

September 7, 2023

PROJECT PLAN

City of Wauwatosa, Wisconsin

Tax Incremental District No. 15



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	Scheduled for August 10, 2023
Public Hearing Held:	Scheduled for August 10, 2023
Approval by CDA:	Scheduled for August 10, 2023
Adoption by City Council:	Scheduled for September 19, 2023
Approval by the Joint Review Board:	Scheduled for September 28, 2023

TABLE OF CONTENTS

Executive Summary	3
Preliminary Map of Proposed District Boundary.....	6
Map Showing Existing Uses and Conditions.....	8
Preliminary Parcel List and Analysis.....	10
Equalized Value Test.....	11
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District	12
Map Showing Proposed Improvements and Uses.....	18
Detailed List of Estimated Project Costs.....	21
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.....	22
Annexed Property	27
Estimate of Property to Be Devoted to Retail Business.....	28
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances.....	28
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	29
How Creation of the Tax Incremental District Promotes the Orderly Development of the City	29
List of Estimated Non-Project Costs.....	30
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f).....	31
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions.....	34

SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Wauwatosa Tax Incremental District (“TID”) No. 15 (“District”) is a proposed In Need of Rehabilitation or Conservation District comprising approximately 21 acres located on the southern end of Mayfair Mall. Approximately 15 of the 21 acres includes the former Boston Store building that has been vacant for at least five years. In 2022 Wauwatosa’s Community Development Authority acquired the 15-acre Boston Store property at auction to facilitate investment and redevelopment and ensure Mayfair Mall continues to be the premier mall in Wisconsin.

The proposed District is being created to facilitate multi-family housing and commercial development. At this time, the existing infrastructure is insufficient to meet the needs of the proposed use. The District will be created to pay the costs of development incentives for the first phase of a three-phase construction project. The first phase construction will consist of approximately 463 multi-family residential housing units, 485 residential structured parking stalls, 131 commercial structured parking stalls, and 9,970 rentable square feet of commercial space (“Project”) to be developed by a residential housing developer (“Developer”). The second phase of construction, consisting of approximately 208 multi-family residential units and associated parking, is anticipated to occur when phase one is stabilized and the third phase of construction, consisting of approximately 235 multi-family residential units, associated parking, and 2,739 rentable square feet of commercial space, is anticipated to occur when phase two is stabilized. Phases two and three are anticipated to be financially structured in manner similar to phase one.

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 \$57.9 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$4.0 million in watermain and pedestrian connections/sidewalks in and around the project site, \$7.8 million for on-site improvements, and \$35.7 million development incentives through a Municipal Revenue Obligation and a pre-development loan to be repaid by the developer.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$111.6 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 City anticipates that the District will generate sufficient tax increment to pay all Project Costs within 26 of its allowable 27 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:

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 City. In reaching this determination, the City has considered:

The Developer’s representation that the Project is not economically viable without public participation based on extraordinary costs associated with the redevelopment of the site, including, 1) the need to construct commercial parking stalls, which will not generate revenue, 2) higher construction costs associated with mid-rise development, 3) a challenging financial market and deal structure that challenge the ability to finance development on the site, 4) a private stormwater facility that would be impacted by residential development on the site, and 5) construction site restrictions due to adjacent retail operations.

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 City is unable to fully fund this program of infrastructure improvements.

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. In making this determination, the City has considered the following information:

That the Developer is 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.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. 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.
4. Not less than 50% by area of the real property within the District is in need of rehabilitation or conservation work as defined by Wis. Stat. § 66.1337(2m)(a).
5. Based on the foregoing finding, the District is designated as a district in need of rehabilitation or conservation.
6. The Project Costs relate directly to the rehabilitation or conservation of property and improvements in the District, consistent with the purpose for which the District is created.
7. 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.
8. 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.
9. 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).
10. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. 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.



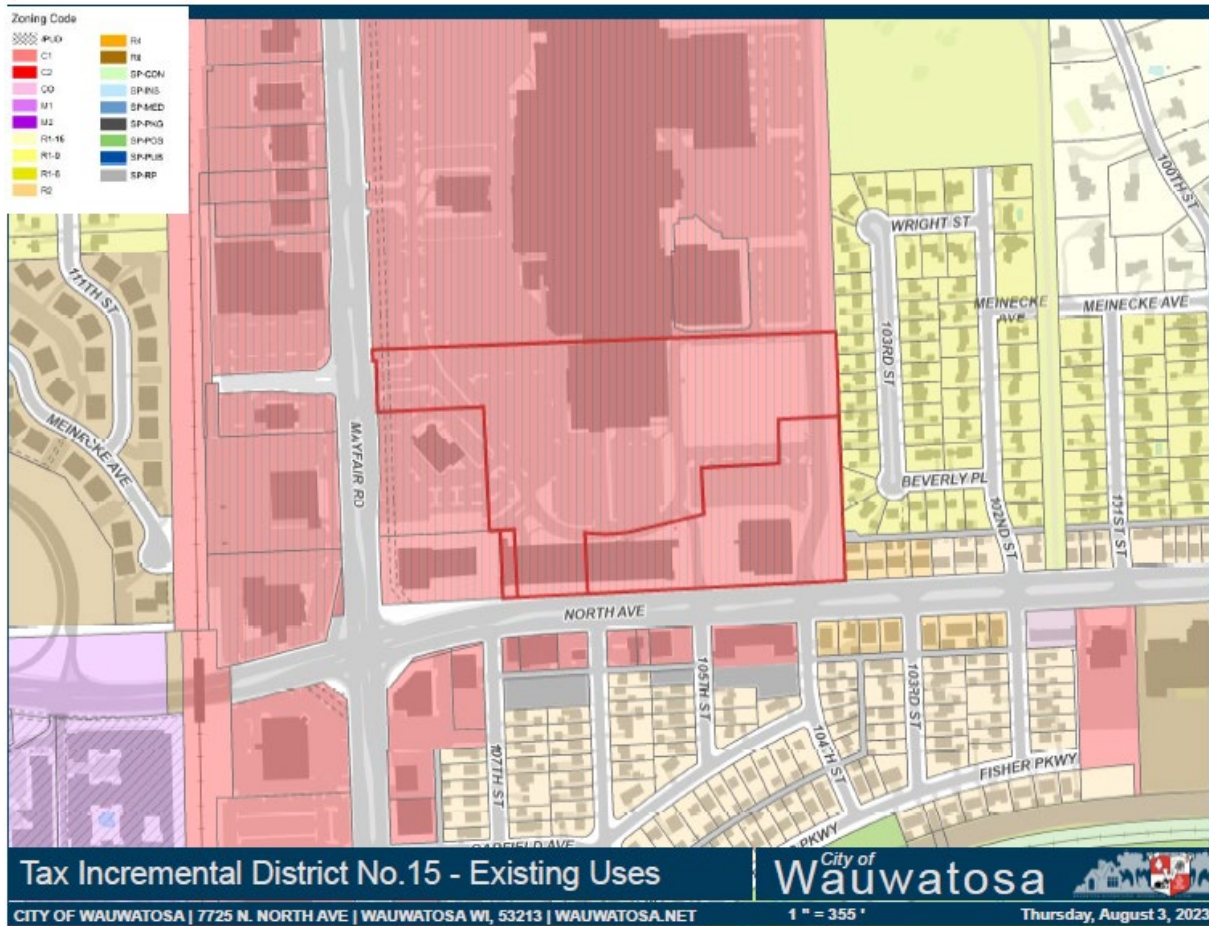
City of Wauwatosa TID #15 Boundary Map



SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.



SECTION 4: Preliminary Parcel List and Analysis

City of Wauwatosa, Wisconsin																							Assessment Roll Classification? (Residential = Class 1, Commercial = Class 2, Manufacturing = Class 3, Ag = Class 4, Undeveloped = Class 5, Ag Forest = Class 5M, Forest = Class 6, Other = Class 7 & Exempt = X)					
Tax Increment District # 15																												
Base Property Information																												
Parcel Number	Street Address	Owner	Total Acreage	Wetland Acreage	Annexed Post 1/1/04? ...Indicate date	Part of Existing TID? ...Indicate TID #	Assessment Information				Equalized Value				District Classification					District Classification								
							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	Blighted	Rehab/Conservation	Vacant					
335-9998-016	2400 N Mayfair Road, 53226	Wauwatosa Community Development Authority	14.96	0.00	N/A	No	0	0	0	0	100.00%	0	0	0	0		14.96								14.96			Class 7-X
335-9998-025	10600 W North Avenue, 53226	Mayfair Mall, LLC	0.20	0.00	N/A	No	217,800				100.00%	217,800	0	0	217,800		0.2								0.2	0.20		Class 2
335-9998-005	10400 W North Avenue, 53226	Mayfair Mall, LLC	6.08	0.00	N/A	No	6,621,100	6,159,100	301,400	13,081,600	100.00%	6,621,100	6,159,100	301,400	13,081,600		6.08								6.08	6.08		Class 2
							0				100.00%	0	0	0	0										0.00			
							0				100.00%	0	0	0	0										0.00			
Less Wetland Acreage			0.00																									
Total Acreage			21.24				6,838,900	6,159,100	301,400	13,299,400		6,838,900	6,159,100	301,400			0	21.24	0	0	21.24	0	21.24	6.28	0	21.24	6.28	
The above values are as of January 1, 2022. Actual base value certification of the territory will be based on January 1, 2023 assessed values.												Estimated Base Value 13,299,400				0.00%	100.00%	0.00%	0.00%	100.00%	0.00%	100.00%	29.57%					

SECTION 5: Equalized Value Test

The following calculations demonstrate that the City 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 City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$500.77 million. This value is less than the maximum of \$1.08 billion in equalized value that is permitted for the City.

City of Wauwatosa, Wisconsin						
Tax Increment District # 15						
Valuation Test Compliance Calculation						
District Creation Date			9/19/2023			
			Valuation Data	Dollar	Percent	Valuation Data
			Currently Available	Charge	Change	Est. Creation Date
			2022			
Total EV (TID In)			9,006,577,400			9,006,577,400
12% Test			1,080,789,288			1,080,789,288
Increment of Existing TIDs						
	TID #6		132,220,000			132,220,000
	TID #7		182,718,800			182,718,800
	TID #8		43,008,500			43,008,500
	TID #9		14,156,400			14,156,400
	TID #10		38,980,500			38,980,500
	TID #11		40,705,300			40,705,300
	TID #12		24,539,300			24,539,300
	TID #13		11,141,400			11,141,400
Total Existing Increment			487,470,200			487,470,200
Projected Base of New or Amended District			13,299,400			13,299,400
Less Value of Any Underlying TID Parcels			0			0
Total Value Subject to 12% Test			500,769,600			500,769,600
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 expenditures 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.

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.

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.

Contribution to Community Development Authority (CDA)

As provided for in Wis. Stat. § 66.1105(2)(f)1.h and Wis. Stat. § 66.1333(13), the City may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

Miscellaneous

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 the following project

cost expenditures outside the District: water main and sidewalk/pedestrian improvements.

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.

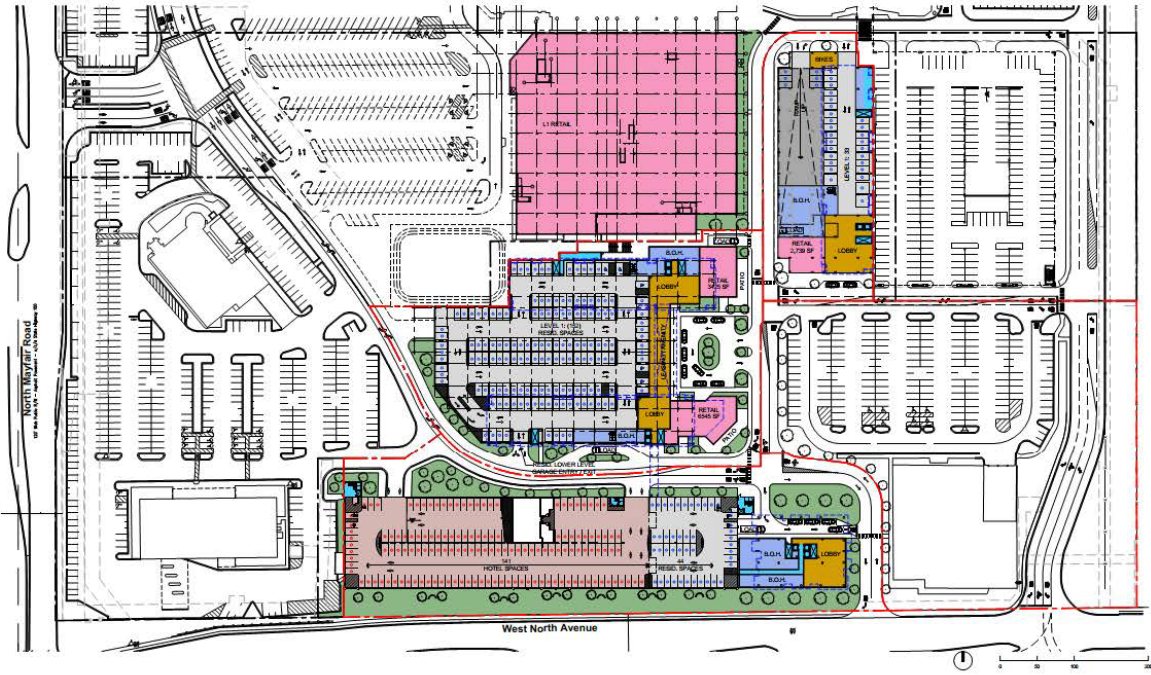
Financing Costs

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

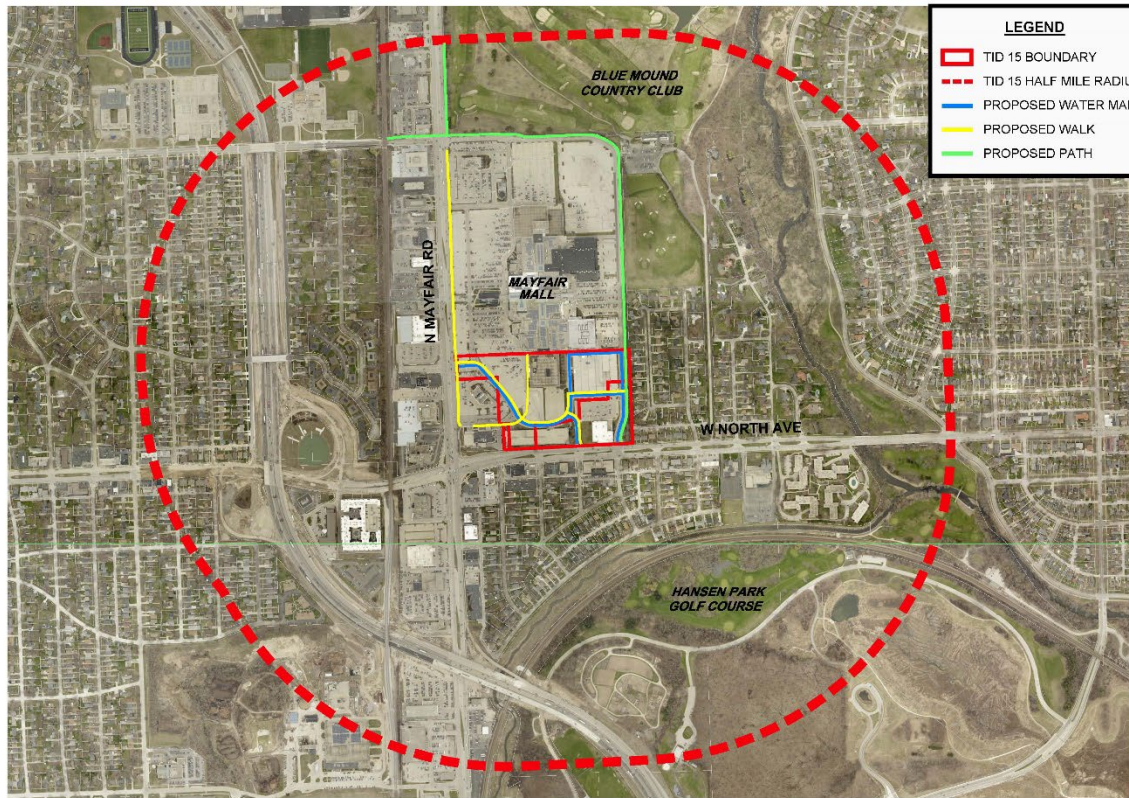
Map Found on Following Page.



TID #15 Site Plan



PUBLIC IMPROVEMENTS WITHIN TAX INCREMENTAL DISTRICT NO. 15
AND WITHIN 1/2 MILE



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 Wauwatosa, Wisconsin						
Tax Increment District # 15						
Estimated Project List						
Project ID	Project Name/Type	Phase I 2023	Phase II 2025	Phase III 2027	Phase IV On-Going	Total (Notes 1,2)
1	Watermain improvements		3,000,000			3,000,000
2	Pedestrian connections/sidewalks			1,000,000		1,000,000
3	Commercial Parking stall construction			3,930,000		3,930,000
4	Commercial Space Construction			1,495,500		1,495,500
5	On-site stormwater relocation improvements			2,400,000		2,400,000
6	Predevelopment Loan	2,500,000				2,500,000
7	Development incentives	33,200,000				33,200,000
8	Interest Expense				9,924,113	9,924,113
9	Administration				480,000	480,000
10	TID Creation Expense	25,000				25,000
Total Projects		35,725,000	3,000,000	8,825,500	10,404,113	57,954,613
Notes:						
Note 1	Project costs are estimates and are subject to modification					
Note 2	Project costs provided by the City of Wauwatosa and SB Friedman, August, 2023.					

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 \$111.6 million in incremental value by 2027. 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 \$19.49 per thousand of equalized value, and a 1.0% economic appreciation factor, the Project would generate \$59.2 million in incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

Table 1 - Development Assumptions

<div style="background-color: #003366; color: white; padding: 10px; text-align: center;"> City of Wauwatosa, Wisconsin Tax Increment District # 15 Development Assumptions </div>						
Construction Year		Residential Project	Retail Project	Annual Total	Construction Year	
1	2023			0	2023	1
2	2024	3,013,269	2,790,000	5,803,269	2024	2
3	2025	33,145,959	8,370,000	41,515,959	2025	3
4	2026	33,145,959		33,145,959	2026	4
5	2027	31,137,113		31,137,113	2027	5
6	2028			0	2028	6
7	2029			0	2029	7
8	2030			0	2030	8
9	2031			0	2031	9
10	2032			0	2032	10
11	2033			0	2033	11
12	2034			0	2034	12
13	2035			0	2035	13
14	2036			0	2036	14
15	2037			0	2037	15
16	2038			0	2038	16
17	2039			0	2039	17
18	2040			0	2040	18
19	2041			0	2041	19
20	2042			0	2042	20
21	2043			0	2043	21
22	2044			0	2044	22
23	2045			0	2045	23
24	2046			0	2046	24
25	2047			0	2047	25
26	2048			0	2048	26
27	2049			0	2049	27
Totals		<u>100,442,300</u>	<u>11,160,000</u>	<u>111,602,300</u>		
Notes:						
1. Residential Project is assumed to build out as provided by SB Friedman, August, 2023:						
	2024	3%				
	2025	33%				
	2026	33%				
	2027	31%				
	Total Value	\$100,442,300				
2. Total Retail Project assumed to build out as provided by SB Friedman, August, 2023:						
	2024	25%				
	2025	75%				
	Total Value	\$11,160,000				

Financing and Implementation

Table 3. provides a summary of the District’s financing plan. The City anticipates issuing a taxable short term note for the pre-development loan in 2023. The City anticipates entering into a Municipal Revenue Obligation (Pay as you go financing) in 2024 and issuing tax exempt and taxable debt obligations in 2025 and 2027.

Table 3 - Financing Plan

City of Wauwatosa, Wisconsin										
Tax Increment District # 15										
Estimated Financing Plan										
		State Trust Fund Loan (Short-term) 2023	Municipal Revenue Obligation (MRO) 2024	G.O. Bond 2025	G.O. Bond 2027	Taxable G.O. Bond 2027				Totals
Projects										
Phase I - Pre-development loan		2,500,000								2,500,000
Phase II - MRO			33,200,000							33,200,000
Phase III - City Infrastructure				3,000,000	1,000,000					4,000,000
Phase IV - Onsite improvements						7,825,500				7,825,500
Total Project Funds		2,500,000	33,200,000	3,000,000	1,000,000	7,825,500				47,525,500
Estimated Finance Related Expenses										
Municipal Advisor		25,000		25,000	18,000	40,000				
Bond Counsel				15,000	12,000	25,000				
Rating Agency Fee				15,000	12,000	20,000				
Paying Agent				850	850	850				
Underwriter Discount	0.00%	0	0.00%	0	10.00%	34,100	-10.00%	11,650	10.00%	92,150
Capitalized Interest					362,313	123,781		1,324,656		
Total Financing Required		2,525,000	33,200,000	3,452,263	1,178,281	9,328,156				
Estimated Interest	0.00%	0	0.00%	0	3.00%	(45,000)	3.00%	(15,000)	3.00%	(117,383)
Assumed spend down (months)	0	0	0	6	6	6				
Rounding		0	0	2,738	1,719	4,226				
Net Issue Size		2,525,000	33,200,000	3,410,000	1,165,000	9,215,000				49,515,000
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 the year 2050 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

City of Wauwatosa, Wisconsin																										
Tax Increment District # 15																										
Cash Flow Projection																										
Year	Projected Revenues				Expenditures												Balances				Year					
	Tax Increments	Developer STF Loan Repayment	Capitalized Interest	Total Revenues	State Trust Fund Loan (Short-term) 2,525,000			Municipal Revenue Obligation (MRO) 33,200,000			G.O. Bond 3,410,000			G.O. Bond 1,165,000			Taxable G.O. Bond 9,215,000			TID Creation		Admin.	Total Expenditures	Annual	Cumulative	Principal Outstanding
					Dated Date: Principal	Est. Rate	Interest	Dated Date: Principal	Est. Rate	Interest	Dated Date: Principal	Est. Rate	Interest	Dated Date: Principal	Est. Rate	Interest	Dated Date: Principal	Est. Rate	Interest							
2023				0																25,000	90,000	115,000	(115,000)	(115,000)		2023
2024		2,573,396		2,573,396	2,525,000	5.75%	48,396														40,000	2,613,396	(40,000)	(155,000)		2024
2025	0		362,313	362,313																	40,000	40,000	322,313	167,313	3,410,000	2025
2026	113,106			113,106								4.25%	217,388								40,000	257,388	(144,282)	23,031	3,410,000	2026
2027	923,383		1,448,438	2,371,820				352,665				4.25%	144,925								40,000	537,590	1,834,230	1,857,261	13,790,000	2027
2028	1,578,631			1,578,631				679,199			110,000	4.25%	142,588		4.25%	74,269		5.75%	794,794		10,000	1,810,849	(232,218)	1,625,043	13,680,000	2028
2029	2,201,280			2,201,280				989,423			120,000	4.25%	137,700		4.25%	49,513		5.75%	529,863		10,000	1,836,498	364,783	1,989,825	13,560,000	2029
2030	2,223,293			2,223,293				999,317			125,000	4.25%	132,494		4.25%	49,513		5.75%	529,863		10,000	1,846,185	377,107	2,366,933	13,435,000	2030
2031	2,245,526			2,245,526				1,009,310			130,000	4.25%	127,075	35,000	4.25%	48,769	200,000	5.75%	524,113		10,000	2,084,266	161,260	2,528,192	13,070,000	2031
2032	2,267,981			2,267,981				1,019,403			135,000	4.25%	121,444	35,000	4.25%	47,281	300,000	5.75%	509,738		10,000	2,177,865	90,116	2,618,308	12,600,000	2032
2033	2,290,661			2,290,661				1,235,516			135,000	4.25%	115,706	35,000	4.25%	45,794	300,000	5.75%	492,488		10,000	2,369,504	(78,843)	2,539,465	12,130,000	2033
2034	2,313,567			2,313,567				1,247,872			140,000	4.25%	109,863	40,000	4.25%	44,200	350,000	5.75%	473,800		10,000	2,415,734	(102,167)	2,437,298	11,600,000	2034
2035	2,336,703			2,336,703				1,260,350			150,000	4.25%	103,700	40,000	4.25%	42,500	350,000	5.75%	453,675		10,000	2,410,225	(73,522)	2,363,776	11,060,000	2035
2036	2,360,070			2,360,070				1,272,954			160,000	4.25%	97,113	45,000	4.25%	40,694	400,000	5.75%	432,113		10,000	2,457,873	(97,802)	2,265,973	10,455,000	2036
2037	2,383,671			2,383,671				1,285,683			175,000	4.25%	89,994	55,000	4.25%	38,569	450,000	5.75%	407,675		10,000	2,511,921	(128,250)	2,137,723	9,775,000	2037
2038	2,407,508			2,407,508				1,298,540			200,000	4.25%	82,025	65,000	4.25%	36,019	500,000	5.75%	380,363		10,000	2,571,946	(164,439)	1,973,284	9,010,000	2038
2039	2,431,583			2,431,583				1,311,526			225,000	4.25%	72,994	65,000	4.25%	33,256	550,000	5.75%	350,175		10,000	2,617,951	(186,368)	1,786,916	8,170,000	2039
2040	2,455,898			2,455,898				1,324,641			250,000	4.25%	62,900	75,000	4.25%	30,281	550,000	5.75%	318,550		10,000	2,621,372	(165,474)	1,621,443	7,295,000	2040
2041	2,480,457			2,480,457				1,337,887			255,000	4.25%	52,169	100,000	4.25%	26,563	550,000	5.75%	286,925		10,000	2,618,544	(138,086)	1,483,357	6,390,000	2041
2042	2,505,262			2,505,262				1,351,266			260,000	4.25%	41,225	110,000	4.25%	22,100	650,000	5.75%	252,425		10,000	2,697,016	(191,754)	1,291,603	5,370,000	2042
2043	2,530,315			2,530,315				1,364,779			285,000	4.25%	29,644	120,000	4.25%	17,213	700,000	5.75%	213,613		10,000	2,740,248	(209,933)	1,081,670	4,265,000	2043
2044	2,555,618			2,555,618				1,378,427			300,000	4.25%	17,213	125,000	4.25%	12,006	750,000	5.75%	171,925		10,000	2,764,570	(208,953)	872,717	3,090,000	2044
2045	2,581,174			2,581,174				1,392,211			255,000	4.25%	5,419	100,000	4.25%	7,225	850,000	5.75%	125,925		10,000	2,745,780	(164,606)	708,112	1,885,000	2045
2046	2,606,986			2,606,986				1,874,844						100,000	4.25%	2,975	850,000	5.75%	77,050		10,000	2,914,869	(307,883)	400,228	935,000	2046
2047	2,633,056			2,633,056				1,893,592						20,000	4.25%	425	915,000	5.75%	26,306		10,000	2,865,324	(232,268)	167,960	0	2047
2048	2,659,386			2,659,386				2,151,594													10,000	2,161,594	497,792	665,752	0	2048
2049	2,685,980			2,685,980				2,173,110													10,000	2,183,110	502,870	1,168,622	0	2049
2050	2,712,840			2,712,840				2,194,841													10,000	2,204,841	507,998	1,676,620	0	2050
2051	2,739,968			2,739,968				801,049													10,000	811,049	1,928,919	3,605,539	0	2051
Total	59,223,901	2,573,396	1,810,750	63,608,047	2,525,000		48,396	33,200,000		0	3,410,000		1,903,575	1,165,000		669,163	9,215,000		7,351,375	25,000	490,000	60,002,508				Total
Notes:																						Projected TID Closure				
1. Pre-development loan to be repaid by developer in early 2024. Interest rate is based on the current State Trust Fund Loan rate 0-3 years in length of 5.75%.																										
2. MRO payments are equal to 50% of the increment generated by residential development only in years 2027-2032, 60% in 2032-2045, and 80% in 2046-47 and 90% thereafter until the MRO maximum is reached.																										

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. None of the property within the proposed District boundary was annexed during the past three years.

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.

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for residential and commercial 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 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 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 and additional housing and improves a major commercial corridor for 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.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

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.



Wauwatosa City Attorney

Alan R. Kesner

Deputy City Attorney
Hanna Kolberg

Special Assistant
George M. Schimmel

September 7, 2023

Paulette Enders
Director of Development
City of Wauwatosa

#CA-01-23

RE: Creation of Tax Incremental Financing District #15

Dear Ms. ^{Paulette}Enders:

The Wauwatosa Common Council is set to approve the creation of Wauwatosa Tax Incremental Financing District #15. The district provides financing as a rehabilitation - conservation district. As part of the proposal to fund a portion of the improvements through tax incremental financing, the City Attorney is required to provide an Opinion advising whether the plan is complete and complies with the requirements of Wisconsin Statute Section 66.1105(4)(f). In my opinion, the project plan for the tax incremental district does comply with the law in the State of Wisconsin and the area is eligible for tax incremental financing.

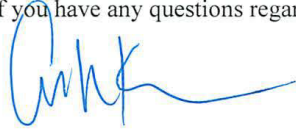
The Project Plan for Wauwatosa Tax Incremental Financing District #15 provides that approximately \$57,900,000 will be utilized to undertake the projects listed and are expected to be financed with TID increment cash flow, including the issuance of a Municipal Revenue Obligation. However, the City could use alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City or provide other advantages as determined by the Common Council.

When read in its entirety, the project plan accurately describes the methods of financing all estimated project costs, and the times at which said obligations are expected to be incurred. As required by statute, the plan also includes a map illustrating the existing uses and conditions of the property as well as a map illustrating proposed improvements and uses of the land. The project plan accurately describes the zoning ordinance changes and related project compliance issues which will be necessary to complete the proposed development. Most of the zoning changes and related requests have already been accomplished or are near completion.

The project plan accurately states that no persons will be displaced by the construction because no existing residential properties are affected by these changes. Finally, the plan indicates that the creation of a tax incremental district will promote the orderly development of the City as is compatible with existing and future land uses surrounding the project consistent with the comprehensive plan for the City of Wauwatosa.

In conclusion, it is my opinion that the project plan for Wauwatosa Tax Incremental Financing District #15 is complete and in compliance with the requirements of Section 66.1105, States. The property qualifies as "blighted area" because more than 50% of the area of the site is obsolete, and thus can be defined as blighted as that term is used in the tax incremental financing law. As such, the site is appropriate for redevelopment under the statute. The project plan describes an economically feasible project which will promote the continuation of the orderly development of the City of Wauwatosa. The project is eligible for tax incremental financing.

If you have any questions regarding this, please do not hesitate to contact me.



ALAN R. KESNER
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:				2021				
					Percentage			
County				30,603,722	18.78%			
Special District				10,645,026	6.53%			
Municipality				57,470,257	35.27%			
School District				57,033,649	35.00%			
Technical College				7,206,734	4.42%			
Total				162,959,388				
Revenue Year	County	Special District	Municipality	School District	Technical College	0	Total	Revenue Year
2025	0	0	0	0	0	0	0	2025
2026	21,241	7,388	39,889	39,586	5,002	0	113,106	2026
2027	173,411	60,318	325,646	323,172	40,836	0	923,383	2027
2028	296,466	103,121	556,730	552,500	69,814	0	1,578,631	2028
2029	413,400	143,795	776,317	770,419	97,350	0	2,201,280	2029
2030	417,534	145,233	784,080	778,123	98,323	0	2,223,293	2030
2031	421,709	146,685	791,921	785,905	99,306	0	2,245,526	2031
2032	425,926	148,152	799,840	793,764	100,299	0	2,267,981	2032
2033	430,185	149,633	807,838	801,701	101,302	0	2,290,661	2033
2034	434,487	151,130	815,917	809,718	102,315	0	2,313,567	2034
2035	438,832	152,641	824,076	817,815	103,339	0	2,336,703	2035
2036	443,220	154,167	832,317	825,994	104,372	0	2,360,070	2036
2037	447,653	155,709	840,640	834,254	105,416	0	2,383,671	2037
2038	452,129	157,266	849,046	842,596	106,470	0	2,407,508	2038
2039	456,650	158,839	857,537	851,022	107,535	0	2,431,583	2039
2040	461,217	160,427	866,112	859,532	108,610	0	2,455,898	2040
2041	465,829	162,031	874,773	868,128	109,696	0	2,480,457	2041
2042	470,487	163,652	883,521	876,809	110,793	0	2,505,262	2042
2043	475,192	165,288	892,356	885,577	111,901	0	2,530,315	2043
2044	479,944	166,941	901,280	894,433	113,020	0	2,555,618	2044
2045	484,744	168,610	910,293	903,377	114,150	0	2,581,174	2045
2046	489,591	170,297	919,396	912,411	115,292	0	2,606,986	2046
2047	494,487	172,000	928,590	921,535	116,445	0	2,633,056	2047
2048	499,432	173,720	937,875	930,750	117,609	0	2,659,386	2048
2049	504,426	175,457	947,254	940,058	118,785	0	2,685,980	2049
2050	509,470	177,211	956,727	949,458	119,973	0	2,712,840	2050
2051	514,565	178,983	966,294	958,953	121,173	0	2,739,968	2051
	11,122,230	3,868,694	20,886,264	20,727,589	2,619,124	0	59,223,901	
Notes:								
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.								