

***Tax Increment Financing Project Plan
for the Establishment of
Tax Incremental Financing District No. 9
Within the
City of Muskego, WISCONSIN***



Public Hearing Held:
Plan Commission Adopted:
City Council Adopted:
DRAFT Dated: November 25, 2002

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2002-2003**

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**PLAN COMMISSION
2002-2003**

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STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS

Tax Incremental District No. 9, City of Muskego (the "District") is being created under authority of Wisconsin Statute Section 66.1105 primarily to assist expansion of the tax base by providing public improvements necessary to promote development and redevelopment and assist in blight elimination in the City of Muskego Community Development Authority Redevelopment District No. 1. The inducement is to install public utilities including water facilities that will allow development to take place.

TID No. 9 is located in the northeastern portion of the City, along Janesville Road. The City of Muskego intends that tax incremental financing (TIF) will be used to assure that related private development locates in this District. The goal is to expand the tax base and opportunities for redevelopment within the City.

The following is a list of public works projects that the City either directly or through the Community Development Authority expects to implement in conjunction with this District. Any costs directly or indirectly related to the public works are considered "project costs" and eligible to be paid with tax increment revenues of the tax incremental district.

- **WATER SYSTEM IMPROVEMENTS.** There are no public water facilities available to service the area. It will be necessary to provide water mains to distribute the water to individual properties. The City intends to install this main prior to the reconstruction of Janesville Road (CTH L) by Waukesha County.
- **ACQUISITION/DEMOLITION.** In order to eliminate blight conditions and promote redevelopment, it may be necessary for the City to acquire and demolish blighted properties or to acquire and consolidate parcels in order to create parcels of a marketable size within the District.
- **STORM SEWER SYSTEM.** Development of the area will cause storm water run off. To avoid problems in the District and adjacent areas, a storm water collection, detention, and retention system will be installed.
- **UNDERGROUND UTILITY WIRES.** In order to enhance the appearance of the District and to attract desired development, it is necessary to convert overhead utility wires to underground services, including costs to bring such services to code.
- **LANDSCAPING.** The City will provide landscaping such as berms, street trees, lighting and other facilities to attract high quality development to the area.
- **DEVELOPMENT INCENTIVES.** The City may enter into agreements with property owners or developers for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs.
- **ADMINISTRATIVE COSTS.** These include but are not limited to a portion of the salaries of the City Clerk, public works employees and others involved with the projects throughout the project plan implementation. Audit expenses and any expenses associated with dissolving the District are also considered eligible costs.

- **ORGANIZATIONAL COSTS.** These costs include but are not limited to fees of the financial consultant, attorney, engineers, surveyors, map makers and other contracted services.
- **RELOCATION COSTS.** In the event any property is acquired for the projects, expenses including the cost of a relocation plan, director, staff, publications, appraisals, land and property acquisition costs and relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195 are considered eligible project costs.
- **ENVIRONMENTAL AUDITS AND REMEDIATION.** There are no environmental problems known to exist within the proposed district. If, however, it becomes necessary to evaluate properties, the costs related to all environmental audits and remediation will be considered eligible project costs.
- **FINANCE COSTS.** Interest, financing fees, redemption premiums, and other financing fees are included as 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 projects are not reimbursable out of the special TIF fund under Wisconsin Statute Section 66.1105, in the written opinion of nationally recognized bond counsel or a court of record so rules in a final order, then such project or projects shall be deleted here from and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this project plan.

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

Project costs are any expenditures made or estimated to be made or monetary obligations incurred or estimated to be incurred by the City and 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.

ECONOMIC FEASIBILITY STUDY

The City of Muskego, located in the southern portion of Waukesha County near Interstate 43, is a community of approximately 21,700 in population.

The charts and exhibits on the following pages demonstrate that the City will be able to obtain the funds necessary to implement the projects in this plan and that the revenue from the District will be sufficient to pay for them. Charts I and II respectively on the following page, project the City's equalized value and show the full faith and credit borrowing capacity of the City. Equalized valuation projections were made using two methods. The first projects the future valuation of the City using the average annual percentage of valuation growth experienced between 1998 and 2002. The second method projects the future valuation based upon the average annual increment between 1998 and 2002. This method is identified as the straight line method. Chart II projects the general obligation borrowing capacity of the City taking into account the straight line valuation projection and existing debt of the City. The chart demonstrates that the City is likely to have a general obligation capacity of \$104,864,105 during the seven year implementation period of the District.

In addition to general obligation bonds, the City can issue mortgage 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 no 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.

It is anticipated that special assessments may be levied to benefitted properties to pay part of the water extension costs. 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 constitutional debt limit.

The City also has the authority to issue Lease Revenue Bonds through a CDA should this financing vehicle be useful in accomplishing the objectives of the Plan.

In addition to the issuance of General Obligation Bonds by the City, a CDA could issue obligations secured by lease payments to be made by the City. Such obligations would not be counted against the City's general obligation debt limit.

Based on the economic characteristics and the financing resources of the City, all projects outlined in this project plan can be financed and are feasible.

CHART I

|---PERCENTAGE METHOD---|

|--STRAIGHT LINE METHOD--|

HISTORICAL DATA

| | | | | | |
|------|---------------|-------|------|---------------|-------|
| 1998 | 1,227,121,100 | | 1998 | 1,227,121,100 | |
| 1999 | 1,316,793,100 | | 1999 | 1,316,793,100 | |
| 2000 | 1,407,733,800 | | 2000 | 1,407,733,800 | |
| 2001 | 1,534,663,400 | | 2001 | 1,534,663,400 | |
| 2002 | 1,651,185,500 | 8.64% | 2002 | 1,651,185,500 | 8.64% |

Straight Line Method Value Increment \$106,016,100

PROJECTED VALUATIONS

| | | | | | |
|------|---------------|-------|------|---------------|-------|
| 2003 | 1,793,838,289 | 8.64% | 2003 | 1,757,201,600 | 6.42% |
| 2004 | 1,948,815,446 | 8.64% | 2004 | 1,863,217,700 | 6.03% |
| 2005 | 2,117,181,725 | 8.64% | 2005 | 1,969,233,800 | 5.69% |
| 2006 | 2,300,093,867 | 8.64% | 2006 | 2,075,249,900 | 5.38% |
| 2007 | 2,498,808,551 | 8.64% | 2007 | 2,181,266,000 | 5.11% |
| 2008 | 2,714,691,023 | 8.64% | 2008 | 2,287,282,100 | 4.86% |
| 2009 | 2,949,224,481 | 8.64% | 2009 | 2,393,298,200 | 4.64% |
| 2010 | 3,204,020,261 | 8.64% | 2010 | 2,499,314,300 | 4.43% |
| 2011 | 3,480,828,909 | 8.64% | 2011 | 2,605,330,400 | 4.24% |

5 Year Trend

CHART II

| <u>BUDGET</u> | <u>EQUALIZED</u> | <u>GROSS DEBT</u> | <u>DEBT</u> | <u>NET</u> |
|---------------|------------------|-------------------|----------------|------------------|
| <u>YEAR</u> | <u>VALUE</u> | <u>LIMIT</u> | <u>BALANCE</u> | <u>BORROWING</u> |
| | | | | <u>CAPACITY</u> |
| 2003 | 1,651,185,500 | 82,559,275 | 18,260,693 | 64,298,582 |
| 2004 | 1,757,201,600 | 87,860,080 | 17,103,179 | 70,756,901 |
| 2005 | 1,863,217,700 | 93,160,885 | 15,634,452 | 77,526,433 |
| 2006 | 1,969,233,800 | 98,461,690 | 14,199,461 | 84,262,229 |
| 2007 | 2,075,249,900 | 103,762,495 | 12,698,154 | 91,064,341 |
| 2008 | 2,181,266,000 | 109,063,300 | 11,125,474 | 97,937,826 |
| 2009 | 2,287,282,100 | 114,364,105 | 9,500,000 | 104,864,105 |
| 2010 | 2,393,298,200 | 119,664,910 | 7,925,000 | 111,739,910 |
| 2011 | 2,499,314,300 | 124,965,715 | 6,375,000 | 118,590,715 |
| 2012 | 2,605,330,400 | 130,266,520 | 5,100,000 | 125,166,520 |
| 2013 | 2,711,346,500 | 135,567,325 | 4,300,000 | 131,267,325 |
| 2014 | 2,817,362,600 | 140,868,130 | 3,450,000 | 137,418,130 |
| 2015 | 2,923,378,700 | 146,168,935 | 2,575,000 | 143,593,935 |
| 2016 | 3,029,394,800 | 151,469,740 | 1,650,000 | 149,819,740 |
| 2017 | 3,135,410,900 | 156,770,545 | 700,000 | 156,070,545 |
| 2018 | 3,241,427,000 | 162,071,350 | 450,000 | 161,621,350 |
| 2019 | 3,347,443,100 | 167,372,155 | 200,000 | 167,172,155 |
| 2020 | 3,453,459,200 | 172,672,960 | | 172,672,960 |
| 2021 | 3,559,475,300 | 177,973,765 | | 177,973,765 |

PROJECTED REVENUE

Exhibit 1 (page 7) estimates the TIF revenues that will be available to retire the debt incurred to finance project costs. Exhibit 2 (page 9) summarizes the District's cash position throughout its potential life.

Exhibit I projects revenues sufficient to retire the debt proposed to finance all projects of the District. The pro forma is based on the following assumptions:

- _ The base value of the District is \$19,707,800
- _ Incremental tax base will be generated as of January 1 each year as follows:

| | |
|------|-----------|
| 2003 | 300,400 |
| 2004 | 1,375,000 |
| 2005 | 1,375,000 |

The new construction estimates are based on typical commercial buildings constructed on the vacant parcels within TID No. 9.

The equalized tax rate in 2004 is projected to be \$20.34 per thousand (the City's current equalized rate). It is projected to remain constant throughout the pro forma.

Valuations are projected to increase 1% each year because of inflation.

City of Muskego TID #9

Tax Increment Forecast

| | | | |
|-------------------|-------------------|-------------------------|--------------|
| Base Value | 19,707,800 | Inflation Factor | 1.00% |
|-------------------|-------------------|-------------------------|--------------|

| <i>Construction Year</i> | <i>Valuation Year</i> | <i>Revenue Year</i> | <i>Inflation Increment</i> | <i>Value Added</i> | <i>Valuation Increment</i> | <i>Tax Rate</i> | <i>Tax Increment</i> | |
|--------------------------|-----------------------|---------------------|----------------------------|--------------------|----------------------------|-----------------|----------------------|---------|
| 1 | 2003 | 2004 | 2005 | 197,078 | 300,400 | 497,478 | 20.34 | 10,121 |
| 2 | 2004 | 2005 | 2006 | 202,053 | 1,375,000 | 2,074,531 | 20.34 | 42,206 |
| 3 | 2005 | 2006 | 2007 | 217,823 | 1,375,000 | 3,667,354 | 20.34 | 74,611 |
| 4 | 2006 | 2007 | 2008 | 233,752 | | 3,901,106 | 20.34 | 79,366 |
| 5 | 2007 | 2008 | 2009 | 236,089 | | 4,137,195 | 20.34 | 84,170 |
| 6 | 2008 | 2009 | 2010 | 238,450 | | 4,375,645 | 20.34 | 89,021 |
| 7 | 2009 | 2010 | 2011 | 240,834 | | 4,616,479 | 20.34 | 93,920 |
| 8 | 2010 | 2011 | 2012 | 243,243 | | 4,859,722 | 20.34 | 98,869 |
| 9 | 2011 | 2012 | 2013 | 245,675 | | 5,105,397 | 20.34 | 103,867 |
| 10 | 2012 | 2013 | 2014 | 248,132 | | 5,353,529 | 20.34 | 108,915 |
| 11 | 2013 | 2014 | 2015 | 250,613 | | 5,604,142 | 20.34 | 114,014 |
| 12 | 2014 | 2015 | 2016 | 253,119 | | 5,857,262 | 20.34 | 119,164 |
| 13 | 2015 | 2016 | 2017 | 255,651 | | 6,112,912 | 20.34 | 124,365 |
| 14 | 2016 | 2017 | 2018 | 258,207 | | 6,371,120 | 20.34 | 129,618 |
| 15 | 2017 | 2018 | 2019 | 260,789 | | 6,631,909 | 20.34 | 134,924 |
| 16 | 2018 | 2019 | 2020 | 263,397 | | 6,895,306 | 20.34 | 140,282 |
| 17 | 2019 | 2020 | 2021 | 266,031 | | 7,161,337 | 20.34 | 145,695 |
| 18 | 2020 | 2021 | 2022 | 268,691 | | 7,430,028 | 20.34 | 151,161 |
| 19 | 2021 | 2022 | 2023 | 271,378 | | 7,701,407 | 20.34 | 156,682 |
| 20 | 2022 | 2023 | 2024 | 274,092 | | 7,975,499 | 20.34 | 162,258 |
| 21 | 2023 | 2024 | 2025 | 276,833 | | 8,252,332 | 20.34 | 167,890 |
| 22 | 2024 | 2025 | 2026 | 279,601 | | 8,531,933 | 20.34 | 173,579 |
| 23 | 2025 | 2026 | 2027 | 282,397 | | 8,814,330 | 20.34 | 179,324 |

| | | |
|---------------|------------------|------------------|
| Totals | 3,050,400 | 2,684,023 |
|---------------|------------------|------------------|

| | |
|------------------------------|------------------|
| Present value at 5.5% | 1,319,074 |
|------------------------------|------------------|

CASH FLOW

The following pro forma (Exhibit 2) summarizes the District's cash position throughout its potential life. It shows revenues, expenses and balances by year.

Revenues include tax increments from Exhibit 1, capitalized interest, and interest earned investing year-end balances.

Expenditures represent payments for contract agreements with developers, and principal and interest payments on this District's share of debt issued to finance projects listed in the plan. The tentative proposed issues are identified as follows:

| <u>Issue No.</u> | <u>Year</u> | <u>Description</u> | <u>Amount</u> |
|------------------|-------------|--------------------|---------------|
| 1 | 2003 | CDA Bonds | \$1,300,000 |

Revenues anticipated will be sufficient to meet all obligations in a timely manner and produce a \$58,687 accumulated surplus by the year 2025.

City of Muskego TID #9

Financing Plan

| Year | Projected TIF Revs | Capitalized Interest | Interest Earnings | Total Revenues | Proposed Debt | | | Balance | | Principal Outstanding |
|--------------|-----------------------|-------------------------|----------------------|-------------------|------------------|------------------|------------------|-------------------|-----------------|--------------------------|
| | | | | | Principal | Interest | Total | Annual Balance | Cumm Balance | |
| 2003 | | 214,500 | | 214,500 | | 35,750 | 35,750 | 178,750 | 178,750 | 1,300,000 |
| 2004 | | | 7,150 | 7,150 | | 71,500 | 71,500 | (64,350) | 114,400 | 1,300,000 |
| 2005 | 10,121 | | 4,576 | 14,697 | | 71,500 | 71,500 | (56,803) | 57,597 | 1,300,000 |
| 2006 | 42,206 | | 2,304 | 44,509 | | 71,500 | 71,500 | (26,991) | 30,606 | 1,300,000 |
| 2007 | 74,611 | | 1,224 | 75,835 | | 71,500 | 71,500 | 4,335 | 34,942 | 1,300,000 |
| 2008 | 79,366 | | 1,398 | 80,764 | 10,000 | 71,500 | 81,500 | (736) | 34,206 | 1,290,000 |
| 2009 | 84,170 | | 1,368 | 85,538 | 15,000 | 70,950 | 85,950 | (412) | 33,793 | 1,275,000 |
| 2010 | 89,021 | | 1,352 | 90,373 | 20,000 | 70,125 | 90,125 | 248 | 34,041 | 1,255,000 |
| 2011 | 93,920 | | 1,362 | 95,282 | 25,000 | 69,025 | 94,025 | 1,257 | 35,298 | 1,230,000 |
| 2012 | 98,869 | | 1,412 | 100,281 | 30,000 | 67,650 | 97,650 | 2,631 | 37,929 | 1,200,000 |
| 2013 | 103,867 | | 1,517 | 105,384 | 40,000 | 66,000 | 106,000 | (616) | 37,314 | 1,160,000 |
| 2014 | 108,915 | | 1,493 | 110,408 | 45,000 | 63,800 | 108,800 | 1,608 | 38,922 | 1,115,000 |
| 2015 | 114,014 | | 1,557 | 115,571 | 50,000 | 61,325 | 111,325 | 4,246 | 43,168 | 1,065,000 |
| 2016 | 119,164 | | 1,727 | 120,890 | 60,000 | 58,575 | 118,575 | 2,315 | 45,483 | 1,005,000 |
| 2017 | 124,365 | | 1,819 | 126,184 | 70,000 | 55,275 | 125,275 | 909 | 46,392 | 935,000 |
| 2018 | 129,618 | | 1,856 | 131,474 | 80,000 | 51,425 | 131,425 | 49 | 46,441 | 855,000 |
| 2019 | 134,924 | | 1,858 | 136,781 | 90,000 | 47,025 | 137,025 | (244) | 46,197 | 765,000 |
| 2020 | 140,282 | | 1,848 | 142,130 | 100,000 | 42,075 | 142,075 | 55 | 46,252 | 665,000 |
| 2021 | 145,695 | | 1,850 | 147,545 | 110,000 | 36,575 | 146,575 | 970 | 47,222 | 555,000 |
| 2022 | 151,161 | | 1,889 | 153,050 | 120,000 | 30,525 | 150,525 | 2,525 | 49,747 | 435,000 |
| 2023 | 156,682 | | 1,990 | 158,672 | 135,000 | 23,925 | 158,925 | (253) | 49,494 | 300,000 |
| 2024 | 162,258 | | 1,980 | 164,238 | 145,000 | 16,500 | 161,500 | 2,738 | 52,232 | 155,000 |
| 2025 | 167,890 | | 2,089 | 169,980 | 155,000 | 8,525 | 163,525 | 6,455 | 58,687 | 0 |
| 2026 | 173,579 | | 2,347 | 175,926 | | | | 175,926 | 234,613 | 0 |
| 2027 | 179,324 | | 9,385 | 188,709 | | | | 188,709 | 423,321 | 0 |
| TOTAL | 2,684,023 | 214,500 | 57,349 | 2,955,871 | 1,300,000 | 1,232,550 | 2,532,550 | 423,321 | | |

DETAILED LIST OF PROJECT COSTS

This project plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework with 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 City Council, without amending the plan.

All costs are based on 2002 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2002 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.

PROPOSED TIF PROJECT ESTIMATES

| | |
|---------------------------------|-----------|
| Water Main Extension | \$690,000 |
| Underground Utility Wires | \$385,000 |
| Property Acquisition | |
| Stormwater Management | |
| Pedestrian Paths / Sidewalks | |
| Landscaping | |
| Organization and Administration | |

A DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS RELATED THERETO ARE TO BE INCURRED

PLAN IMPLEMENTATION

Projects identified will provide the anticipated services to the area. It is anticipated these improvements may be made over a seven year period. 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.

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.

City of Muskego TID #9

Proposed Financing

| | Amount |
|--------------------------------|------------------|
| Water main extension | 690,000 |
| Underground Utility Wires | 385,000 |
| Property Acquisition | |
| Landscaping | |
| Organization and Admin. | |
| Subtotal | 1,075,000 |
| <i>Plus:</i> | |
| Maximum Discount | 16,250 |
| Capitalized Interest | 214,500 |
| Finance and Legal Fees | 20,000 |
| Total Needed to Finance | 1,325,750 |
| <i>Less :</i> | |
| Funds on Hand | 0 |
| Interest Earnings | (25,750) |
| Total Financing | 1,300,000 |

PROPOSED TIF PROJECT BORROWINGS

**CDA Bonds
Issue No. 1
Proposed Maturity Schedule
\$1,300,000**

The 2003 projects are anticipated to be financed with General Obligation Bonds to be issued under authority of Wisconsin Statutes Chapter 67. The interest rate used for this is 5.5%.

| YEAR | PRINCIPAL | INTEREST | TOTAL |
|--------------|------------------|-----------------|----------------|
| 2003 | | 35,750 | 35,750 |
| 2004 | | 71,500 | 71,500 |
| 2005 | | 71,500 | 71,500 |
| 2006 | | 71,500 | 71,500 |
| 2007 | | 71,500 | 71,500 |
| 2008 | 10,000 | 71,500 | 81,500 |
| 2009 | 15,000 | 70,950 | 85,950 |
| 2010 | 20,000 | 70,125 | 90,125 |
| 2011 | 25,000 | 69,025 | 94,025 |
| 2012 | 30,000 | 67,650 | 97,650 |
| 2013 | 40,000 | 66,000 | 106,000 |
| 2014 | 45,000 | 63,800 | 108,800 |
| 2015 | 50,000 | 61,325 | 111,325 |
| 2016 | 60,000 | 58,575 | 118,575 |
| 2017 | 70,000 | 55,275 | 125,275 |
| 2018 | 80,000 | 51,425 | 131,425 |
| 2019 | 90,000 | 47,025 | 137,025 |
| 2020 | 100,000 | 42,075 | 142,075 |
| 2021 | 110,000 | 36,575 | 146,575 |
| 2022 | 120,000 | 30,525 | 150,525 |
| 2023 | 135,000 | 23,925 | 158,925 |
| 2024 | 145,000 | 16,500 | 161,500 |
| 2025 | <u>155,000</u> | <u>8,525</u> | <u>163,525</u> |
| TOTAL | 1,300,000 | 1,232,550 | 2,532,550 |

MAP SHOWING PROPOSED PROJECTS

MAP SHOWING PROPOSED USES

PROPOSED CHANGES IN ZONING ORDINANCES

The Planning Department staff is currently working with the Mayors Task Force on Economic Development to draft zoning district regulations which reflect the unique character of the Tess Corners neighborhood. This new District is preliminarily referred to as the HC-1 Tess Corners Historic Crossroads District. It is anticipated that the proposed district regulations and map amendments will be presented to the Plan Commission and Common Council in early 2003.

In addition, it is anticipated that substantial modifications to Zoning Districts and Zoning Ordinance text will occur in conjunction with the City-wide repeal and recreation of the Municipal Zoning Code. The Zoning Code project is being researched concurrent with the drafting of this Plan; its implementation is anticipated to occur in late 2004 or early 2005.

PROPOSED CHANGES IN MASTER PLAN, BUILDING CODES AND CITY ORDINANCES

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

A LIST OF ESTIMATED NON-PROJECT COSTS

Anticipated construction by private parties: \$3,050,400

RELOCATION

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

ORDERLY DEVELOPMENT OF THE CITY

TID No. 9 contributes to the orderly development of the City by providing the opportunity for continued growth in tax base and aesthetics and residential character in a developed portion of the City. TID No. 9 will assist the City in the redevelopment along Janesville Road and will compliment the CDA Redevelopment Plan for Redevelopment District No. 1.

PARCEL LIST

| TAX KEY NUMBER | TID 9 NAME | LAND | IMPR | TOTAL |
|-----------------------|-------------------|-------------|-------------|--------------|
| 2162.992 | Hallada | 54400 | 81300 | 135700 |
| 2162.993 | Russ' | 134100 | 120700 | 254800 |
| 2162.994 | Bierer | 70600 | 136100 | 206700 |
| 2162.996 | Heritage Church | exempt | | |
| 2162.996.001 | Heritage Church | 29700 | 116000 | 145700 |
| 2162.997 | Zillig | 740000 | 3137400 | 3877400 |
| 2162.998 | Katzner | 68800 | 77800 | 146600 |
| 2162.999 | Wanasek | 161100 | 294900 | 456000 |
| 2162.999.001 | Lincoln | 148600 | 297400 | 446000 |
| 2165.972 | St Pauls | exempt | | |
| 2165.973 | Salentine | 449000 | 1481400 | 1930400 |
| 2165.974 | St Pauls | exempt | | |
| 2165.975 | St Pauls | exempt | | |
| 2165.976 | Schuster | 97300 | 266700 | 364000 |
| 2165.977 | Shanklin | 56500 | | 56500 |
| 2165.978 | BioSource | 77300 | 620800 | 698100 |
| 2165.982 | Schaumberg | deleted | | |
| 2165.983 | Schaumberg | deleted | | |
| 2165.984 | Waukesha | exempt | | |
| 2165.984.001 | Waukesha | exempt | | |
| 2165.985 | Schaumberg, Paul | 63100 | 196300 | 259400 |
| 2165.986 | Smith | 38100 | 122000 | 160100 |
| 2165.989.001 | Schaumberg | 61800 | 105500 | 167300 |
| 2165.989.002 | City of Muskego | exempt | | |
| 2165.996.006 | BioSource | 11800 | | 11800 |
| 2165.999 | Kurth | 55100 | 62700 | 117800 |
| 2167.007.006 | Thelen | 64000 | 1458300 | 1522300 |
| 2167.065 | Augustine | 38700 | 120400 | 159100 |
| 2167.066 | Rader | 38900 | 177800 | 216700 |
| 2167.067 | Haupt | 39900 | 144700 | 184600 |
| 2167.068 | Peterson | 40900 | 134000 | 174900 |
| 2167.993 | Wollman | 33500 | 77500 | 111000 |
| 2167.994 | Wollman | 37000 | 73900 | 110900 |
| 2167.995.007* | Jewel Osco | 118700 | | |
| 2167.995.010* | Jewel Osco | 100000 | | |
| 2167.995.011* | Redman/Maciolek | 310600 | | 124200 |
| 2167.995.012* | Redman/Maciolek | 342000 | | 194100 |
| 2167.995.013* | Redman/Maciolek | 263800 | | 310600 |
| 2167.995.014* | Redman/Maciolek | 124200 | | 342000 |

| TAX KEY NUMBER | TID 9 NAME | LAND | IMPR | TOTAL |
|-----------------------|-----------------------|-------------|-------------|--------------|
| 2167.995.015* | Redman/Maciolek | 194100 | | 263800 |
| 2167.997 | Bushberger | 49600 | 189900 | 239500 |
| 2167.998 | Atonement | exempt | | |
| 2167.999 | Don Mgmt | 224000 | 1176900 | 1400900 |
| 2168.961 | TC School | exempt | | |
| 2168.963 | Lamb | 55500 | 64900 | 120400 |
| 2168.982 | TC Fire | exempt | | |
| 2168.983 | Ulfeng | 36600 | 126800 | 163400 |
| 2168.984 | Baas | 45400 | 97800 | 143200 |
| 2168.985 | Waukesha | exempt | | |
| 2168.986.001 | Knapp | 42900 | 126500 | 169400 |
| 2168.986.002 | LeDoux | 44100 | 100100 | 144200 |
| 2168.986.003 | Yanko | 43300 | 135200 | 178500 |
| 2168.987 | Waukesha | exempt | | |
| 2168.988 | Kirchoff | 38200 | 93600 | 131800 |
| 2168.989 | Smith | 42900 | 94200 | 137100 |
| 2168.990 | Mather | 49500 | 89100 | 138600 |
| 2168.991 | Cameron | 33900 | 97000 | 130900 |
| 2168.992 | Ciula | 29400 | 89100 | 118500 |
| 2168.993 | Smith | 16300 | 113200 | 129500 |
| 2168.994 | Bunchkowski | 19100 | 120300 | 139400 |
| 2168.996 | E&K Land | 99800 | 244400 | 344200 |
| 2168.997 | Kelsenberg | 44000 | 71500 | 115500 |
| 2168.999 | St Pauls | exempt | | |
| 2172.998 | Bank One | 121200 | 242200 | 363400 |
| 2172.998.002 | Janesville Medical | 284100 | 2007500 | 2291600 |

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

November 25, 2002

SAMPLE

Mark Slocomb, Mayor
City of Muskego
W182 S8200 Racine Avenue
Muskego, Wisconsin 53150

RE: City of Muskego, Wisconsin Tax Incremental District No. 9

Dear Mayor:

As City Attorney for the City of Muskego, I have reviewed the project plan and various resolutions passed by the City Council, Plan Commission and Joint Review Board regarding Tax Incremental District No. 9 located in the City of Muskego. In my opinion, the project plan is complete and complies with Section 66.1105 of the Wisconsin Statutes.

Sincerely,

Attorney _____
City of Muskego