

AGENDA

JOINT REVIEW BOARD CITY OF MILTON, WISCONSIN

TAX INCREMENTAL DISTRICT NO. 11 CREATION AND TAX INCREMENTAL DISTRICT NO. 6 AMENDMENT

December 18, 2020 at 1:00 p.m.

The meeting will be held virtually at the following link:

Join Zoom Meeting

<https://us02web.zoom.us/j/88606183649?pwd=QzE5YU9VWFBYVU0MnoxSFRiNVVvQT09>

Meeting ID: 886 0618 3649

Passcode: 425766

1. Call to order
2. Roll call
3. Review and consideration of minutes from organizational meeting
4. Review the public record, planning documents, Plan Commission resolution adopting the project plan, and the resolution passed by the Common Council approving the creation
5. Review the public record, planning documents, Plan Commission resolution adopting amendment to the project plan, and resolution passed by the Common Council approving the amendment
6. Consideration and possible action on resolution approving Tax Incremental District No. 11 creation
7. Consideration and possible action on resolution approving Tax Incremental District No. 6's Amendment
8. Adjournment

**JOINT REVIEW BOARD
RESOLUTION APPROVING THE PROJECT PLAN & BOUNDARY AMENDMENT OF
TAX INCREMENTAL DISTRICT NO. 6,
CITY OF MILTON**

WHEREAS, the City of Milton (the "City") seeks to amend the project plan and boundaries for Tax Incremental District No. 6 (the "District"), and

WHEREAS, Wisconsin Statutes Section 66.1105 requires that a Joint Review Board (the "JRB") shall convene to review the proposal, and

WHEREAS, the JRB consists of one representative chosen by the School District; one representative chosen by the Technical College District; and one representative chosen by the County, all of whom have the power to levy taxes on property within the District; and one representative chosen by the City and one public member, and

WHEREAS, the public member and JRB's chairperson were selected by a majority vote of the other JRB members before the public hearing was held, under Wisconsin Statutes Sections 66.1105 (4)(a) and (e), and

WHEREAS, all JRB members were appointed and the first JRB meeting was held within 14 days after the notice was published under Wisconsin Statutes Sections 66.1105 (4)(a) and (e), and

WHEREAS, the JRB has reviewed the public record, planning documents, the resolution adopted by the Plan Commission approving the District and adopting the Project Plan amendment, and the resolution passed by the Common Council approving the amendment of the District under Wisconsin Statutes Section 66.1105 (4)(gm);

WHEREAS, the JRB has considered whether, and concluded that, the District continues to meet the following criteria:

1. The development expected in the District would not occur without the use of tax increment financing and the amendment of a tax incremental district.
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.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

NOW, THEREFORE, BE IT RESOLVED that the JRB approves the Project Plan and Boundary Amendment of this District.

BE IT FURTHER RESOLVED that in the judgment of the JRB, the development described in the Project Plan, the information provided by the City, and the public record and planning documents relating to the District, would not occur without the amendment of the District.

Passed and adopted this _____ day of _____, 2020.

Resolution introduced and adoption moved by JRB member: _____

Motion for adoption seconded by JRB member: _____

On roll call motion passed by a vote of _____ ayes to _____ nays

ATTEST:

JRB Chairperson Signature

Clerk Signature

**JOINT REVIEW BOARD
RESOLUTION APPROVING THE CREATION OF
TAX INCREMENTAL DISTRICT NO. 11,
CITY OF MILTON**

WHEREAS, the City of Milton (the "City") seeks to create Tax Incremental District No. 11 (the "District"); and

WHEREAS, Wisconsin Statutes Section 66.1105 requires that a Joint Review Board (the "JRB") shall convene to review the proposal; and

WHEREAS, the JRB consists of one representative chosen by the School District; one representative chosen by the Technical College District; and one representative chosen by the County, all of whom have the power to levy taxes on property within the District; and one representative chosen by the City and one public member; and

WHEREAS, the public member and JRB's chairperson were selected by a majority vote of the other JRB members before the public hearing was held, under Wisconsin Statutes Sections 66.1105 (4)(a) and (e), and

WHEREAS, all JRB members were appointed and the first JRB meeting was held within 14 days after the notice was published under Wisconsin Statutes Sections 66.1105 (4)(a) and (e); and

WHEREAS, the JRB has reviewed the public record, planning documents, the resolution adopted by the Plan Commission approving the boundaries of the District and adopting the Project Plan, and the resolution passed by the Common Council approving the creation of the District under Wisconsin Statutes Section 66.1105 (4)(gm), and

WHEREAS, project costs benefitting the District are to be made outside of, but within a one-half mile radius of the District, pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, as identified in the project plan; and

WHEREAS, the JRB has considered whether, and concluded that, the District meets the following criteria:

1. The development expected in the District would not occur without the use of tax increment financing and the creation of a tax incremental district.
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.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

NOW, THEREFORE, BE IT RESOLVED that the JRB approves the creation of this District.

BE IT FURTHER RESOLVED that in the judgment of the JRB, the development described in the Project Plan, the information provided by the City, and the public record and planning documents relating to the District, would not occur without the creation of the District.

Passed and adopted this _____ day of _____, 2020.

Resolution introduced and adoption moved by JRB member: _____

Motion for adoption seconded by JRB member: _____

On roll call motion passed by a vote of _____ ayes to _____ nays

ATTEST:

JRB Chairperson Signature

Clerk Signature



December 11, 2020

Milton Courier
ATTN: Legal Publications

2 pages via E-MAIL @ classifieds@hngnews.com

RE: City of Milton Notice of Joint Review Board Meeting Legal Publishing

Attached is a Joint Review Board meeting publication for the City of Milton Wisconsin, to be published as a Class 1 Legal Notice in the **December 10, 2020 issue**.

Please send an affidavit of publication to:

*Paula Czaplewski, TIF Coordinator
Ehlers
N21 W23350 Ridgeview Parkway West
Waukesha, WI 53188*

Please send the invoice for publication and an affidavit of publication to:

*Leanne Schroeder, City Clerk
City of Milton
710 S. Janesville Street
Milton, WI 53563*

If you have any questions, please call either Paula Czaplewski or myself at 800-552-1171.

Sincerely,

EHLERS

A handwritten signature in blue ink that reads 'Joe Murray'.

Joe Murray, CIPMA
Senior Municipal Advisor

cc: Leanne Schroeder, City Clerk
Al Hulick, Administrator
Dan Nelson, Finance Director
Inga Cushman, Administrative Services Director
Todd Taves, Senior Municipal Advisor - Principal
Paula Czaplewski, TIF Coordinator, Ehlers

**NOTICE OF JOINT REVIEW BOARD MEETING
IN THE CITY OF MILTON, WISCONSIN**

Notice is Hereby Given that the City of Milton will hold a Joint Review Board ("JRB") meeting on December 18, 2020 at 1:00 p.m.

The meeting will be held virtually at the following link:

Join Zoom Meeting

<https://us02web.zoom.us/j/88606183649?pwd=QzE5YU9VWFBYVU0MnoxSFRiNVVvQT09>

Meeting ID: 886 0618 3649

Passcode: 425766

The purpose of this meeting is for the JRB to consider approval of the resolution adopted by the Milton Common Council creating Tax Increment District No. 11, and approving its project plan.

The purpose of this meeting is also for the JRB to consider approval of the resolution adopted by the Milton Common Council amending Tax Increment District No. 6 and approving its project plan.

By Order of the City of Milton, Wisconsin

Published December 10, 2020



December 2, 2020

PROJECT PLAN AMENDMENT

Tax Incremental District No. 6

City of Milton, Wisconsin

Organizational Joint Review Board Meeting Held:	December 3, 2020
Plan Commission Public Hearing Held:	December 3, 2020
Adoption by Plan Commission	December 3, 2020
Adoption by Common Council:	December 17, 2020
Approval by the Joint Review Board:	TBD

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SECTION 1:

Executive Summary

Description of District

Tax Incremental District (“TID”) No. 6 (“District”) is an Industrial District created on January 21, 2003 to promote industrial development in the southeastern portion of the City. The District was subsequently amended in 2005, 2013 and 2015 to add additional territory. These amendments were the first three of the four total territory amendments permitted for the District. The proposed subtraction of territory via this amendment will be the fourth and final boundary amendment permitted.

The District’s Project Plan was also amended in 2016 to allow TID No. 6 to be a “Donor District” and share surplus increments with TIDs No. 7 and No. 8 as provided under Wisconsin Statutes Section 66.1105(6)(f)(2), and to allow the District to incur project costs outside of, but within ½ mile, of the District boundaries as allowed under Wisconsin Statutes Section 66.1105(2)(f)1n. The District’s Project Plan was also amended in 2018 to allow it to serve as a Donor District for TID No. 10

As of January 1, 2020, the District had an incremental valuation of \$39,645,600 and generated \$968,938 in tax incremental revenue in 2020.

The proposed amendment would subtract three (3) parcels from TID No. 6 which in turn will permit the City to simultaneously create TID No. 11. The removal of parcels from TID No. 6 is necessary so that the City can utilize the provisions of State Statute Section 66.1105(17) which permit the City to simultaneously create a new district while removing territory from an existing district in order to comply with the 12% equalized value test. The effective date of the subtraction for valuation purposes will be January 1, 2021, first impacting the 2022 levy for the 2023 budget year.

The District is projected to have sufficient increment to close in 2025 but may postpone closure until the statutory requirement of 2026 for the purposes of early defeasance of debt obligations in TID No. 9 and TID No. 11.

Purpose of Amendment

The purpose of this amendment, referred to hereafter as the Plan, the Amendment, or the Plan Amendment, is to:

- Subtract territory from the District as permitted under Wis. Stat. § 66.1105(4)(h)2. This is the last of four permitted territory amendments available to the District.

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:

- ✓ **That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City.** In evaluating the appropriateness of this Plan Amendment, the City and Joint Review Board must consider “whether the development is expected in the tax increment district would occur without the use of tax incremental financing” customarily referred to as the “but for test”. Since the purpose of this Plan Amendment is solely to subtract territory, this test cannot be applied in the conventional way. The City and Joint Review Board has concluded that the “but for test” was met with respect to the District. Accordingly, the City finds that it is reasonable to conclude the “but for test” continues to be satisfied.
- ✓ 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. As a result of the Project Costs made within the District nearly \$40 million in incremental property value has been created. While not quantified, increased employment, business and personal income, and other economic benefits have resulted from the development that has occurred in the District.
- ✓ Not less than 50% by area of the real property within the District, as amended, is suitable for industrial sites as defined by Wis. Stat. § 66.1101 and has been zoned for industrial use. Any real property within the District that was found suitable for industrial sites and was zoned for industrial use at the time of creation of the District or at the time of this Plan Amendment will remain zoned for industrial use for the life of the District.
- ✓ Based on the foregoing finding, the District remains designated as an industrial district.
- ✓ That Project Costs, which remain unchanged, relate directly to promoting industrial development in the District, consistent with the purpose for which the District was created.
- ✓ 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.
- ✓ The limitation as the percentage of equalized taxable property value that can be located within tax incremental districts does not apply to this Plan Amendment as no territory will be added to the District.

- ✓ The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2:

Preliminary Map of Original District Boundary and
Territory to be Subtracted

Map Found on Following Page.



- Railroad_Centerline
- Parcels to Remove from TID #6
- TID #6 Boundary Update
- City of Milton Parcels

City of Milton

TID 6 Boundary Map Update

SECTION 3:

Map Showing Existing Uses and Conditions Within the Territory to be Subtracted

Except for subtraction of territory, this Plan Amendment makes no changes to the map depicting uses and conditions of real property within the District as included in the Original Project Plan adopted January 21, 2003 and as approved in subsequent Project Plan Amendments in 2005, 2013 and 2015. Those maps, by reference, are hereby incorporated herein.

SECTION 4:

Preliminary Identification of Parcels to be Subtracted

The purpose of this Plan Amendment is to remove the three (3) parcels identified in the table below from the District effective January 1, 2021. The parcel subtraction will reduce the District’s value by a projected \$6,510,700.

Parcel Number	Acreage	Base Value Entering TID 6	Current Value (January 1, 2020)
V-23-1468.11	9.52	\$9,226	\$0
V-23-1469	54.74	\$12,504	\$12,100
V-23-1509B1	12.50	\$1,211,300	\$6,498,600
Totals	76.76	\$1,233,030	\$6,510,700

Notes:

- Parcel V-23-1468.11’s 9.52 acres (5.82%) of 163.66-acre parcel 6-13-266 was amended and added to the District in 2013. Parcel 6-13-266 entered the TID having a value of \$158,600. The parcel is currently owned by the City, and has no (\$0) assessed value. This parcel is also in TID 9.
- Parcel V-23-1469 was amended and added to the District in 2015 as 54.74 acres in total and valued at \$15,100. The parcel has been divided and is 45.33 acres, or 82.81% of the original value. The 45.33 acre parcel is currently assessed at \$12,100. This parcel is also in TID 9.
- Parcel V-23-1509B1 was amended and added to the District in 2005 at a value of \$1,211,300. Currently the parcel is assessed at \$6,498,600.

Note - For purposes of the City’s simultaneous subtraction from TID 6 and the creation of TID 11 and demonstrating the 12% Tax Increment District Equalized Value threshold has been met, the City will utilize the current value provided by appraisal dated October 2, 2020 by L.A. Duesterbeck & Associates, Inc. of \$7,280,000

- **SECTION 5:**
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. The Plan Amendment is to subtract territory and provide for the simultaneous creation of TID 11.

SECTION 6:

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

No changes to Project Costs are planned. 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 August 7, 2018 remains unchanged and is incorporated by reference as part of this Plan Amendment.

SECTION 7: Map Showing Proposed Improvements and Uses

Except for subtraction of territory, this Plan Amendment makes no changes to the maps depicting proposed improvements and uses within the District as included in the Amended Project Plan for the District approved on August 7, 2018. That map is hereby incorporated by reference herein.

SECTION 8:

Detailed List of Estimated Project Costs

The District's expenditure period will terminate on January 21, 2021. The Detailed List of Project Costs is included in the updated Cash Flow. The Cash Flow has been updated from the Amended Project Plan dated August 7, 2018 to reflect actual results to-date.

Development Assumptions (Table 1), Increment Projections (Table 2), and Cash Flow (Table 3) found on the following pages.

City of Milton, Wisconsin

Tax Increment District # 6

Development Assumptions

Construction Year		Actual	Future Development	Annual Total	Construction Year	
1	2003	3,639,400		3,639,400	2003	1
2	2004	1,995,700		1,995,700	2004	2
3	2005	4,140,600		4,140,600	2005	3
4	2006	13,173,200		13,173,200	2006	4
5	2007	7,851,800		7,851,800	2007	5
6	2008	1,933,300		1,933,300	2008	6
7	2009	(1,630,000)		(1,630,000)	2009	7
8	2010	868,400		868,400	2010	8
9	2011	(213,400)		(213,400)	2011	9
10	2012	276,300		276,300	2012	10
11	2013	(1,167,500)		(1,167,500)	2013	11
12	2014	(249,900)		(249,900)	2014	12
13	2015	11,805,400		11,805,400	2015	13
14	2016	(3,244,000)		(3,244,000)	2016	14
15	2017	(1,507,800)		(1,507,800)	2017	15
16	2018	929,600		929,600	2018	16
17	2019	1,044,500		1,044,500	2019	17
18	2020			0	2020	18
19	2021	(7,993,219)		(7,993,219)	2021	19
20	2022			0	2022	20
21	2023			0	2023	21
22	2024			0	2024	22
Totals		31,652,381	0	31,652,381		

2020 Equalized Value confirmed per DOR

2021 Projected Subtraction per 2020 Plan Amendment

Table 1 – Development Assumptions

City of Milton, Wisconsin

Tax Increment District # 6

Tax Increment Projection Worksheet

Type of District	Ind (Pre 10-1-04)		Base Value	3,330,300	Apply to Base Value
Creation Date	January 21, 2003		Appreciation Factor	0.00%	
Valuation Date	Jan 1,	2003	Base Tax Rate	\$25.63	
Max Life (Years)	23		Rate Adjustment Factor	0.00%	
Expenditure Periods/Termination	18	1/21/2021	Tax Exempt Discount Rate	3.50%	
Revenue Periods/Final Year	22	2026	Taxable Discount Rate	4.50%	
Extension Eligibility/Years	No	0			
Recipient District	No				

	Construction Year	Valuation Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt		
									NPV	Taxable NPV	
									Calculation	Calculation	
	1	2003	3,639,400	2004	0	3,639,400	2005	\$24.55	89,352	86,331	85,504
	2	2004	1,995,700	2005	0	5,635,100	2006	\$21.31	120,084	198,430	195,469
	3	2005	4,140,600	2006	0	9,775,700	2007	\$20.46	200,041	378,856	370,764
	4	2006	13,173,200	2007	0	22,948,900	2008	\$20.51	470,679	789,025	765,457
	5	2007	7,851,800	2008	0	30,800,700	2009	\$20.71	637,749	1,325,993	1,277,220
	6	2008	1,933,300	2009	0	32,734,000	2010	\$21.99	719,924	1,911,651	1,830,046
	7	2009	(1,630,000)	2010	0	31,104,000	2011	\$23.32	725,351	2,481,771	2,363,055
	8	2010	868,400	2011	0	31,972,400	2012	\$24.58	786,038	3,078,697	2,915,785
	9	2011	(213,400)	2012	0	31,759,000	2013	\$24.94	791,976	3,659,794	3,448,709
	10	2012	276,300	2013	0	32,035,300	2014	\$26.11	836,524	4,252,821	3,987,370
▲	11	2013	(1,167,500)	2014	0	30,867,800	2015	\$25.56	788,930	4,793,196	4,473,507
▲	12	2014	(249,900)	2015	0	30,617,900	2016	\$25.63	784,626	5,312,448	4,936,173
▲	13	2015	11,805,400	2016	0	42,423,300	2017	\$27.15	1,152,001	6,049,042	5,586,214
▲	14	2016	(3,244,000)	2017	0	39,179,300	2018	\$25.67	1,005,576	6,670,269	6,129,198
▲	15	2017	(1,507,800)	2018	0	37,671,500	2019	\$24.35	917,383	7,217,846	6,603,229
▼	16	2018	929,600	2019	0	38,601,100	2020	\$24.35	940,021	7,759,962	7,068,040
▼	17	2019	1,044,500	2020	0	39,645,600	2021	\$24.35	965,457	8,297,918	7,524,872
▼	18	2020	0	2021	0	39,645,600	2022	\$24.35	965,457	8,817,682	7,962,031
▼	19	2021	(7,993,219)	2022	0	31,652,381	2023	\$24.35	770,804	9,218,621	8,296,022
▼	20	2022	0	2023	0	31,652,381	2024	\$24.35	770,804	9,606,001	8,615,630
▼	21	2023	0	2024	0	31,652,381	2025	\$24.35	770,804	9,980,281	8,921,476
▼	22	2024	0	2025	0	31,652,381	2026	\$24.35	770,804	10,341,904	9,214,151
▼	23	2025	0	2026	0	31,652,381	2027	\$24.35	770,804	10,691,299	9,494,223
	Totals		31,652,381		0		Future Value of Increment	16,751,190			

Table 2 – Tax Increment Projection Worksheet

City of Milton, Wisconsin

Tax Increment District # 6

Cash Flow Projection- AFTER SHARING INCREMENT

Year	Projected Revenues				Expenditures														Balances				Year		
	Tax Increments ¹	Intergov. Revenue ²	Other Revenue ²	Total Revenues	2016 CDA Lease Revenue Rfdg Bonds	2016B GO Bonds	2011 G.O. Rfdg Bonds ³	Bank of Milton 2017 Tax Notes	First Community 2017 Tax Notes	2018A Notes	Existing Long Term Debt ³	Developer Incentives	Utility Extension & Street Construction Projects	Engineering & Admin	Transfer to TID 7	Transfer to TID 8	Transfer to TID 10	Reconcile to 2019 Annual Report	Property Charge Back	Total Expenditures	Annual	Cumulative w/o DSRF		Cumulative w/ DSRF ^{2&4}	Principal Outstanding
2019	917,383	50,739	101	968,223	171,190	228,763		422,112	422,112	150,370	1,394,547	137,222		18,595			60,000	474	12,991	1,623,829	(655,606)	(166,325)	18,175	4,995,000	2019
2020	940,021	6,500	1,500	948,021	183,743	274,563				607,180	1,065,486	155,000		102,000			200,000			1,322,486	(374,465)	(540,789)	(356,289)	4,290,000	2020
2021	965,457	6,500	1,500	973,457	180,863	313,013					493,876	90,000								583,876	389,581	(151,208)	33,292	3,540,000	2021
2022	965,457	6,500	1,500	973,457	177,703	331,906					509,609	90,000			20,000					619,609	353,848	202,640	387,140	2,745,000	2022
2023	770,804	6,500	1,500	778,804	184,193	322,938					507,131	90,000								597,131	181,674	384,314	568,814	1,895,000	2023
2024	770,804	6,500	1,500	778,804	175,384	412,913		Prepaid 12/2019	Prepaid 12/2019	Prepaid 9/2020										588,297	190,508	574,822	759,322	1,300,000	2024
2025	770,804	6,500	1,500	778,804	171,383	446,470					617,853									617,853	160,952	735,774	920,274	665,000	2025
2026	770,804	6,500	1,500	778,804	162,160	473,995					636,155									636,155	142,649	878,423	1,062,923	0	2026
Total	6,871,536	96,239	10,601	6,978,376	1,406,616	2,804,561	0	422,112	422,112	757,550	5,812,951	562,222	0	120,595	20,000	0	260,000	474	12,991	6,589,233	389,142				Total

Notes:

- ¹Tax increment revenue figures shown for 2019 are actual reported on the PE-300 Annual Report. Tax increment revenue figure for 2020 and on is estimated.
- ²Revenues, expenditures and fund balance shown for actual reported on the PE-300 Annual Report. Projected project costs for year 20207 - 2026 are estimated.
- ³The City is using tax incremental revenue to abate portions of the debt service payments due on its G.O. Corporate Purpose Bonds dated 12-20-2007 and its G.O. Promissory Notes dated 2-9-2011.
- ⁴The cumulative fund balance includes \$184,500 in restricted funds which is the debt service reserve requirement for both the TID 6 and TID 7 allocated portions of the 2006 CDA Lease Revenue Bonds.

Projected TID Closure

Table 3 – Cash Flow

SECTION 9:

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 valuation increases expected within the District, the associated 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.

Cash flow found on the preceding page.

SECTION 10: 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 11:

Estimate of Property to be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City 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.

SECTION 12:

Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan Amendment is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development. Land within the District zoned industrial at the time of District creation will remain in a zoning classification suitable for industrial sites for the life of the District.

Master (Comprehensive) Plan and Map

The proposed Plan Amendment is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for industrial development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City'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 13:

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 14:

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

The original Project Plan adopted on January 21, 2003, and subsequent amendments contributed to the orderly development of the City by promoting industrial development in the southeastern portion of the City. The District's expenditure period will expire on January 21, 2021. This Plan Amendment has no impact on the Amended District Plan regarding orderly development of the City.

SECTION 15:

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.

The District's expenditure period will terminate on January 21, 2021 with a mandatory closing date of January 21, 2026.

SECTION 16:

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

INSERT SIGNED LEGAL OPINION FROM CITY ATTORNEY

SAMPLE

[Date]

Mayor
City of Milton
710 S Janesville St
Milton, Wisconsin 53563-1579

RE: Project Plan Amendment for Tax Incremental District No. 6

Dear Mayor:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105. As City Attorney for the City of Milton, I have been asked to review the above-referenced project plan amendment for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the amended Project Plan for the City of Milton Tax Incremental District No. 6 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

City Attorney

SECTION 17:

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

The scope of this Plan Amendment makes no changes to the calculations prepared and included in the Amended Project Plan dated August 7, 2018. The Amended Plan is hereby incorporated by reference herein.



December 2, 2020

Project Plan

Tax Incremental District No. 11

City of Milton, Wisconsin

Organizational Joint Review Board Meeting Held:	December 3, 2020
Plan Commission Public Hearing Held:	December 3, 2020
Approval by Plan Commission:	December 3, 2020
Adoption by Common Council:	December 17, 2020
Approval by the Joint Review Board:	TBD

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SECTION 1:

Executive Summary

Description of District

Tax Incremental District (“TID”) No. 11 (“District”) is a proposed Industrial District comprising approximately 352.62 acres located in the southeast portion of the City, abutting TIDs No. 6 and No. 9. The District will be created to pay the costs of developer incentives and public improvements needed (“Project”) to develop the area. In addition to the incremental property value that will be created, the City expects the Project will result in the creation of 200 or more within the City.

Authority

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

Estimated Total Project Cost Expenditures

The City anticipates making total expenditures of approximately \$8,578,443 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$5,657,930 in developer incentives.

Incremental Valuation

The City projects that new land and improvements value of approximately \$33,926,427 will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumption’s as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

Expected Termination of District

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all the Project Cost by the year 2034, 13-years from creation of its allowable 20-years.

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:

- ✓ That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered the City will be required to make a public investment in the Project in the form of developer incentives and costs of construction of public infrastructure. The City therefore finds it to be reasonable and necessary to use tax incremental

financing to pay Project costs. Absent the use of tax incremental financing the City is unable to fund the Project costs.

- ✓ 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 making this determination, the City has considered the following information:
 - ✓ The expectation that development within the District will employ 200 or more workers once the Project is fully operational.
 - ✓ That the developers in the Project are likely to purchase goods and services from local suppliers in construction of the Project, and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.
- ✓ 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. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
- ✓ Not less than 50% by area of the real property within the District is suitable for industrial sites as defined by Wis. Stat. § 66.1101, and has been zoned for industrial use. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use at the time of creation of the District will remain zoned for industrial use for the life of the District.
- ✓ Based on the foregoing finding, the District is designated as an industrial district.
- ✓ The Project Costs relate directly to promoting industrial development in the District, consistent with the purpose for which the District is created.
- ✓ 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.
- ✓ The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.

- ✓ The City 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).
- ✓ That for those parcels to be included within the District that were annexed by the City within the three-year period preceding adoption of this Resolution, the City pledges to pay the Town of Milton an amount equal to the property taxes the town last levied on the territory for each of the next five years. The City projects the payments to the Town will total \$452.
- ✓ The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2:

Preliminary Map of Proposed District Boundary

Map Found on Following Page.

To the extent District boundaries include wetlands identified on a map prepared under Wis. Stat. § 23.32, the wetlands are excluded from the District.



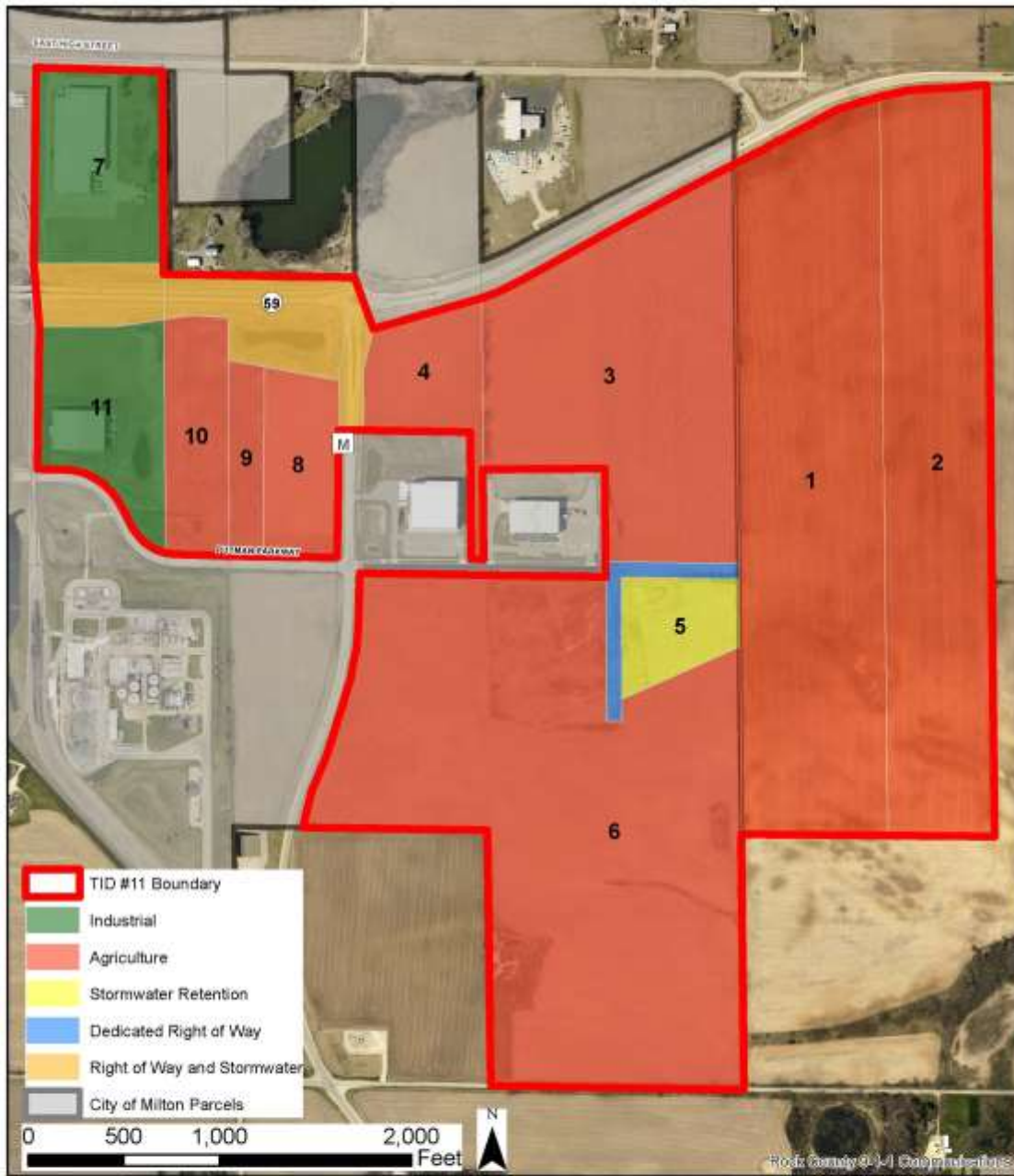
City of Milton

TID #11 Boundary Map

SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.



City of Milton

TID #11 Boundary Map
Existing Uses

SECTION 4: Preliminary Parcel List and Analysis

City of Milton, Wisconsin													
Tax Increment District #11													
Base Property Information													
Property Information						Assessment Information			Equalized Value			District Classification	
Map Ref #	Parcel Number	Owner	Acreage	Annexed Post 1/1/04? ...Indicate date	Part of Existing TID? ...Indicate TID #	Land	Imp	Total	Equalized Value Ratio	Land	Imp	Total	M2-Industrial (Zoned and Suitable)
1	6-13-264	WILLIAM R & JACQUELINE F MC NALL REVOCABLE TRUST	64.76	TBD	No	21,100	0	21,100	100.00%	21,100	0	21,100	64.76
2	6-13-264.01	JOHN & PHYLLIS VAN HORN VAN HORN LIVING TRUST	50.00	TBD	No	16,300	0	16,300	100.00%	16,300	0	16,300	50
3	V-23-1469	BACKYARD PROPERTIES OF ROCK COUNTY LLC	45.33	2010	Yes - #6 & 9	12,100	0	12,100	100.00%	12,100	0	12,100	45.33
4	V-23-1468.11	CITY OF MILTON	9.52	2010	Yes - #6 & 9	0	0	0	100.00%	0	0	0	9.52
5	V-23-1468.12	CITY OF MILTON	7.01	2010	Yes - #6 & 9	0	0	0	100.00%	0	0	0	7.01
6	V-23-1468.1	BELARDI FAMILY INVESTMENTS LLC	124.58	2010	Yes - #6 & 9	74,900	111,600	186,500	100.00%	74,900	111,600	186,500	125
7	V-23-1466.1	FGS-WI LLC	15.53	No	Yes - #6	225,700	3,108,600	3,334,300	100.00%	225,700	3,108,600	3,334,300	16
8	V-23-1468.2A	CITY OF MILTON	8.48	2010	Yes - #6 & 9	0	0	0	100.00%	0	0	0	8
9	V-23-1468.2	CITY OF MILTON	4.32	2010	Yes - #6 & 9	0	0	0	100.00%	0	0	0	4
10	V-23-1466.6	CITY OF MILTON	9.48	2010	Yes - #6 & 9	0	0	0	100.00%	0	0	0	9
11	V-23-1466.01	PENN COLOR INC.	13.61	2010	Yes - #6 & 10	290,100	3,016,900	3,307,000	100.00%	290,100	3,016,900	3,307,000	14
Total Acreage			352.62			640,200	6,237,100	6,877,300		640,200	6,237,100		352.62
Estimated Base Value												6,877,300	

SECTION 5: Equalized Value Test

The incremental value of the City's four (4) existing districts exceeds 12% of the City's total equalized value. To create this District, the City will be utilizing the procedure set forth in Wis. Stat. § 66.1105(17) which require that enough territory be subtracted from an existing district does not cause the City to exceed the 12% limitation. Only one district may be created simultaneously using this process.

To demonstrate compliance, the City must obtain appraisals for the territory to be removed from the existing district (Tax Incremental District No. 6) as well as the property to be included in the new district. Properties included within the new district that are already located within an existing district are not required to be appraised.

Based on the appraisals the City has obtained, preliminary calculations prepared by the Department of Revenue indicate that the City will be in compliance with the equalized value limit, and that the incremental value of territory remaining within active districts following the removal of territory from Tax incremental District No. 6, plus the value of the non-overlapped parcels located within the District, will total to approximately 11.53% of total equalized value.

Table found on Following Page.

Milton-Simultaneous Creation (TID 11) and Subtraction from TID 6

Published numbers

Step 1: Values to use in calculation

Appraised Value TID 6 subtracted parcels	7,280,000	Appraisal TID 6 parcel 257-162011003
Appraised Value of new TID 11 (excluding overlapped parcels)	1,415,000	Appraisal TID 11 parcels- parcel 1: 840,000 + parcel 2: 575,000; other overlapped
Base Value of TID 6	3,330,300	
2005 Full Value of parcels being removed from TID 6		Total original value of parcels: v-23-1509B1; v-23-1468.1;v-23-1469
Amended base value of TID 6 (base value minus 2003 value being subtracted)	3,330,300	

	Current Value		Appraisal of removed parcels		New Current Value for TID 6
2020 TID Current Value TID 6:	42,975,900	minus	7,280,000	equals	35,695,900

	New Current Value		Amended Base Value		New Increment Value for TID 6
New TID 6 Current value:	35,695,900	minus	3,330,300	equals	32,365,600

Step 2: Recalculate the existing TID's value increment

2020 TID 6 Current Value	42,975,900
minus appraisal value of subtracted parcels	7,280,000
Equals New TID 6 Current Value	35,695,900
minus TID 6 amended base value	3,330,300
New Increment Value-TID 6	32,365,600

(2020 old increment value: 39,645,600)

Years entered TID	Parcel	Value
2005	V-23-1509B1	1,211,300
2013	v-23-1468.11	*
2015	v-23-1469	**

* It appears v-23-1468.11 is part of the original 6-13-266. Assessor will need to prorate value. 6-13-266 whole parcel was valued at 73,600 land + 85,000 improvements = 158,600 v-23-1468.11 should be valued at only part of the total

Step 3: TIF limit calculation

2020 Value Increments for existing TIDs	
TID 7	6,551,700
TID 9	9,653,100
TID 10	2,473,400
New Increment Value- TID 6	32,365,600
New TID 11 Appraisal Value (excluding overlapped parcels)	1,415,000
Total	52,458,800
Municipal 2020 Equalized Value	455,017,900

Margin
1,603,348 54,602,148

**It appears v-23-1469 is part of the original 6-13-265. Assessor will need to prorate value. 6-13-265 whole parcel was valued at 15,100 land. v-23-1469 should be valued at only part of the total.

TIF Limit percentage (total divided by municipal value)	11.53%
TIF percentage must be below 12%	PASSES

12.00%

SECTION 6:

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 City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. 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.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

To promote and facilitate development the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as

defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

To promote the objectives of this Plan, the City 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 City 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 City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City 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 City 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 City related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the City 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 City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City 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 City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, is an eligible project cost under Wis. Stat. § 66.1105(2)(f)1 k.

Water System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City 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 City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the City 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 river banks; 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 City 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 City 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 City 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 City to undertake this work are eligible Project Costs.

Gas Service

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

Communications Infrastructure

To create sites suitable for development, the City 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 City to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

To allow development to occur, the City 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 City 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 City are eligible Project Costs.

Community Development

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

Miscellaneous

Rail Spur

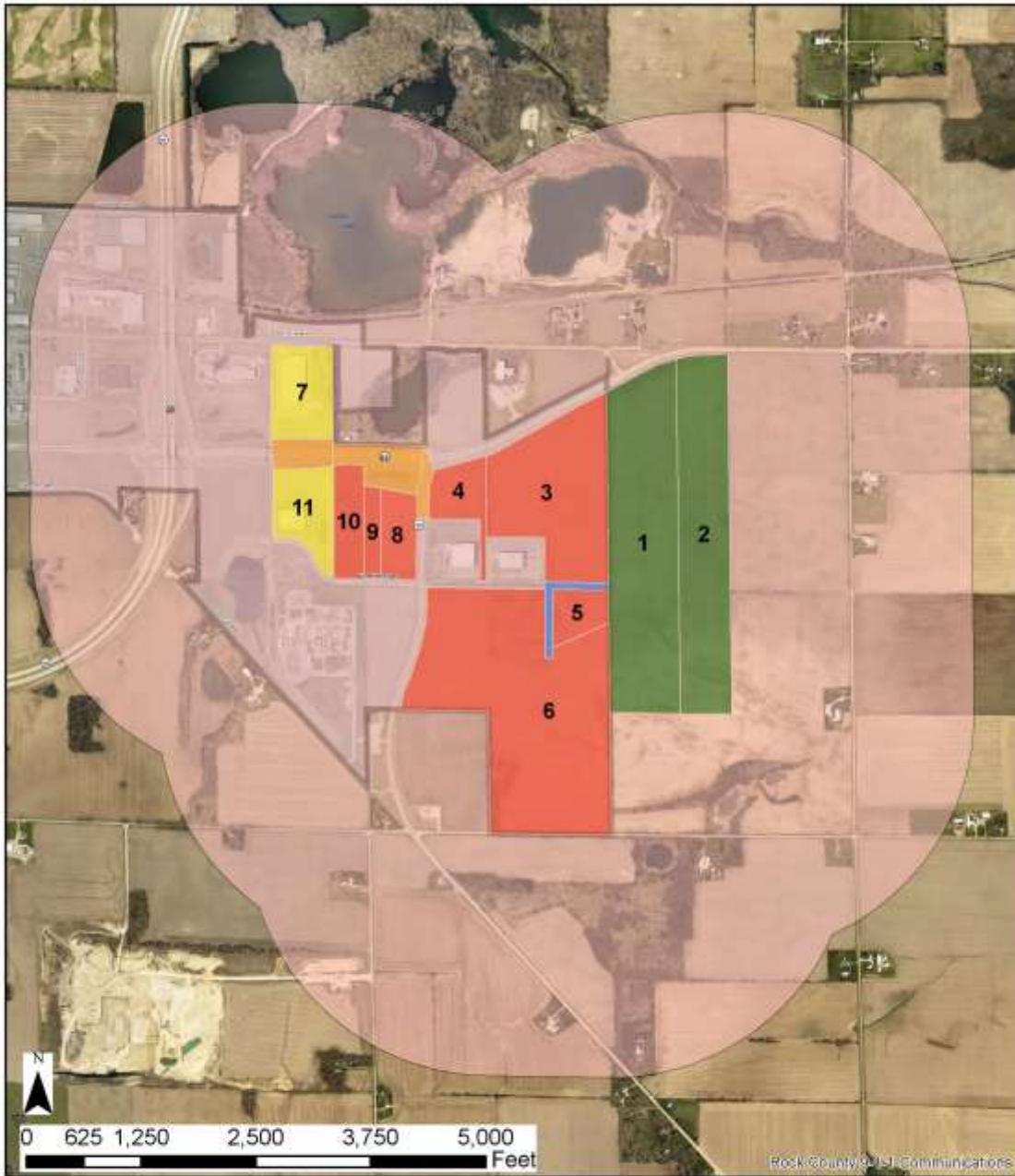
To allow for development, the City may incur costs for installation of a rail spur or other railway improvements to serve development sites located within the District.

Property Tax Payments to Town

Property tax payments due to the Town of Milton under Wis. Stat. § 66.1105(4)(gm)1. because of the inclusion of lands annexed after January 1, 2004 within the boundaries of the District are an eligible Project Cost.

Projects Outside the Tax Increment District

Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the City 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 City'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 City intends to make public improvements within the ½ mile of the District that qualify as eligible project costs including a potential future water main loop along East High Street turning south at STH 59 and looping back along Putman Parkway.



- Parcels that don't overlap TID #8 or #9
- Parcels that overlap TID #8
- Parcels that overlap TID #8 & #9
- Right of Way and Stormwater
- Dedicated Right of Way
- 1/2 Mile
- City of Milton Parcels

City of Milton

TID #11 Boundary Map

1/2 Mile

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 City 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 City employees relating to the implementation of the Plan.

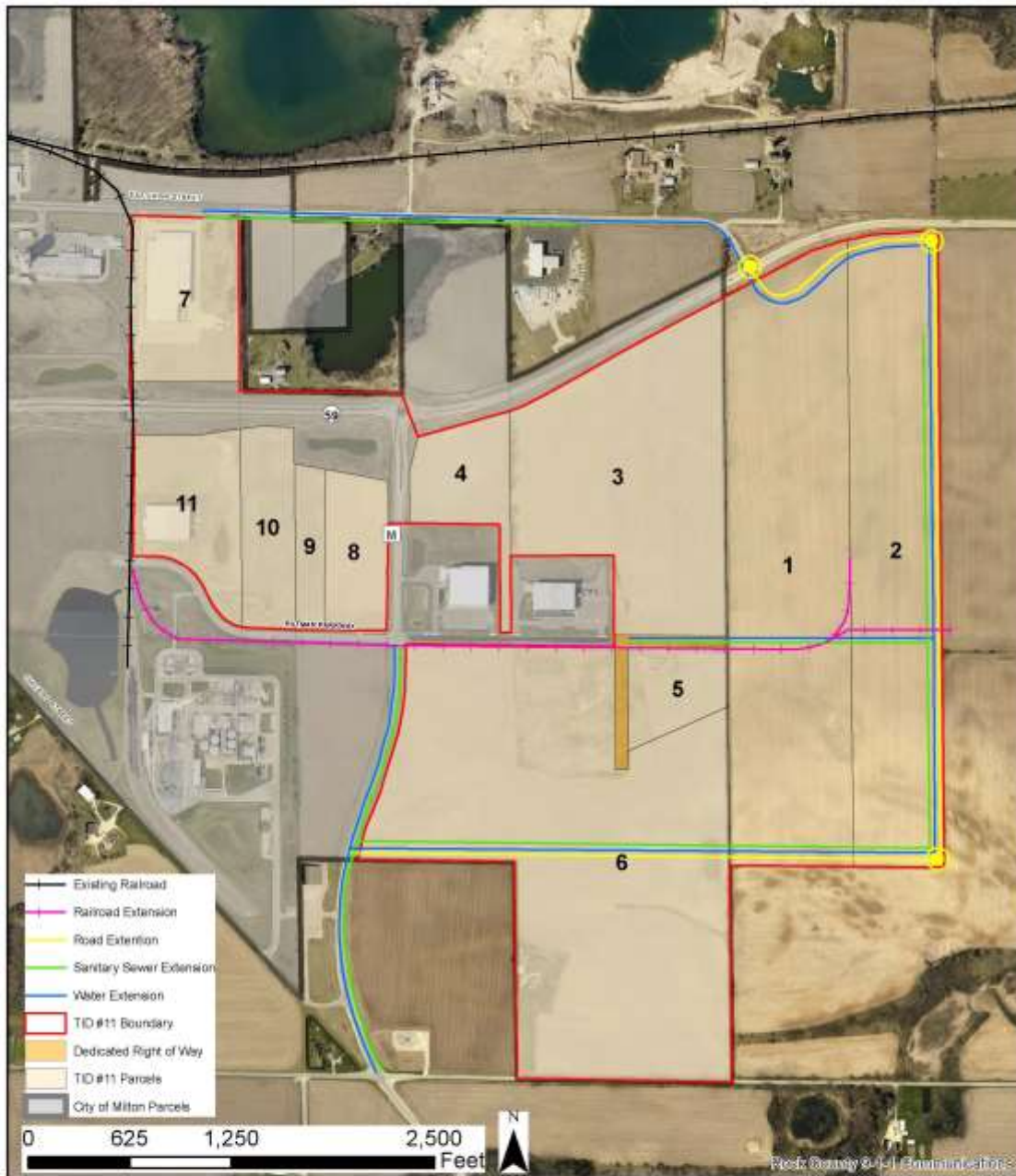
Financing Costs

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 7:

Map Showing Proposed Improvements and Uses

Map Found on Following Page.



City of Milton



TID #11 Boundary Map *Proposed Improvements*

SECTION 8:

Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City currently expects to incur in implementing the District’s Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. 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.

City of Milton, Wisconsin				
Tax Increment District # 11				
Estimated Project List				
Project ID	Project Name/Type		Phase I	Total (Note 1)
1	Purchase Land (2021)		1,650,000	1,650,000
2	Developer Incentives/Grants (2023-2034)		5,657,930	5,657,930
3	Interest Expense		195,513	195,513
4	Administration and Engineering		825,000	825,000
5	Public Improvements withing 1/2 Mile		250,000	250,000
Total Projects			<u>8,578,443</u>	<u>8,578,443</u>
Notes:				
Note 1	Project costs are estimates and are subject to modification			

SECTION 9:

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 a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to create \$33,926,427 million in incremental value by 2024. Estimated valuations and timing for construction of the Project are included in Table 1. Assuming the City's current equalized TID Interim tax rate of \$23.37 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$15,406,171 in incremental tax revenue over the 20-year term of the District as shown in Table 2.

City of Milton, Wisconsin							
Tax Increment District # 11							
Development Assumptions							
Construction Year		Development Project 1	Development Project 2	Development Project 3	Annual Total	Construction Year	
1	2021	10,000,000	1,842,052	2,784,375	14,626,427	2021	1
2	2022	19,300,000			19,300,000	2022	2
3	2023				0	2023	3
4	2024				0	2024	4
5	2025				0	2025	5
6	2026				0	2026	6
7	2027				0	2027	7
8	2028				0	2028	8
9	2029				0	2029	9
10	2030				0	2030	10
11	2031				0	2031	11
12	2032				0	2032	12
13	2033				0	2033	13
14	2034				0	2034	14
15	2035				0	2035	15
16	2036				0	2036	16
17	2037				0	2037	17
18	2038				0	2038	18
19	2039				0	2039	19
20	2040				0	2040	20
Totals		<u>29,300,000</u>	<u>1,842,052</u>	<u>2,784,375</u>	<u>33,926,427</u>		

Table 1 - Development Assumptions

City of Milton, Wisconsin

Tax Increment District # 11

Tax Increment Projection Worksheet

Type of District	Industrial		Base Value	6,877,300						
District Creation Date	January 1, 2021		Appreciation Factor	0.00%	Apply to Base Value					
Valuation Date	Jan 1,	2021	Base Tax Rate	\$23.37						
Max Life (Years)	20		Rate Adjustment Factor	0.00%						
Expenditure Period/Termination	15	1/1/2036								
Revenue Periods/Final Year	20	2042								
Extension Eligibility/Years	Yes 3		Tax Exempt Discount Rate							
Eligible Recipient District	No		Taxable Discount Rate	1.50%						
	Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
1	2021	14,626,427	2022	0	14,626,427	2023	\$23.37	341,820	341,820	326,888
2	2022	19,300,000	2023	0	33,926,427	2024	\$23.37	792,861	1,134,680	1,073,909
3	2023	0	2024	0	33,926,427	2025	\$23.37	792,861	1,927,541	1,809,890
4	2024	0	2025	0	33,926,427	2026	\$23.37	792,861	2,720,401	2,534,994
5	2025	0	2026	0	33,926,427	2027	\$23.37	792,861	3,513,262	3,249,383
6	2026	0	2027	0	33,926,427	2028	\$23.37	792,861	4,306,123	3,953,214
7	2027	0	2028	0	33,926,427	2029	\$23.37	792,861	5,098,983	4,646,644
8	2028	0	2029	0	33,926,427	2030	\$23.37	792,861	5,891,844	5,329,826
9	2029	0	2030	0	33,926,427	2031	\$23.37	792,861	6,684,704	6,002,911
10	2030	0	2031	0	33,926,427	2032	\$23.37	792,861	7,477,565	6,666,050
11	2031	0	2032	0	33,926,427	2033	\$23.37	792,861	8,270,426	7,319,389
12	2032	0	2033	0	33,926,427	2034	\$23.37	792,861	9,063,286	7,963,072
13	2033	0	2034	0	33,926,427	2035	\$23.37	792,861	9,856,147	8,597,243
14	2034	0	2035	0	33,926,427	2036	\$23.37	792,861	10,649,007	9,222,041
15	2035	0	2036	0	33,926,427	2037	\$23.37	792,861	11,441,868	9,837,607
16	2036	0	2037	0	33,926,427	2038	\$23.37	792,861	12,234,729	10,444,075
17	2037	0	2038	0	33,926,427	2039	\$23.37	792,861	13,027,589	11,041,581
18	2038	0	2039	0	33,926,427	2040	\$23.37	792,861	13,820,450	11,630,256
19	2039	0	2040	0	33,926,427	2041	\$23.37	792,861	14,613,310	12,210,232
20	2040	0	2041	0	33,926,427	2042	\$23.37	792,861	15,406,171	12,781,637
Totals		33,926,427	0		Future Value of Increment		15,406,171			
Notes:										
Actual results will vary depending on development, inflation of overall tax rates.										
NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).										

Table 2 – Tax Increment Projection Worksheet

Financing and Implementation

The City anticipates making total expenditures of approximately \$8.6 million Project Cost to undertake projects listed in the Project Plan. Project costs include the purchase of development land for approximately \$1.65 million in 2021, as well as \$250,000 for public infrastructure improvements during the life of the District. Purchase of the land will be financed through the issuance of multiple bank notes on a taxable basis. The notes are anticipated to be issued through one or more local banks.

The City will also pay developer incentives of approximately \$5,657,930 following the construction of proposed improvements and in accordance with proposed developer agreements. Development is expected to begin construction in 2021 and begin to provide incremental revenues beginning in 2023. Developer incentives will be paid on a pay-as-you-go (“PAYGO”) method in accordance with any development agreements negotiated between the City and future development.

The Plans provides for \$825,000 in Administrative and Engineering expenses associated with developing, implementing and managing the Plan through its projected life.

Interest costs is also included in the plan for approximately \$196,000. All Project Costs, except the purchase of land, are anticipated to be paid with internal loans between the District and the City’s General Fund which will be repaid as incremental revenues become sufficient.

Table 3. provides a summary of the District’s public improvement financing plan.

City of Milton, Wisconsin

Tax Increment District # 11

Estimated Financing Plan

				Bank Note 2020B ¹	Totals
Projects					
Purchase of Land (2021)				1,650,000	1,650,000
Total Project Funds				1,650,000	1,650,000
Total Financing Required				1,666,500	
Estimated Interest			0.25%	0	
Assumed spend down (months)			0		
Net Issue Size				1,650,000	1,650,000
Notes:					
¹ The 2020B Bank Notes will be taxable and will be issued by two or more local banks.					

Table 3 - Financing Plan

Based on the Project Cost expenditures as included within the cash flow exhibit (Table 4), the District is projected to accumulate sufficient funds by the year 2034 to pay off all Project cost liabilities and obligations. 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.

City of Milton, Wisconsin

Tax Increment District # 11

Cash Flow Projection

Year	Projected Revenues			Expenditures								Balances				Year		
	Tax Increments	2020B Taxable Bank Loans	Total Revenues	Series 2020B Taxable Bank Loans ¹			Developer Incentives - Project #1	Developer Incentives - Project #3	Purchase of Land	Public Improvements within 1/2 Mile	Admin. ² and Engineering	Total Expenditures	Annual	Cumulative	Developer Incentives Outstanding		Principal Outstanding	
				1,650,000	12/30/20	Interest												
2021		1,650,000	1,650,000		2.25%	21,656			1,650,000			75,000	1,746,656	(96,656)	(96,656)	5,657,930	1,650,000	2021
2022			0	166,500	2.25%	35,252						75,000	276,752	(276,752)	(373,408)	5,657,930	1,483,500	2022
2023	341,820		341,820	168,400	2.25%	31,484						75,000	301,977	39,843	(333,565)	5,630,837	1,315,100	2023
2024	792,861		792,861	173,300	2.25%	27,640	527,400	27,093				75,000	830,433	(37,572)	(371,138)	5,076,344	1,141,800	2024
2025	792,861		792,861	177,000	2.25%	23,699	527,400	27,093				75,000	830,192	(37,331)	(408,469)	4,521,851	964,800	2025
2026	792,861		792,861	181,100	2.25%	19,671	527,400	27,093				75,000	830,264	(37,403)	(445,873)	3,967,358	783,700	2026
2027	792,861		792,861	186,000	2.25%	15,541	527,400	27,093				75,000	831,034	(38,173)	(484,046)	3,412,865	597,700	2027
2028	792,861		792,861	192,000	2.25%	11,288	527,400	27,093				75,000	832,781	(39,920)	(523,966)	2,858,372	405,700	2028
2029	792,861		792,861	196,000	2.25%	6,923	527,400	27,093				75,000	832,416	(39,555)	(563,522)	2,303,879	209,700	2029
2030	792,861		792,861	209,700	2.25%	2,359	527,400	27,093				75,000	841,552	(48,691)	(612,213)	1,749,386	0	2030
2031	792,861		792,861				527,400	27,093		250,000		75,000	879,493	(86,632)	(698,846)	1,194,893	0	2031
2032	792,861		792,861				527,400	27,093					554,493	238,368	(460,478)	640,400	0	2032
2033	792,861		792,861				527,400						527,400	265,461	(195,017)	113,000	0	2033
2034	792,861		792,861				113,000						113,000	679,861	484,843	0	0	2034
2035	792,861		792,861										0	792,861	1,277,704	0	0	2035
2036	792,861		792,861										0	792,861	2,070,564	0	0	2036
2037	792,861		792,861										0	792,861	2,863,425	0	0	2037
2038	792,861		792,861										0	792,861	3,656,286	0	0	2038
2039	792,861		792,861										0	792,861	4,449,146	0	0	2039
2040	792,861		792,861										0	792,861	5,242,007	0	0	2040
2041	792,861		792,861										0	792,861	6,034,867	0	0	2041
2042	792,861		792,861										0	792,861	6,827,728	0	0	2042
Total	15,406,171	1,650,000	17,056,171	1,650,000		195,513	5,387,000	270,930	1,650,000	250,000	825,000	10,228,443						Total
Notes:													Projected TID Closure					
¹ The City may subsequently reallocate a portion of the 2020B Taxable Bank Loans between TID 6 and TID 9.																		
² Includes 5 years payment to the Town of Milton for annexed land - Total payments = \$452																		

Table 4 - Cash Flow

SECTION 10: 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. Since property within the proposed District boundary has been annexed within the past three years, the City pledges to pay the Town of Milton for each of the next five years an amount equal to the property taxes levied on the territory by the town at the time of the annexation. Such payments allow for inclusion of the annexed lands as a permitted exception under Wis. Stat. § 66.1105(4)(gm)1. The City projects the total payments to the Town to be \$452.

SECTION 11:

Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City 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.

SECTION 12:

Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development. Land within the District zoned industrial at the time of District creation will remain in a zoning classification suitable for industrial sites for the life of the District.

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for industrial development.

Building Codes and Ordinances

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

SECTION 13:

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

Should 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 14:

How Creation of the Tax Incremental District Promotes the Orderly Development of the City

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by creating new industrial sites, providing necessary public infrastructure improvements, and providing appropriate financial incentives for private development projects. Through use of tax increment financing, the City 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.

Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as increased employment opportunities during construction and will also result in the developers' purchase of materials and services which will support the local and regional economy.

The City has concluded that in addition to the addition of approximately \$34 million in increased property value that is projected, that the other economic benefits that will be derived from the Project are more than sufficient to compensate for the related Project Costs.

SECTION 15:

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.

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

SECTION 16:

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

Legal Opinion Found on Following Page.

Insert Signed Legal Opinion from City Attorney

SAMPLE

Mayor
City of Milton
710 S Janesville St
Milton, Wisconsin 53563-1579

RE: Project Plan for Tax Incremental District No. 11

Dear Mayor:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105.

As City Attorney for the City of Milton, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan for the City of Milton Tax Incremental District No. 11 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

City Attorney

SECTION 17:

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.

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.

Statement of Taxes Data Year:				2019				
				Percentage				
Rock County				2,187,515			20.17%	
Blackhawk Technical College				415,259			3.83%	
City of Milton				4,786,870			44.14%	
School District of Milton				3,455,654			31.86%	
Total				10,845,298				
Revenue Year	Rock County	Blackhawk Technical College	City of Milton	School District of Milton	Total	Revenue Year		
2023	68,946	13,088	150,871	108,915	341,820	2023		
2024	159,921	30,358	349,951	252,630	792,861	2024		
2025	159,921	30,358	349,951	252,630	792,861	2025		
2026	159,921	30,358	349,951	252,630	792,861	2026		
2027	159,921	30,358	349,951	252,630	792,861	2027		
2028	159,921	30,358	349,951	252,630	792,861	2028		
2029	159,921	30,358	349,951	252,630	792,861	2029		
2030	159,921	30,358	349,951	252,630	792,861	2030		
2031	159,921	30,358	349,951	252,630	792,861	2031		
2032	159,921	30,358	349,951	252,630	792,861	2032		
2033	159,921	30,358	349,951	252,630	792,861	2033		
2034	159,921	30,358	349,951	252,630	792,861	2034		
2035	159,921	30,358	349,951	252,630	792,861	2035		
2036	159,921	30,358	349,951	252,630	792,861	2036		
2037	159,921	30,358	349,951	252,630	792,861	2037		
2038	159,921	30,358	349,951	252,630	792,861	2038		
2039	159,921	30,358	349,951	252,630	792,861	2039		
2040	159,921	30,358	349,951	252,630	792,861	2040		
2041	159,921	30,358	349,951	252,630	792,861	2041		
2042	159,921	30,358	349,951	252,630	792,861	2042		
3,107,451		589,892		6,799,936		4,908,892		15,406,171
Notes:								
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.								