75%
2021	538,501	200		1,611		540,312		17,376	1,529	108,398	17,952	222,666	3.75%
2022	550,079	200		1,611		551,890		17,376	1,182	155,528	16,434	231,016	3.75%
2023	561,906	200		1,611		563,717		17,376	834	150,815	14,101	239,603	3.75%
2024	573,987	200		1,611		575,798		17,375	417	150,815	11,613	248,664	3.75%
2025	586,327	200		1,611		588,138				146,102	8,898	257,989	3.75%
2026										141,389	5,976		9,675
										136,676	1,503		
Total	4,749,348	1,938	1,400,000	12,888	130,000	6,421,571	84,833	281,490	17,836	1,357,333	160,264	1,400,000	205,984

Village of Deerfield

Tax Increment District #3

Cash Flow Projection Page 2 of 2

Year	Other Expenditures											Balances						
	Interest on Advances	Admin. Fees ¹	Eco. Dev. Coordinator	Audit	W. Nelson	40	W. Nelson	Other ²	Liberty Commons Grant	D&J Service Grant	Welsh Grant	Payment to Tierney	Borrowed Funds Projects	Total Expenditures	Annual	Cumulative	Principal Outstanding	Year
2017	305	20,121	1,063	88,064	2,272	9,877	52,361							370,601	58,713	(641,573)	1,723,656	2017
2018	300	12,550	21,002	1,350	12,971	31,997	17,960	945	24,000	56,000	125,000			374,660	93,483	(582,860)	1,557,918	2018
2019	300	15,000	48,998	1,500	159,150	10,000	10,000					1,400,000		1,948,965	226,315	(489,376)	2,787,966	2019
2020	300	15,000	1,500	1,500		10,000	10,000							479,716	49,262	(263,061)	2,622,726	2020
2021	300	15,000	1,500	1,500		10,000	10,000							439,719	100,593	(213,800)	2,259,164	2021
2022	300	15,000	1,500	1,500		10,000	10,000							484,983	66,907	(113,206)	1,910,724	2022
2023	300	15,000	1,500	1,500		10,000	10,000							477,590	86,127	(46,300)	1,506,804	2023
2024	300	15,000	1,500	1,500		10,000	10,000							474,384	101,414	39,827	1,099,010	2024
2025		10,000		1,500		10,000	10,000							444,164	143,975	141,241	682,156	2025
2026														147,365		285,216	278,065	2026
	2,105	132,671	70,000	12,913	101,035	193,419	97,837	53,306	24,000	56,000	125,000	1,400,000		5,780,326				Total

Notes:

- Administrative fees pay for portion of Village costs for labor and materials related to TID #3 administration
- Other costs include professional services costs
- 2017 and 2018 Cumulative balance tie to Village Financial Statements.

Projected TID Closure

**SECTION 10:
Annexed Property**

No territory will be added or subtracted from the District as a result of this amendment.

**SECTION 11:
Proposed Zoning Ordinance Changes**

The Village does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Project Plan amendment.

**SECTION 12:
Proposed Changes in Master Plan, Map, Building Codes
and Village of Deerfield 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 13:
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 chapter 32.

SECTION 14: Orderly Redevelopment of the Village of Deerfield

This Project Plan Amendment will continue the objectives of the original District Project Plan as it relates to the orderly redevelopment of the Village.

SECTION 15: 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 tax incremental finance funds.

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

SECTION 16:
Opinion of Attorney for the Village of Deerfield Advising
Whether the Plan is Complete and Complies with
Wisconsin Statutes 66.1105

August 1, 2019

SAMPLE

Greg Frutiger, Village President
Village of Deerfield
4 N. Main Street
Deerfield, Wisconsin 53531

RE: Village of Deerfield, Wisconsin Tax Incremental District No. 3 Amendment

Dear Village President:

As Village Attorney for the Village of Deerfield, 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,

Attorney Jared Walker Smith
Village of Deerfield

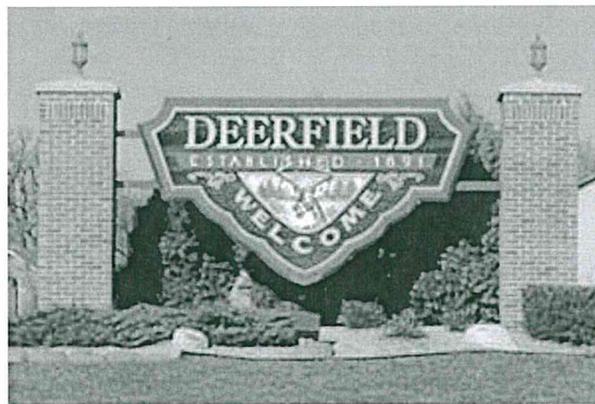
Exhibit A:
**Calculation of the Share of Projected Tax Increments
 Estimated to be Paid by the Owners of Property in the
 Overlying Taxing Jurisdictions**

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.						
Statement of Taxes Data Year:				2018 Percentage		
County				620,499		14%
Municipality				1,341,987		30%
School District				2,301,164		52%
Technical College				190,268		4%
				<u>4,453,918</u>		
Revenue Year	County	Municipality	School District	Technical College	Total	Revenue Year
2018	59,763	129,253	221,635	18,326	428,976	2018
2019	64,967	140,508	240,936	19,921	466,332	2019
2020	71,897	155,495	266,634	22,046	516,072	2020
2021	73,442	158,838	272,367	22,520	527,167	2021
2022	75,021	162,253	278,222	23,004	538,501	2022
2023	76,634	165,741	284,204	23,499	550,079	2023
2024	78,282	169,305	290,315	24,004	561,906	2024
2025	79,965	172,945	296,556	24,520	573,987	2025
2026	81,684	176,663	302,932	25,047	586,327	2026
	<u>661,657</u>	<u>1,431,001</u>	<u>2,453,801</u>	<u>202,889</u>	<u>4,749,348</u>	
Notes:						
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.						



August 1, 2019

Draft Project Plan for the Creation of Tax Incremental District No. 6



Organizational Joint Review Board Meeting Held:	Scheduled for: August 19, 2019
Public Hearing Held:	Scheduled for: August 19, 2019
Consideration for Approval by Plan Commission:	Scheduled for: August 19, 2019
Consideration for Adoption by Village Board:	Scheduled for: September 23, 2019
Consideration for Approval by the Joint Review Board:	Scheduled for: TBD

Tax Incremental District No. 6 Creation Project Plan

Village of Deerfield Officials

Village Board

Greg Frutiger

Scott Tebon

Jerry McMullen

David Wilkinson

Don Kositzke

Arnold Evensen

Gary Wiczorek

Village President

Village Trustee

Village Trustee

Village Trustee

Village Trustee

Village Trustee

Village Trustee

Village Staff

Elizabeth McCredie

Jared Walker Smith

Village Clerk-Treasurer - Administrator

Village Attorney

Plan Commission

Scott Tebon (Chair)

Greg Frutiger

Arnie Evensen

David Riesop

Jerry Bastian

Jeff Quamme

Chris Frutiger

Joint Review Board

Village Representative

Dane County

Madison Area Technical College District

Deerfield Community School District

Public Member

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SECTION 1: Executive Summary

Description of District

Type of District, Size and Location

Tax Incremental District (“TID”) No. 6 (the “TID” or “District”) is proposed to be created by the Village of Deerfield (“Village”) as an industrial district. A map of the proposed District boundaries is located in Section 3 of this plan. Portions of the District overlay existing TID #3.

Estimated Total Project Expenditures.

The Village anticipates making total project expenditures of approximately \$565,000 to undertake the projects listed in this Project Plan. The Expenditure Period of this District is 15 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 cash/increment generated by the anticipated developments. While not anticipated, the Village may use other alternative financing methods 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 value of approximately \$1,275,000 will be created as a result of new redevelopment 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 2040.

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:
 - Some of the sites proposed for redevelopment have remained underutilized due to environmental contamination. Given that the sites have not 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 inducements to encourage redevelopment on the sites consistent with that desired by the Village.

- In order to make the areas included within the District suitable for redevelopment, the Developer will need to make a substantial investment to pay for certain costs of remediation and site repair, which may include but not be limited to:
 - Construction and maintenance of a site cap so that it remains in good and sufficient repair to ensure adequate control of environmental contamination as required by applicable state and federal laws and regulations, and DNR guidance.
 - Installing a vapor mitigation system as may be required by and pursuant to specifications of the DNR.
 - Sitework and storm water detention.
 - Certain DNR fees and costs.

The development shall consist of renovation of the existing 38 W. Nelson building with expansion of the building onto 40 West Nelson.

Due to the extensive initial investment that is required in order to allow redevelopment to occur, the Village has determined that redevelopment of the area will not occur solely as a result of private investment. The Village has determined a development incentive of \$425,000, paid from increment generated by the project after Village administrative costs are paid, is necessary to achieve redevelopment of the area and it is unlikely to occur absent Tax Incremental Financing.

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.

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, 2019. 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, 2019 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 suitable for industrial sites and zoned for industrial use within the meaning of Wisconsin Statutes Section 66.1101. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use at the time of the creation of the District will remain zoned for industrial use for the life of the District.
5. Based upon the findings, as stated above, the District is declared to be an industrial District based on the identification and classification of the property included within the District.
6. The project costs relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.
7. 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 none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to 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.

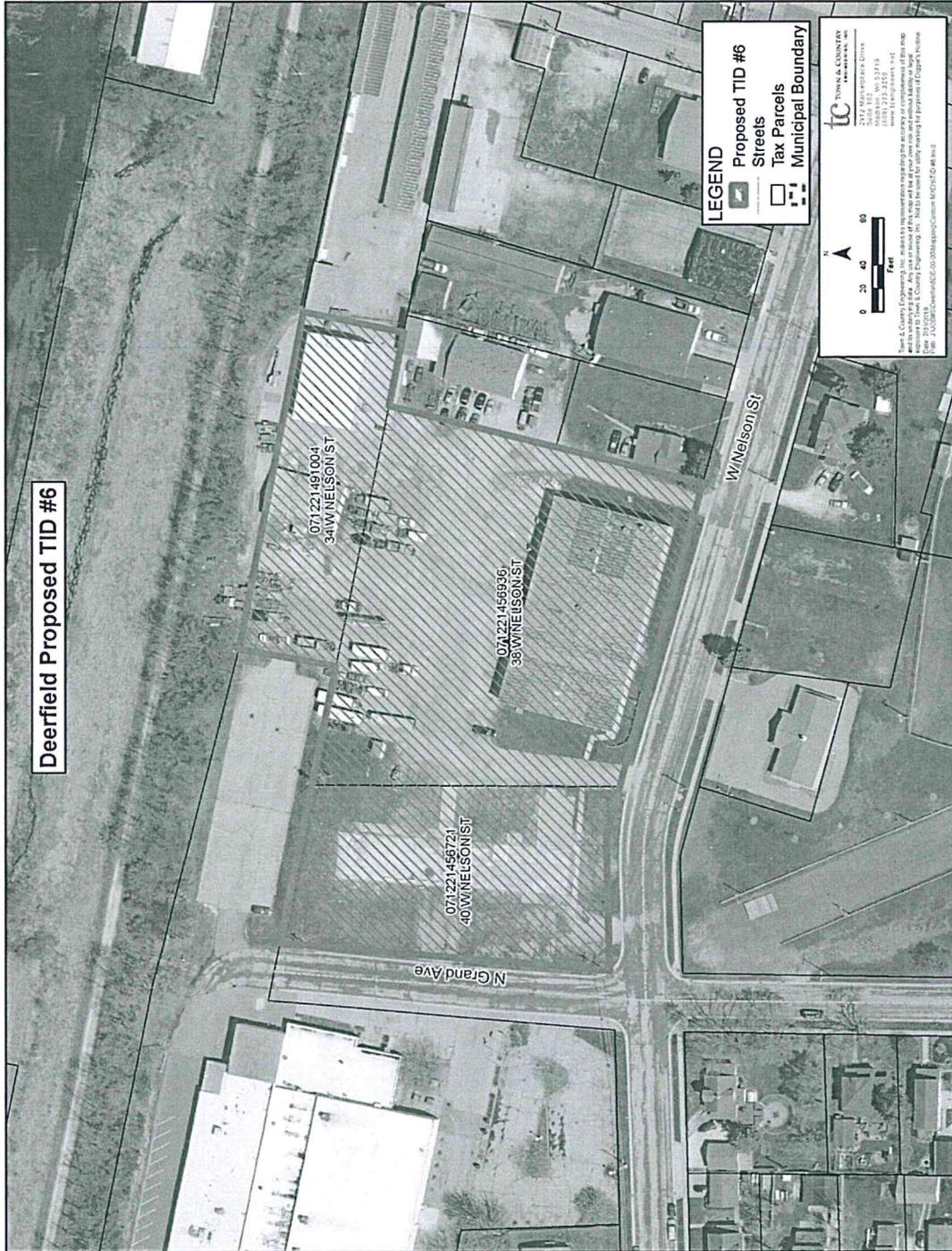
SECTION 2: Type and General Description of District

The District is being created by the Village under the authority provided by Wisconsin Statutes Section 66.1105. This District is created as an "Industrial District" based upon a finding that at least 50%, by area, of the real property within the District is zoned and suitable for industrial sites within the meaning of Wisconsin Statutes Section 66.1101 (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test).

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 industrial, distributor and related private development locates in this District. This will be accomplished by installing public improvements, and making necessary related expenditures, to promote industrial development 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 promoting industrial development in the District consistent with the purpose for which the District is created.

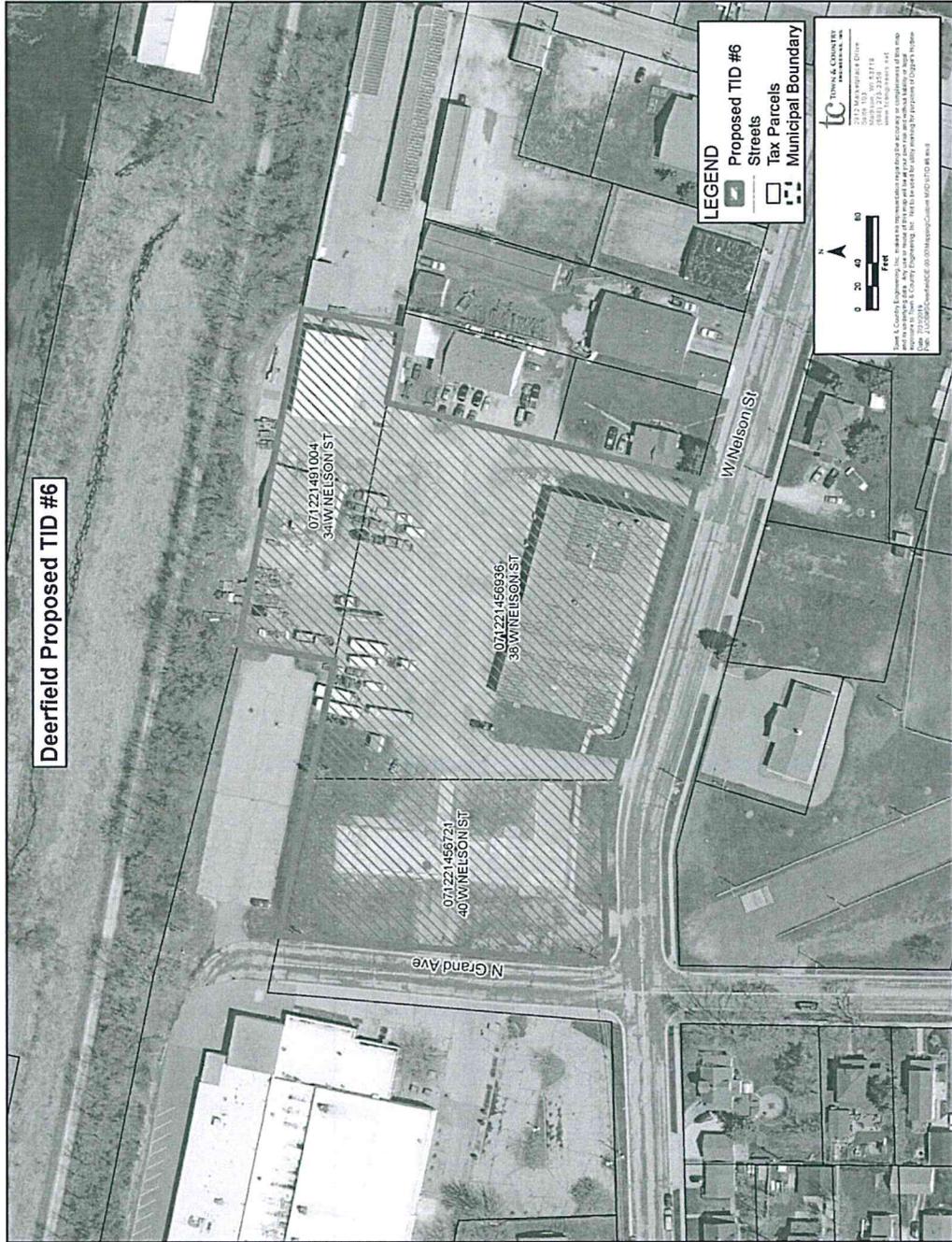
Based upon the findings, as stated within this Plan, the District is declared to be an industrial District based on the identification and classification of the property included within the district.

SECTION 3: Preliminary Map of Proposed District Boundary



SECTION 4: Map Showing Existing Uses and Conditions

The existing uses for the TID #6 parcel is the Truckstar business. This use will continue and be expanded within the District.



SECTION 5:
Preliminary Parcel List and Analysis

Village of Deerfield, Wisconsin																
Tax Increment District #6																
Base Property Information																
Property Information				Assessment Information				Equalized Value								
Map Ref #	Parcel Number	Street Address	Owner	Acres	Part of Existing TID	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Industrial (Zoned and Suitable)	Assessment Roll Classification?
	117/0712-214-5693-6	38 West Nelson Street	Greka Holdings LLC	1.82	TID #3	86,500	365,500	0	452,000	89.14%	0	0	0	0	1.82	G2
	117/0712-214-5672-1	40 West Nelson Street	Village of Deerfield	0.89	TID #3	0	0	0	0	89.14%	97,039	410,033	0	507,072	0.89	
	117/0712-214-9100-4	34 West Nelson Street	Greka Holdings LLC	0.59	No	42,500	21,500	0	64,000	89.14%	47,678	24,120	0	71,798	0.59	
Total Acreage						129,000	387,000	0	516,000		144,717	434,152	0		3.299	
														Estimated Base Value	578,870	
														100.00%		

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 less parcels presently within TID #3, totals \$25,624,142. This value is less than the maximum of \$28,959,060 in equalized value that is permitted for the Village of Deerfield. The Village is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

Village of Deerfield, Wisconsin	
Tax Increment District #6	
Valuation Test Compliance Calculation	
District Creation Date	9/26/2019
	Valuation Data Currently Available 2019
Total EV (TID In)	241,325,500
12% Test	28,959,060
Increment of Existing TIDs	
TID #3	24,237,300
TID #4	0
TID #5	300,900
Total Existing Increment	24,538,200
Projected Base of New District	578,870
Less Value of Any Underlying TID Parcels	(507,072)
Total Value Subject to 12% Test	25,624,142
Compliance	PASS

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

The following is a list of 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.

Cash Grants (Development Incentives)

The Village may 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.

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.

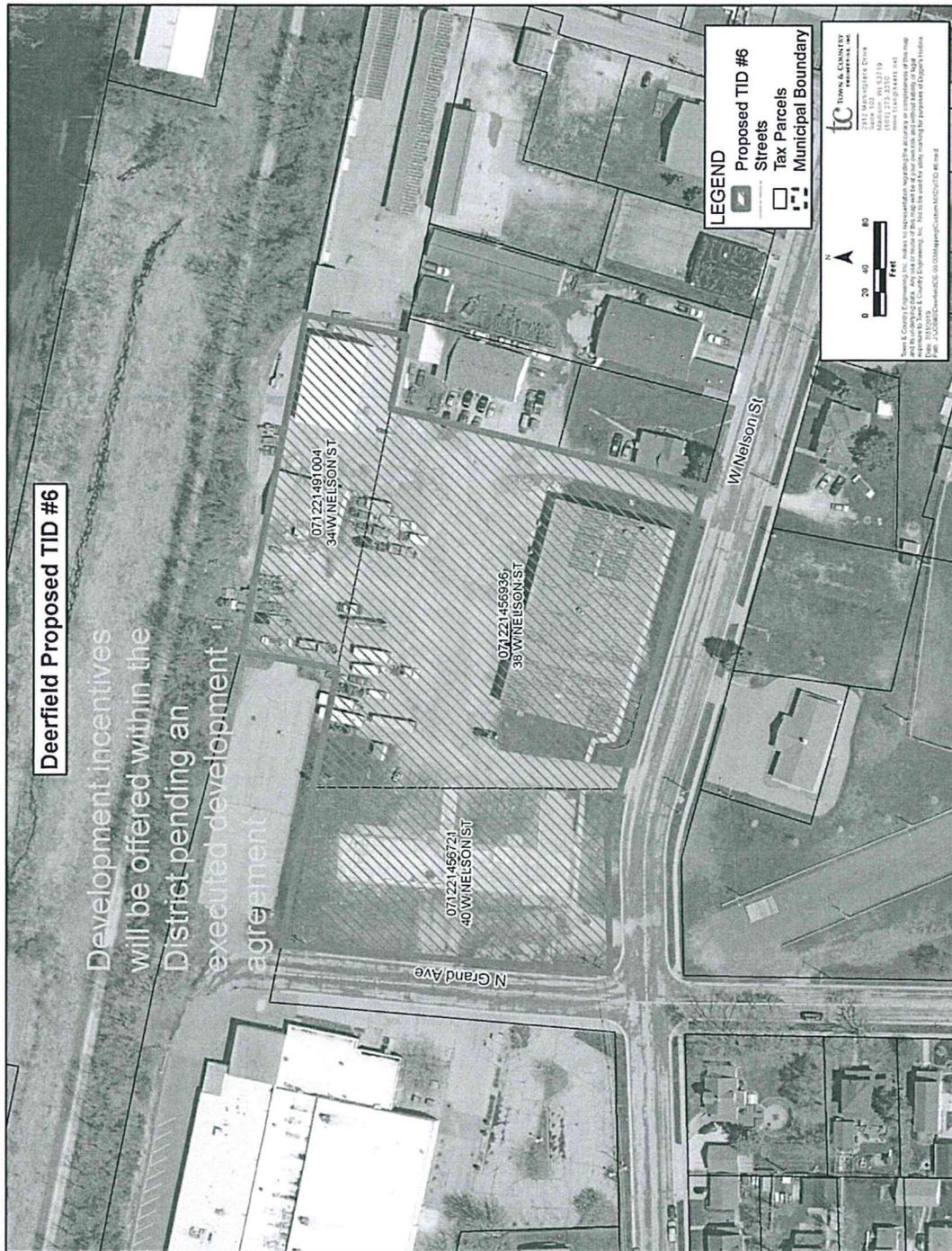
In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the Village for such purpose or a court of record so rules in a final order, then such project or projects 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



SECTION 9: Detailed List of Project Costs

All costs are based on 2019 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2019 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

Village of Deerfield, Wisconsin Tax Increment District #6 Estimated Project List			
Project ID	Project Name/Type	Project Amount	Total (Note 1)
1	Developer Incentives	425,000	425,000
2	TID Creation and developer agreement costs	35,000	35,000
3	Ongoing Administration Costs	105,000	105,000
Total Projects		<u>565,000</u>	<u>565,000</u>
Notes:			
Note 1	Project costs are estimates and are subject to modification		

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 expects to pay the development incentive from increment generated by development within the District. The terms of the incentive will be defined in a developer agreement. It is anticipated the developer agreement will specify to the extent the increment generated is not sufficient to cover the cost of the incentive, the Village is not obligated to pay any outstanding balance remaining. Therefore, financial risk to the Village is mitigated by using this approach. If increment is not sufficient to pay for initial or ongoing costs of the Village for the District, the Village will need to pay for these costs with other funds.

Available Financing Methods

While the Village does not anticipate borrowing funds to pay for project costs, 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 \$12,066,275, of which approximately \$8.9 million 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.

Utility Revenue Bonds

The Village can issue revenue bonds to be repaid from revenues of 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

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.

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.

Development Assumptions

Village of Deerfield, Wisconsin -Tax Increment-District #6- Development Assumptions					
Construction Year		Value needed to cover incentive & Admin. Costs	Annual Total	Construction Year	
1	2019		0	2019	1
2	2020	1,275,000	1,275,000	2020	2
3	2021		0	2021	3
4	2022		0	2022	4
5	2023		0	2023	5
6	2024		0	2024	6
7	2025		0	2025	7
8	2026		0	2026	8
9	2027		0	2027	9
10	2028		0	2028	10
11	2029		0	2029	11
12	2030		0	2030	12
13	2031		0	2031	13
14	2032		0	2032	14
15	2033		0	2033	15
16	2034		0	2034	16
17	2035		0	2035	17
18	2036		0	2036	18
19	2037		0	2037	19
20	2038		0	2038	20
Totals		<u>1,275,000</u>	<u>1,275,000</u>		

Notes:

Increment Revenue Projections

Village of Deerfield, Wisconsin											
Tax Increment District #6											
Tax Increment Projection Worksheet											
Type of District	Industrial			Base Value	578,870			Apply to Base Value			
District Creation Date	September 26, 2019			Appreciation Factor	1.25%						
Valuation Date	Jan 1,	2019		Base Tax Rate	\$21.29						
Max Life (Years)	20			Rate Adjustment Factor							
Expenditure Period/Termination	15	9/26/2034		Tax Exempt Discount Rate	4.00%						
Revenue Periods/Final Year	20	2040		Taxable Discount Rate	4.75%						
Extension Eligibility/Years	Yes	3									
Eligible Recipient District	No										

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV	
								Calculation	Taxable NPV Calculation
1	2019	0	2020	0	0	2021	\$21.29	0	0
2	2020	1,275,000	2021	0	1,275,000	2022	\$21.29	27,148	23,206
3	2021	0	2022	15,938	1,290,938	2023	\$21.29	27,487	45,799
4	2022	0	2023	16,137	1,307,074	2024	\$21.29	27,831	67,794
5	2023	0	2024	16,338	1,323,413	2025	\$21.29	28,179	89,207
6	2024	0	2025	16,543	1,339,955	2026	\$21.29	28,531	110,055
7	2025	0	2026	16,749	1,356,705	2027	\$21.29	28,888	130,351
8	2026	0	2027	16,959	1,373,664	2028	\$21.29	29,249	150,110
9	2027	0	2028	17,171	1,390,834	2029	\$21.29	29,614	169,347
10	2028	0	2029	17,385	1,408,220	2030	\$21.29	29,984	188,075
11	2029	0	2030	17,603	1,425,823	2031	\$21.29	30,359	206,308
12	2030	0	2031	17,823	1,443,645	2032	\$21.29	30,739	224,059
13	2031	0	2032	18,046	1,461,691	2033	\$21.29	31,123	241,340
14	2032	0	2033	18,271	1,479,962	2034	\$21.29	31,512	258,165
15	2033	0	2034	18,500	1,498,462	2035	\$21.29	31,906	274,544
16	2034	0	2035	18,731	1,517,192	2036	\$21.29	32,305	290,491
17	2035	0	2036	18,965	1,536,157	2037	\$21.29	32,709	306,016
18	2036	0	2037	19,202	1,555,359	2038	\$21.29	33,117	321,130
19	2037	0	2038	19,442	1,574,801	2039	\$21.29	33,531	335,845
20	2038	0	2039	19,685	1,594,486	2040	\$21.29	33,951	350,171
Totals		1,275,000		319,486		Future Value of Increment	578,162		

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).

Cash Flow

Village of Deerfield, Wisconsin											
Tax Increment District #6											
Cash Flow Projection											
Year	Projected Revenues			Expenditures				Balances			
	Tax Increments	Total Revenues	Priority #1	Priority #1	Priority #2	Priority #1	Priority #2	Annual	Cumulative	PAYGO Outstanding	Year
			Ongoing Administrative Costs of the Village	Creation and Legal Expenses	PAYGO Incentive to Truckstar	Total Expenditures					
2019	0	0		35,000		35,000		(35,000)	(35,000)	425,000	2019
2020	0	0	5,000			5,000		(5,000)	(40,000)	425,000	2020
2021	0	0	5,000			5,000		(5,000)	(45,000)	425,000	2021
2022	27,148	27,148	5,000			5,000		22,148	(22,852)	425,000	2022
2023	27,487	27,487	5,000			5,000		22,487	(365)	425,000	2023
2024	27,831	27,831	5,000		22,466	27,466		365	(0)	402,534	2024
2025	28,179	28,179	5,000		23,179	28,179		(0)	(0)	379,355	2025
2026	28,531	28,531	5,000		23,531	28,531		(0)	(0)	355,824	2026
2027	28,888	28,888	5,000		23,887	28,887		1	0	331,937	2027
2028	29,249	29,249	5,000		24,249	29,249		(0)	(0)	307,688	2028
2029	29,614	29,614	5,000		24,614	29,614		0	0	283,074	2029
2030	29,984	29,984	5,000		24,985	29,985		(1)	(0)	258,089	2030
2031	30,359	30,359	5,000		25,359	30,359		0	(0)	232,730	2031
2032	30,739	30,739	5,000		25,739	30,739		(0)	(0)	206,991	2032
2033	31,123	31,123	5,000		26,123	31,123		(0)	(0)	180,868	2033
2034	31,512	31,512	5,000		26,512	31,512		0	(0)	154,356	2034
2035	31,906	31,906	5,000		26,906	31,906		(0)	(0)	127,450	2035
2036	32,305	32,305	5,000		27,304	32,304		1	0	100,146	2036
2037	32,709	32,709	5,000		27,709	32,709		(0)	(0)	72,437	2037
2038	33,117	33,117	5,000		28,117	33,117		0	0	44,320	2038
2039	33,531	33,531	5,000		28,532	33,532		(1)	(0)	15,788	2039
2040	33,951	33,951	5,000		15,788	20,788		13,163	13,162	0	2040
Total	578,162	578,162	105,000	35,000	425,000	565,000					Total

Notes:

Projected TID Closure

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 none 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. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use will remain zoned for industrial use for the life of the District.

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

The District contributes to the redevelopment of the Village by providing the opportunity for continued growth in tax base and general economic activity. The District also continues to address environmental issues on the site and convert contaminated land to a higher use.

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.

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 Deerfield Advising
Whether the Plan is Complete and Complies with
Wisconsin Statutes 66.1105

August 1, 2019

SAMPLE

Greg Frutiger, Village President
Village of Deerfield
4 N. Main Street
Deerfield, Wisconsin 53531

RE: Village of Deerfield, Wisconsin Tax Incremental District No. 6

Dear Village President:

As Village Attorney for the Village of Deerfield, 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,

Attorney Jared Walker Smith
Village of Deerfield

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 overlying district would pay by jurisdiction.									
Statement of Taxes Data Year:				2018	Percentage				
County				620,499		14%			
Municipality				1,341,987		30%			
School District				2,301,164		52%			
Technical College				190,268		4%			
Total				<u>4,453,918</u>					
Revenue Year	County	Municipality	School District	Technical College	Total	Revenue Year			
2021	0	0	0	0	0	2021			
2022	3,782	8,180	14,026	1,160	27,148	2022			
2023	3,829	8,282	14,202	1,174	27,487	2023			
2024	3,877	8,386	14,379	1,189	27,831	2024			
2025	3,926	8,490	14,559	1,204	28,179	2025			
2026	3,975	8,597	14,741	1,219	28,531	2026			
2027	4,024	8,704	14,925	1,234	28,888	2027			
2028	4,075	8,813	15,112	1,249	29,249	2028			
2029	4,126	8,923	15,301	1,265	29,614	2029			
2030	4,177	9,034	15,492	1,281	29,984	2030			
2031	4,230	9,147	15,685	1,297	30,359	2031			
2032	4,282	9,262	15,882	1,313	30,739	2032			
2033	4,336	9,378	16,080	1,330	31,123	2033			
2034	4,390	9,495	16,281	1,346	31,512	2034			
2035	4,445	9,613	16,485	1,363	31,906	2035			
2036	4,501	9,734	16,691	1,380	32,305	2036			
2037	4,557	9,855	16,899	1,397	32,709	2037			
2038	4,614	9,978	17,110	1,415	33,117	2038			
2039	4,671	10,103	17,324	1,432	33,531	2039			
2040	4,730	10,229	17,541	1,450	33,951	2040			
					<u>80,547</u>	<u>174,203</u>	<u>298,714</u>	<u>24,699</u>	<u>578,162</u>

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

