

May 18, 2023

PROJECT PLAN AMENDMENT

Village of Elm Grove, Wisconsin

Tax Incremental District No. 2



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	May 1, 2023
Public Hearing Held:	May 1, 2023
Approval by Plan Commission:	May 1, 2023
Adoption by Village Board:	May 23, 2023
Approval by the Joint Review Board:	Scheduled for June 19, 2023

TABLE OF CONTENTS

Executive Summary	3
Map of Current District Boundary	7
Map Showing Existing Uses and Conditions.....	9
Equalized Value Test.....	9
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District	9
Map Showing Proposed Improvements and Uses.....	14
Detailed List of Estimated Project Costs.....	17
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred.....	18
Annexed Property	23
Estimate of Property to be Devoted to Retail Business	23
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and Village Ordinances	23
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	24
How Amendment of the Tax Incremental District Promotes the Orderly Development of the Village.....	24
List of Estimated Non-Project Costs.....	24
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f).....	26
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions.....	27

SECTION 1:

Executive Summary

Description of District

Tax Incremental District (“TID”) No. 2 (“District”) is an 89-acre blighted area district created on April 27, 2004. The District was created to:

- Reduce blight through the reduction of the Underwood Creek floodplain and promotion of private investment within the District.
- Fund a portion of the Underwood Creek Flood Management Project intended to reduce the 100-year floodplain and the threat of repeated flooding.

The District was previously amended on September 25, 2012, to allow for the undertaking of additional project costs including watermain improvements to serve an assisted family living facility, a related development incentive, and project costs to be incurred outside of, but within ½ mile of the boundaries of the District.

Purpose of Amendment

The purpose of this amendment, referred to hereafter as the Plan, the Amendment, or the Plan Amendment, is to amend the categories, locations, or costs of project costs to be made as permitted under Wis. Stat. § 66.1105(4)(h)1. (“Project”). More specifically, the cost to daylight Underwood Creek will be added as an eligible Project Cost. In 2003, the Village began the Underwood Creek Flood Management project to reduce the risk of flooding in Downtown Elm Grove during large scale rain events. The Flood Management project, implemented as part of the District’s original Plan, was successfully tested during a heavy rainstorm in June 2008 and several times since, during which no overland flooding of any downtown structures occurred.

While daylighting the section of Underwood Creek that currently flows beneath the Park & Shop parking lot and the Sendik’s building was evaluated during preliminary engineering, it was not included in the final recommended design plans of the Flood Management Project. The Wisconsin Department of Natural Resources (WDNR), as a condition of the permit issued for the Flood Management Project, required the Village to actively pursue funding to accomplish the future daylighting of Underwood Creek, as they determined it to be a previously unpermitted structure and therefore not eligible for future repairs.



Underwood Creek Box Culvert Existing Conditions (2018)

Along with grant funding and cash contributions from the Storm Water Fund, incremental taxes from the District will be required to make the Project financially feasible. Once completed, the project will create a lasting impact not only on the ecology of the regional watershed but will also enhance the downtown corridor by providing greater recreational and leisure amenities for Elm Grove residents.

Estimated Total Project Cost Expenditures

The Project Plan, as previously amended, included total estimated Project Costs of \$8,089,533, excluding interest expense associated with repayment of long-term debt and advances. Under this Amendment, total estimated Project Costs will increase by \$5,986,456, bringing total costs anticipated to be incurred to \$14,075,989. The primary additional expenditure is an estimated \$4.5 million needed to daylight Underwood Creek. Other remaining expenditures include financing costs (\$115,700), administrative expense (\$83,713) and remaining payments on the MSP/Heritage development incentive (\$165,075). For consistency with the original Plan, costs added by this Amendment exclude

estimated interest expense the Village will incur on the debt that will be issued to fund the Underwood Creek project.

Incremental Valuation

For purpose of this Amendment, the Village is not projecting that an increase in District incremental value will result from the Project. Undertaking the Project will, however, eliminate a blighting influence in the District which may serve to maintain property values, provide the potential for economic appreciation, and encourage reinvestment in or redevelopment of property in areas adjacent or near the Project area.

Expected Termination of District

Concurrent with this Amendment, the Village is requesting that the Joint Review Board extend the life of the District for three years as permitted by Wis. Stat. § 66.1105(7)(am)4. The Village has determined that the extension is necessary to permit the Project to proceed and to recover the associated costs. Based on the Economic Feasibility Study located within Section 9 of this Plan, the District would be expected to close in 2034, the final year of the extension period.

Summary of Findings

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

1. That “but for” amendment of the District, the Project will not occur. As an unpermitted structure, the box culvert located under the parking lot cannot be replaced or rehabilitated. The Village was directed by WDNR in the permit issued for the Flood Management Project to actively pursue funding to accomplish the daylighting project. The Village has obtained grants to pay a portion of the cost of the Project and will use Storm Water Funds to service a portion of the debt to be issued. The Village does not have funding available to pay the entire cost of the Project, and but for this Amendment and the use of tax incremental revenues from the District, the Project will not occur in the manner or timeframe desired by the Village.
2. 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. The Project will eliminate a blighting influence and improve the Downtown area. In addition to the ecological benefits, an attractive downtown promotes creation and retention of retail sector jobs, generates business and personal income associated with retail and service business activities, and promotes maintenance of and potential increases in property values. Construction of

the Project will also provide shorter term economic benefit in the region in the form of wages paid to construction workers, and the purchase of materials and supplies.

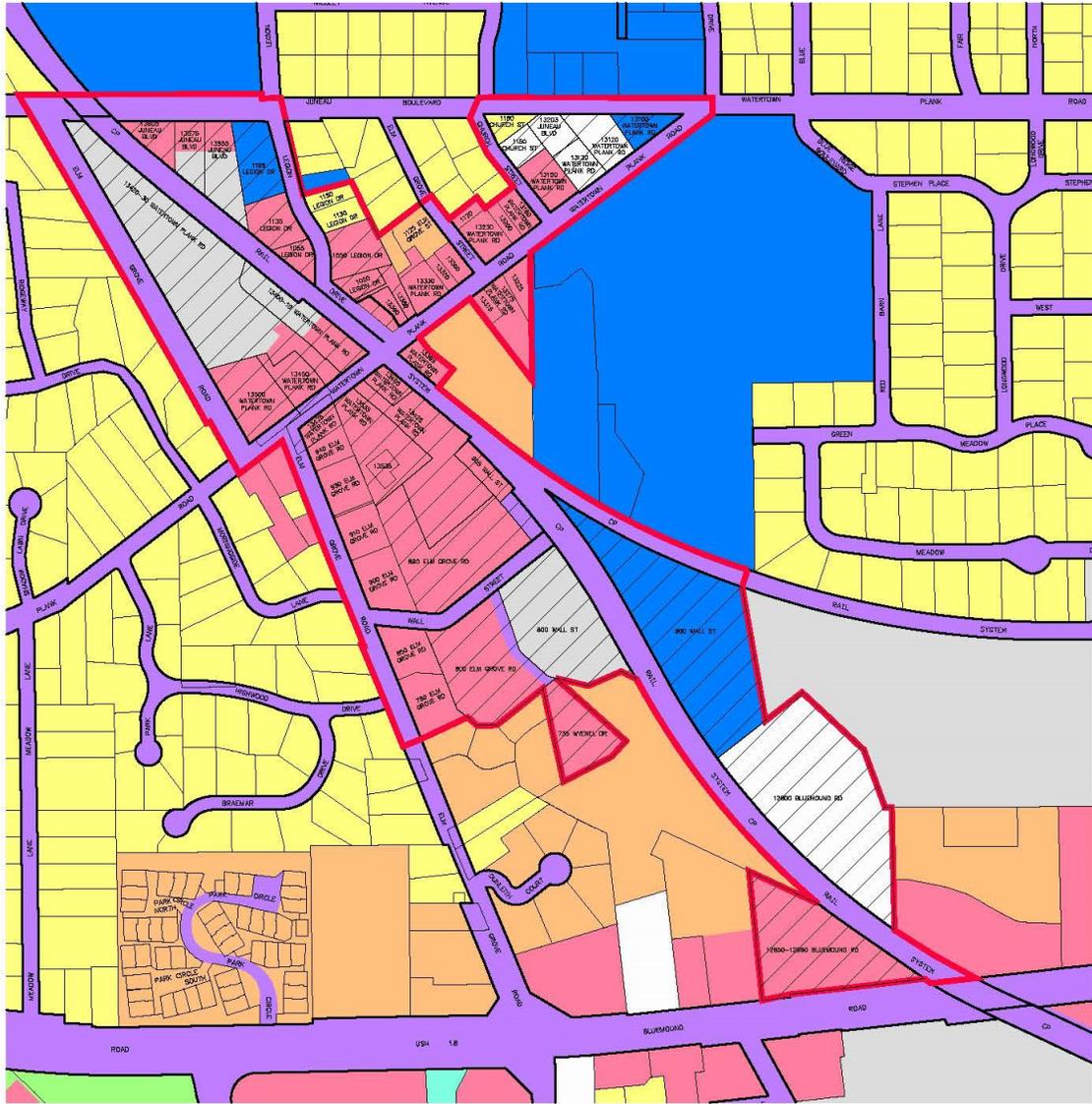
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. The benefits of the Project as noted in paragraph 2. will accrue to the taxpayers of all taxing jurisdictions. The Village believes these benefits outweigh the cost of the tax increments that will be utilized to pay the cost of the Project.
4. The boundaries of the District are not being amended.
5. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District was created.
6. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
7. The Plan for the District is feasible and is in conformity with the Master Plan of the Village.
8. The Village estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).

SECTION 2: Map of Current District Boundary

A map identifying the current boundaries of the District is found on the following page. The District's boundaries are not being amended. Two of the parcels located in the District (EGV 1106958 and EGV 1106973) were overlaid by Tax Incremental District No. 3 as of January 1, 2023.

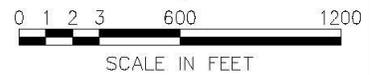
TAX INCREMENTAL DISTRICT NO. 2 BOUNDARY

VILLAGE OF ELM GROVE WAUKESHA COUNTY, WISCONSIN



LEGEND

- TIF DISTRICT
- TRANSPORTATION
- OPEN LANDS
- COMMERCIAL
- GOVERNMENT & INSTITUTIONAL
- INDUSTRIAL
- SINGLE-FAMILY RESIDENTIAL
- MULTI-FAMILY RESIDENTIAL
- BLIGHTED PARCELS



Apr. 22, 2004 12:04pm
 I:\ACAD_DWG\3892057\TIF--DISTRICT.dwg LAND USE
 IMAGES: G:\STM\elm_grove_logo.tif
 XREFS: I:\ACAD_DWG\3892057\BlightedParcels.dwg

SOURCE: WAUKESHA COUNTY PARKS AND LAND USE



SECTION 3:

Map Showing Existing Uses and Conditions

The District's boundaries are not being amended. The "Map Showing Existing Uses and Conditions" included within the District's original Project Plan dated April 27, 2004, remains unchanged and is incorporated by reference as part of this Plan Amendment.

SECTION 4:

Equalized Value Test

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

SECTION 5:

Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments, or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory 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, design and construction is completed. With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number, and location of potential Project Costs.

The “Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District” included in the District’s amended Project Plan dated September 25, 2012, remains unchanged but is restated in this Section reflecting the types of projects that will, or may need to, be undertaken through the remaining expenditure period.

Property, Right-of-Way, and Easement Acquisition

Property Acquisition for Conservancy

To promote the objectives of this Plan, the Village may acquire property within the District that it will designate for conservancy. These conservancy objectives include preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The Village may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The Village may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate, and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include but are not limited to preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

Site Preparation Activities

Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the Village related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the Village may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

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

Utilities

Stormwater Management System Improvements

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the Village may need to construct, alter, rebuild, or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and riverbanks; and infiltration, filtration, and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild, or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Electric Service

To create sites suitable for development, the Village may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the Village to undertake this work are eligible Project Costs.

Gas Service

To create sites suitable for development, the Village may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the Village to undertake this work are eligible Project Costs.

Communications Infrastructure

To create sites suitable for development, the Village may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to telephone lines, cable lines and fiber optic cable. Costs incurred by the Village to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

To allow development to occur, the Village may need to construct or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping and Landscaping

To attract development consistent with the objectives of this Plan, the Village may install amenities to enhance development sites, rights-of-way, and other public spaces. These amenities include but are not limited to landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces, and street crossings.

These and any other similar amenities installed by the Village are eligible Project Costs.

Miscellaneous

Projects Outside the Tax Increment District

Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the Village may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the Village's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District. The Village intends to make the following project cost expenditures outside the District: Stormwater/Flood Mitigation.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to architectural; environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

The Village may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by Village employees relating to the implementation of the Plan.

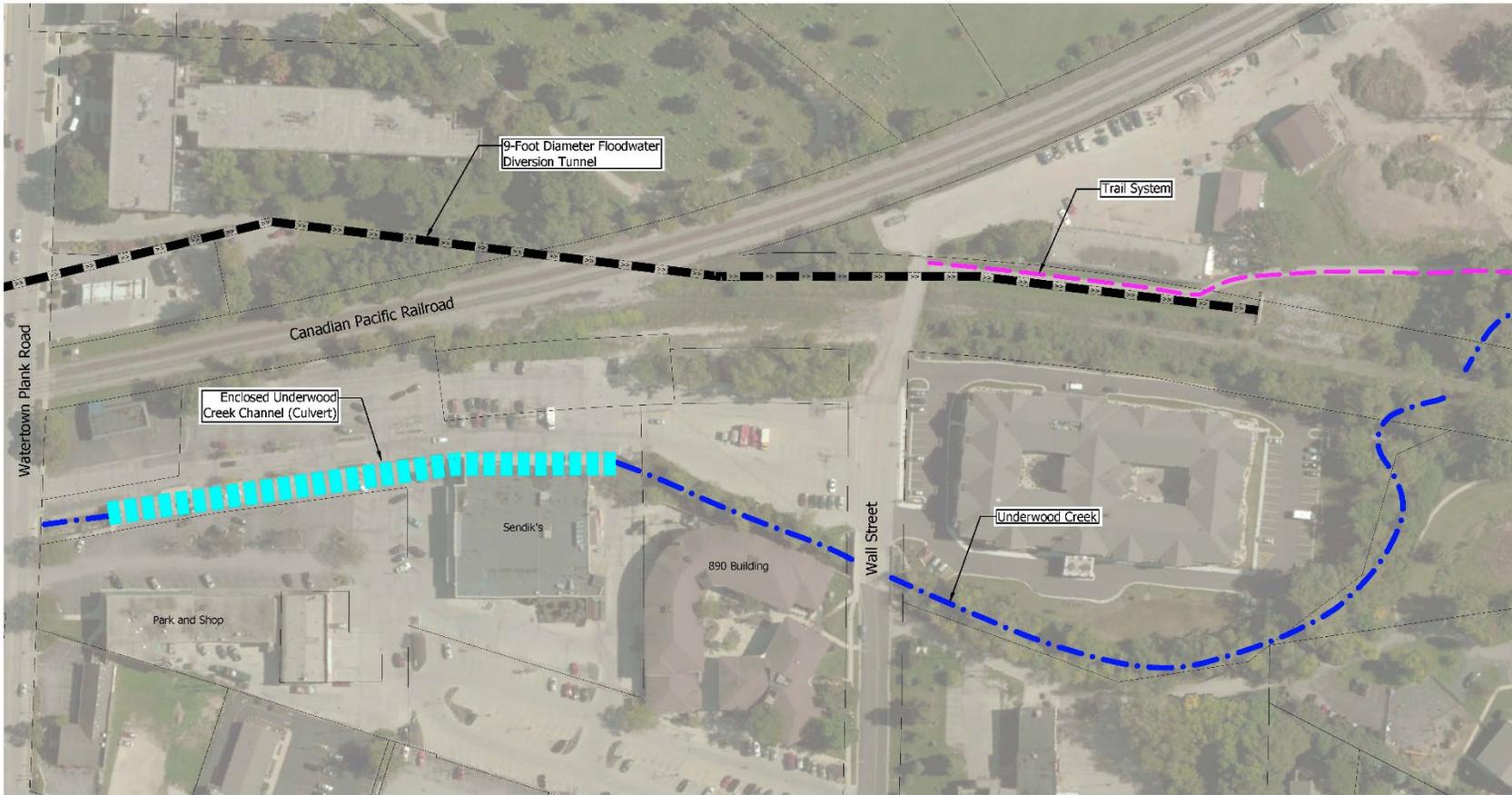
Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

SECTION 6:

Map Showing Proposed Improvements and Uses

The District's boundaries are not being amended. The "Map Showing Proposed Improvements and Uses" included within the District's original Project Plan dated April 27, 2004, is incorporated by reference as part of this Plan Amendment. The maps found on the following page provide additional detail as to the stormwater management project to be undertaken as part of this Plan Amendment.



Underwood Creek Daylighting
Downtown Area Existing Conditions
 Village of Elm Grove



Exhibit 1



Underwood Creek Daylighting
New Channel Alignment
 Village of Elm Grove

- Legend
- Underwood Creek
 - Underwood Creek - Channel Side Slope
 - Green Space
 - 12 ft Wide Pedestrian Path
 - Channel Corridor Limits
 - Retaining Walls

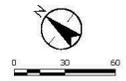


Exhibit 2

SECTION 7: Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the Village has made, expects to make, or may need to make in conjunction with the implementation of the District’s Plan or this Plan Amendment. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan Amendment. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

Village of Elm Grove, Wisconsin						
Tax Increment District #2						
Estimated Project Costs ¹						
Project Name/Type	Current Project Plan				Proposed Amendment	
	Estimated Project Costs ²	Actual Thru 12/31/14 Per Audit	Estimated 2015 - 2022	Estimated Actual Costs to 12/31/2022	Additional Project Costs	Projected Total Costs as Amended
1 Flood Management ³	4,884,058	6,190,537		6,190,537	4,500,000	10,690,537
2 Watermain & Laterals	800,000	950,467	997,128	1,947,595		1,947,595
3 Development Incentives	1,367,975	347,003	453,009	800,012	165,075	965,087
4 Administration	100,000	60,639	44,976	105,615	83,713	189,328
5 Debt Issuance & Finance Costs	937,500	167,741		167,741	115,700	283,441
Total Projects	8,089,533	7,716,387	1,495,114	9,211,501	4,864,488	14,075,989

Notes:

¹Cost estimates exclude interest expense on long-term debt issued to finance Project Costs, and interest accrued on advances from other Village funds.

²Categories and totals reflecting estimated Project Costs, including costs added through the 2012 amendment, taken from Tax Incremental Financing District #2 audit report dated December 31, 2014.

³Includes property acquisition & easements, planning and engineering.

SECTION 8:
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes an updated forecast of the projected financial performance of the District to include tax increment collections, a summary of how remaining Project Costs would be financed, and a projected cash flow demonstrating that the District remains economically feasible.

Key Assumptions

Table 1 identifies the annual Wisconsin Department of Revenue certified changes in value since the District’s creation, through January 1, 2022. As of that date, the District’s value had increased \$42.6 million over its base.

For purpose of this Amendment, the Village is not projecting that an increase in District incremental value will result from the Project. Undertaking the Project will, however, eliminate a blighting influence in the District which may serve to maintain property values, provide the potential for economic appreciation, and encourage reinvestment in or redevelopment of property in areas adjacent or near the Project area.

Assuming the Village’s current equalized TID Interim tax rate of \$14.48 per thousand of equalized value, and no economic appreciation or depreciation, the District is projected to generate a total of \$15 million in incremental value over its remaining life to include an assumed three-year extension. **Table 2** identifies historic and projected tax increment collections.

Village of Elm Grove, Wisconsin

Tax Increment District #2

Development Assumptions

Construction Year		Actual	Projected	Annual Total	Construction Year	
1	2004	1,701,000		1,701,000	2004	1
2	2005	4,075,100		4,075,100	2005	2
3	2006	6,703,900		6,703,900	2006	3
4	2007	7,626,300		7,626,300	2007	4
5	2008	5,085,300		5,085,300	2008	5
6	2009	(3,390,600)		(3,390,600)	2009	6
7	2010	(4,368,000)		(4,368,000)	2010	7
8	2011	6,072,500		6,072,500	2011	8
9	2012	(2,444,300)		(2,444,300)	2012	9
10	2013	2,986,300		2,986,300	2013	10
11	2014	2,293,100		2,293,100	2014	11
12	2015	11,475,100		11,475,100	2015	12
13	2016	(4,519,100)		(4,519,100)	2016	13
14	2017	401,900		401,900	2017	14
15	2018	1,940,500		1,940,500	2018	15
16	2019	(2,170,900)		(2,170,900)	2019	16
17	2020	3,517,400		3,517,400	2020	17
18	2021	5,618,700		5,618,700	2021	18
19	2022			0	2022	19
20	2023			0	2023	20
21	2024			0	2024	21
22	2025			0	2025	22
23	2026			0	2026	23
24	2027			0	2027	24
25	2028			0	2028	25
26	2029			0	2029	26
27	2030			0	2030	27
28	2031			0	2031	28
29	2032			0	2032	29
Totals		42,604,200	0	42,604,200		

Requested Maximum Life Extension (Technical College Extension)

Table 1 - Development Assumptions

Village of Elm Grove, Wisconsin

Tax Increment District #2

Tax Increment Projection Worksheet

Type of District	Blighted Area	Base Value	33,435,800
District Creation Date	April 27, 2004	Appreciation Factor	0.00%
Valuation Date	Jan 1, 2004	Base Tax Rate	\$14.48
Max Life (Years)	27	Rate Adjustment Factor	
Expenditure Period/Termination	22 4/27/2026		
Revenue Periods/Final Year	26 2031		
Extension Eligibility/Years	Yes 7		
Eligible Recipient District	Yes		

Construction		Valuation	Inflation	Total	Revenue	Tax		
Year	Value Added	Year	Increment	Increment	Year	Tax Rate ¹	Increment	
1	2004	1,701,000	2005	0	1,701,000	2006	\$18.88	32,116
2	2005	4,075,100	2006	0	5,776,100	2007	\$18.47	106,706
3	2006	6,703,900	2007	0	12,480,000	2008	\$17.56	224,156
4	2007	7,626,300	2008	0	20,106,300	2009	\$18.34	368,867
5	2008	5,085,300	2009	0	25,191,600	2010	\$18.55	477,472
6	2009	-3,390,600	2010	0	21,801,000	2011	\$20.08	437,809
7	2010	-4,368,000	2011	0	17,433,000	2012	\$19.59	341,594
8	2011	6,072,500	2012	0	23,505,500	2013	\$20.22	475,181
9	2012	-2,444,300	2013	0	21,061,200	2014	\$20.67	435,349
10	2013	2,986,300	2014	0	24,047,500	2015	\$18.95	455,763
11	2014	2,293,100	2015	0	26,340,600	2016	\$18.86	496,909
12	2015	11,475,100	2016	0	37,815,700	2017	\$18.46	698,151
13	2016	-4,519,100	2017	0	33,296,600	2018	\$18.52	616,239
14	2017	401,900	2018	0	33,698,500	2019	\$18.10	610,076
15	2018	1,940,500	2019	0	35,639,000	2020	\$17.82	634,947
16	2019	-2,170,900	2020	0	33,468,100	2021	\$17.88	598,530
17	2020	3,517,400	2021	0	36,985,500	2022	\$16.88	624,315
18	2021	5,618,700	2022	0	42,604,200	2023	\$14.48	616,982
19	2022	0	2023	0	42,604,200	2024	\$14.48	616,982
20	2023	0	2024	0	42,604,200	2025	\$14.48	616,982
21	2024	0	2025	0	42,604,200	2026	\$14.48	616,982
22	2025	0	2026	0	42,604,200	2027	\$14.48	616,982
23	2026	0	2027	0	42,604,200	2028	\$14.48	616,982
24	2027	0	2028	0	42,604,200	2029	\$14.48	616,982
25	2028	0	2029	0	42,604,200	2030	\$14.48	616,982
26	2029	0	2030	0	42,604,200	2031	\$14.48	616,982
27	2030	0	2031	0	42,604,200	2032	\$14.48	616,982
28	2031	0	2032	0	42,604,200	2033	\$14.48	616,982
29	2032	0	2033	0	42,604,200	2034	\$14.48	616,982
Totals		42,604,200		0		Future Value of Increment	15,037,969	

Requested Maximum Life Extension (Technical College Extension)

Notes:

¹Tax rate shown for 2023 and prior Revenue Years is actual per DOR Form PC-202 (Tax Increment Collection Worksheet)

Table 2 - Tax Increment Projection Worksheet

Financing and Implementation

Past District Project Costs have been financed with a combination of proceeds from long-term debt, cash advances from other funds, and annual tax increment collections. Additional expenditures proposed under this Amendment would be financed with issuance of approximately \$4.6 million in General Obligation Promissory Notes. In addition to future tax increment collections, the projected cash flow assumes approximately \$1.65 million in cash contributions from the Stormwater Utility over a nine-year term.

Based on the Project Cost expenditures as included within the cash flow exhibit **(Table 3)**, the District will require a three-year extension to recover all Project Costs by the year 2034. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Village of Elm Grove, Wisconsin

Tax Increment District #2

Cash Flow Projection WITH Extension

Year	Projected Revenues							Expenditures										Balances			Year			
	Tax Increments	Intergov. Revenue	Grant Funds	Other Revenue ¹	Proceeds of LT Debt	Transfer from Storm Water Fund	Total Revenues	G.O. Storm Water Imp. Bonds Series 2003	G.O. Storm Water Imp. Bonds Series 2005	G.O. Rfdg Bonds Series 2012A	G.O. Promissory Notes 4,615,000 Dated Date: 03/01/24 Prin (3/1) Est. Rate ² Interest			MSP/ Heritage Develop. Incentive	Capital Exp.	Interest on Advances	Finance Expense	Admin. & Prof. Services	Total Expenditures	Annual		Cumulative ³	Principal Outstanding	
2006	32,116	11,085					43,200	135,891	127,410						347,003	10,881			4,217	625,402	(582,202)	(582,202)	6,285,750	2006
2007	106,706	15,228					121,934	145,820	169,880							30,582			5,673	351,954	(230,020)	(812,222)	6,215,250	2007
2008	224,156	11,003		154			235,312	143,634	169,880							18,768			3,864	336,146	(100,834)	(913,056)	6,144,750	2008
2009	368,867	12,660					381,527	164,878	169,880							3,557				338,315	43,212	(869,844)	6,050,750	2009
2010	477,472	12,900					490,372	161,870	169,880							1,275		150		333,175	157,197	(712,647)	5,956,750	2010
2011	437,809	14,090					451,899	163,562	169,880							716		150		334,308	117,591	(595,056)	5,858,050	2011
2012	341,594	13,420					355,014	167,367	24,332	152,685						701		14,220		359,304	(4,290)	(599,346)	5,862,950	2012
2013	475,181	7,733					482,914	125,471	55,208	172,573						361		650		354,263	128,651	(470,695)	5,635,450	2013
2014	435,349						435,349	114,426	122,160	171,673						277		650		409,187	26,162	(444,533)	5,345,000	2014
2015	455,763	6,876		67,706			530,345			410,773					997,128	27,225		1,100	1,436,226	(905,881)	(1,350,414)	5,045,000	2015	
2016	496,909	7,544					504,453			459,773			31,000		53,407		4,650		548,829	(44,376)	(1,394,790)	4,690,000	2016	
2017	698,151	8,814		4,629			711,594			507,673			34,995		53,916		7,140		603,723	107,871	(1,286,919)	4,280,000	2017	
2018	616,239	8,943					625,182			549,473			46,169		57,106		5,228		657,975	(32,793)	(1,319,712)	3,820,000	2018	
2019	610,076	11,120					621,196			590,273			72,837		57,266		5,320		725,696	(104,500)	(1,424,212)	3,310,000	2019	
2020	634,947	20,822		5,827			661,596			610,073			97,289		42,241		5,415		755,017	(93,421)	(1,517,633)	2,770,000	2020	
2021	598,530	30,524					629,054			639,273			87,010		30,361		10,512		767,155	(138,100)	(1,655,733)	2,190,000	2021	
2022	624,315	20,822					645,137			647,673			83,709		27,168		5,611		764,161	(119,023)	(1,774,756)	1,590,000	2022	
2023	616,982	20,822					637,804			654,923			68,595		20,452		8,713		752,683	(114,878)	(1,889,634)	970,000	2023	
2024	616,982	20,822		5,625	4,615,000		5,258,429			486,593			71,075	4,500,000	75,585	115,700	6,000		5,314,279	(55,850)	(1,945,484)	5,120,000	2024	
2025	616,982	20,822	300,000				937,804			516,363	410,000	2.700%	113,118	25,405	77,819		6,000		1,148,705	(210,901)	(2,156,385)	4,205,000	2025	
2026	616,982	20,822				184,000	821,804				420,000	2.540%	102,249		86,255		6,000		614,504	207,300	(1,949,085)	3,785,000	2026	
2027	616,982	20,822				184,000	821,804				430,000	2.500%	91,540		77,963		6,000		605,503	216,301	(1,732,784)	3,355,000	2027	
2028	616,982	20,822				184,000	821,804				445,000	2.500%	80,603		69,311		6,000		600,914	220,890	(1,511,893)	2,910,000	2028	
2029	616,982	20,822				184,000	821,804				455,000	2.500%	69,353		60,476		6,000		590,828	230,976	(1,280,917)	2,455,000	2029	
2030	616,982	20,822				184,000	821,804				465,000	2.500%	57,853		51,237		6,000		580,089	241,715	(1,039,202)	1,990,000	2030	
2031	616,982	20,822				184,000	821,804				480,000	2.500%	46,040		41,568		6,000		573,608	248,196	(791,006)	1,510,000	2031	
2032	616,982	20,822				184,000	821,804				490,000	2.550%	33,793		31,640		6,000		561,433	260,372	(530,634)	1,020,000	2032	
2033	616,982	20,822				184,000	821,804				505,000	2.650%	20,854		21,225		6,000		553,079	268,725	(261,909)	515,000	2033	
2034	616,982	20,822				184,000	821,804				515,000	2.750%	7,081		10,476		15,000		547,558	274,247	12,338	0	2034	
Total	15,037,969	463,447	300,000	83,941	4,615,000	1,656,000	22,156,356	1,322,920	1,178,510	6,569,788	4,615,000		681,809	618,084	5,844,131	1,039,814	115,700	158,262	22,144,019				Total	

Notes:

¹Includes public charges for service, water connection fees, miscellaneous revenue and interest earnings on temporary investment of bond proceeds.

²Estimated rates are reoffering yields from Village of Saukville (Aa3) January 17, 2023 competitive sale.

³Year ending fund balances for 2021 and prior years are actual per Village's audited financial statements. Projected year end fund balances for 2022 and 2023 reflect estimated and budgeted figures as identified in the Village's 2023 Budget.

Requested Maximum Life Extension (Technical College Extension)

Projected TID Closure

Table 3a - Cash Flow With 3-Year Extension

SECTION 9: Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. No territory is being added to the District as part of this Plan Amendment.

SECTION 10: Estimate of Property to be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the Village estimates that approximately 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 11: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and Village Ordinances

Zoning Ordinances

The proposed Plan Amendment is in general conformance with the Village's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan Amendment is in general conformance with the Village's Comprehensive Plan identifying the area as appropriate for commercial and multifamily development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the Village's permitting and inspection procedures. The proposed Plan Amendment conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 12:

Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should the continued implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 13:

How Amendment of the Tax Incremental District Promotes the Orderly Development of the Village

This Plan Amendment promotes the orderly development of the Village by eliminating blighted areas and providing necessary public infrastructure improvements. Through use of tax increment financing, the Village can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses.

SECTION 14:

List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

Total non-project costs of \$1,742,839 are included in this Plan, comprised of \$300,000 in anticipated grant funding which will be applied towards the cost of the Project, and \$1,442,839 in contributions from the Storm Water Fund to repay principal due on the planned financing for the Project.

SECTION 15: Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)



TAGLaw International Lawyers

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May 18, 2023

Jim Koleski, President
Village of Elm Grove
13600 Juneau Boulevard
Elm Grove, WI 53122

Re: Project Plan Amendment for Tax Incremental District No. 2, Village of Elm Grove
Dated May 1, 2023

Dear President Koleski:

As required by Wisconsin Statute § 66.1105(4)(t), the Village of Elm Grove must include as part of the project plan for amendment of Tax Incremental District No. 2 ("TID #2") an opinion of an attorney retained by the Village advising whether the TID #2 Project Plan is complete and complies with Wisconsin Statute § 66.1105.

The Village has retained von Briesen & Roper, s.c. to provide legal services on an as needed basis, including for the purposes of providing a legal opinion for the TID #2 Project Plan amendment. We have reviewed the project plan submitted by the Village and Ehlers & Associates, Inc. regarding the amendment of TID #2. It is our opinion that the project plan is complete and complies with the provisions of Wisconsin Statute § 66.1105.

Sincerely,

von BRIESEN & ROPER, s.c.

A handwritten signature in blue ink, appearing to read "Hector de la Mora", is written over the typed name.

Hector de la Mora

HDM:bai

cc: David DeAngelis, Village Manager (via email: ddeangelis@elmgrovetwi.org)
Todd Taves, Ehlers & Associates, Inc. (via email: TTaves@ehlers-inc.com)
Annie Mallon (via email: AMallon@ehlers-inc.com)
Sandra L. Policello (via email: spolicello@elmgrovetwi.org)
Monica L. Hughes (via email: mhughes@elmgrovetwi.org)

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vonbriesen.com

**SECTION 16:
Calculation of the Share of Projected Tax Increments
Estimated to be Paid by the Owners of Property in the
Overlying Taxing Jurisdictions**

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

Revenue Year	Waukesha County	Village of Elm Grove	Elmbrook School District	WCTC	Total	Revenue Year
2024	60,840	202,429	341,592	12,121	616,982	2024
2025	60,840	202,429	341,592	12,121	616,982	2025
2026	60,840	202,429	341,592	12,121	616,982	2026
2027	60,840	202,429	341,592	12,121	616,982	2027
2028	60,840	202,429	341,592	12,121	616,982	2028
2029	60,840	202,429	341,592	12,121	616,982	2029
2030	60,840	202,429	341,592	12,121	616,982	2030
2031	60,840	202,429	341,592	12,121	616,982	2031
2032	60,840	202,429	341,592	12,121	616,982	2032
2033	60,840	202,429	341,592	12,121	616,982	2033
2034	60,840	202,429	341,592	12,121	616,982	2034
Totals	<u>669,243</u>	<u>2,226,719</u>	<u>3,757,511</u>	<u>133,332</u>	<u>6,786,806</u>	
Requested Maximum Life Extension (Technical College Extension)						