

January 16, 2023

PROJECT PLAN

Village of Cedar Grove, Wisconsin

Tax Incremental District No. 3



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	Scheduled for January 30, 2023
Public Hearing Held:	Scheduled for January 30, 2023
Approval by Plan Commission:	Scheduled for January 30, 2023
Adoption by Village Board:	Scheduled for February 13, 2023
Approval by the Joint Review Board:	TBD

TABLE OF CONTENTS

Executive Summary.....	3
Preliminary Map of Proposed District Boundary	6
Map Showing Existing Uses and Conditions.....	10
Preliminary Parcel List and Analysis	12
Equalized Value Test	14
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District	15
Map Showing Proposed Improvements and Uses.....	21
Detailed List of Estimated Project Costs	25
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.....	26
Annexed Property.....	31
Estimate of Property to Be Devoted to Retail Business.....	32
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and Village Ordinances.....	33
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	34
How Creation of the Tax Incremental District Promotes the Orderly Development of the Village	35
List of Estimated Non-Project Costs	36
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f).....	37
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions.....	39

SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 3 (“District”) is a proposed Mixed Use District comprising approximately 230.16 acres located south of Highway 32, east of I-43 and including the downtown area. The District will be created to pay the costs of property acquisition of property, rights of way or easements, site preparation, installation or rehabilitation of utilities and streets, payment of cash grants as development incentives to owners, lessees, or developers of land location within the district, professional services and organization costs, administrative costs, financing costs and other related costs (“Project”). In addition to the incremental property value that will be created, the Village expects the Projects completed to implement this plan will provide increased opportunities for employment, personal income and business income related to the construction and operation of the anticipated development projects in the business park as well as downtown redevelopment.

AUTHORITY

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

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The Village anticipates making total expenditures of approximately \$3.2 million, not including interest costs, (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”).

INCREMENTAL VALUATION

The Village projects that new land and improvements value of approximately \$7.47 million 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 assumptions 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 Village anticipates that the District will generate sufficient tax increment to pay all Project Costs in year 18 of its allowable 20 year TID life.

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” 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 Village. In reaching this determination, the Village has considered:

The substantial investment needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax incremental financing, the Village is unable to fully fund this program of infrastructure improvements. Additionally costs associated with demolition of structures and redevelopment of existing sites requires the use of tax incremental financing.

2. 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 Village 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.
3. Not less than 50% by area of the real property within the District is suitable for mixed use development as defined by Wis. Stat. § 66.1105(2)(cm).
4. Based on the foregoing finding, the District is designated as a mixed-use district.
5. The Project Costs relate directly to promoting mixed use development in the District, consistent with the purpose for which the District is 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 equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the Village does not exceed 12% of the total equalized value of taxable property within the Village.
8. The Village estimates that approximately 20% 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).
9. That for those parcels to be included within the District that were annexed by the Village within the three-year period preceding adoption of this

Resolution, the Village pledges to pay the Town of Holland an amount equal to the property taxes the town last levied on the territory for each of the next five years.

10. The Plan for the District is feasible and is in conformity with the Master Plan of the Village.

SECTION 2:

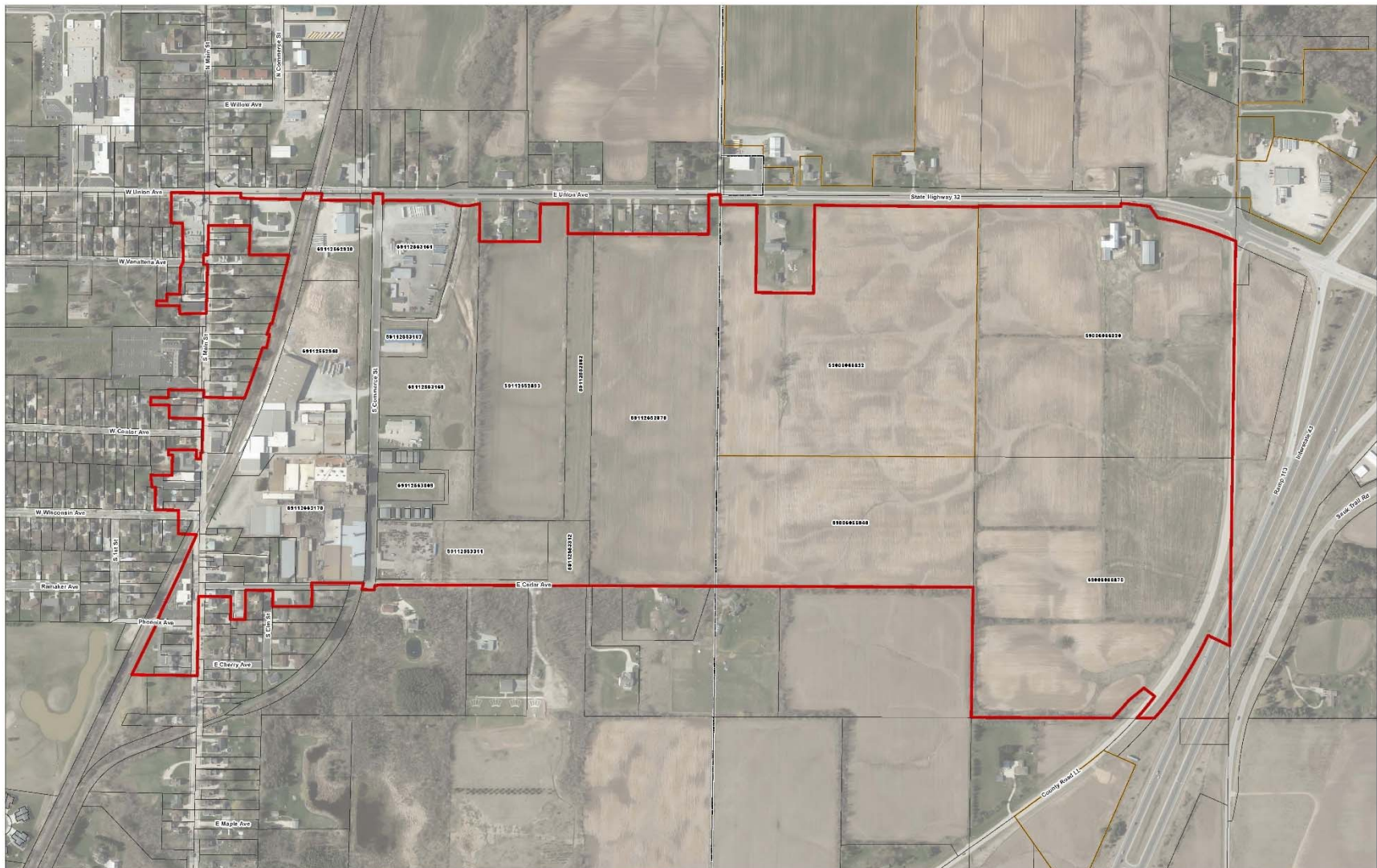
Preliminary Map of Proposed District Boundary

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.



A scale bar showing 0, 125, and 250 feet. To the right is a north arrow pointing upwards, labeled with a large 'N'.



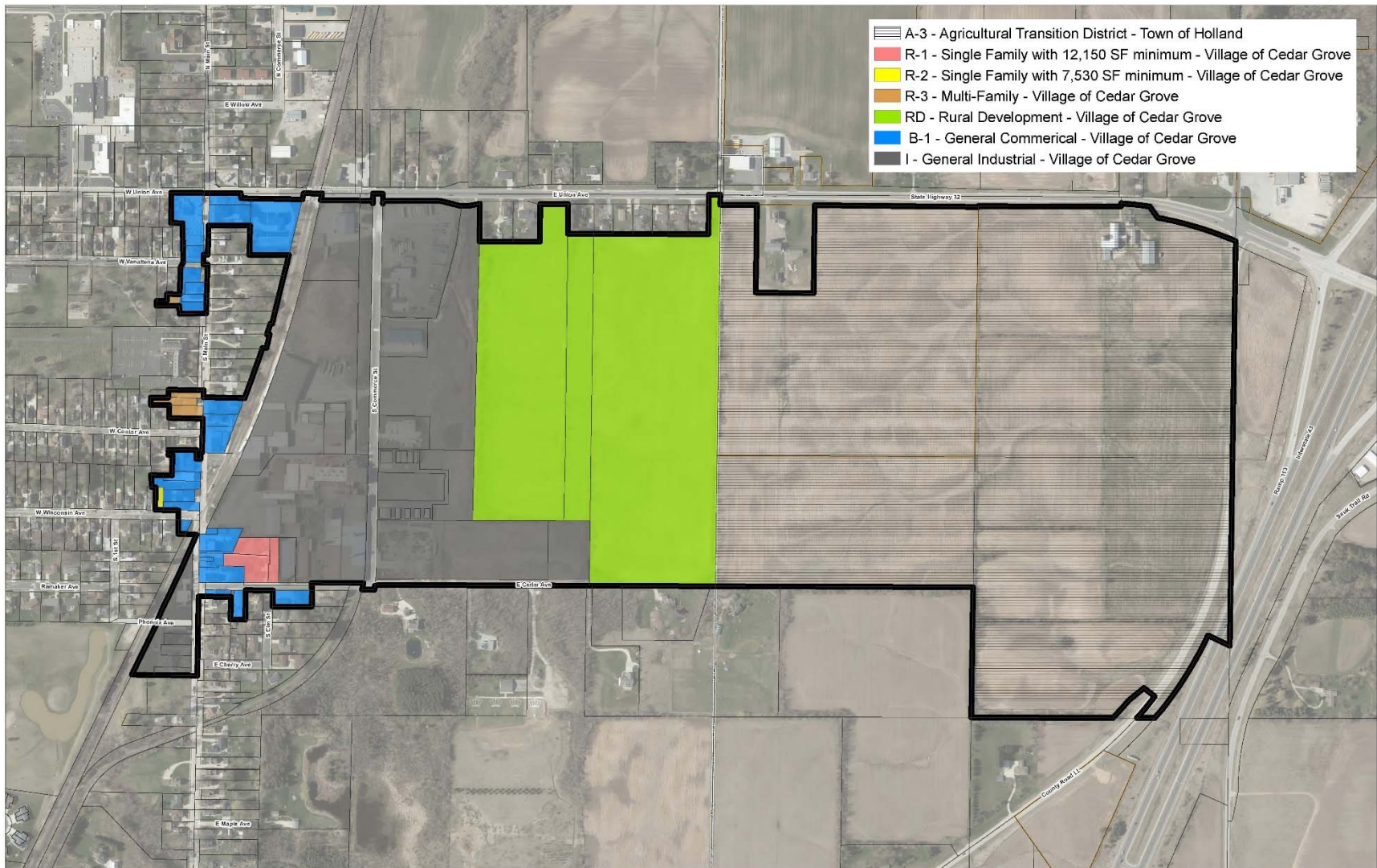


A scale bar showing 0, 50, and 100 feet, and a north arrow pointing upwards with the letter 'N' below it.

SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.



SECTION 4:

Preliminary Parcel List and Analysis

Parcel List Found on Following Page.

Village of Cedar Grove, Wisconsin

Tax Increment District # 3

Base Property Information

						Assessment Information				Equalized Value				District Classification					Assessment Roll Classification? (Residential = Class 1, Ag = Class 2, Underpaved = Class 3, Ag Forest = Class SM, Forest = Class 6, Other = Class 7 & Exempt = X)		
Parcel Number	Street Address	Owner	Acreage	Annexed Post	Part of	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Industrial (Zoned and Suitable)	Commercial/ Business	Existing Residential	Newly Platted Residential	Suitable for Mixed Use		
				1/1/04? ...Indicate date	Existing TID? ...Indicate TID #																
59006066832		THE COOK REVOCABLE TRUST	35.45	3/15/2023		6,300	0		6,300	79.63%	7,911			7,911	35.45		0	0	0	35.45	3
59006066840	State Highway 32	THE COOK REVOCABLE TRUST	20.00	3/15/2023		3,600	0		3,600	79.63%	4,521			4,521	20		0	0	0	20.00	3
59112552870	E UNION AVE	THE COOK REVOCABLE TRUST	26.75			4,500	0		4,500	79.63%	5,651			5,651	26.75	0	0	0	0	26.75	3
59112552880	301 E UNION AVE	DALE R MENTINK/Jane E	4.92			39,800	120,300		160,100	79.63%	49,979	151,066		201,045	4.45	0	0.47	0	0	4.92	3
59112552893	E UNION AVE	WILLMAN INDUSTRIES	15.50			2,600	0		2,600	79.63%	3,265			3,265	15.5	0	0	0	0	15.50	3
59112553311	S COMMERCE ST	WILLMAN INDUSTRIES	6.00			54,300	4,500		58,800	79.63%	68,187	5,651		73,838	6					6.00	3
59112553161	238 S COMMERCE S	CEDAR RIDGE, INC	4.79			74,200	170,200		244,400	79.63%	93,176	213,728		306,904		4.79				4.79	2
59112553168		SELKEY LLC	7.47			63,300			63,300	79.63%	79,489			79,489		7.47				7.47	2
59112553163	250 S COMMERCE ST	JTMC PROPERTIES LLC	1.01			40,200	225,000		265,200	79.63%	50,481	282,543		333,024		1.01				1.01	2
59112553509	S COMMERCE ST	THE SHOPS ON COMMERCE LLC	2.62			26,400	0		26,400	79.63%	33,152			33,152						2.62	2
59112556996	S COMMERCE ST	WILLMAN INDUSTRIES	0.00			10,000	63,300		73,300	79.63%	12,557	79,489		92,046		0				0.00	2
59112556997	S COMMERCE ST	THE SHOPS ON COMMERCE LLC	0.00			8,000	28,000		36,000	79.63%	10,046	35,161		45,207		0.03				0.03	2
59112556998	S COMMERCE ST	THE SHOPS ON COMMERCE LLC	0.00			8,000	40,000		48,000	79.63%	10,046	50,230		60,276		0				0.00	2
59112556999	S COMMERCE ST	THE SHOPS ON COMMERCE LLC	0.00			8,000	40,000		48,000	79.63%	10,046	50,230		60,276		0				0.00	2
59112557000	S COMMERCE ST	THE SHOPS ON COMMERCE LLC	0.03			8,000	28,000		36,000	79.63%	10,046	35,161		45,207		0.03				0.03	2
59112556990	CONDOS	SOUTH COMMERCE CONDOMINIUM	1.40			0	0		0	79.63%	0	0		0			1.4			1.40	1
59112556991	330 S COMMERCE ST	WILLMAN INDUSTRIES	0.00			10,000	51,000		61,000	79.63%	12,557	64,043		76,600		0				0.00	2
59112556992	330 S COMMERCE ST	MICHAEL SCOTT	0.00			10,000	39,900		49,900	79.63%	12,557	50,104		62,662		0				0.00	2
59112556993	330 S COMMERCE ST	ROWE REVOCABLE TRUST	0.00			10,000	39,900		49,900	79.63%	12,557	50,104		62,662		0				0.00	2
59112556994	330 S COMMERCE ST UNIT 4	JDN PROPERTIES LLC	0.00			10,000	39,900		49,900	79.63%	12,557	50,104		62,662		0				0.00	2
59112556995	330 S COMMERCE ST	D. KOVACIC/S. LAVIOLETTE	0.00			10,000	39,900		49,900	79.63%	12,557	50,104		62,662		0				0.00	2
59112553170	338 S MAIN ST	WILLMAN INDUSTRIES	8.77			93,600	2,231,400		2,325,000	79.63%	117,538	2,802,069		2,919,607	8.77					8.77	3
59112552941	S COMMERCE ST	WILLMAN INDUSTRIES	0.65			7,700	103,000		110,700	79.63%	9,669	129,342		139,011		0.65				0.65	3
59112552940	307 S COMMERCE ST	SELKEY LLC	8.19			87,400	1,921,700		2,009,100	79.63%	109,752	2,413,165		2,522,917	8.19					8.19	3
59112552930	119 E UNION AVE	SELKEY LLC	2.43			58,400	200,500		258,900	79.63%	73,335	251,777		325,112	2.43					2.43	3
59112552980	100 S MAIN ST	DARK WATERS Real estate	0.29			22,700	98,900		121,600	79.63%	28,505	124,193		152,699		0.292				0.29	2
59112552990	108 S MAIN ST	MICHAEL & Mary HUENIK	0.51			40,000	129,400		169,400	79.63%	50,230	162,493		212,723			0.51			0.51	1
59112553200	406 S MAIN ST	BELLA VIDA HAIR SALON LLC	0.40			3,400	61,000		64,400	79.63%	4,270	76,600		80,870		0.4				0.40	2
59112553140	260 S MAIN ST	CHARLES J WESTIN	0.40			37,600	88,100		125,700	79.63%	47,216	110,631		157,847		0.4				0.40	2
59112553150	266 S MAIN ST	Tony & Amy Nice	0.24			32,800	103,000		135,800	79.63%	41,188	129,342		170,530		0.24				0.24	2
59112552970	25 E UNION AVE	EASTERN PINES LLC	1.52			47,800	143,200		191,000	79.63%	60,025	179,823		239,847		1.52				1.52	2
59112553790	3 W UNION AVE	AKA GROUP LLC	0.85			38,500	660,200		698,700	79.63%	48,346	829,043		877,389		0.85				0.85	2
59112553830	123 MAIN ST	RAY C FLAHERTY FAMILY TRUST	0.26			21,500	97,400		118,900	79.63%	26,999	122,310		149,308		0.263				0.26	2
59006066820	W2141 STATE HIGHWAY 3	THE COOK REVOCABLE TRUST	32.80	3/15/2023		5,100			5,100	79.63%	6,404	0		6,404						32.80	2
59006066820	W2141 STATE HIGHWAY 3	THE COOK REVOCABLE TRUST	2.00	3/15/2023		38,000	166,300		204,300	79.63%	47,718	208,830		256,549		2				2.00	2
59112553167	244 S COMMERCE ST	SHEBOYGAN CHRISTIAN SCHOOL AS	0.97			0	0		0	79.63%	0	0		0						0.00	X
59112553507		SELKEY LLC	1.95			12,800	0		12,800	79.63%	16,074	0		16,074			1.953			1.95	2
59112553290	116 E CEDAR AVE	WILLMAN INDUSTRIES	0.47			22,300	177,000		199,300	79.63%	28,003	222,267		250,270	0.47					0.47	3
59112553280	108 E CEDAR AVE	STALEY, DANIEL L	0.46			25,200	79,100		104,300	79.63%	31,645	99,329		130,974			0.46			0.46	1
59112553160	306 S MAIN ST (FIRE STATION)	VILLAGE OF CEDAR GROVE	0.42			0	0		0	79.63%	0	0		0						0.00	X
59112553460	PARKING LOT	VILLAGE OF CEDAR GROVE	0.00			0	0		0	79.63%	0	0		0						0.00	X
59112553220	416 S MAIN ST	CHESETOWN PROPERTIES LLC	0.53			26,400	146,400		172,800	79.63%	33,152	183,841		216,993		0.532				0.53	2
59112553230	422 S MAIN ST	CRIST, JAMES W	0.38			24,100	73,500		97,600	79.63%	30,263	92,297		122,561			0.378			0.38	1
59112553270	104 E CEDAR AVE	KOTERMAN, DAVID K	0.54			26,600	83,200		109,800	79.63%	33,403	104,478		137,881			0.54			0.54	1
59112553240	426 S MAIN ST	LINDSEY J MENTINK	0.03			3,000	10,800		13,800	79.63%	3,767	13,562		17,329		0.034				0.03	2
59112553250	430 S MAIN ST	GRANT W SOERENS	0.16			9,200	61,400		70,600	79.63%	11,553	77,103		88,656		0.162				0.16	2
59112553260	436 S MAIN ST	STEVEN M STOCKERO	0.39			17,500	133,600		151,100	79.63%	21,976	167,768		189,743		0.39				0.39	2
59112550180	10 PHOENIX AVE	OOSTBURG STATE BANK	0.76			37,100	688,300		725,400	79.63%	46,588	864,329		910,917		0.759				0.76	2
59112550160	607 S MAIN ST	VILLAGE OF CEDAR GROVE	0.10			14,300	91,500		105,800	79.63%	17,957	114,901		132,858			0.101			0.10	1
59112550140	S MAIN ST	NATIONAL EXCHANGE BANK & TRU	0.20			17,000	0		17,000	79.63%	21,348	0		21,348		0.195				0.20	2
59006066870	N/A	THE COOK REVOCABLE TRUST	30.13	3/15/2023		5,300			5,300	79.63%	6,655	0		6,655						30.13	2
59112550120	617 S MAIN ST	NATIONAL EXCHANGE BANK & TRU	0.17			14,800			14,800	79.63%	18,585	0		18,585						0.17	2
59112550810	502 S MAIN ST	BRUCE A LUKENS	0.11			9,900	128,200		138,100	79.63%	12,432	160,986		178,418		0.114				0.11	2
59112550800	E CEDAR AVE	WILLMAN INDUSTRIES	0.21			10,400	33,800		44,200	79.63%	13,060	42,444		55,504	0.207					0.21	3
59112550880	608 S ELM ST	DJENK, JEFFREY J	0.38			17,200	96,700		113,900	79.63%	21,599	121,431		143,029		0.376				0.38	2
59112551680	403 S MAIN ST	THOMAS D BERLIN	0.09			7,500	64,800		72,300	79.63%	9,418	81,372		90,790		0.086				0.09	2
59112551640	349 S MAIN ST	SHEBOYGAN CHRISTIAN SCHOOL AS	0.20			0	0		0	7											

SECTION 5: Equalized Value Test

The following calculations demonstrate that the Village expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the Village.

The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the proposed District, totals \$15,930,284. This value is less than the maximum of \$22,726,284 in equalized value that is permitted for the Village.

Village of Cedar Grove, Wisconsin				
Tax Increment District # 3				
Valuation Test Compliance Calculation				
District Creation Date	1/1/2023			
	Valuation Data Currently Available 2022	Dollar Charge	Percent Change	Valuation Data Est. Creation Date
Total EV (TID In)	189,385,700			189,385,700
12% Test	22,726,284			22,726,284
Increment of Existing TIDs				
TID #1	731,000			731,000
				0
				0
				0
				0
				0
Total Existing Increment	731,000			731,000
Projected Base of New or Amended District	15,199,284			15,199,284
Less Value of Any Underlying TID Parcels	0			0
Total Value Subject to 12% Test	15,930,284			15,930,284
Compliance	PASS			PASS

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 Village 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 Village 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 Village 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 Village 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 Village 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 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

Sanitary Sewer System Improvements

To allow development to occur, the Village 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 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 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.

Water System Improvements

To allow development to occur, the Village 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 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 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 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 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 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.

Community Development

Cash Grants (Development Incentives)

The Village 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 Village executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the Village are eligible Project Costs.

Miscellaneous

Rail Spur

To allow for development, the Village 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 Holland 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 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:

- Ingress and egress improvements and signalization along County Truck LL, estimated at \$250,000

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.

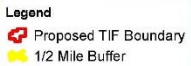
Financing Costs

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 7:

Map Showing Proposed Improvements and Uses

Map Found on Following Page.



SECTION 8:

Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the Village 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.

Village of Cedar Grove, Wisconsin

Tax Increment District # 3

Estimated Project List

Project ID	Project Name/Type	Phase I 2022	Phase II 2023	Phase III 2024	Phase IV 2026 (Note 2)	Total (Note 1)
1	Land Write Down	159,000				159,000
2	Demolition of House - 59112550160		10,000			10,000
3	Purchase of Building - 59112553200		120,000			120,000
4	Relocation of Business - 59112550160		20,000			20,000
5	Demolition of Building - 59112553200		15,000			15,000
6	Loan/Business Grant - 59112550160		80,000			80,000
7	Road Project (Downtown)			150,000		150,000
8	300 ft Road Extension		150,000			150,000
9	300 ft Sewer Extension		150,000			150,000
10	300 ft Water Extension		150,000			150,000
11	Engineering		150,000			150,000
12	Business Park Sign - 59006066870		50,000			50,000
13	Utilities – Electric to Sign - 59006066870		20,000			20,000
14	Relocation of Storm Sewer - 59112552940				500,000	500,000
15	Business Grant - 59112553170				500,000	500,000
16	Phase I Business Park				500,000	500,000
17	Phase II Business Park				500,000	500,000
18	TID Creation Costs		25,000			25,000
Total Projects		159,000	940,000	150,000	2,000,000	3,224,000

Notes:

Note 1 Project costs are estimates and are subject to modification

Note 2 Projects to be undertaken only if there is developments to offset the costs.

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 Village plans to make are expected to create \$7.7 million in incremental value by 2034. Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming the Village's current equalized TID Interim tax rate of \$21.57 per thousand of equalized value, with a .5% annual appreciation, the Project would generate \$2.6 million in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

Table 1 – Development Assumptions

Village of Cedar Grove, Wisconsin Tax Increment District # 3 Development Assumptions									
Construction Year		Downtown Redevelopment	Business Expansion	Initial Business Park ¹	Business Park Phase 1 ²	Business Park Phase 2 ²	Annual Total	Construction Year	
1	2023	320,000					320,000	2023	1
2	2024			850,000			850,000	2024	2
3	2025	250,000		1,050,000			1,300,000	2025	3
4	2026		750,000				750,000	2026	4
5	2027	250,000		1,050,000			1,300,000	2027	5
6	2028						0	2028	6
7	2029	150,000		1,050,000			1,200,000	2029	7
8	2030						0	2030	8
9	2031			1,050,000			1,050,000	2031	9
10	2032						0	2032	10
11	2033			700,000			700,000	2033	11
12	2034						0	2034	12
13	2035						0	2035	13
14	2036						0	2036	14
15	2037						0	2037	15
Totals		<u>970,000</u>	<u>750,000</u>	<u>5,750,000</u>	<u>0</u>	<u>0</u>	<u>7,470,000</u>		

Notes:

¹ 15 acres of developable land with an assumed value of \$350K per acre.

² Located within the TID boundaries and will be developed only if there is sufficient development to offset anticipated infrastructure costs.

Table 2 – Tax Increment Projection Worksheet

Village of Cedar Grove, Wisconsin Tax Increment District # 3 Tax Increment Projection Worksheet									
Type of District	Mixed Use			Base Value	9,626,916	<input checked="" type="checkbox"/> Apply to Base Value			
District Creation Date	January 1, 2023			Appreciation Factor	0.50%				
Valuation Date	Jan 1,	2023		Base Tax Rate	\$21.57				
Max Life (Years)	20			Rate Adjustment Factor					
Expenditure Period/Termination	15	1/1/2038							
Revenue Periods/Final Year	20	2044							
Extension Eligibility/Years	Yes	3		Tax Exempt Discount Rate	4.00%				
Eligible Recipient District	No			Taxable Discount Rate	5.50%				

Construction		Valuation	Inflation	Total	Revenue	Tax		Tax Exempt	Taxable NPV
Year	Value Added	Year	Increment	Increment	Year	Tax Rate	Increment	NPV Calculation	Calculation
1	2023	320,000	2024	0	320,000	2025	\$21.57	6,901	6,135
2	2024	850,000	2025	1,600	1,171,600	2026	\$21.57	25,266	27,732
3	2025	1,300,000	2026	5,858	2,477,458	2027	\$21.57	53,427	71,645
4	2026	750,000	2027	12,387	3,239,845	2028	\$21.57	69,867	126,862
5	2027	1,300,000	2028	16,199	4,556,045	2029	\$21.57	98,251	201,525
6	2028	0	2029	22,780	4,578,825	2030	\$21.57	98,743	273,675
7	2029	1,200,000	2030	22,894	5,801,719	2031	\$21.57	125,114	361,579
8	2030	0	2031	29,009	5,830,727	2032	\$21.57	125,740	446,524
9	2031	1,050,000	2032	29,154	6,909,881	2033	\$21.57	149,012	543,319
10	2032	0	2033	34,549	6,944,430	2034	\$21.57	149,757	636,857
11	2033	700,000	2034	34,722	7,679,153	2035	\$21.57	165,601	736,313
12	2034	0	2035	38,396	7,717,548	2036	\$21.57	166,429	832,422
13	2035	0	2036	38,588	7,756,136	2037	\$21.57	167,261	925,296
14	2036	0	2037	38,781	7,794,917	2038	\$21.57	168,098	1,015,045
15	2037	0	2038	38,975	7,833,891	2039	\$21.57	168,938	1,101,773
16	2038	0	2039	39,169	7,873,061	2040	\$21.57	169,783	1,185,583
17	2039	0	2040	39,365	7,912,426	2041	\$21.57	170,632	1,266,572
18	2040	0	2041	39,562	7,951,988	2042	\$21.57	171,485	1,344,836
19	2041	0	2042	39,760	7,991,748	2043	\$21.57	172,342	1,420,465
20	2042	0	2043	39,959	8,031,707	2044	\$21.57	173,204	1,493,550
Totals		7,470,000		561,707		Future Value of Increment	2,595,852		

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).

Financing and Implementation

The Village intends to issue debt for all the projects listed under Phase I, II and III. As increment and cumulative fund balance is available, the Village could use cash to finance future project costs and recurring expenses. **Table 3.** provides a summary of the District's financing plan.

Table 3 – Financing Plan

Village of Cedar Grove, Wisconsin Tax Increment District # 3 Estimated Financing Plan		
	G.O. Bond 2023	Totals
Projects		
Phase I	159,000	159,000
Phase II	940,000	940,000
Phase III	150,000	150,000
Total Project Funds	1,249,000	1,249,000
Estimated Finance Related Expenses		
Municipal Advisor	20,000	
Bond Counsel	15,000	
Paying Agent	800	
Underwriter Discount	12.00 18,000	
Capitalized Interest	202,500	
Total Financing Required	1,505,300	
Estimated Interest	2.00%	(6,245)
Assumed spend down (months)	3	
Rounding	945	
Net Issue Size	1,500,000	
Notes:		

Based on the Project Cost expenditures as included within the cash flow exhibit (Table 4), the District is projected to accumulate sufficient funds by 2042 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.

Table 4 - Cash Flow

Village of Cedar Grove, Wisconsin													
Tax Increment District # 3													
Cash Flow Projection													
Year	Projected Revenues				Expenditures				Balances			Year	
	Tax Increments	Interest Earnings/ (Cost)	Capitalized Interest	Total Revenues	G.O. Bond 1,500,000 Dated Date: 08/01/23			Admin.	Total Expenditures	Annual	Cumulative		Principal Outstanding
					Principal	Est. Rate	Interest						
2023			202,500	202,500					0	202,500	202,500		2023
2024		4,050		4,050		4.50%	67,500		67,500	(63,450)	139,050		2024
2025	6,901	2,781		9,682		4.50%	67,500	2,000	69,500	(59,818)	79,232		2025
2026	25,266	1,585		26,850		4.50%	67,500	2,000	69,500	(42,650)	36,582		2026
2027	53,427	732		54,158		4.50%	67,500	2,000	69,500	(15,342)	21,240		2027
2028	69,867	425		70,292		4.50%	67,500	2,000	69,500	792	22,032		2028
2029	98,251	441		98,692	25,000	4.50%	66,938	2,000	93,938	4,754	26,787		2029
2030	98,743	536		99,278	35,000	4.50%	65,588	2,000	102,588	(3,309)	23,478		2030
2031	125,114	470		125,584	60,000	4.50%	63,450	2,000	125,450	134	23,612		2031
2032	125,740	472		126,212	70,000	4.50%	60,525	2,000	132,525	(6,313)	17,299		2032
2033	149,012	346		149,358	90,000	4.50%	56,925	2,000	148,925	433	17,732		2033
2034	149,757	355		150,112	100,000	4.50%	52,650	2,000	154,650	(4,538)	13,193		2034
2035	165,601	264		165,865	115,000	4.50%	47,813	2,000	164,813	1,053	14,246		2035
2036	166,429	285		166,714	120,000	4.50%	42,525	2,000	164,525	2,189	16,435		2036
2037	167,261	329		167,590	135,000	4.50%	36,788	2,000	173,788	(6,197)	10,238		2037
2038	168,098	205		168,303	140,000	4.50%	30,600	2,000	172,600	(4,297)	5,941		2038
2039	168,938	119		169,057	145,000	4.50%	24,188	2,000	171,188	(2,130)	3,810		2039
2040	169,783	76		169,859	150,000	4.50%	17,550	2,000	169,550	309	4,119		2040
2041	170,632	82		170,714	155,000	4.50%	10,688	2,000	167,688	3,027	7,146		2041
2042	171,485	143		171,628	160,000	4.50%	3,600	12,500	176,100	(4,472)	2,674		2042
2043	172,342	53		172,396						172,396	175,070		2043
2044	173,204	3,501		176,706						176,706	351,776		2044
Total	2,595,852	17,248	202,500	2,815,601	1,500,000		917,325	46,500	2,463,825				Total
Notes:										Projected TID Closure			

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 Village pledges to pay the Town of Holland 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.

SECTION 11:

Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the Village estimates approximately 20% 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 Village Ordinances

Zoning Ordinances

The proposed Plan 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 is in general conformance with the Village's Comprehensive Plan identifying the area as appropriate for mixed use.

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 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 Village

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the Village by creating opportunities for mixed use development, rehabilitating and conserving property, providing necessary public infrastructure improvements and providing appropriate financial incentives for private development projects. 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. 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.

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 plan includes the following non-project costs:

- The Main Street reconstruction non-TID portion is estimated at \$7.2 million.

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

SAMPLE

Village President
Village of Cedar Grove
22 Willow Ave
Cedar Grove, Wisconsin 53013

RE: Project Plan for Tax Incremental District No. 3

Dear Village President :

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

As Village Attorney for the Village of Cedar Grove, 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 Village of Cedar Grove Tax Incremental District No. 3 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

Village 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:				2021					
						Percentage			
County		768,877				22.62%			
Technical College		121,484				3.57%			
Municipality		1,208,792				35.56%			
School District		1,300,441				38.25%			
Total				3,399,594					
Revenue Year	County	Technical College	Municipality	School District	0	0	Total	Revenue Year	
2025	1,561	247	2,454	2,640	0	0	6,901	2025	
2026	5,714	903	8,984	9,665	0	0	25,266	2026	
2027	12,083	1,909	18,997	20,437	0	0	53,427	2027	
2028	15,802	2,497	24,843	26,726	0	0	69,867	2028	
2029	22,221	3,511	34,935	37,584	0	0	98,251	2029	
2030	22,332	3,529	35,110	37,772	0	0	98,743	2030	
2031	28,297	4,471	44,487	47,860	0	0	125,114	2031	
2032	28,438	4,493	44,709	48,099	0	0	125,740	2032	
2033	33,702	5,325	52,984	57,001	0	0	149,012	2033	
2034	33,870	5,352	53,249	57,286	0	0	149,757	2034	
2035	37,454	5,918	58,883	63,347	0	0	165,601	2035	
2036	37,641	5,947	59,177	63,664	0	0	166,429	2036	
2037	37,829	5,977	59,473	63,982	0	0	167,261	2037	
2038	38,018	6,007	59,770	64,302	0	0	168,098	2038	
2039	38,208	6,037	60,069	64,624	0	0	168,938	2039	
2040	38,399	6,067	60,370	64,947	0	0	169,783	2040	
2041	38,591	6,098	60,671	65,272	0	0	170,632	2041	
2042	38,784	6,128	60,975	65,598	0	0	171,485	2042	
2043	38,978	6,159	61,280	65,926	0	0	172,342	2043	
2044	39,173	6,189	61,586	66,256	0	0	173,204	2044	
587,097		92,762	923,006	992,987	0	0	2,595,852		
Notes:									
The projection shown above is provided to meet the requirments of Wisconsin Statute 66.1105(4)(i)4.									