

## Boundary & Project Plan for TID No. 5

Within the CITY OF WHITEWATER, WISCONSIN



August 8, 2007

<i>Public Hearing Held:</i>	July 9, 2007
<i>Adopted by Community Development Authority:</i>	August 7, 2007
<i>Adopted by City Council:</i>	August 7, 2007
<i>Approval by Joint Review Board:</i>	August 8, 2007



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# **Tax Incremental District No. 5 Project Plan & Boundary**

## **CITY OF WHITEWATER OFFICIALS**

### ***City Council***

Kim Hixson	Council Member
Marilyn Kienbaum	Council President
Roy Nosek	Council Member
Patrick Singer	Council Member
Craig Stauffer	Council Member
Jim Stewart	Council Member
Maxwell Taylor	Council Member

### ***City Staff***

Kevin Brunner	City Manager
Dean Fischer	Public Works Director
Ryan Garcia	City Planner
Harrison & McDonell	City Attorney
Theresa Lee	City Treasurer
Mary Nimm	Community Development Coordinator
Bruce Parker	Neighborhood Services Director
Doug Saubert	Finance Director
Michele Smith	City Clerk

### ***Plan Commission***

Richard Gilpatrick	Member
Harriet Kaluva	Member
Marilyn Kienbaum	Council Representative
Ellen Knaflic	Member (alternate)
Thomas Miller	CDA Representative
Paul Sanchez	Member (alternate)
Craig Stauffer	Member (alternate)
David Stone	Park Board Representative
Jason Wiedenhoft	Chair
Kristine Zaballos	Member

***Community Development Authority***

James Allen	Member
Kim Hixson	Council Representative
Jeff Knight	Member
Alan Marshall	Vice Chair
Tom Miller	Chair
Albert Stanek	Member
Jim Stewart	Council Representative

***Joint Review Board***

Dean Fischer	City Representative
Richard Gilpatrick	Public Member
Jessica Lanser	Walworth County
Dan McCrea	Whitewater School District
Mark Zlevor	Gateway Technical College District

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# 1 STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS

The City of Whitewater proposes the creation of Tax Incremental District No. 5 (the “District”) under authority of Wisconsin Statute Section 66.1105 primarily to promote the orderly development of the city. The construction of streets and utilities are needed in order to provide incentives for commercial and residential mixed-use growth, as well as to stimulate private sector development throughout the TID. The new development, which will occur as a result of the projects undertaken within the District boundaries, will provide the City with additional tax base and provide employment opportunities.

The following is a list of public expenditures that the City expects to implement in conjunction with the District No. 5. any costs directly or indirectly related to the public works are considered “project costs” and are eligible to be paid with tax increment revenues of the District.

Street Construction, Improvements, Amenities, & ROW Acquisition	\$4,600,000
Relocation	20,000
Sanitary Sewer Interceptor Extension	405,000
Pump Station Upgrade	500,000
Water Main Looping	315,000
Administration City/CDA	<u>500,000</u>
	\$6,340,000

With all projects, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, legal and other consultant fees, testing, environmental studies, permits, updating City of Whitewater 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 tax increment finance fund under Wisconsin Statute Section 66.1105, in the written opinion of nationally recognized bond counsel retained by the City of Whitewater for such purpose 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 (this “Plan”).

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

Project costs are any expenditures made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and outlined in this Plan. To the extent the costs benefit the City of Whitewater 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. Project costs will be diminished by any income, special assessments or other revenues, including user fees or charges.

## 2 EQUALIZED VALUE TEST

The following calculations demonstrate that the City is in compliance with ss.66.1105(4)(gm)4c. Wis. Stats., which requires that the equalized value of the proposed Tax Incremental District No. 5 plus the value of all other existing Tax Incremental Districts (“TID’s”), does not exceed 12% of the total equalized value of taxable property within the City.

### STEP 1: Calculation of Maximum Equalized Property Value Allowed Within Tax Incremental Districts in the City of Whitewater

<b>Equalized Value (as of January 1, 2007)</b>		<b>Maximum Allowable TID Property Value</b>
<b>\$ 574,940,700</b>	x12%	<b>\$ 68,992,884</b>

### STEP 2: Calculation of Equalized Property Value Currently Located and Proposed to be Located within Tax Incremental Districts.

Date of Analysis: 8/2/2007



## City of Whitewater

<b>12% Statutory Test for Creation of TID #5</b>		
2006 Total Equalized Valuation (TID-In)	\$574,940,700	100.00%
<b>12% of Total Equalized Valuation (TID-In)</b>	<b>\$68,992,884</b>	<b>12.00%</b>
Total 2006 TID Increment	\$65,106,100	11.32%
<b>Remaining Capacity Before TID Creation</b>	<b>\$3,886,784</b>	<b>0.68%</b>
Estimated TID #5 Equalized Value as of 1/1/07 <sup>(1)</sup>	\$3,411,715	0.59%
<b>Remaining Capacity After TID Creation</b>	<b>\$475,069</b>	<b>0.08%</b>

The equalized value of the base of the proposed new TID #5, plus the value of all other existing Tax Incremental Districts within the city, totals \$68,517,815. This value is less than the maximum of \$68,992,884 in equalized value that is permitted for the City of Whitewater. The City is therefore in compliance with the statutory equalized valuation test and may proceed with this District.

The following is a test for mixed use TID requirements performed by Robert W. Baird & Co., City financial advisors, as required by State Statutes.



# City of Whitewater

Tax Incremental District 5 -- Walworth & Jefferson Counties  
 Tests for Mixed-Use TID Requirements <sup>(1)</sup>

**TEST 1:**  
 The equalized value of the district plus the value increment of all existing districts does not exceed 12 percent of the total equalized value of the city.

**TEST MET:**  
Yes

ANALYSIS		
2006 Total Equalized Valuation (TID-In)	\$574,940,700	100.00%
12% of Total Equalized Valuation (TID-In)	\$68,992,884	12.00%
Total 2006 TID Increment	\$65,106,100	11.32%
Estimated Equalized Value of new TID as of 1/1/07 <sup>(2)</sup>	\$3,411,715	0.59%
Total Valuation including new TID	\$68,517,815	11.92%
<b>Estimated Remaining Capacity after new TID</b>	<b>\$475,069</b>	

< 12%

**TEST 2:**  
 Newly platted residential portion is limited to no more than 35% of the area of the TID.

**TEST MET:**  
Yes

ANALYSIS		
Acreage of TID	318.73	100.00%
Acreage of Proposed Newly Platted Residential Portion	48.94	15.35%

< 35%

**TEST 3:**  
 At least 50% of the land within the TID must be suitable for at least 2 of the following uses:  
 - Commercial  
 - Industrial  
 - Residential

**TEST MET:**  
Yes

ANALYSIS		
Acreage of TID	318.73	100.00%
Acreage of Commercial Portion	182.71	57.32%
Acreage of Residential Portion	90.89	28.51%
Total of Residential and Commercial	273.59	85.84%

Commercial and Residential is ≥ 50% of land area

**TEST 4:**  
 Project costs for newly platted residential area provide that one of the following applies:  
 - Housing density of at least 3 units per acre  
 - Location in a "conservation subdivision"  
 - Located in a "traditional neighborhood development"

**TEST MET:**  
Yes

ANALYSIS		
Acreage of Residential Portion	48.94	
Units planned in residential development	367.241	
Units per Acre	7.50	

> 3 units per acre

(1) Analysis is based on City of Whitewater's Proposed TID Land Use & Projected Land Value Analysis prepared by Walworth County Economic Development Alliance, Inc.  
 (2) Estimated 1/1/07 Equalized Value, per City.

### **3 ECONOMIC FEASIBILITY STUDY**

The City of Whitewater is located in both Jefferson and Walworth County and is a community of approximately 14,000 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 the Plan and that the revenue from the District will be sufficient to pay for them. Charts I and II on the following pages project, respectively, the City's equalized value, and the full faith and credit borrowing capacity of the City. City financial advisors, Robert W. Baird and Company have provided equalized valuation projections based upon the following methodology:

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.

Special assessments may be levied against benefited properties to pay part of the street, curb, gutter, sewer and 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 general obligation ("G.O.") debt limit.

The City also has the authority to issue Lease Revenue bonds through a Community Development Authority ("CDA") should this financing vehicle be useful in accomplishing the objectives of the Plan. These obligations are secured by lease payments to be made by the City and are not counted against the City's G.O. debt limit.

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

### **DEVELOPMENT ASSUMPTIONS**

The following development projections have been made by the City in consultation with the Walworth County Economic Development Alliance (WCEDA).

The preceding cash flow pro-forma analysis by Robert W. Baird and Company reflects (1) the WCEDA projection based upon maximum development build-out given current City zoning requirements and (2) the minimum required increment to make the proposed TID cash flows.

# City of Whitewater Tax Increment District 5 (Mixed-Use) -- Walworth & Jefferson Counties Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID.....	2.50%
2006 Gross Tax Rate (per \$1000 Equalized Value) <sup>(1)</sup> .....	\$18.30
Annual Adjustment to tax rate.....	0.00%
Investment rate for Proceeds.....	4.50%

Example New Issue	
Amount for Projects.....	\$5,840,000
Deposit to DSR Fund.....	\$840,500
Cap. Interest thru 3/1/11.....	\$1,512,900
Cost of issuance (est.).....	\$210,125
Rounding.....	\$1,475

Background Data										Expenditures				TID Status																																				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)																																		
Val. Date	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Investment Proceeds	Total Revenues	Principal (9/1)	Interest (9/1 & 9/7)	Debt Service (9/1 & 9/7)	Other Expenses (4)	Combined Expenditures	Annual Balance	Year End Cumulative Balance (December 31)	Cost Recovery																																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"><b>Estimated Base Value<sup>(2)</sup></b></td> <td colspan="16"><b>(January 1)</b></td> </tr> <tr> <td><b>2007</b></td> <td colspan="16"><b>\$3,411,715</b></td> </tr> </table>																	<b>Estimated Base Value<sup>(2)</sup></b>	<b>(January 1)</b>																<b>2007</b>	<b>\$3,411,715</b>															
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<b>2007</b>	<b>\$3,411,715</b>																																																	
2007	\$3,411,715	\$0	\$26,060,805	\$26,060,805	\$18.30	\$0	\$0	\$0	\$390,000	\$441,900	\$631,900	\$25,000	\$856,900	\$2,420,769	\$7,338,668	Expenditures Recovered																																		
2008	\$3,411,715	\$85,293	\$26,060,805	\$26,060,805	\$18.30	\$3,611,246	\$390,240	\$3,941,486	\$415,000	\$418,500	\$633,500	\$25,000	\$858,500	\$3,082,886	\$10,421,654	Expenditures Recovered																																		
2009	\$29,557,813	\$738,945	\$26,060,805	\$26,060,805	\$18.30	\$4,180,001	\$468,974	\$4,648,975	\$440,000	\$393,600	\$633,600	\$25,000	\$858,600	\$3,790,375	\$14,212,029	Expenditures Recovered																																		
2010	\$66,357,563	\$1,408,939	\$26,060,805	\$26,060,805	\$18.30	\$4,782,474	\$478,974	\$5,261,448	\$460,000	\$367,200	\$629,200	\$25,000	\$857,200	\$4,545,316	\$18,757,344	Expenditures Recovered																																		
2011	\$83,827,307	\$2,095,683	\$26,060,805	\$26,060,805	\$18.30	\$6,693,909	\$34,082	\$6,727,991	\$520,000	\$309,900	\$829,900	\$25,000	\$854,300	\$5,350,303	\$24,107,647	Expenditures Recovered																																		
2012	\$111,983,794	\$2,799,595	\$26,060,805	\$26,060,805	\$18.30	\$11,471,605	\$55,398	\$11,527,004	\$325,000	\$504,300	\$829,300	\$25,000	\$854,300	\$6,202,953	\$30,310,600	Expenditures Recovered																																		
2013	\$140,844,194	\$3,521,105	\$26,060,805	\$26,060,805	\$18.30	\$17,986,889	\$85,670	\$18,072,559	\$345,000	\$484,800	\$829,800	\$25,000	\$854,800	\$7,106,085	\$37,416,685	Expenditures Recovered																																		
2014	\$170,426,104	\$4,260,653	\$26,060,805	\$26,060,805	\$18.30	\$25,515,014	\$140,468	\$25,655,483	\$370,000	\$644,100	\$934,100	\$25,000	\$859,100	\$7,595,740	\$45,012,424	Expenditures Recovered																																		
2015	\$200,747,561	\$5,018,669	\$26,060,805	\$26,060,805	\$18.30	\$33,956,363	\$221,305	\$34,177,669	\$390,000	\$441,900	\$631,900	\$25,000	\$856,900	\$8,108,393	\$53,120,818	Expenditures Recovered																																		
2016	\$231,827,055	\$5,795,676	\$26,060,805	\$26,060,805	\$18.30	\$43,811,246	\$330,240	\$44,141,486	\$415,000	\$418,500	\$633,500	\$25,000	\$858,500	\$8,645,485	\$61,766,303	Expenditures Recovered																																		
2017	\$263,683,536	\$6,592,688	\$26,060,805	\$26,060,805	\$18.30	\$47,180,001	\$468,974	\$47,648,975	\$440,000	\$393,600	\$633,600	\$25,000	\$858,600	\$9,213,522	\$70,979,825	Expenditures Recovered																																		
2018	\$296,336,429	\$7,408,411	\$26,060,805	\$26,060,805	\$18.30	\$47,762,974	\$639,541	\$48,402,515	\$460,000	\$367,200	\$629,200	\$25,000	\$857,200	\$9,814,005	\$80,793,830	Expenditures Recovered																																		
2019	\$329,805,645	\$8,245,141	\$26,060,805	\$26,060,805	\$18.30	\$53,660,522	\$844,080	\$54,504,603	\$520,000	\$309,900	\$829,900	\$25,000	\$854,300	\$10,443,506	\$91,237,336	Expenditures Recovered																																		
2020	\$364,111,591	\$9,102,790	\$26,060,805	\$26,060,805	\$18.30	\$59,973,009	\$1,084,844	\$60,057,853	\$520,000	\$309,900	\$829,900	\$25,000	\$854,300	\$11,082,000	\$101,319,336	Expenditures Recovered																																		
2021	\$373,214,381	\$9,330,360	\$26,060,805	\$26,060,805	\$18.30	\$66,600,808	\$1,363,977	\$67,964,785	\$555,000	\$278,700	\$833,700	\$25,000	\$858,700	\$11,796,383	\$112,115,719	Expenditures Recovered																																		
2022	\$382,544,740	\$9,563,619	\$26,060,805	\$26,060,805	\$18.30	\$67,767,389	\$1,683,751	\$69,451,140	\$585,000	\$245,400	\$830,400	\$25,000	\$855,400	\$12,643,867	\$124,759,586	Expenditures Recovered																																		
2023	\$392,108,359	\$9,802,709	\$26,060,805	\$26,060,805	\$18.30	\$68,938,134	\$2,025,959	\$71,964,093	\$620,000	\$210,300	\$830,300	\$25,000	\$855,300	\$13,599,167	\$138,358,753	Expenditures Recovered																																		
2024	\$401,911,068	\$10,047,771	\$26,060,805	\$26,060,805	\$18.30	\$71,113,149	\$2,390,437	\$73,503,586	\$660,000	\$173,100	\$833,100	\$25,000	\$858,500	\$14,544,662	\$152,903,315	Expenditures Recovered																																		
2025	\$411,958,844	\$10,298,971	\$26,060,805	\$26,060,805	\$18.30	\$73,292,538	\$2,779,484	\$76,072,022	\$700,000	\$133,500	\$833,500	\$25,000	\$858,500	\$15,496,162	\$168,399,477	Expenditures Recovered																																		
2026	\$422,257,816	\$10,556,445	\$26,060,805	\$26,060,805	\$18.30	\$74,476,412	\$3,194,092	\$77,670,505	\$740,000	\$91,500	\$831,500	\$25,000	\$858,500	\$16,443,658	\$184,843,135	Expenditures Recovered																																		
2027	\$432,814,261	\$10,820,357	\$26,060,805	\$26,060,805	\$18.30	\$75,661,884	\$3,635,722	\$79,297,606	\$785,000	\$47,100	\$832,100	\$25,000	\$858,500	\$17,392,158	\$202,235,293	Expenditures Recovered																																		
										<b>\$127,488,244</b>		<b>\$312,729,658</b>																																						
										<b>\$21,079,385</b>		<b>\$105,297,686</b>																																						
										<b>\$34,218,301</b>		<b>\$15,073,250</b>																																						
										<b>\$500,000</b>		<b>\$15,573,250</b>																																						

(1) 2006 Gross Tax Rate represents the City's tax rate for Walworth County.  
 (2) Estimated Base Value represents estimated 1/107 Equalized Value, per City.  
 (3) Hypothetical Increment based on City of Whitewater's Proposed TID Land Use & Projected Land Value Analysis prepared by Walworth County Economic Development Alliance, Inc.  
 (4) Represents Estimated City/CDA Administration Costs, per City. Assumes cost is spread evenly over the life of the TID



**DRAFT**  
 Date of Analysis: 8/2/2007  
 Scenario 2: Estimated Minimum Required Construction Increment

# City of Whitewater Tax Increment District 5 (Mixed-Use) -- Walworth & Jefferson Counties Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID.....	2.50%
2006 Gross Tax Rate (per \$1000 Equalized Value) <sup>(1)</sup> .....	\$18.30
Annual Adjustment to tax rate.....	0.00%
Investment rate for Proceeds.....	4.50%

Example New Issue	
<b>Example Financing</b> Dated March 1, 2008	
Amount for Projects.....	\$5,840,000
Deposit to DSR Fund.....	\$840,500
Cap. Interest thru 3/1/11.....	\$1,512,500
Cost of Issuance (est.).....	\$210,125
Rounding.....	\$1,475

Background Data				Revenues				Expenditures				TID Status				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
Val. Date	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Investment Proceeds	Total Revenues	Principal (9/1)	Interest (3/1 & 9/1) AVG= 6.00%	Debt Service	Other Expenses	Combined Expenditures	Annual Balance	Year End Cumulative Balance (December 31)	Cost Recovery
(3)																
Estimated Base Value <sup>(1)</sup>																
2007 \$3,411,715																
2007	\$3,411,715	\$85,293	\$4,333,333	\$4,418,626	\$18.30	\$0	\$0	\$0	\$390,000	\$441,900	\$331,900	\$25,000	\$756,450	\$1,487,900	\$0	
2008	\$3,411,715	\$185,759	\$4,333,333	\$8,947,718	\$18.30	\$0	\$66,956	\$66,956	\$440,000	\$567,200	\$332,200	\$25,000	\$781,450	(\$714,495)	\$1,487,900	
2009	\$7,830,341	\$308,986	\$4,333,333	\$13,590,037	\$18.30	\$80,861	\$34,803	\$115,664	\$440,000	\$939,600	\$333,600	\$25,000	\$804,300	(\$413,636)	\$773,406	
2010	\$12,359,433	\$425,044	\$4,333,333	\$18,348,414	\$18.30	\$163,743	\$16,190	\$179,933	\$440,000	\$939,600	\$333,600	\$25,000	\$829,300	(\$349,367)	\$359,770	
2011	\$17,001,752	\$544,044	\$4,333,333	\$23,225,751	\$18.30	\$248,698	\$468	\$249,166	\$325,000	\$504,300	\$298,300	\$25,000	\$854,300	(\$605,134)	\$10,402	
2012	\$21,760,129	\$665,937	\$4,333,333	\$28,225,021	\$18.30	\$335,776	\$0	\$335,776	\$345,000	\$684,800	\$329,800	\$25,000	\$854,800	(\$519,024)	(\$594,732)	
2013	\$26,637,466	\$790,918	\$4,333,333	\$33,349,273	\$18.30	\$425,031	\$0	\$425,031	\$370,000	\$740,100	\$334,100	\$25,000	\$859,100	(\$434,069)	(\$1,113,756)	
2014	\$31,636,736	\$919,025	\$4,333,333	\$38,601,631	\$18.30	\$516,518	\$0	\$516,518	\$390,000	\$741,900	\$331,900	\$25,000	\$859,900	(\$340,362)	(\$1,547,825)	
2015	\$36,760,988	\$1,050,394	\$4,333,333	\$43,885,298	\$18.30	\$610,292	\$0	\$610,292	\$415,000	\$830,000	\$333,500	\$25,000	\$858,500	(\$248,208)	(\$1,886,207)	
2016	\$42,013,346	\$1,184,925	\$4,333,333	\$49,503,556	\$18.30	\$706,410	\$0	\$706,410	\$440,000	\$939,600	\$333,600	\$25,000	\$858,600	(\$152,190)	(\$2,288,605)	
2017	\$47,397,013	\$1,322,882	\$4,333,333	\$55,159,771	\$18.30	\$804,931	\$0	\$804,931	\$465,000	\$967,200	\$332,200	\$25,000	\$857,200	(\$52,269)	(\$2,340,874)	
2018	\$52,915,271	\$1,464,267	\$4,333,333	\$60,957,982	\$18.30	\$905,915	\$0	\$905,915	\$490,000	\$1,039,300	\$329,300	\$25,000	\$854,300	(\$51,615)	(\$2,389,259)	
2019	\$58,571,487	\$1,609,228	\$4,333,333	\$66,256,620	\$18.30	\$1,009,424	\$0	\$1,009,424	\$520,000	\$1,099,424	\$329,900	\$25,000	\$854,900	(\$154,524)	(\$2,134,735)	
2020	\$64,369,107	\$1,649,458	\$4,333,333	\$71,649,458	\$18.30	\$1,115,520	\$0	\$1,115,520	\$550,000	\$1,165,520	\$333,700	\$25,000	\$858,700	(\$256,820)	(\$1,877,915)	
2021	\$69,318,488	\$1,690,695	\$4,333,333	\$76,639,735	\$18.30	\$1,144,969	\$0	\$1,144,969	\$585,000	\$1,229,969	\$330,400	\$25,000	\$855,400	(\$289,569)	(\$1,588,346)	
2022	\$74,001,450	\$1,726,266	\$4,333,333	\$81,453,981	\$18.30	\$1,175,154	\$0	\$1,175,154	\$620,000	\$1,235,154	\$330,300	\$25,000	\$855,300	(\$319,854)	(\$1,268,492)	
2023	\$78,427,736	\$1,759,715	\$4,333,333	\$86,187,451	\$18.30	\$1,206,094	\$0	\$1,206,094	\$660,000	\$1,266,094	\$333,100	\$25,000	\$858,100	(\$347,954)	(\$920,498)	
2024	\$82,637,936	\$1,820,683	\$4,333,333	\$90,808,139	\$18.30	\$1,237,807	\$0	\$1,237,807	\$700,000	\$1,337,807	\$333,500	\$25,000	\$858,500	(\$379,307)	(\$541,191)	
2025	\$86,648,450	\$1,866,211	\$4,333,333	\$95,014,661	\$18.30	\$1,270,813	\$0	\$1,270,813	\$740,000	\$1,410,813	\$331,500	\$25,000	\$856,500	(\$413,813)	(\$1,217,977)	
2026	\$90,448,450	\$1,912,896	\$4,333,333	\$98,927,357	\$18.30	\$1,303,632	\$0	\$1,303,632	\$785,000	\$1,498,632	\$331,100	\$25,000	\$857,100	(\$446,532)	(\$319,155)	
2027	\$94,048,450	\$2,301,579	\$4,333,333	\$103,228,936	\$18.30	\$1,418,116	\$118,416	\$1,536,532	\$840,000	\$1,620,532	\$331,250	\$25,000	\$857,250	(\$500,000)	(\$15,573,250)	
															Total	
															\$23,015,791	
															\$52,000,000	

2007 TID Inception  
 2022 Final Year to Incur TIF Related Costs  
 2027 Maximum Legal Life of TID (20 Years)

(1) 2006 Gross Tax Rate represents the City's tax rate for Walworth County.  
 (2) Estimated Base Value represents estimated 1/1/07 Equalized Value, per City  
 (3) Hypothetical Increment based on minimum increment required to support TID project costs.  
 (4) Represents Estimated City/CDA Administration Costs, per City. Assumes cost is spread evenly over the life of the TID

Prepared by Robert W. Baird & Co., Incorporated 20main@robertwbaird.com whitewater city whitewater city/baird 8/2/2007

# WALWORTH COUNTY ECONOMIC DEVELOPMENT ALLIANCE, INC

PROJECT: CITY OF WHITEWATER, PROPOSED TID DISTRICTS

DISTRICT 5- Recommended TIF Classification Mixed Use					
Parcel #	Acres	Parcel/ Zoning	Current Allowed Uses	Developable Acres	Comment
WUP 00153	.371	R3	Multifamily residential	.22	Zoning: Retain existing R3 zoning Density: Approximately 8-10 multifamily units
WUP 00153A	5.113	R3	Multifamily residential	3.06	Zoning: Retain existing R3 zoning Density: Approximately 133 multifamily units
WUP 00157	21.59	R3	Multifamily residential	8.62*	Zoning: Retain existing R3 zoning Density: 38 developable R3 sites
WUP 00160B	30.598	B1	General Business	12.11*	Zoning: Retain existing B1 zoning Density: 527,512 developable space
DW 600001	10.21	A3	Agriculture	4.89*	Zoning: Change zoning to R3 Density: 21.3 Multifamily units
DW 600002	102.254	A3	Agriculture	15.33*	Zoning: Change zoning to B1 Density: 667,775 s.f. of developable space
DW 600002A	2.29	C4	Wetland	.77*	Zoning: Change zoning to B1 Density: 33,541 s.f. of developable space NOTE: This appears to be a difficult site due to low lying land.
DW 600002E	.151	C4	Wetland	0	No change in zoning- no developable land
DW 600003	77.942	A3 & C4	Agriculture and Wetland	35.07*	Zoning: Changing zoning to: • B1- 17.53 acres • B3- 17.53 acres Density: • B1- 763,606 s.f. of developable space • B3- 763,606 s.f. of developable space
DW 600008	2.117	A3	Agriculture	0*	No change in zoning- no developable land
WUP00155	4.311	R3	Multi-Family	2.58	Zoning: Change from R3 to R1 Density: 19.091 Residential Units
004-0515-3144-000	39.328	A3	Agriculture	23.59	Zoning: Change from A3 to R1 Density: 117.95 Residential Units
004-0515-3233-011	9.972	A3	Agriculture	5.98	Zoning: Change from A3 to R1 Density: 29.9 Residential Units
A314600002	2.518	B1	Retail/Commercial	1.51	Zoning: No Change Density: 65,776 s.f. of developable space
WUP00159	9.97	B1	Retail/Commercial	5.98	Zoning: No Change Density: 260,489 s.f. of developable space



City of Whitewater  
Proposed TID #5

Parcel # WUP-00153A		Projected Land Values						Total Land \$\$
	Acres	Industrial	Retail/ Commercial	Single Family	Multi- Family			
Industrial		\$ 30,000	\$ 217,800	\$ 35,000	\$ 150,000		\$ -	
Retail/Comm			\$ -				\$ -	
Single Family				\$ -			\$ -	
Multi-Family	3.06				\$ 459,000		\$ 459,000	
				TOTAL LAND VALUES			\$ 459,000	
<b>Construction Values (PSF)</b>								
	Sq. Feet	Industrial-Moderate	Retail/ Commercial	Single Family	Multi- Family		Total Construction Value	
Industrial		\$ 55.00	\$ 65.00	\$ 150.00	\$ 130.00		\$ -	
Retail/Comm			\$ -				\$ -	
Single Family				\$ -			\$ -	
Multi-Family	72,000				\$ 9,360,000		\$ 9,360,000	
				Total Construction Value			\$ 9,360,000	
<b>Summary Value</b>								
				Projected Land Values			\$ 459,000	
				Projected Construction Values			\$ 9,360,000	
				GROSS PROJECTED VALUES			\$ 9,819,000	

City of Whitewater  
Proposed TID #5

Parcel # WUP 00157							Projected Land Values				
	Acres	Industrial	Retail/ Commercial	Single Family	Multi- Family	Total Land \$\$					
Industrial		\$ 30,000	\$ 217,800	\$ 35,000	\$ 150,000	\$ -					\$ -
Retail/Comm			\$ -			\$ -					\$ -
Single Family				\$ -		\$ -					\$ -
Multi-Family	8.62				\$ 1,293,000	\$ 1,293,000					\$ 1,293,000
					<b>TOTAL LAND VALUES</b>	<b>\$ 1,293,000</b>					<b>\$ 1,293,000</b>
							<b>Construction Values (PSF)</b>				
Construction Values (PSF)	Sq. Feet	Industrial-Moderate	Retail/ Commercial	Single Family	Multi- Family	Total Construction Value					Total Construction Value
Industrial		\$ 55.00	\$ 65.00	\$ 150.00	\$ 130.00	\$ -					\$ -
Retail/Comm			\$ -			\$ -					\$ -
Single Family				\$ -		\$ -					\$ -
Multi-Family	206,880				\$ 26,894,400	\$ 26,894,400					\$ 26,894,400
					<b>Total Construction Value</b>	<b>\$ 26,894,400</b>					<b>\$ 26,894,400</b>
							<b>Summary Value</b>				
					<b>Projected Land Values</b>	<b>\$ 1,293,000</b>					<b>\$ 1,293,000</b>
					<b>Projected Construction Values</b>	<b>\$ 26,894,400</b>					<b>\$ 26,894,400</b>
					<b>GROSS PROJECTED VALUES</b>	<b>\$ 28,187,400</b>					<b>\$ 28,187,400</b>

City of Whitewater  
Proposed TID #5

Parcel # WUP 00160B							Projected Land Values				
	Acres	Industrial	Retail/ Commercial	Single Family	Multi- Family	Total Land \$\$					
Industrial		\$ 30,000	\$ 217,800	\$ 35,000	\$ 150,000	\$ -					\$ -
Retail/Comm	12.11		\$ 2,637,558			\$ -					\$ 2,637,558
Single Family				\$ -		\$ -					\$ -
Multi-Family					\$ -	\$ -					\$ -
							TOTAL LAND VALUES				\$ 2,637,558
<b>Construction Values (PSF)</b>											
	Sq. Feet	Industrial-Moderate	Retail/ Commercial	Single Family	Multi- Family	Total Construction Value					
Industrial		\$ 55.00	\$ 65.00	\$ 150.00	\$ 130.00	\$ -					\$ -
Retail/Comm	527,512		\$ 34,288,280			\$ -					\$ 34,288,280
Single Family				\$ -		\$ -					\$ -
Multi-Family					\$ -	\$ -					\$ -
							Total Construction Value				\$ 34,288,280
<b>Summary Value</b>											
							Projected Land Values				\$ 2,637,558
							Projected Construction Values				\$ 34,288,280
							GROSS PROJECTED VALUES				\$ 36,925,838









Parcel # DW 600003							Projected Land Values			
	Acres	Industrial	Retail/ Commercial	Single Family	Multi- Family	Total Land \$\$				
Industrial		\$ 30,000	\$ 217,800	\$ 35,000	\$ 150,000	\$ -				\$ -
Retail/Comm	35.07		\$ 7,638,246			\$ 7,638,246				\$ 7,638,246
Single Family				\$ -		\$ -				\$ -
Multi-Family					\$ -	\$ -				\$ -
							TOTAL LAND VALUES			\$ 7,638,246
							<b>Construction Values (PSF)</b>			
	Sq. Feet	Industrial-Moderate	Retail/ Commercial	Single Family	Multi- Family	Total Construction Value				
Industrial		\$ 55.00	\$ 65.00	\$ 150.00	\$ 130.00	\$ -				\$ -
Retail/Comm	1,527,212		\$ 99,268,780			\$ 99,268,780				\$ 99,268,780
Single Family				\$ -		\$ -				\$ -
Multi-Family					\$ -	\$ -				\$ -
							Total Construction Value			\$ 99,268,780
							<b>Summary Value</b>			
							Projected Land Values			\$ 7,638,246
							Projected Construction Values			\$ 99,268,780
							GROSS PROJECTED VALUES			\$ 106,907,026

Parcel # WUP00155		Projected Land Values					Total Land \$
	Acres	Industrial	Retail/ Commercial	Single Family	Multi- Family		
Industrial		\$ 30,000	\$ 217,800	\$ 35,000	\$ 150,000	\$ -	
Retail/Comm		\$ -	\$ -			\$ -	
Single Family	2.58			\$ 90,300.00		\$ 90,300	
Multi-Family					\$ -	\$ -	
				<b>TOTAL LAND VALUES</b>		<b>\$ 90,300</b>	
<b>Construction Values (PSF)</b>							
	Sq. Feet	Industrial-Moderate	Retail/ Commercial	Single Family	Multi- Family	Total Construction Value	
Industrial		\$ 55.00	\$ 65.00	\$ 150.00	\$ 130.00	\$ -	
Retail/Comm		\$ -	\$ -			\$ -	
Single Family	19,091			\$ 2,863,650		\$ 2,863,650	
Multi-Family					\$ -	\$ -	
				<b>Total Construction Value</b>		<b>\$ 2,863,650</b>	
<b>Summary Value</b>							
				<b>Projected Land Values</b>		<b>\$ 90,300</b>	
				<b>Projected Construction Values</b>		<b>\$ 2,863,650</b>	
				<b>GROSS PROJECTED VALUES</b>		<b>\$ 2,953,950</b>	

Parcel # 004-0515-3144-000		Projected Land Values					Total Land \$\$
	Industrial	Retail/ Commercial	Single Family	Multi- Family			
	\$ 30,000	\$ 217,800	\$ 35,000	\$ 150,000		\$ -	
Acres							
Industrial	\$ -					\$ -	
Retail/Comm		\$ -				\$ -	
Single Family	23.59		\$ 825,650.00			\$ 825,650	
Multi-Family				\$ -		\$ -	
			TOTAL LAND VALUES			\$ 825,650	
<b>Construction Values (PSF)</b>							
Construction Values (PSF)	Industrial-Moderate	Retail/ Commercial	Single Family	Multi- Family		Total Construction Value	
	\$ 55.00	\$ 65.00	\$ 150.00	\$ 130.00		\$ -	
Industrial	\$ -					\$ -	
Retail/Comm		\$ -				\$ -	
Single Family	200,515		\$ 30,077,250.00			\$ 30,077,250	
Multi-Family				\$ -		\$ -	
			Total Construction Value			\$ 30,077,250	
<b>Summary Value</b>							
			Projected Land Values			\$ 825,650	
			Projected Construction Values			\$ 30,077,250	
			GROSS PROJECTED VALUES			\$ 30,902,900	



City of Whitewater  
Proposed TID #5

Parcel # A314600002		Projected Land Values					Total Land \$\$
	Acres	Industrial	Retail/ Commercial	Single Family	Multi- Family		
Industrial		\$ 30,000	\$ 217,900	\$ 35,000	\$ 150,000	\$ -	
Retail/Comm	1.51		\$ 328,878			\$ 328,878	
Single Family				\$ -		\$ -	
Multi-Family					\$ -	\$ -	
				TOTAL LAND VALUES		\$ 328,878	
<b>Construction Values (PSF)</b>							
Construction Values (PSF)	Sq. Feet	Industrial-Moderate	Retail/ Commercial	Single Family	Multi- Family	Total Construction Value	
Industrial		\$ 55.00	\$ 65.00	\$ 150.00	\$ 130.00	\$ -	
Retail/Comm	65,776		\$ 4,275,414			\$ 4,275,414	
Single Family				\$ -		\$ -	
Multi-Family					\$ -	\$ -	
				Total Construction Value		\$ 4,275,414	
<b>Summary Value</b>							
				Projected Land Values		\$ 328,878	
				Projected Construction Values		\$ 4,275,414	
				GROSS PROJECTED VALUES		\$ 4,604,292	

Parcel # WUP00159		Projected Land Values					Total Land \$
	Acres	Industrial	Retail/ Commercial	Single Family	Multi- Family		
Industrial		\$ 30,000	\$ 217,800	\$ 35,000	\$ 150,000	\$ -	
Retail/Comm	5.98		\$ 1,302,444			\$ 1,302,444	
Single Family				\$ -		\$ -	
Multi-Family					\$ -	\$ -	
				TOTAL LAND VALUES		\$ 1,302,444	
<b>Construction Values (PSF)</b>							
	Sq. Feet	Industrial-Moderate	Retail/ Commercial	Single Family	Multi- Family	Total Construction Value	
Industrial		\$ 55.00	\$ 65.00	\$ 150.00	\$ 130.00	\$ -	
Retail/Comm	260,489		\$ 16,931,772			\$ 16,931,772	
Single Family				\$ -		\$ -	
Multi-Family					\$ -	\$ -	
				Total Construction Value		\$ 16,931,772	
<b>Summary Value</b>							
				Projected Land Values		\$ 1,302,444	
				Projected Construction Values		\$ 16,931,772	
				GROSS PROJECTED VALUES		\$ 18,234,216	

## 4 DETAILED LIST OF PROJECT COSTS

A detailed listing of the projects that the City may undertake within the Additional Territory is found below. All costs are based on 2007 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2007 and the time of construction. The City also reserves the right to increase certain project costs to the extent others are reduced or not implemented, without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

**It is important to note that this 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 further amending this Plan.**

### PROPOSED TID PROJECT NO. 5 COST ESTIMATES

Street Construction, Improvements, Amenities & ROW Acquisition	\$4,600,000
Relocation	20,000
Sanitary Sewer Interceptor Extension	405,000
Pump Station Upgrade	500,000
Water Main Looping	315,000
*Administration City/CDA	500,000
<b>Total</b>	<b>\$6,340,000</b>

\* NOTE: The City has estimated normal administrative costs of \$25,000 for each year that the proposed TID will be in existence (20 years).

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

### ***PLAN IMPLEMENTATION***

Projects identified will provide the necessary anticipated governmental services to the proposed TID area. It is anticipated these improvements will be made in 2008 and in subsequent years. 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. In any event, all additional project costs are to be incurred within the period specified in Section 66.1106(6)(am) of the Wisconsin Statutes.

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

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

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

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

## **6 ESTIMATE OF ADDITIONAL TERRITORY TO BE DEVOTED TO RETAIL BUSINESS**

Pursuant to Section 66.1105(5)(b)(6)(am)1 of the Wisconsin State Statutes the City estimates that less than 15% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

## **7 ADDITIONAL TERRITORY – ANNEXED PROPERTY**

Some properties proposed for inclusion within the District were annexed by the City on or after January 1, 2007. To satisfy the requirements of Section 66.1105(4)(gm)1 Wis. Stats., the City pledges to pay the Towns of Whitewater (Walworth County) and Cold Spring (Jefferson County) for the next five years an amount equal to the property taxes levied on the annexed properties by the Town at the time of the annexation.

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

Anticipated construction by private parties within the proposed TID is not available at this time.

## **9 PROPOSED CHANGES IN ZONING ORDINANCES**

The City of Whitewater anticipates that a portion of the proposed TID will be rezoned prior to development. No other changes in the zoning ordinances are anticipated by the City of Whitewater at this time.

## **10 PROPOSED CHANGES IN MASTER PLAN, BUILDING CODES AND CITY OF WHITEWATER ORDINANCES**

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

## **11 RELOCATION**

It is anticipated there may be a need to relocate residents or businesses in conjunction with this Plan. In the event relocation becomes necessary at some time during the implementation period, the City of Whitewater 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 of Whitewater 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 landowners to whom offers are being made.

The City of Whitewater will file a relocation plan with the Department of Commerce and shall keep records as required in Wisconsin Statute Section 32.27.

## **12 ORDERLY DEVELOPMENT OF THE CITY OF WHITEWATER**

Development of the proposed Whitewater Tax Increment District No. 5 will contribute to the orderly development of the City by providing the opportunity for continued growth in tax base, job opportunities, commercial development and housing.

## 13 PRELIMINARY PARCEL LIST FOR INCLUSION IN PROPOSED WHITEWATER TID NO. 5

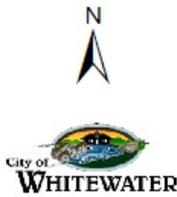
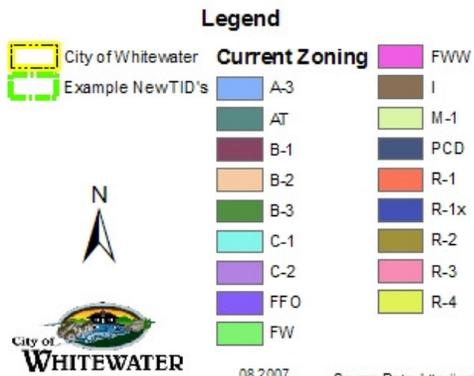
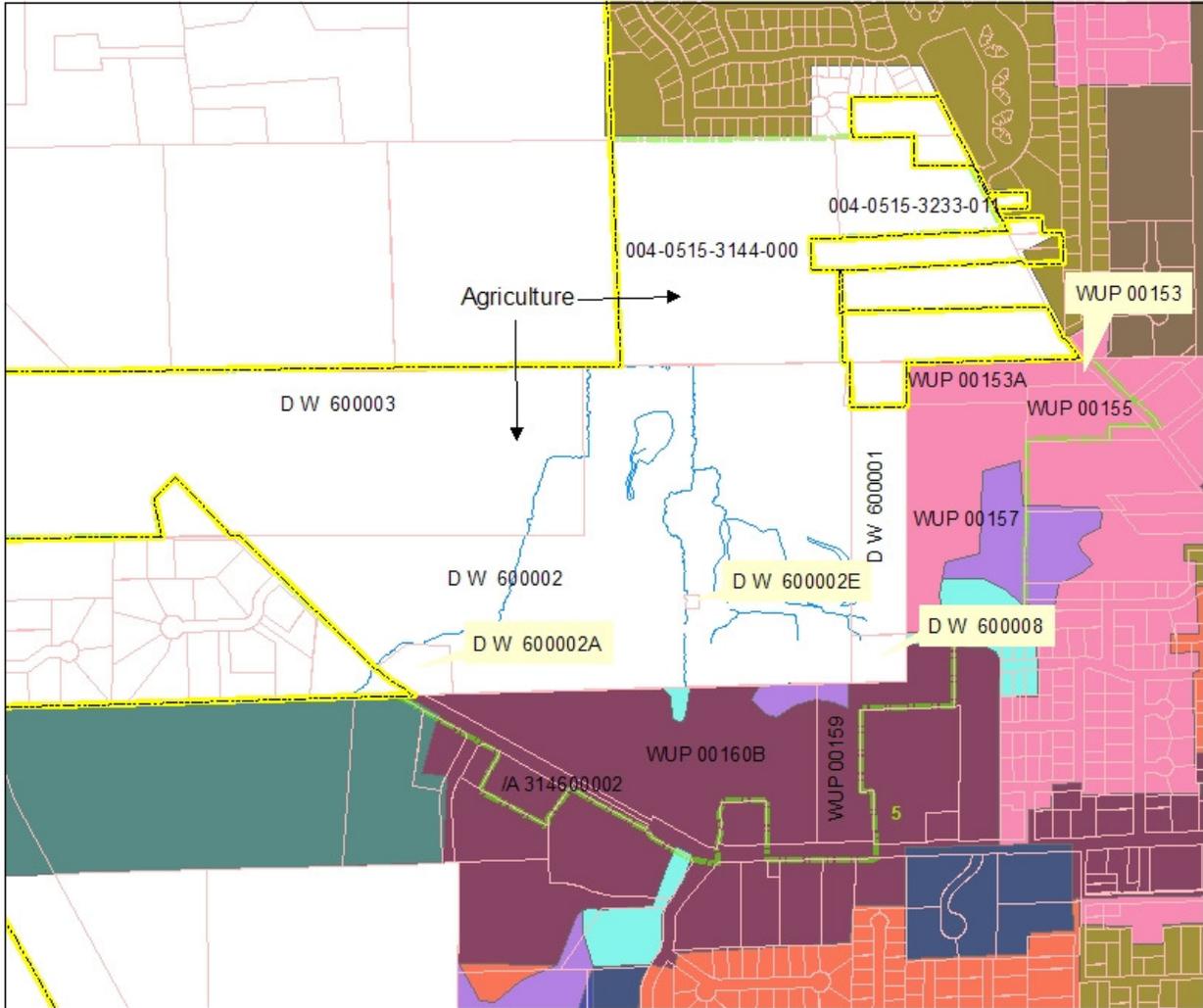
### TID 5 Equalized Values -- Jefferson & Walworth

County	Tax ID	2007 Assessed Values	2007 Equalized Value	Parcel Acreage	Zoning
Walworth	/WUP 00153	\$167,500.00	\$167,165.67	0.371	R
Walworth	/WUP 00153A	\$1,400.00	\$1,397.21	5.113	R
Walworth	/WUP 00157	\$86,000.00	\$85,828.34	21.59	R
Walworth	/WUP 00160B	\$81,200.00	\$76,158.32	30.598	C
Jefferson	/WUP 00155	\$24,100.00	\$25,363.08	4.311	R
Jefferson	004-0515-3144-000	\$9,500.00	\$11,090.50	39.328	A-1
Jefferson	004-0515-3233-011	\$2,400.00	\$2,812.10	9.972	A-1
Walworth	D W 600001		\$1,734.17	10.201	A-3
Walworth	<i>*D W 600002</i>	<i>\$15,700.00</i>	\$20,957.22	102.254	1/2 A-3, 1/2 C-4
Walworth	<i>*D W 600002A</i>	<i>\$32,800.00</i>	\$51,250.00	2.295	C-4
Walworth	<i>*DW 600002E</i>	<i>\$0.00</i>	\$0.00	0.151	C-4
Walworth	<i>*D W 600003</i>	<i>\$18,800.00</i>	\$21,312.57	77.942	1/2 A-3, 1/2 C-4
Walworth	<i>*D W 600008</i>	<i>\$31,000.00</i>	\$24,398.70	2.117	1/2 A-3, 1/2 C-4
Walworth	<i>*/A 314600002</i>	<i>\$800.00</i>	\$750.33	2.518	C
Walworth	<i>*/WUP 00159</i>	<i>\$3,114,900.00</i>	\$2,921,496.90	9.97	C
			<b>\$3,411,715.10</b>		

*\*Most current valuation per Walworth County  
Using 2006 AV x DOR EQ Value Ratio for 2007*

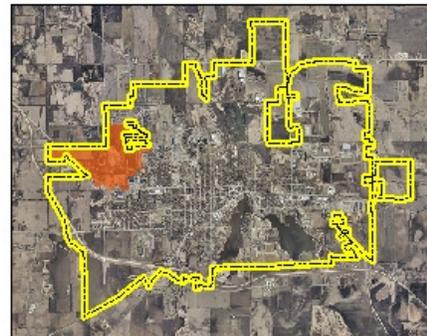
# 14 MAP SHOWING EXISTING USES AND CONDITIONS

## City of Whitewater Tax Increment Finance District 5 Mixed-Use



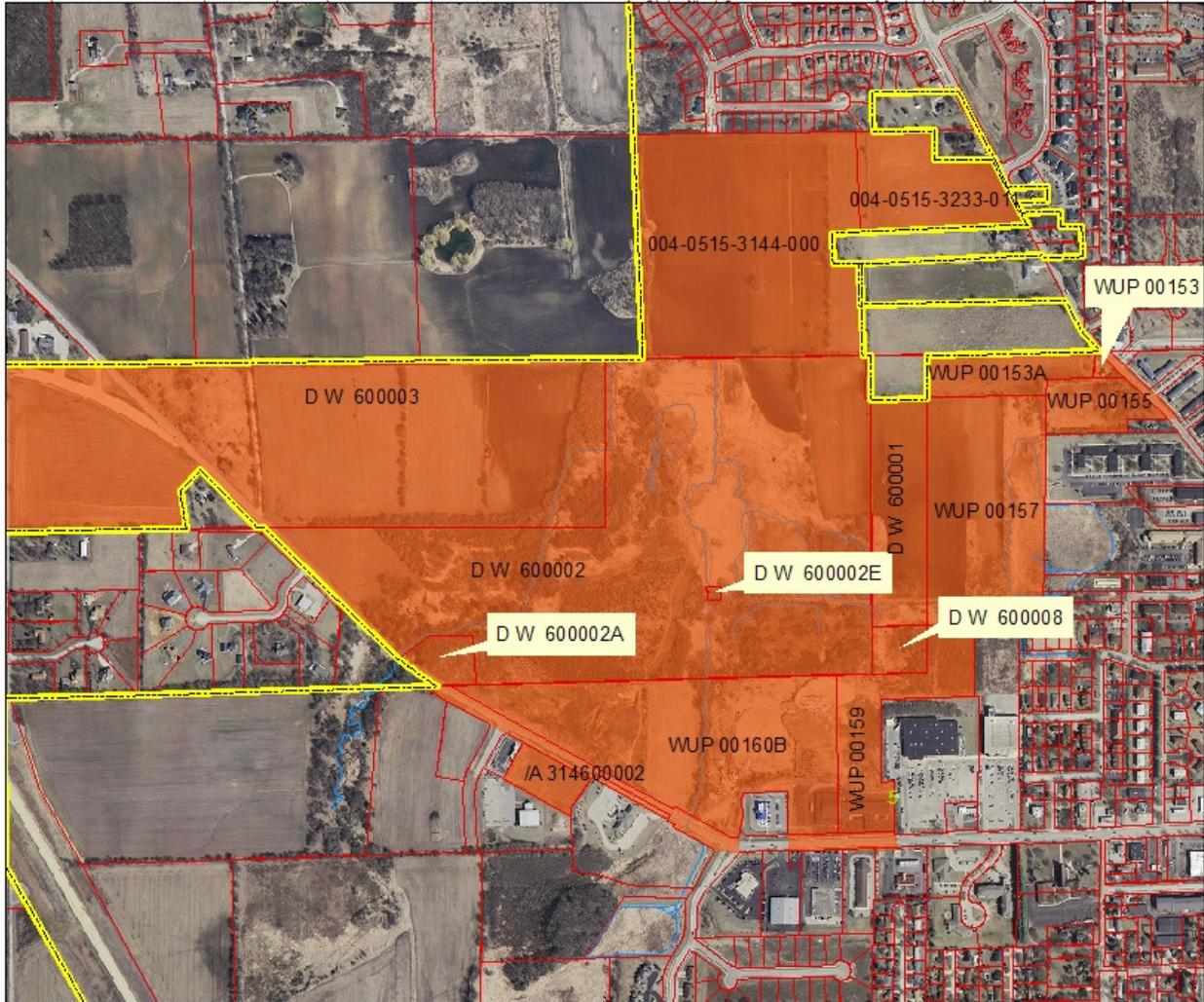
08.2007

Source Data: <http://webapps.co.walworth.wi.us/www/website/county/site/viewer.htm>



# 15 MAP IDENTIFYING THE DISTRICT BOUNDARIES

City of Whitewater  
Tax Increment Finance District 5  
Mixed-Use



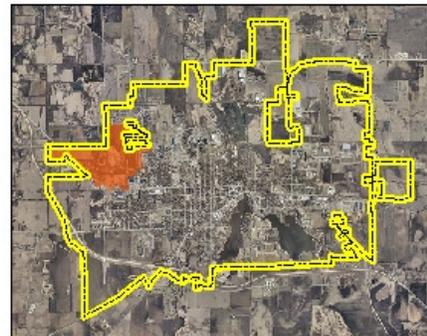
- Legend**
-  City of Whitewater
  -  Example New TID's



08.2007

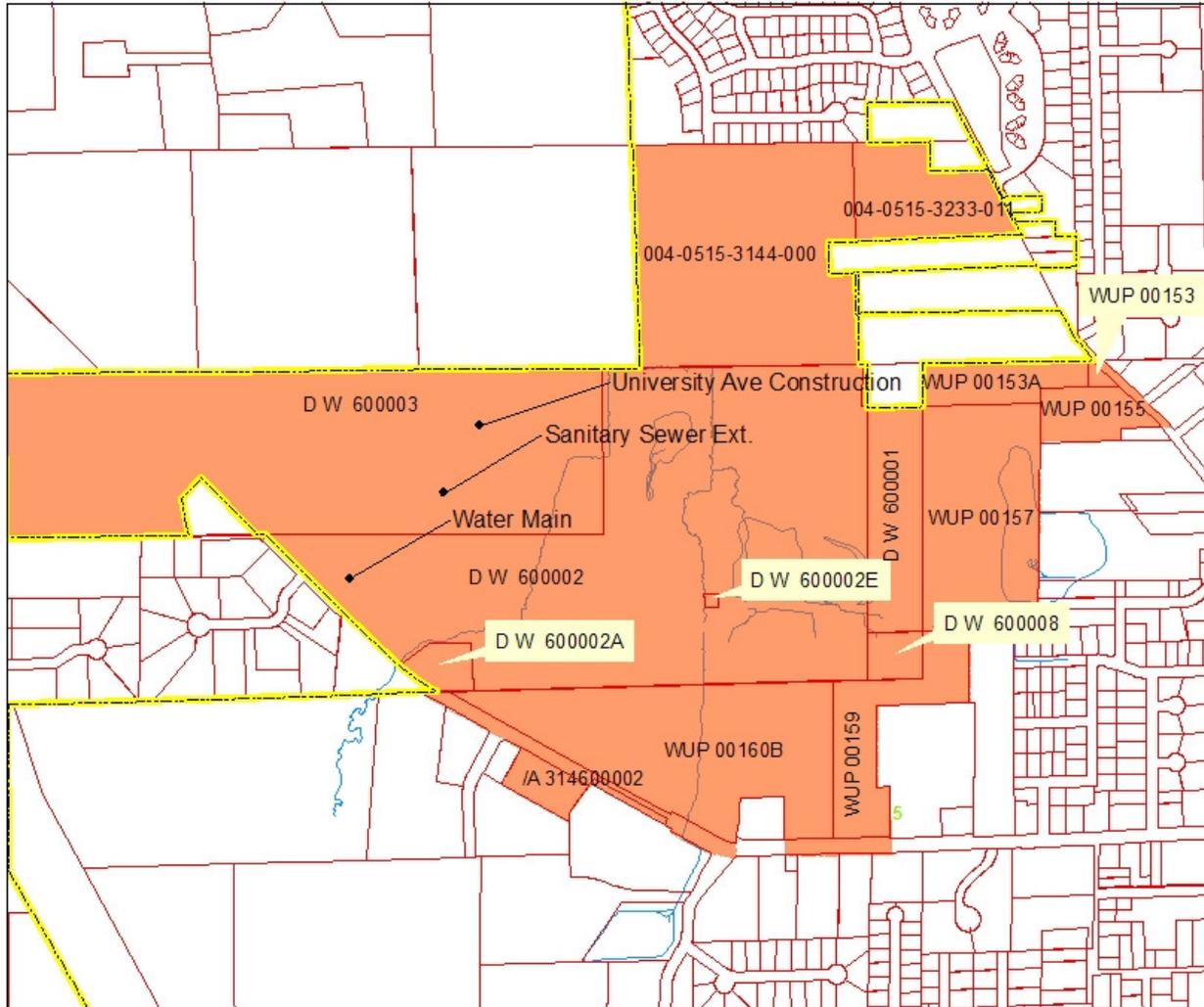


Source Data: <http://webapps.co.walworth.wi.us/www/website/countysite/viewer.htm>



# 16 MAP SHOWING PROPOSED PROJECTS & IMPROVEMENTS

## City of Whitewater Tax Increment Finance District 5 Mixed-Use



850 425 0 850 Feet

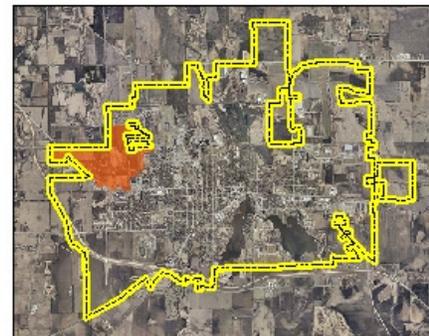
### Legend

-  City of Whitewater
-  Example New TID's



08.2007

Source Data: <http://webapps.co.walworth.wi.us/www/website/county/site/viewer.htm>



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

**Harrison, Williams,  
McDonell & Swatek, LLP**  
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DAVID C. WILLIAMS  
TIMOTHY P. SWATEK

Offices also in:  
Lake Geneva

August 1, 2007

Mr. Kevin Brunner  
City Manager  
P. O. Box 178  
Whitewater, WI 53190

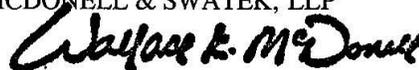
**Re: City of Whitewater, Wisconsin, Creation of Tax Incremental District No. 5**

Dear Kevin:

As City Attorney for the City of Whitewater, I have reviewed the Project Plan document and various resolutions passed by the City Council, Community Development Authority, and Joint Review Board regarding the amendment of Tax Incremental District No. 5 located in the City. In my opinion, the Project Plan is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes.

Yours truly,

HARRISON, WILLIAMS,  
MCDONELL & SWATEK, LLP



Wallace K. McDonell  
(State Bar No. 01008713)

WKM:slm  
cc: Mary Nimm



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NOTICE OF PUBLIC HEARING  
REGARDING  
THE PROPOSED CREATION, BOUNDARIES AND PROJECT PLAN FOR  
TAX INCREMENTAL DISTRICT NO. 5  
CITY OF WHITEWATER, WISCONSIN

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Notice is hereby given that the Community Development Authority of the City of Whitewater, Wisconsin (the "City") will hold a public hearing pursuant to Section 66.1105(4)(e), Wisconsin Statutes, at the time and location set forth below, regarding the proposed creation, boundaries and Project Plan for the City's Tax Incremental District No. 5 (the "District").

City of Whitewater City Hall  
312 W Whitewater Street  
Whitewater, Wisconsin 53190  
July 9, 2007 at 6:00 P.M.

All interested parties shall be afforded the opportunity to express their views respecting the proposed creation, boundaries, and Project Plan at the public hearing.

The purpose of the proposed creation of the District is to promote mixed use development by undertaking infrastructure related projects in order to prepare the area for development. It is anticipated that, as part of the proposed Project Plan, cash grants may be made by the City to owners, lessees or developers of property within the District. A map of the District, as it is proposed, is attached.

A draft of the proposed Project Plan will be available upon request to the office of the City Administrator/City Clerk, 312 W Whitewater Street, Whitewater, WI 53190, phone number (262) 473-05.

CITY OF WHITEWATER, WISCONSIN

Mary S. Nimm  
Community Development Authority Coordinator

Attachment: Map of District, as proposed.

Publication Dates: June 21, 2007  
June 28, 2007



**MINUTES**

**Monday, July 9, 2007**

**6:00 PM**

**Council Chambers**

**Whitewater Municipal Building**

**312 W. Whitewater Street**

**Whitewater, WI 53190**

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**1. Call to order and roll call**

Marilyn Kienbaum called the meeting to order at 6:00 PM.

Common Council Present: Max Taylor, Dr. Roy Nosek, Patrick Singer, Marilyn Kienbaum, Jim Stewart

CDA Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Jim Stewart

Common Council Absent: Craig Stauffer, Dr. Kim Hixson

CDA Absent: Dr. Kim Hixson, Al Stanek

Others Present: Kevin Brunner, Mary Nimm, Dean Fischer, Brad Viegut, Jessica Lanser, Rick Gilpatrick, Kilkenney

**2. Presentation of Proposal for Development of new TID Districts 5, 6, 7, 8 & 9**

City Manager, Kevin Brunner proposed the development of new TID Districts 5, 6, 7, 8 & 9. Brunner showed maps of the boundaries for each district, maps of the proposed improvements for each district and listed the proposed expenditures for each district. (Presentation attached.) Brunner noted that districts 1 & 2 have recently closed. Brunner also noted that the City is in a position where the cumulative equalized value of the City in Tax Increment Finance Districts is below 12% allowing up to \$3.8 million of Equalized Value to be included in potential new TID districts. Brunner noted that it is believed that on August 15, 2007 the City will go above the 12% total equalized value limit when the Department of Revenue calculates new equalized values. Brunner stated that if we don't act now, we could be limiting ourselves to a window of 10-12 years where we can see the opportunity to create new TID Districts again.

Nosek – why only a 12 year window? Is there a possibility that we could fall below 12% again in the next 10-12 years if we don't close any other districts?

Brunner – there is always the opportunity, as we hope the current districts continue to pay themselves off however it is unlikely that we will have this opportunity again until districts 3 and/or 4 are paid-off.

Nosek – can a property owner object to being in a district?

Brad Viegut went on to give examples of how the tests for each of the districts were met (included in each of the project plans).

**TID 5:**

Test 1: valuations – 12% test of equalized value... current equalized value in the existing TID's plus property included in TID 5 must be less than 12%. TID 5 meets the 12% threshold.

Text 2: Mixed-use District Test – newly platted residential can not exceed 30% (land area) of the district. TID 5 meets the 30% restriction at less than 17%.

Test 3: a minimum 50% of the land in the district needs to be suitable for at least two of the following industrial, commercial or residential.

Test 4: Project costs for newly platted residential are allowable given that one of the following applies:  
Density Calculation – or – Conservation Subdivision – or – Location in a Traditional Development. Unit per acre test met.

Baird used future development projections provided by WCEDA and developed two pro-forma analyses. For each of the districts two pro-forma's were run:

first: construction increment based on WCEDA projections – revenues compared to expenditures;  
second: reduced levels (by the County) to find out at what level does the increment need to be in

order for the TID to pay for itself... development as little as \$52m will be enough to pay for the debt as written in the plan – leaving the TID open until 2027.

Nosek – 12% test has to be applied to each one of these plans. In TID 5, we made it under the wire – does this tell me that one of the five will make it because of the 12%? How can we cumulatively meet the limit of 12%? Is this City-wide?

Viegut – as long as the TID's are created at the same time, we look at each one individually for the 12% rule.

Nosek – so you could have a dozen TID's, how does the 12% test have any bearing as long as each one can individually be less than 12% but cumulatively they can be over?

Viegut – it is up to the City and the CDA to prevent that from happening. This is a one-time test so as long as the TID plans are created and approved at one time, and each one meets the 12% test, all five of the proposed districts can be approved. There is no annual test to meet the 12% test.

Brunner – the CDA has worked on this planning for over a year. Initially the thought was a cap of \$3.8mil (12%) but we had clarification from the Department of Revenue stating that you could go up to \$3.8 in any new district(s) as long as they are all created/approved at the same time.

Viegut – these are strictly plans, only guidelines that the City has and only this year to adopt and then evaluate on case-by-case basis whether to incur costs for expenditures if the revenues are justified.

**TID 6** – Viegut – the primary test – at least 50% of the land will be zoned and remain zoned industrial for the life of the TID and that test has been met. The 12% test has been met.

**TID 7** – Viegut – the 12% test has been met. Other three tests have been run and meet the rules.

**TID 8** – Viegut – the 12% test has been met. At least 50% of the land will be zoned and remain zoned industrial for the life of the TID.

**TID 9** – Viegut – the 12% test has been met. At least 50% of the land will be zoned and remain zoned industrial for the life of the TID.

Knight – if we don't create these districts now, we run the risk of not having the opportunity for a number of years.

Stewart – please comment on the County estimates... 2018 pay off versus 2027...

Viegut – the second set of pro-forma analyses isn't Baird saying this is what will happen, they are more of a sensitivity saying that if you have the exact same amount of debt, how much increment would need to take place in order to pay off the debt and how long would it take to support that debt.

Nosek – We (the City) create development agreements. We (the City) in our cautious manner, we aren't going to do either one of those scenarios without a development agreement. If all five districts are approved, where do we take it from here? What does the City foresee as the reasonable advancement of any one or all of these TIF Districts?

Brunner – I think the likelihood of districts 5 & 7 happening soon is high. 6, 8 & 9 might be a longer term. However, someone could come in tomorrow and trigger development in any one of the districts. I look at this as a state of preparedness, that we are prepared to accept and work with proposed commercial and industrial development should we be in a position to have that happen. The CDA has been working very hard at trying to make the community more attractive for business development. If you add up the total valuation, it comes to about 12.5% (cumulatively).

### 3. Public Hearing Regarding Formation of New Tax Incremental Financing Districts 5, 6, 7, 8 & 9

Marilyn Kienbaum opened the Public Hearing.

Dan Kilkenny – N3616 Elmridge Road, Delavan, WI – When I look through at the project costs and the amounts to be borrowed... the amounts to be borrowed appear to exceed the project costs.

Viegut – there are costs associated with borrowing. There are three components that are added to the project costs.

Kilkenny – Scenarios in cash flow... what was the basis of WCEDA's numbers and assumptions?

Brunner – all of the work that WCEDA completed was done by looking at each parcel and taking that acreage at 60% developable and then based on current zoning, density was applied. Each parcel has been projected and WCEDA's estimates show full build-out.

Kilkenny – If you don't do these TID's would you be able to do that particular development within the TIF District and not use the subsidies to subsidize that development? If you have other development, developer's agreements often require developers to pay for streets, water, etc. and/or special assessments are used to pay for the improvements. One of the tests the Joint Review Board and the City must consider is the **But For** test – Would development occur but for the TIF District? It appears the City is doing this because they can, rather than if it didn't do this there wouldn't be development otherwise. Why isn't the owner responsible for the costs? Revenues won't be in the general coffers where otherwise they would be. One of the TIF Districts, is farm land having a value of \$14,000 because of farm-use assessment for land, at any moment this is converted it will have a significant increment, simply because it its no longer AG use. I think it's appropriate to ask why the developers aren't asked to pay and why the tax payers are being asked to subsidize the development. The "loophole" (12% rule) defies common sense, but it is legal and a neat trick. You are taking tax money from other taxing bodies. You are spending other people's money.

Nosek – Our school district is suffering, this (TID) is a mechanism that we have used successfully but it doesn't come without a price. We have to take this seriously and my greatest concern is for our school district. Five districts at one time, gives me the eebee jeebees and I wonder if we are looking at this with some reasonableness.

Brunner – the school board is meeting with their financial advisors to review these proposed districts at 6:00 PM next Monday at the school district office.

Rick Gilpatrick, Joint Review Board and City of Whitewater Plan Commission – This plan was put together with WCEDA, what is the connection with the County, do they have an approval or an input into the approval?

Brunner – there is a representative from both Counties (one on each Joint Review Board) as well as representatives from both the Vo-Tech schools for the corresponding districts. WCEDA is a private non-profit formed a few years ago by the County and many communities as well as the private sector with its intent to foster economic development in the County. Whitewater is the second largest stakeholder in the organization. We thought we could get something for our contribution as well as they have software that would be helpful in projecting potential future development within these districts.

John Hoffman (along with Tom Hoffman) Property owners of land in proposed TID 6 – What happens if a private developer comes in and they don't want the incentives, can they opt out of the TID? Would you modify the boundaries to remove the property from the TID? If you have a private developer that wanted to develop within that district, would he have to adhere to all of the TIF rules even though he didn't want money or benefits? Can the property be marketed as an independent piece of property or does it have to be marketed as a TIF?

Viegut - This is looked as an independent property. TID's are not like restrictive covenants, there is nothing in the plan that would have a developer do anything different that he would normally do outside of a TID. The TIF plan is not a limiting factor in any redevelopment or new development.

Kienbaum – would they have to guarantee a certain value?

Viegut – only if they are asking for assistance would they have to guarantee a value.

Nosek – But For – if a developer wants to make an offer on Hoffman property, should the city get involved in the development if the incentive isn't wanted or needed?

Viegut – But For at creation of TIF creation only, not for each new development.

Kienbaum – where do the taxes for the TIF district go to?

Brunner – TID 4 active in DT revitalization. Development agreements in place in exchange for grants, although a number of people didn't want help and therefore are not required to guarantee value.

Gilpatrick – TID 6 – if currently zoned agricultural, and 50% must be industrial, how do the zoning changes work?

Viegut – at least 50% must be zone industrial prior to the end of the year and remain industrial throughout the life of the TIF.

Kienbaum – if Mr. Hoffman doesn't want to be part of the district, what then?

Brunner – could petition to have the property removed.

Kilkenny – concern about the But For test and the 12% test... You picked spots where you think something is going to happen, and doesn't that fail the But For test? Delavan passed the But For test and they have the Wal-Mart shopping center. Because of Corporate Welfare, they were able to pay for parking lot, sewer, etc. for the Lowe's/Chili's area. If these developments would have occurred anyway, the dollars would have gone to everyone else. Developer agreements just say they will pay their taxes. I came from a family of 12 and my father subdivided our farm, we paid for the infrastructure out of our own pocket. If property for development is in a TID, there is a tendency to give money out like candy. If we are going to hand out free infrastructure like candy, your taxes will go up. All you are doing is directing development to these districts because they don't have to pay for their improvements in a TID. I am asking you to look at these districts closely.

Hoffman – in the District 6 budget there is a Business Park development fund total. Why not in the other districts?

Brunner – a new Industrial Park would be created and therefore the funds will be needed to create the park. The other districts have some money built-in it is just that the project expense name is simply different.

Max Taylor – in TID 8 there is talk of RR Spurs, what is that? District for lakes, what happened to that?

Brunner – RR Spurs give access to the rail. The Lakes District is separate from TID's.

Jim Stewart – We need a definition of Industrial and Mixed-Use. Can we have a map to include districts 3 & 4 to get an idea of where all of the districts are? Regarding the Hoffman property, if 50% has to be industrial how much of the Hoffman property makes-up the 50% requirement and how much of the Hoffman property is in TID 6?

Viegut – In all of the proposed TIDs there are only two kinds we are creating, Industrial and Mixed-Use. Specific requirement for Industrial is that 50% is zoned industrial and remains industrial. There would be 50% industrial, the other 50% could be used as and zoned whatever you want.

With no further Public Comments, Brunner noted: this is scheduled to go to City Council on August 7 and to the Joint Review Boards on August 8 at 8:00 (Jefferson County) and 9:00 Walworth County.

**4. Adjourn**

Nosek motioned to adjourn at 7:35 PM. Taylor seconded. The motion to adjourn passed unanimously on a voice vote.

Respectfully Submitted,

Mary S. Nimm  
CDA/GIS Coordinator

# Tax Increment Finance

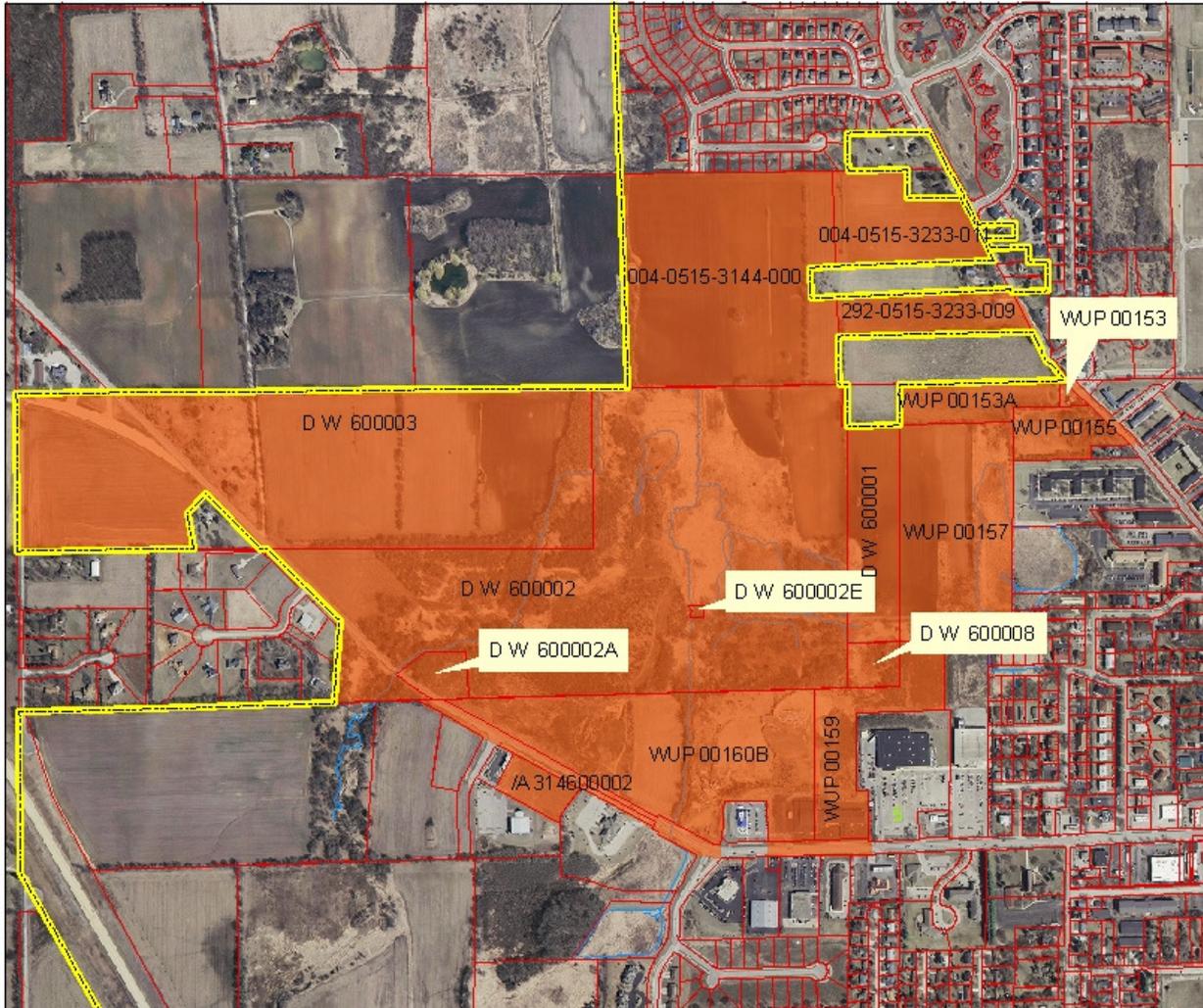
Districts 5, 6, 7, 8, & 9

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# TID 5 District Boundary Mixed Use

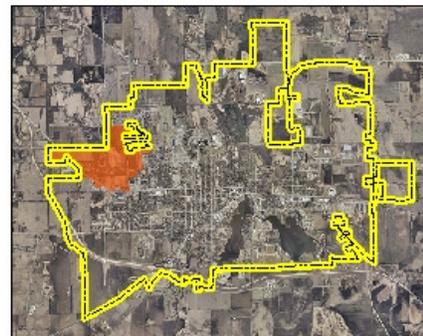
City of Whitewater  
Tax Increment Finance District 5  
Mixed-Use



- Legend**
- City of Whitewater
  - Example New TID's



06.2007



Source Data: <http://webapps.co.walworth.wi.us/www/website/countysite/viewer.htm>

# TID 5

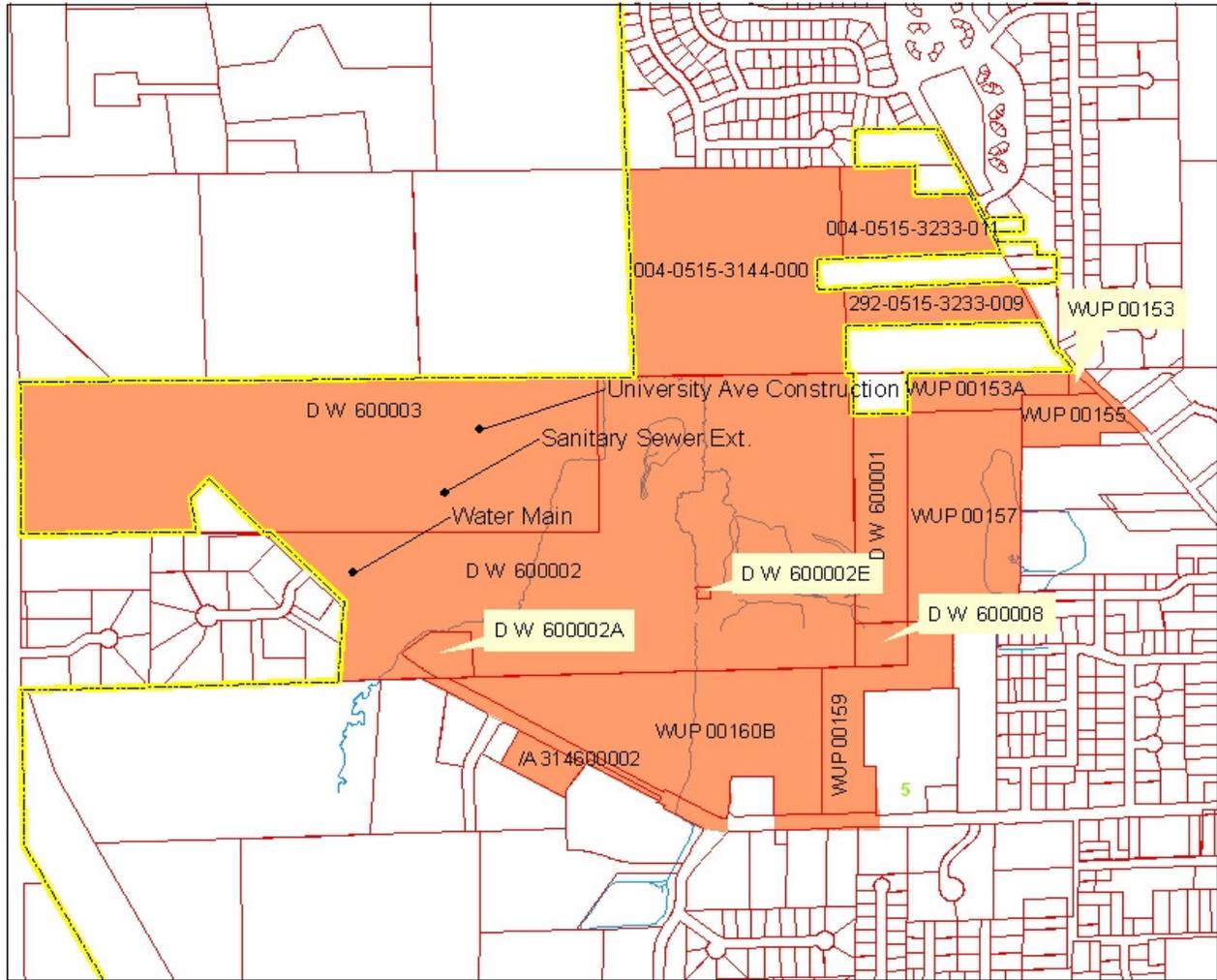
## District Expenditures

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Street Construction, Improvements, Amenities, & ROW Acquisition	\$4,600,000
Relocation	20,000
Sanitary Sewer Interceptor Extension	405,000
Pump Station Upgrade	500,000
Water Main Looping	315,000
Administration City/CDA	<u>500,000</u>
Total	\$6,340,000

# TID 5 District Boundary Proposed Improvements

**City of Whitewater**  
Tax Increment Finance District 5  
Mixed-Use

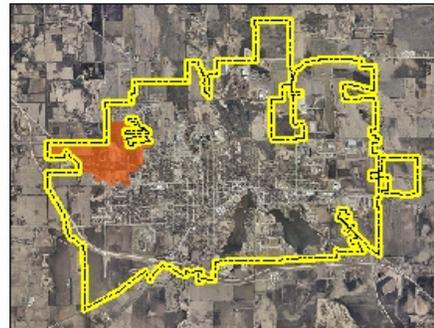


## Legend

-  City of Whitewater
-  Example New TID's



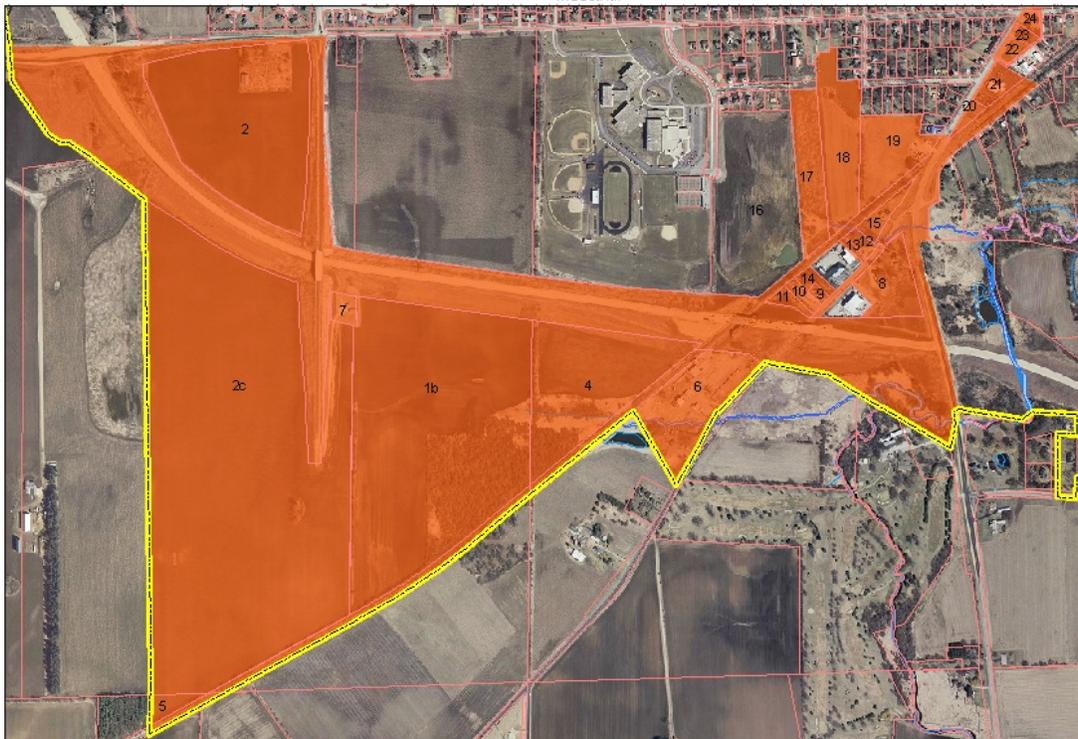
06 2007



Source Data: <http://webapps.co.wauwath.wi.us/wwwwebsite/countysite/viewer.htm>

# TID 6 District Boundary Industrial

City of Whitewater  
Tax Increment Finance District 6  
Industrial



	Tax ID
1b	AWUP 00324
2	AWUP 00325
2c	AWUP 00325
4	AWUP 00327
5	AWUP 00328
6	AWUP 00341
7	A277200001
8	A285000002
9	AWUP 00316A
10	AWUP 00316D
11	AWUP 00316E
12	AWUP 00316F
13	AWUP 00316G
14	AWUP 00316H
15	AWUP 00299
17	A373900004
18	A712000002
19	AWUP 00298
20	AWUP 00297
21	AWUP 00296
22	AWUP 00294A
23	AWUP 00294
24	AWUP 00295

**Legend**

-  City Limits
-  Example New TID's



06.2007

Data Source: <http://webapp.s.co.wi.us/aworth.wi.us/www/ebste/countysite/viewer.htm>



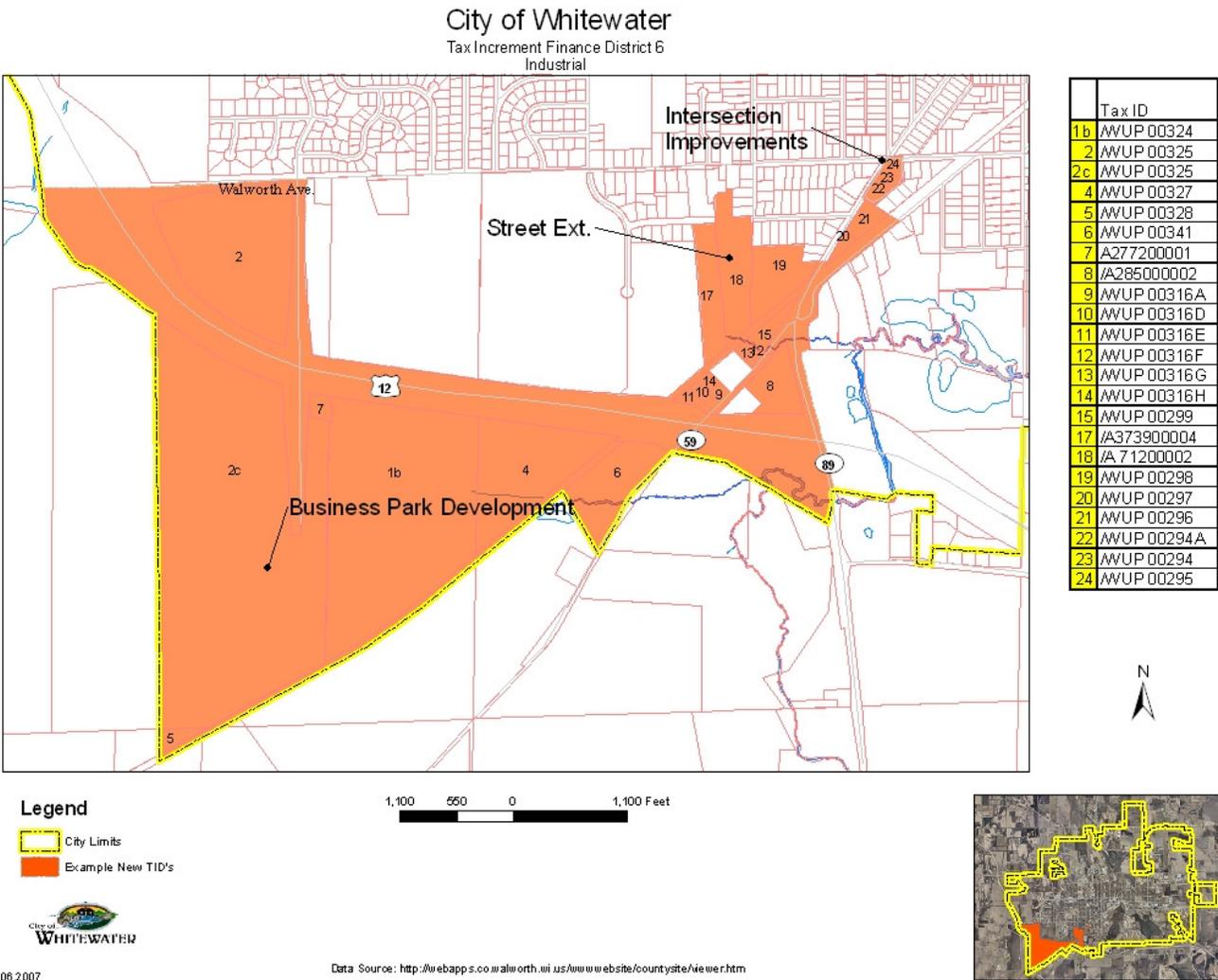
# TID 6

## District Expenditures

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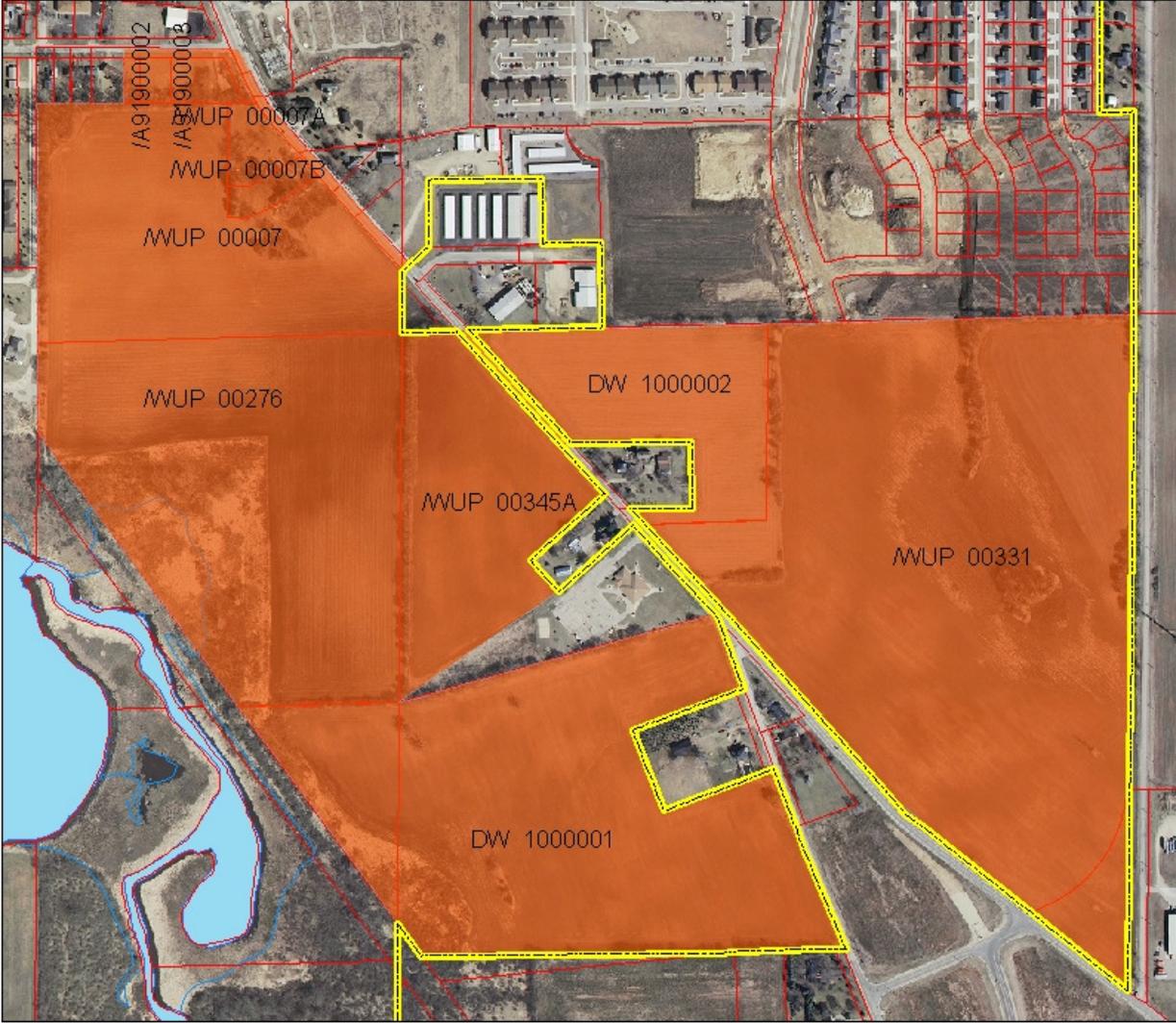
Business Park Development	\$8,400,000
Street Construction, Improvements, Amenities & ROW Acquisition	466,000
Development Incentives	1,000,000
Rail Spur Construction	200,000
Land Acquisition	2,600,000
Relocation	100,000
Administration City/CDA	<u>500,000</u>
Total	\$13,266,000

# TID 6 District Boundary Proposed Improvements



# TID 7 District Boundary Mixed Use

City of Whitewater  
Tax Increment Finance District 7  
Mixed-Use



### Legend

-  City of Whitewater
-  Example New TID's



# TID 7

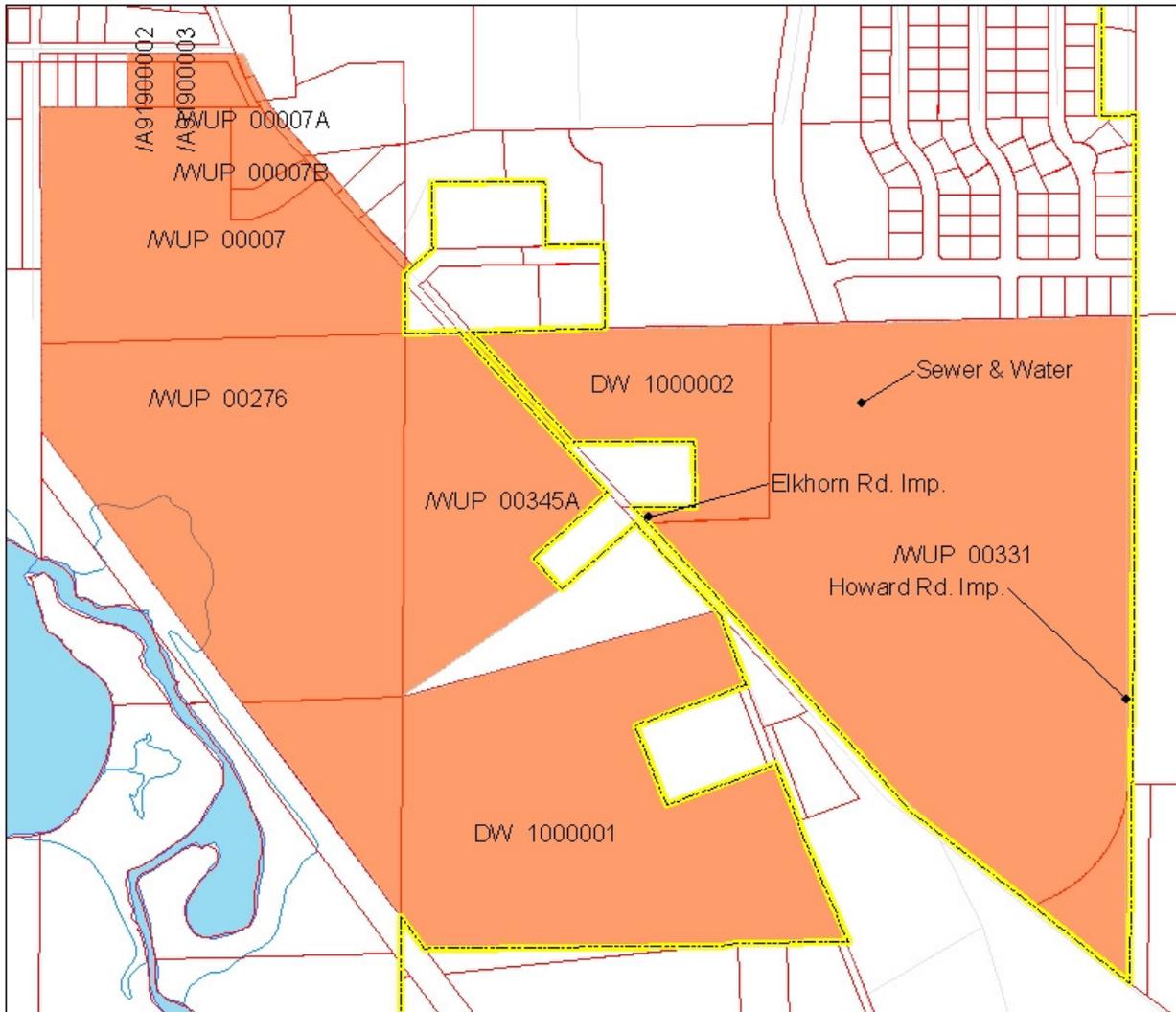
## District Expenditures

---

Street Construction, Improvements, Amenities & ROW Acquisition	\$ 3,600,000
Water and Sewer Extensions	457,000
Administration City/CDA	<u>500,000</u>
Total	\$4,557,000

# TID 7 District Boundary Proposed Improvements

City of Whitewater  
Tax Increment Finance District 7  
Mixed-Use



## Legend

-  City of Whitewater
-  Example New TID's



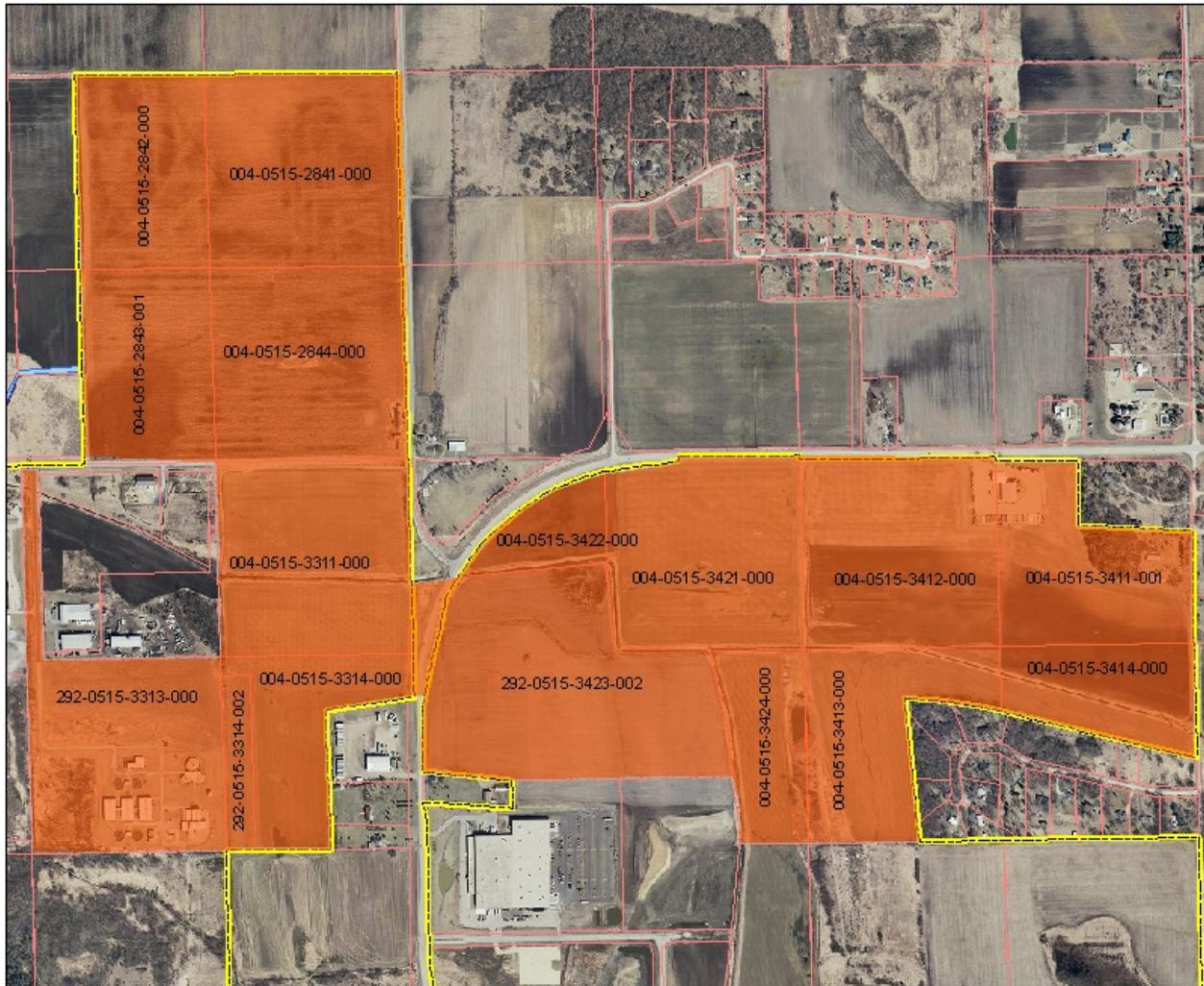
06.2007

Source Data: <http://webapps.co.wa.worth.wi.us/www/website/countysite/viewer.htm>



# TID 8 District Boundary Industrial

**City of Whitewater**  
Tax Increment Finance District 8  
Industrial



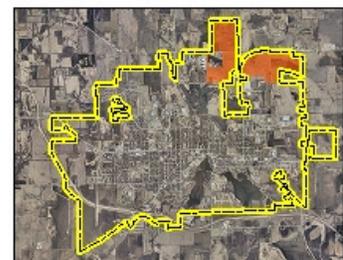
## Legend

-  Example New TID's
-  City of Whitewater



06.07.07

Data Source: <http://irs.co.jefferson.wi.us>



# TID 8

## District Expenditures

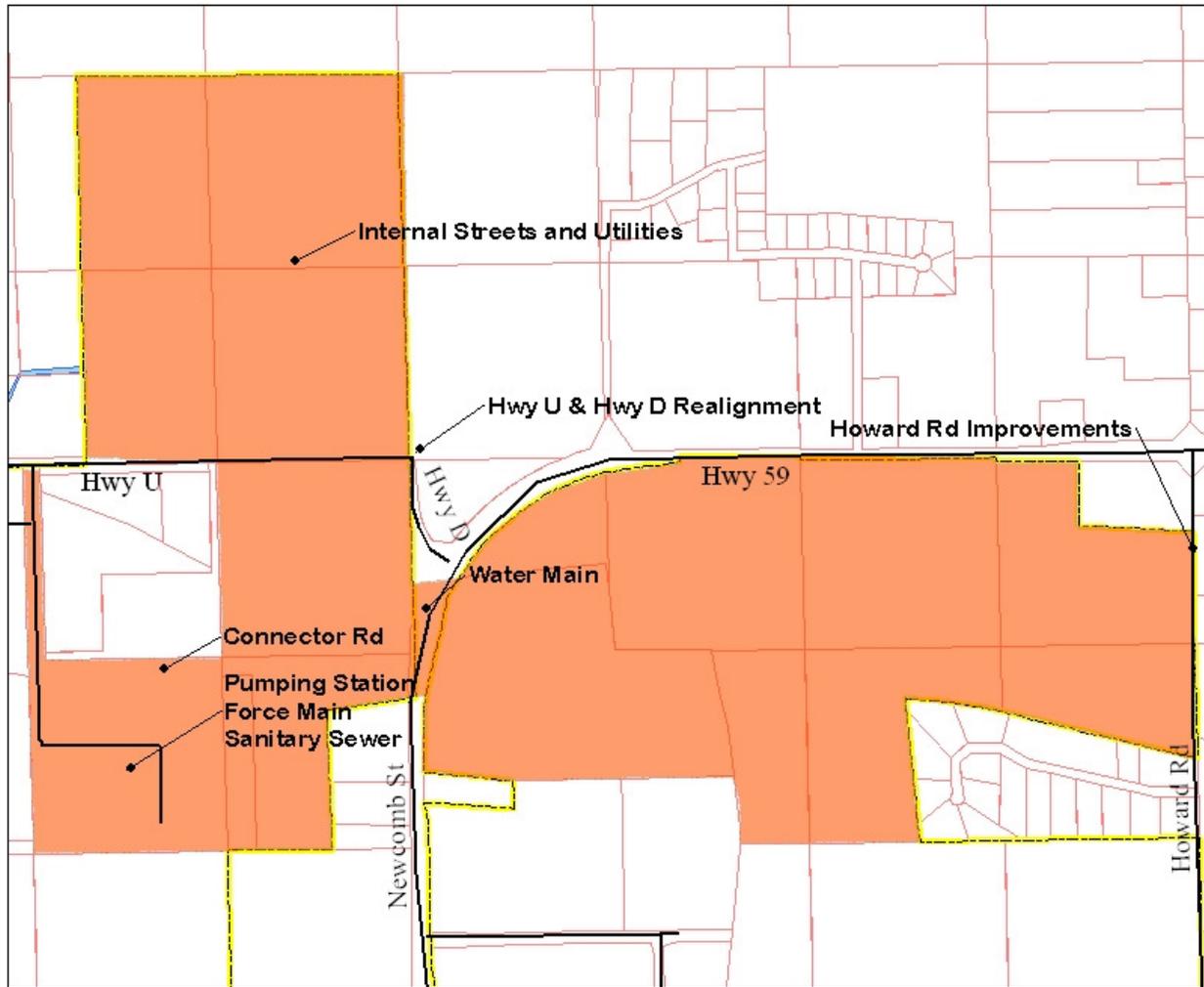
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Street Construction, Improvements, Amenities& ROW Acquisition	\$2,542,000
Water and Sanitary Sewer Extensions	1,290,000
Land Acquisition	4,560,000
Development Incentives	2,000,000
Site Grading/Development	400,000
Rail Spur Construction	200,000
Administration City/CDA	<u>500,000</u>
Total	\$11,292,000

# TID 8 District Boundary Proposed Improvements

## City of Whitewater

Tax Increment Finance District 8  
Industrial



1,250 625 0 1,250 Feet



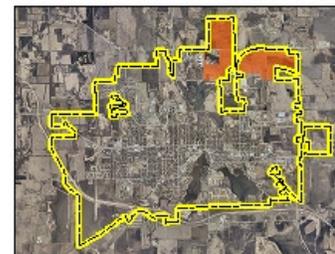
### Legend

-  Example New TID's
-  City of Whitewater



08.07.07

Data Source: <http://mrs.co.jefferson.wi.us>



# TID 9 District Boundary Industrial

City of Whitewater  
Tax Increment Finance District 9  
Industrial



530 265 0 530 Feet



## Legend

-  City of Whitewater
-  Example New TID's



06.07.07

Source Data: <http://webapps.co.walworth.wi.us/wwwwebsite/countysite/viewer.htm>



# TID 9

## District Expenditures

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Street Construction, Improvements and Amenities	\$ 2,525,000
Rail Spur Construction	200,000
Internal Streets and Utilities	2,625,000
Development Incentives	1,500,000
Land Acquisition	500,000
Administration City/CDA	<u>500,000</u>
Total	\$8,000,000

# TID 9 District Boundary Proposed Improvements

City of Whitewater  
Tax Increment Finance District 9  
Industrial



530 265 0 530 Feet



## Legend

- Railroads
- City of Whitewater
- Example New TID's



06.07.07

Source Data: <http://webapps.co.walworth.wi.us/www/website/county/site/viewer.htm>



# Development Agreements

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- Projects identified will provide the necessary anticipated governmental services to the proposed TID area. It is anticipated these improvements will be made in 2008 and in subsequent years. 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. In any event, all additional project costs are to be incurred within the period specified in Section 66.1106(6)(am) of the Wisconsin Statutes.
- **It is anticipated developer agreements between the City and property owners will be in place prior to any major public expenditure.** These agreements will provide for development guarantees or a payment in lieu of development. To further assure contract enforcement these agreements might include levying of special assessments against benefited properties.
- **The order in which public improvements are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective.**

**RESOLUTION NO. \_\_\_\_\_**

**COMMUNITY DEVELOPMENT AUTHORITY  
OF THE CITY OF WHITEWATER, WISCONSIN**

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**A RESOLUTION DESIGNATING THE BOUNDARIES AND  
ADOPTING A PROJECT PLAN FOR  
TAX INCREMENTAL DISTRICT NO. 5 OF THE CITY OF WHITEWATER,  
WISCONSIN, AND SUBMITTING RECOMMENDATIONS PERTAINING  
THERE TO TO THE COMMON COUNCIL FOR APPROVAL**

---

**WHEREAS**, the Common Council of the City of Whitewater, Wisconsin (the “Common Council” and the “City”, respectively) has determined that development containing a combination of industrial, commercial or residential uses in certain areas of the city is in the best interest of the City and will benefit the City by providing greater employment opportunities, broadening the property tax base, and relieving the tax burdens of residents and home owners in the City;

**WHEREAS**, under the provisions of Section 66.1105 of the Wisconsin Statutes, the City has the power to create tax incremental districts for the purpose of promoting mixed-use development as defined in Section 66.1105(2)(cm) of the Wisconsin Statutes (i.e., development that consists of a combination of industrial, commercial or residential uses, except that lands proposed for newly platted residential use, as shown in the project plan, may not exceed 35%, by area, of the real property within the district);

**WHEREAS**, under the provisions of Section 66.1105(4)(h)1. of the Wisconsin Statutes, the Community Development Authority of the City (the “CDA”) may, by resolution, adopt a project plan with respect to a proposed tax incremental district, subject to the approval of the Common Council and the joint review board convened pursuant to Section 66.1105(4m) of the Wisconsin Statutes;

**WHEREAS**, on May 29, 2007, the CDA held a public meeting with respect to the proposed creation of Tax Incremental District No. 5 of the City (the “District”) as a “mixed-use district,” caused the preparation of and conditionally adopted a proposed project plan for the District (the “Project Plan”), and established a date for a public hearing with respect to the creation and boundaries of the District and the proposed Project Plan;

**WHEREAS**, the Project Plan includes (a) a statement listing the kind, number and location of all proposed public works or improvements within the District, as amended; (b) an economic feasibility study; (c) a detailed list of estimated project costs; (d) a description of the methods of financing all estimated project costs and the time when the costs or monetary obligations related thereto are to be incurred; (e) a map showing existing uses and conditions of real property in the District; (f) a map showing

proposed improvements and uses in the District; (g) proposed changes in zoning ordinances, the City's master plan, map, building codes and City ordinances; (h) a list of estimated non-project costs; (i) a statement of the proposed method for the relocation of any persons being displaced; (j) a statement indicating how amendment of the District promotes orderly development of the City and (k) a legal opinion of an attorney retained by the City advising that the Project Plan is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes;

**WHEREAS**, on July 9, 2007, the CDA held a public hearing at which all interested parties were afforded a reasonable opportunity to express their views on the proposed creation of the District, the proposed boundaries of the District and the Project Plan; and

**WHEREAS**, pursuant to Sections 66.1105(4)(d) and (4)(f) of the Wisconsin Statutes, before the Common Council creates any tax incremental district, the CDA shall designate the boundaries and adopt the project plan for such district and shall submit its recommendations to the Common Council.

Now, therefore, **BE IT RESOLVED** by the CDA of the City of Whitewater, Wisconsin, as follows:

**Section 1. Adoption of the Project Plan.** The CDA hereby adopts the Project Plan for the District attached hereto as Exhibit A and incorporated herein by reference, and recommends the Project Plan to the Common Council for approval.

**Section 2. Designation of Boundaries.** The CDA hereby designates the boundaries set forth in the Project Plan as and for the boundaries of the District, and recommends such boundaries to the Common Council for approval.

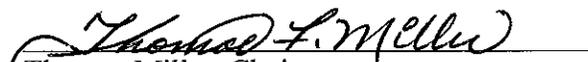
**Section 3. Submission of Recommendation to the Common Council.** The CDA hereby submits its recommendations regarding adoption of the Project Plan and designation of District boundaries to the Common Council for approval, and recommends that the Common Council approve the same pursuant to a resolution in the form attached hereto as Exhibit B.

**Section 4. Provision of Certified Copies of this Resolution.** The City Clerk is hereby authorized and directed to provide the City Manager and Common Council with certified copies of this Resolution upon its adoption by the CDA.

Resolution introduced by CDA member Allen, who approved its adoption. Seconded by CDA member Stanek.

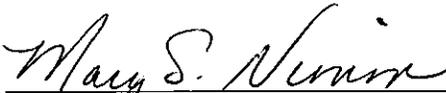
AYES: Allen, Hixson, Knight  
Marshall, Stanek, Stewart

NOES: None

  
Thomas Miller, Chairman

ABSENT: Miller

ADOPTED: **August 7, 2007**

  
\_\_\_\_\_  
Mary Nimm, CDA Coordinator

RESOLUTION NO.     n/a    

COMMON COUNCIL  
OF THE  
CITY OF WHITEWATER, WISCONSIN

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**A RESOLUTION CREATING TAX INCREMENTAL DISTRICT NO. 5  
OF THE CITY OF WHITEWATER, WISCONSIN,  
APPROVING THE BOUNDARIES AND PROJECT PLAN THEREFORE,  
AND MAKING CERTAIN FINDINGS WITH RESPECT THERETO**

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**WHEREAS**, the Common Council of the City of Whitewater, Wisconsin (hereinafter at times referred to as the “Common Council” or the “City”) has determined that development containing a combination of industrial, commercial or residential uses in certain areas of the City is in the best interest of the City and will benefit the City by providing greater employment opportunities, broadening the property tax base, and relieving the tax burdens of residents and home owners in the City;

**WHEREAS**, under the provisions of Section 66.1105 of the Wisconsin Statutes, the City has the power to create tax incremental districts for the purpose of promoting mixed-use development as defined in Section 66.1105(2)(cm) of the Wisconsin Statutes (i.e., development that consists of a combination of industrial, commercial or residential uses, except that lands proposed for newly platted residential use, as shown in the project plan, may not exceed 35%, by area, of the real property within the district);

**WHEREAS**, on July 9, 2007, the Community Development Authority of the City (the “CDA”) held a public hearing at which all interested parties were afforded a reasonable opportunity to express their views on the proposed creation of Tax Incremental District No. 5 in the City (the “District”), the proposed boundaries of the District, and the proposed project plan with respect to the District (the “Project Plan”);

**WHEREAS**, on August 7, 2007, the CDA adopted a resolution entitled “A Resolution Designating the Boundaries and Adopting a Project Plan for Tax Incremental District No. 5 of the City of Whitewater, Wisconsin, and Submitting Recommendations Pertaining Thereto to the Common Council for Approval” (the “Adopting Resolution”) designating the proposed boundaries of the District, adopting the Project Plan, recommending the boundaries and Project Plan, and submitting such recommendation to this Common Council for approval;

**WHEREAS**, the Project Plan includes (a) a statement listing the kind, number and location of all proposed public works or improvements within the District, as amended; (b) an economic feasibility study; (c) a detailed list of estimated project costs; (d) a description of the methods of financing all estimated project costs and the time

when the costs or monetary obligations related thereto are to be incurred; (e) a map showing existing uses and conditions of real property in the District; (f) a map showing proposed improvements and uses in the District; (g) proposed changes in zoning ordinances, the City's master plan, map, building codes and City ordinances; (h) a list of estimated non-project costs; (i) a statement of the proposed method for the relocation of any persons being displaced; (j) a statement indicating how the District promotes orderly development of the City and (k) a legal opinion of an attorney retained by the City advising that the Project Plan is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes; and

**WHEREAS**, the Project Plan (including the District boundaries identified therein) and certified copies of the Adopting Resolution have been presented to this Common Council and reviewed by City staff and counsel to the City.

Now, therefore, **BE IT RESOLVED** by the Common Council of the City of Whitewater, Wisconsin, that:

**Section 1. Creation of Tax Incremental District.** For the purpose of promoting mixed-use development in the City, a tax incremental district (the "District") is created in the City as of August 7, 2007, pursuant to Section 66.1105 of the Wisconsin Statutes.

**Section 2. Name of the District.** For identification purposes, the District is assigned the name "Tax Incremental District Number 5, City of Whitewater, Wisconsin."

**Section 3. Approval of District Boundaries.** The boundaries of the District described on the map attached as Appendix A hereto and incorporated herein by this reference are hereby approved. Such boundaries include only whole units of property as are assessed for general property tax purposes.

**Section 4. Approval of the Project Plan.** The Project Plan prepared and recommended to this Common Council by the CDA is hereby approved as the project plan of the District.

**Section 5. Findings with Respect to the District.** The Common Council makes the following findings with respect to the District:

- (a) Not less than 50%, by area, of the real property within the District is suitable for "mixed-use development" within the meaning of Section 66.1105(2)(cm) of the Wisconsin Statutes.
- (b) The improvement of the area of the District which is suitable for mixed-use development is likely to enhance significantly the value of substantially all of the other real property in the District.

- (c) The project costs included in the Project Plan for the District directly serve to promote mixed-use development in the City, consistent with the purpose for which the District is created.
- (d) The equalized value of taxable property of the District, plus the value increment of all existing districts in the City, does not exceed 12% of the total equalized value of taxable property within the City. The determination of equalized value of taxable property for these purposes shall be based on the most recent equalized value of taxable property of the District that is reported under Section 70.57(1m) of the Wisconsin Statutes before the date on which this Resolution is adopted.
- (e) Based on the information set forth herein, the Project Plan is feasible and in conformity with the master plan of the City.

**Section 6. Declaration with Respect to the District.** The Common Council hereby declares that the District is a “mixed-use district” based on the identification and classification of the property included within the District.

**Section 7. Newly Platted Residential Use.** Lands within the District proposed for newly platted residential use, as shown in the Project Plan, do not exceed 35%, by area, of the real property within the District. Project costs included in the Project Plan include expenditures made or estimated to be made or monetary obligations incurred or estimated to be incurred by the City only for newly platted residential development to which one of the following applies:

- (a) The density of the residential housing is at least 3 units per acre;
- (b) The residential housing is located in a conservation subdivision, as defined in Section 66.1027(1)(a) of the Wisconsin Statutes; or
- (c) The residential housing is located in a traditional neighborhood development, as defined in Section 66.1027(1)(c) of the Wisconsin Statutes.

**Section 8. Inclusion of Annexed Territory Within District Boundaries: Pledge of Payments with Respect Thereto.** The boundaries of the District include certain annexed territory, to wit: territory commonly known as the “DLK, Stanton, Tincher annexation” (the “Annexed Territory”), which was annexed from the Town of Whitewater, Wisconsin, and the Town of Cold Spring (the “Towns”) pursuant to and as further described in an Annexation Ordinance heretofore adopted by the Common Council. Such Annexed Territory that was not within the boundaries of the City on January 1, 2004, and less than three years has elapsed since the annexation of the Annexed Territory. Pursuant to Section 66.1105(4)(gm) of the Wisconsin Statutes, the City hereby confirms its pledge to pay the Towns an amount equal to the property taxes

levied on the Annexed Territory by the Towns at the time of the annexation of each of the next five years.

Resolution introduced by Councilmember Stewart, who approved its adoption. Seconded by Councilmember Hixson.

AYES: Stauffer, Taylor, Nosek, Hixson,  
Singer, Kienbaum, Stewart

NOES: None

ABSENT: None

ADOPTED: August 7, 2007

Kevin Brunner  
Kevin Brunner, City Manager

Michele R. Smith  
Michele R. Smith, City Clerk

**Whitewater Proposed Tax Incremental Finance Districts  
No. 5, No. 6, No. 7 and No. 9 Joint Review Board  
Walworth County  
Wednesday – August 8, 2007, 9:00 a.m.  
Whitewater Municipal Center Lakefront Conference Room (2<sup>nd</sup> Floor)  
312 W. Whitewater Street, Whitewater, WI 53190**

**DRAFT MINUTES**

**1. Call to Order and Roll Call**

The beginning of the meeting was delayed until 9:25 am. The meeting was then called to order by Chair Dan McCrea (Whitewater Unified School District). Members present: Dean Fischer (City of Whitewater), Dan McCrea (Whitewater Unified School District), Mark Zlevor (Gateway Technical College), Jessica Lanser (Walworth County) and Rick Gilpatrick (citizen member). Others present: Kevin Brunner (City Manager), Mary Nimm (Community Development Authority Coordinator) and Clare Peterchak (Robert W. Baird & Company City Financial Advisors), City Council Members Jim Stewart and Marilyn Kienbaum.

**2. Approval of the June 27, 2007 Minutes**

It was moved by Zlevor, seconded by Fischer to approved the June 27, 2007 minutes of the Joint Review Board. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**3. Review the public records, planning documents, Community Development Authority resolutions adopting project plans for TID's 5, 6, 7 & 9, and resolutions passed by the City Council approving the project plans for TID's 5, 6, 7 & 9.**

City Manager Brunner reviewed the public hearing comments that were received regarding these four proposed districts at the July 9 public hearing. Brunner indicated that comments were received from Dan Kilkenny, Walworth County Board Supervisor from Delavan, who is opposed to the creation of these TID Districts as well as from Whitewater City Council member Dr. Roy Nosek who raised a number of concerns regarding the creation of these districts. The concerns raised revolved around the "but for" test as required by State Statute and whether or not the creation of five of these districts was needed to stimulate private investment in the City of Whitewater.

Brunner also informed the Joint Review Board that both the Community Development Authority and the Whitewater City Council have approved the project plans for Whitewater TIDs No. 5, 6, 7 & 9 as well as resolutions recommending creation of proposed TID's No. 5, 6, 7 & 9 to the Joint Review Board.

**4. Consideration of Resolution of the Joint Review Board approving the creation of Tax Incremental District No. 5 of the City of Whitewater, Wisconsin.**

It was moved by Fischer and seconded by Zlevor to approve a resolution creating Whitewater Tax Incremental District No. 5 and its proposed project plan. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**5. Consideration of Resolution of the Joint Review Board approving the creation of Tax Incremental District No. 6 of the City of Whitewater, Wisconsin.**

It was moved by Zlevor and seconded by Lanser to approve a resolution creating Whitewater Tax Incremental District No. 6 as well as its proposed project plan. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**6. Consideration of Resolution of the Joint Review Board approving the creation of Tax Incremental District No. 7 of the City of Whitewater, Wisconsin.**

It was moved by Gilpatrick and seconded by Fischer to approve a resolution creating proposed Whitewater Tax Incremental District No. 7 and its proposed project plan. Ayes: Fischer, McCrea, Zlevor and Gilpatrick. Noes: Lanser.

**7. Consideration of Resolution of the Joint Review Board approving the creation of Tax Incremental District No. 9 of the City of Whitewater, Wisconsin.**

It was moved by Fischer and seconded by Gilpatrick to approve a resolution creating Whitewater Tax Incremental District No. 9 and its proposed project plan. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**8. Consideration to Disband**

It was moved by Zlevor and seconded by Fischer to disband the Joint Review Board for Whitewater Tax Incremental Districts No. 5, 6, 7 and 9. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**9. Adjourn**

It was then moved by Lanser and seconded by Zlevor to adjourn. The meeting adjourned at 10:25 a.m.

**Whitewater Proposed Tax Incremental Finance Districts  
No. 5, No. 6, No. 7 and No. 9 Joint Review Board  
Walworth County  
Wednesday – August 8, 2007, 9:00 a.m.  
Whitewater Municipal Center Lakefront Conference Room (2<sup>nd</sup> Floor)  
312 W. Whitewater Street, Whitewater, WI 53190**

**DRAFT MINUTES**

**1. Call to Order and Roll Call**

The beginning of the meeting was delayed until 9:25 am. The meeting was then called to order by Chair Dan McCrea (Whitewater Unified School District). Members present: Dean Fischer (City of Whitewater), Dan McCrea (Whitewater Unified School District), Mark Zlevor (Gateway Technical College), Jessica Lanser (Walworth County) and Rick Gilpatrick (citizen member). Others present: Kevin Brunner (City Manager), Mary Nimm (Community Development Authority Coordinator) and Clare Peterchak (Robert W. Baird & Company City Financial Advisors), City Council Members Jim Stewart and Marilyn Kienbaum.

**2. Approval of the June 27, 2007 Minutes**

It was moved by Zlevor, seconded by Fischer to approved the June 27, 2007 minutes of the Joint Review Board. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**3. Review the public records, planning documents, Community Development Authority resolutions adopting project plans for TID's 5, 6, 7 & 9, and resolutions passed by the City Council approving the project plans for TID's 5, 6, 7 & 9.**

City Manager Brunner reviewed the public hearing comments that were received regarding these four proposed districts at the July 9 public hearing. Brunner indicated that comments were received from Dan Kilkenny, Walworth County Board Supervisor from Delavan, who is opposed to the creation of these TID Districts as well as from Whitewater City Council member Dr. Roy Nosek who raised a number of concerns regarding the creation of these districts. The concerns raised revolved around the "but for" test as required by State Statute and whether or not the creation of five of these districts was needed to stimulate private investment in the City of Whitewater.

Brunner also informed the Joint Review Board that both the Community Development Authority and the Whitewater City Council have approved the project plans for Whitewater TIDs No. 5, 6, 7 & 9 as well as resolutions recommending creation of proposed TID's No. 5, 6, 7 & 9 to the Joint Review Board.

**4. Consideration of Resolution of the Joint Review Board approving the creation of Tax Incremental District No. 5 of the City of Whitewater, Wisconsin.**

It was moved by Fischer and seconded by Zlevor to approve a resolution creating Whitewater Tax Incremental District No. 5 and its proposed project plan. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**5. Consideration of Resolution of the Joint Review Board approving the creation of Tax Incremental District No. 6 of the City of Whitewater, Wisconsin.**

It was moved by Zlevor and seconded by Lanser to approve a resolution creating Whitewater Tax Incremental District No. 6 as well as its proposed project plan. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**6. Consideration of Resolution of the Joint Review Board approving the creation of Tax Incremental District No. 7 of the City of Whitewater, Wisconsin.**

It was moved by Gilpatrick and seconded by Fischer to approve a resolution creating proposed Whitewater Tax Incremental District No. 7 and its proposed project plan. Ayes: Fischer, McCrea, Zlevor and Gilpatrick. Noes: Lanser.

**7. Consideration of Resolution of the Joint Review Board approving the creation of Tax Incremental District No. 9 of the City of Whitewater, Wisconsin.**

It was moved by Fischer and seconded by Gilpatrick to approve a resolution creating Whitewater Tax Incremental District No. 9 and its proposed project plan. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**8. Consideration to Disband**

It was moved by Zlevor and seconded by Fischer to disband the Joint Review Board for Whitewater Tax Incremental Districts No. 5, 6, 7 and 9. Ayes: Fischer, McCrea, Zlevor, Lanser and Gilpatrick. Noes: None.

**9. Adjourn**

It was then moved by Lanser and seconded by Zlevor to adjourn. The meeting adjourned at 10:25 a.m.

**RESOLUTION NO.**

**JOINT REVIEW BOARD  
OF THE CITY OF WHITEWATER, WISCONSIN**

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**A RESOLUTION OF THE JOINT REVIEW BOARD APPROVING THE  
CREATION OF TAX INCREMENTAL DISTRICT NO. 5  
OF THE CITY OF WHITEWATER, WISCONSIN**

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**WHEREAS**, on August 7, 2007, the Common Council of the City of Whitewater, Wisconsin (the "City") adopted a resolution entitled: "A Resolution Creating Tax Incremental District No. 5 of the City of Whitewater, Wisconsin, Approving the Boundaries and Project Plan Therefore, and Making Certain Findings with Respect Thereto" (the "Resolution") creating Tax Incremental District No. 5, City of Whitewater, Wisconsin (the "District") pursuant to Section 66.1105(4)(gm)1. of the Wisconsin Statutes;

**WHEREAS**, this Joint Review Board, which was convened pursuant to Section 66.1105(4m) of the Wisconsin Statutes, has reviewed the Resolution, the project plan for the District, the information and projections provided by the City pursuant to Section 66.1105(4)(i) of the Wisconsin Statutes and the public record and planning documents relating to the District; and

**WHEREAS**, this Joint Review Board has considered the criteria set forth in Section 66.1105(4m)(c)1. of the Wisconsin Statutes and has determined that:

- (a) The development expected in the District would not occur without the use of tax incremental financing;
- (b) The economic benefits of 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 the District;
- (c) The benefits of the Project Plan outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing district; and
- (d) In its judgment, the development described in the documents with respect to the District described above would not occur with the creation of the District.

Now, therefore, **BE IT RESOLVED** that this Joint Review Board approves the Resolution and the creation of Tax Incremental District No. 5, City of Whitewater, Wisconsin.

Adopted this 8<sup>th</sup> day of August, 2007.



Dan McCrea, Chairperson- Joint Review Board