



June 26, 2018

Project Plan for the Creation of Tax Incremental District No. 8

Village of



Germantown

| | |
|---|---------------|
| Organizational Joint Review Board Meeting Held: | June 11, 2018 |
| Public Hearing Held: | June 11, 2018 |
| Consideration for Approval by Plan Commission: | June 11, 2018 |
| Consideration for Adoption by Village Board: | July 2, 2018 |
| Consideration for Approval by the Joint Review Board: | July 10, 2018 |



Tax Incremental District No. 8 Creation Project Plan

Village of Germantown Officials

Village Board

| | |
|-------------------|-------------------|
| Dean Wolter | Village President |
| David Baum | Village Trustee |
| Terri Kaminski | Village Trustee |
| Daniel Wing | Village Trustee |
| Rick Miller | Village Trustee |
| Robert L. Warren | Village Trustee |
| Dennis Myers | Village Trustee |
| Jeffrey M. Hughes | Village Trustee |
| Art Zabel | Village Trustee |

Village Staff

| | |
|---------------------|--------------------------------|
| Deanna Boldrey | Village Clerk |
| Steven R. Kreklow | Village Administrator |
| Kim E. Rath | Finance Director |
| Jeffrey W. Retzlaff | Community Development Director |
| Brian Sajdak | Village Attorney |

Plan Commission

| | |
|--|---------------------------|
| Dean Wolter, Chairperson / Village President | Anthony Laszewski, Member |
| Lori Johnson, Secretary | Peter Nilles, Member |
| David Baum, Village Trustee | William Shadid, Member |
| Robert Williams, Member | Matthew Kimmler, Member |

Joint Review Board

| | |
|--------------------|---|
| Dean Wolter, Chair | Village Representative |
| Josh Schoeman | Washington County |
| Wilma Bonaparte | Milwaukee Area Technical College District |
| Ric Erickson | Germantown School District |
| Jim Sedgwick | Public Member |



Table of Contents

SECTION 1: EXECUTIVE SUMMARY4

SECTION 2: TYPE AND GENERAL DESCRIPTION OF DISTRICT6

SECTION 3: PRELIMINARY MAP OF PROPOSED DISTRICT BOUNDARY8

SECTION 4: MAP SHOWING EXISTING USES AND CONDITIONS.....9

SECTION 5: PRELIMINARY PARCEL LIST AND ANALYSIS10

SECTION 6: EQUALIZED VALUE TEST11

SECTION 7: STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS
AND OTHER PROJECTS12

SECTION 8: MAP SHOWING PROPOSED IMPROVEMENTS AND USES16

SECTION 9: DETAILED LIST OF PROJECT COSTS17

SECTION 10: ECONOMIC FEASIBILITY STUDY, FINANCING METHODS, AND THE TIME WHEN
COSTS OR MONETARY OBLIGATIONS RELATED ARE TO BE INCURRED19

SECTION 11: ANNEXED PROPERTY28

SECTION 12: ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS28

SECTION 13: PROPOSED ZONING ORDINANCE CHANGES28

SECTION 14: PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND VILLAGE
OF GERMANTOWN ORDINANCES29

SECTION 15: RELOCATION29

SECTION 16: ORDERLY DEVELOPMENT OF THE VILLAGE OF GERMANTOWN29

SECTION 17: LIST OF ESTIMATED NON-PROJECT COSTS30

SECTION 18: OPINION OF ATTORNEY FOR THE VILLAGE OF GERMANTOWN ADVISING
WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES 66.1105.....31

Section 1: Executive Summary

Description of District

Type of District, Size and Location

Tax Incremental District (“TID”) No. 8 (the “TID” or “District”) is proposed to be created by the Village of Germantown (“Village”) as an industrial district. A map of the proposed District boundaries is in Section 3 of this plan. The area proposed to be included in the district encompasses 224.8 acres, which is broken into two development areas the property controlled by the Zilber Property Group (approximately 151.3 acres) and the remaining 73.5 acres to be developed in later phases.

Estimated Total Project Expenditures.

The Village anticipates making total project expenditures of approximately \$14.2M not including issuance and interest expense to undertake the projects listed in this Project Plan. The Village anticipates completing the projects in phases as development requires. The Expenditure Period of this District is 15 years from the date of adoption of the authorizing Resolution of the Village Board (the “Creation Resolution”). The projects to be undertaken pursuant to this Project Plan are expected to be financed with debt issued by the Village, however, the Village may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the Village, or provide other advantages as determined by the Village Board. A discussion and listing of other possible financing mechanisms, as well as a summary of total project financing, is in Section 10 of this plan.

Economic Development

Based on the anticipated initial development proposed by the Zilber Property Group, the Village projects that additional land and improvements value of approximately \$33M will be created in the initial phase. Additional development of the approximate remaining 145 acres will lead to another \$55M in development over the life of the TID. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and associated values is in Section 10 of this Plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.

Expected Termination of District

Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to recover all project costs by the year 2039 which is the maximum life of this District.

Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project 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 Project 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 making this determination, the Village has considered the following information:

- The lands to be developed have remained vacant due to a lack of adequate infrastructure. Given that the sites have not developed as would have been expected under normal market conditions, it is the judgment of the Village that the use of Tax Incremental Financing (“TIF”) will be required to provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the Village.
- To make the areas included within the District suitable for development, the Village will need to make an investment to pay for the costs of installation of utilities; installation of streets and related streetscape items; development incentive payments, and other associated costs. Due to the extensive initial investment in public infrastructure that is required to allow development to occur, the Village has determined that development of the area will not occur solely because of private investment. Accordingly, the Village finds that absent the use of TIF, development of the area is unlikely to occur.

2. **The economic benefits of the Tax Incremental 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 Village has considered the following information:

- As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
- The initial development proposed by the Zilber Property Group will generate approximately 35 jobs. However, as the business park develops additional jobs will be created providing economic activity benefiting the overall Village.

1. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**

- If approved, the District’s creation would become effective for valuation purposes as of January 1, 2018. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation or appreciation of property values occurring after January 1, 2018 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
- Since the development expected to occur is unlikely to take place or in the same manner without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the Village reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax

increments to be paid in the event the District is not created. As required by Section 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 made and can be found in Appendix A of this plan.

4. Not less than 50% by area of the real property within the District is suitable for industrial sites and zoned for industrial use within the meaning of Wisconsin Statutes Section 66.1101. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use at the time of the creation of the District will remain zoned for industrial use for the life of the District.
5. Based upon the findings, as stated above, the District is declared to be an industrial District based on the identification and classification of the property included within the District.
6. The project costs relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.
7. The improvement of such area is likely to enhance significantly the value of substantially all the other real property in the District.
8. The equalized value of taxable property of the District, plus the value increment of all existing tax incremental districts within the Village, does not exceed 12% of the total equalized value of taxable property within the Village.
9. The Village estimates that none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
10. The Project Plan for the District in the Village is feasible, and is in conformity with the master plan of the Village.

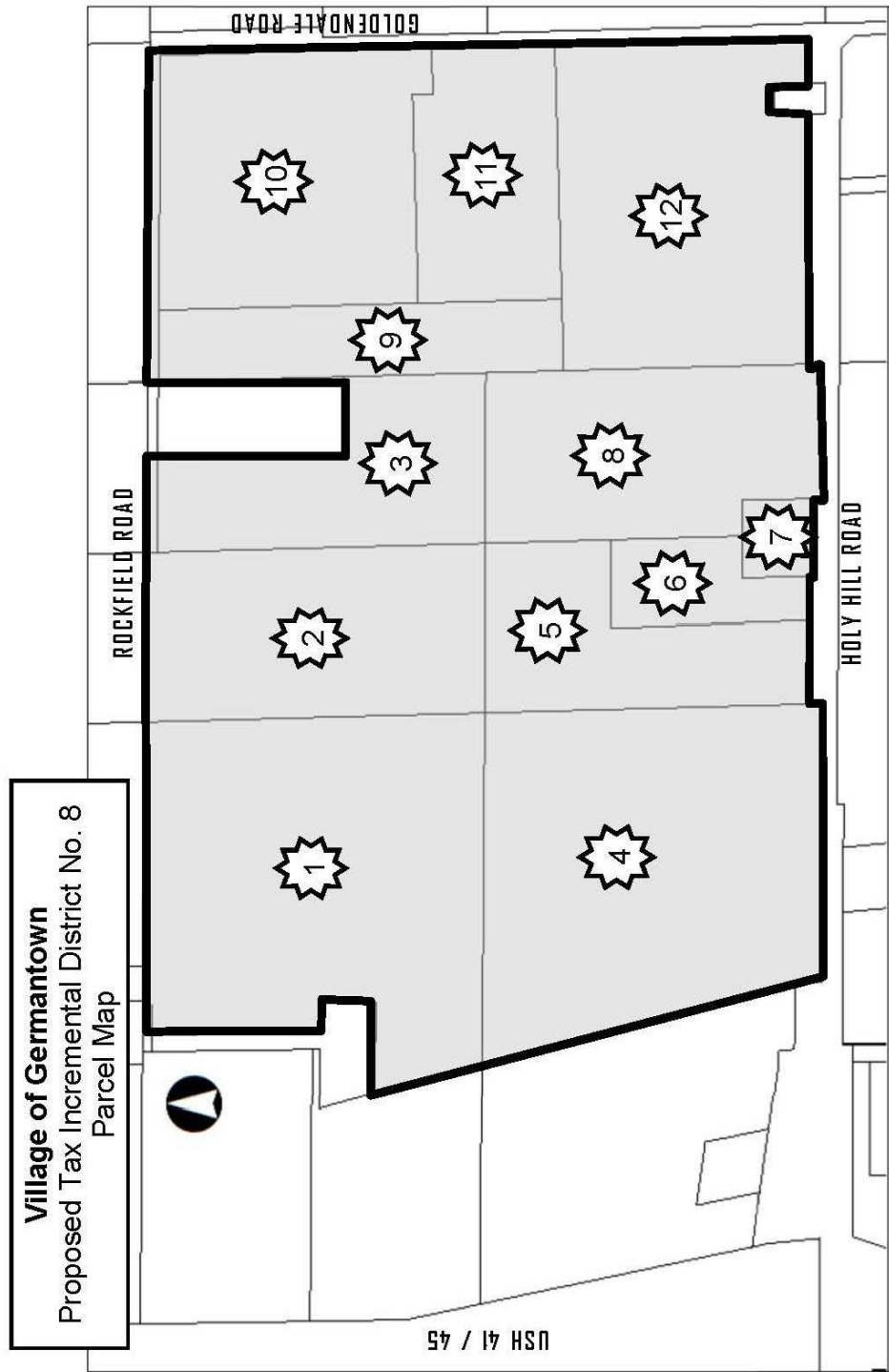
Section 2: Type and General Description of District

The District is being created by the Village under the authority provided by Wisconsin Statutes Section 66.1105. This District is created as an "Industrial District" based upon a finding that at least 50%, by area, of the real property within the District is zoned and suitable for industrial sites within the meaning of Wisconsin Statutes Section 66.1101 (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test). That area within the TID that is either a stream bed or wetland is hereby excluded from the District.

A map depicting the boundaries of the District is found in Section 3 of this Plan. A map depicting the proposed uses of the District is found in Section 8 of this plan. The Village intends that TIF will be used to assure that industrial, distributor and related private development locates in this District. This will be accomplished by installing public improvements, and making necessary related expenditures, to promote industrial development within the District. The goal is to increase the tax base and to provide for and preserve employment opportunities within the Village. The project costs included in this Plan relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.

Based upon the findings, as stated within this Plan, the District is declared to be an industrial District based on the identification and classification of the property included within the district.

Section 3: Preliminary Map of Proposed District Boundary



Section 4: Map Showing Existing Uses and Conditions



Section 5: Preliminary Parcel List and Analysis

| Village of Germantown | | | | | | | | | | | | | | | | | | | 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) | |
|---------------------------|---------------|--|--|---------|---------------------------------------|---|------------------------|---------|----|---------|-----------------------------|---------|----------------|----|-------------------------|----------|--------------------|----------|--|-------------|
| TID No. 8 Creation | | | | | | | | | | | | | | | | | | | | |
| Base Property Information | | | | | | | | | | | | | | | | | | | | |
| Property Information | | | | | | | Assessment Information | | | | Equalized Value | | | | District Classification | | | Comments | | |
| Map Ref # | Parcel Number | Street Address | Owner | Acreage | Annexed Post 1/1/04? ...Indicate date | Part of Existing TID? ...Indicate TID # | Land | Imp | PP | Total | Equalized Value Ratio | Land | Imp | PP | Total | Blighted | Rehab/Conservation | Vacant | | |
| 1 | 073-991 | VACANT | BRIAN A KAZMIERCZAK, KEVIN J KAZMIERCZAK | 40.90 | No | No | 16,000 | | | 16,000 | 100.00% | 16,000 | 0 | 0 | 16,000 | | | 40.90 | A-1 Zoning District | AG |
| 2 | 074-995 | VACANT | BRIAN A KAZMIERCZAK, KEVIN J KAZMIERCZAK | 20.00 | No | No | 4,300 | | | 4,300 | 100.00% | 4,300 | 0 | 0 | 4,300 | | | 20.00 | A-1 Zoning District | AG |
| 3 | 074-986 | VACANT | BRIAN A KAZMIERCZAK, KEVIN J KAZMIERCZAK | 14.40 | No | No | 3,900 | | | 3,900 | 100.00% | 3,900 | 0 | 0 | 3,900 | | | 14.40 | A-1 Zoning District | AG |
| 4 | 073-999 | VACANT | BRIAN A KAZMIERCZAK, KEVIN J KAZMIERCZAK | 37.30 | No | No | 30,200 | | | 30,200 | 100.00% | 30,200 | 0 | 0 | 30,200 | | | 37.30 | A-1 Zoning District | AG |
| 5 | 074-983 | VACANT | BRIAN A KAZMIERCZAK, KEVIN J KAZMIERCZAK | 13.10 | No | No | 3,300 | | | 3,300 | 100.00% | 3,300 | 0 | 0 | 3,300 | | | 13.10 | A-1 Zoning District | AG |
| 6 | 074-984 | N128W21030 HOLY HILL RD, RICHFIELD, WI 53076 | RICHARD A STEPHAN, MARY K STEPHAN | 5.00 | No | No | 108,700 | 71,300 | | 180,000 | 100.00% | 108,700 | 71,300 | 0 | 180,000 | | | 5.00 | Rs-1 Zoning District | AG |
| 7 | 074-993 | N128W20988 HOLY HILL RD RICHFIELD, WI 53076 | WIEDMEYER, FRANK E, JR & MARY J | 2.00 | No | No | 78,400 | 144,000 | | 222,400 | 100.00% | 78,400 | 144,000 | 0 | 222,400 | | | 0.00 | Rs-2 Zoning District | Residential |
| 8 | 074-991 | VACANT | BRIAN A KAZMIERCZAK, KEVIN J KAZMIERCZAK | 18.60 | No | No | 4,900 | | | 4,900 | 100.00% | 4,900 | 0 | 0 | 4,900 | | | 18.60 | A-1 Zoning District | AG |
| 9 | 074-990 | VACANT | GGWW LLC | 10.10 | No | No | 10,500 | | | 10,500 | 100.00% | 10,500 | 0 | 0 | 10,500 | | | 10.10 | A-1 Zoning District | AG |
| 10 | 074-989 | VACANT | GGWW LLC | 22.90 | No | No | 6,900 | | | 6,900 | 100.00% | 6,900 | 0 | 0 | 6,900 | | | 22.90 | A-1 Zoning District | AG |
| 11 | 074-988 | VACANT | GGWW LLC | 12.40 | No | No | 15,900 | | | 15,900 | 100.00% | 15,900 | 0 | 0 | 15,900 | | | 12.40 | A-1 Zoning District | AG |
| 12 | 074-987 | VACANT | GGWW LLC | 28.10 | No | No | 90,200 | 11,000 | | 101,200 | 100.00% | 90,200 | 11,000 | 0 | 101,200 | | | 28.10 | A-1 Zoning District | AG |
| Total Acreage | | | | | | | 373,200 | 226,300 | 0 | 599,500 | | 373,200 | 226,300 | 0 | | 0 | 0 | 222.8 | | |
| | | | | | | | | | | | Estimated Base Value | | 599,500 | | | | | | | |

Section 6: Equalized Value Test

The calculations to the right demonstrate that the Village is in compliance with Wisconsin Statutes Section.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 \$98,963,200. This value is less than the statutory maximum of \$309,297,588 in equalized value that is permitted for the Village. The Village is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

| Village of Germantown | |
|--|--------------------|
| Tax Increment District # 8 | |
| Valuation Test Compliance Calculation | |
| Anticipated Creation/Boundary Amendment | 7/26/2018 |
| | Valuation Data |
| | Est. Creation Date |
| | 2017 |
| Total EV (TID In) | 2,577,479,900 |
| 12% Test | 309,297,588 |
| Increment of Existing TIDs | |
| TID #4 | 98,164,500 |
| TID #6 | 199,200 |
| | 0 |
| | 0 |
| | 0 |
| | 0 |
| Total Existing Increment | 98,363,700 |
| Projected Base of New or Amended District | 599,500 |
| Total Value Subject to 12% Test | 98,963,200 |
| Compliance | PASS |

Section 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

The following is a list of public works and other TIF-eligible projects that the Village expects to implement in conjunction with this District. Any costs necessary or convenient to the creation of the District or directly or indirectly related to the public works and other projects are considered "Project Costs" and eligible to be paid with tax increment revenues of the District.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

To promote and facilitate development and/or redevelopment 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 and/or redevelopment. 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 and/or redevelopment 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 Wisconsin Statutes Section 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 storm water. 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, storm water 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, storm water 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 Wisconsin Statutes Sections 32.19 and 32.195.

Site Preparation Activities

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 and/or redevelopment, to provide access, and to control storm water 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

There are inadequate sanitary sewer facilities serving areas of the District. 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.

Water System Improvements

There are inadequate water distribution facilities serving areas of the District. 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 such as a well and tower 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.

Storm Water Management System Improvements

Development within the District will cause storm water runoff and pollution. To manage this storm water runoff, the Village may need to construct, alter, rebuild or expand storm water management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: storm water 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 storm water 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 storm water management infrastructure located outside of the District. That portion of the costs of storm water management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Streets and Streetscape

Street Improvements

There are inadequate street improvements serving areas of the District. To allow development to occur, the Village may need to construct and/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 and/or redevelopment consistent with the objectives of this Plan, the Village may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the Village are eligible Project Costs.

Miscellaneous

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.

Projects Outside the Tax Increment District

Pursuant to Wisconsin Statutes Section 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:

1) Road Improvements including Holy Hill and Goldendale.

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.

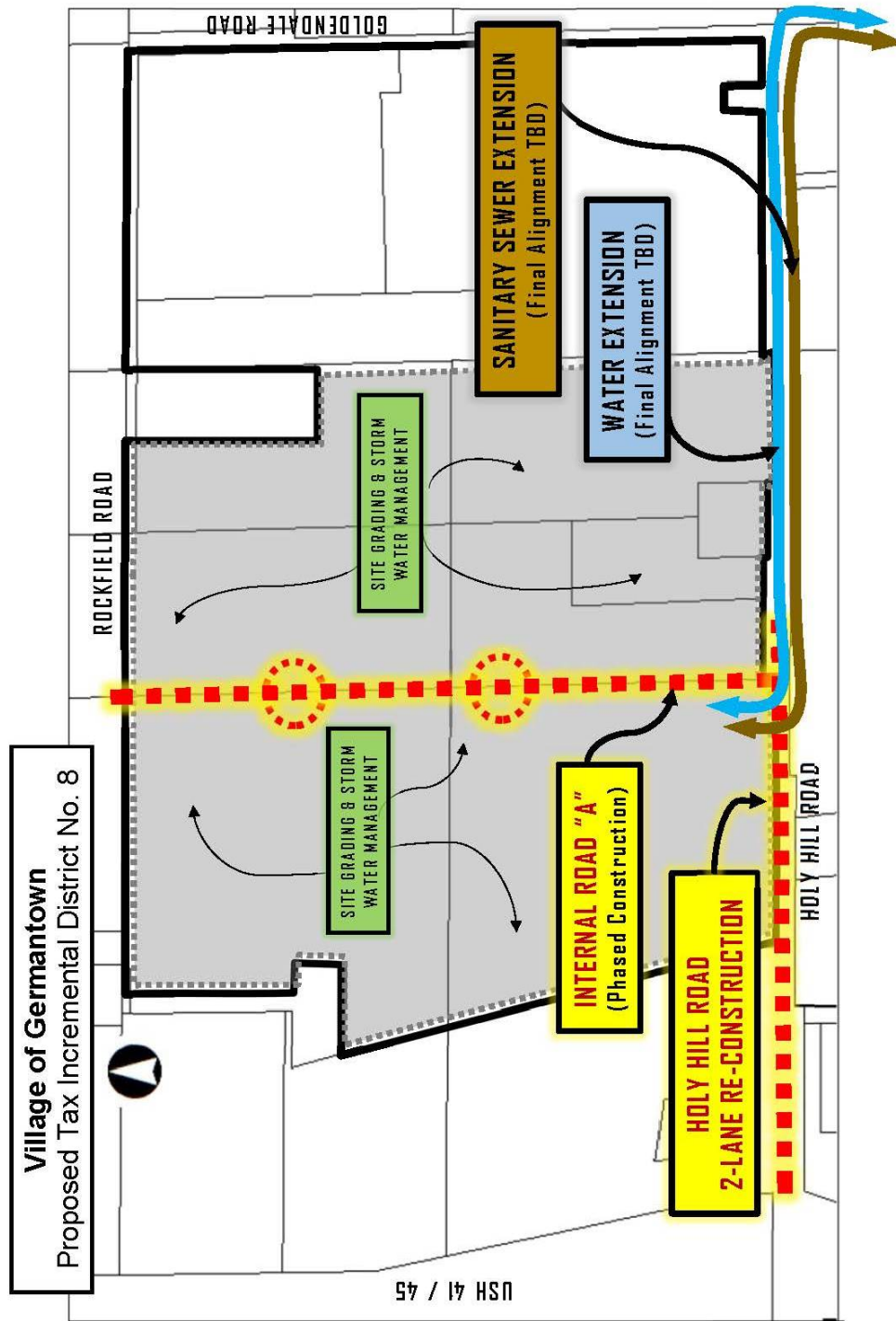
With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating Village ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the Village for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted here from this Project Plan and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan.

The Village reserves the right to implement only those projects that remain viable as the Plan period proceeds.

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the Village and as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges. To the extent the costs benefit the municipality outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

Section 8: Map Showing Proposed Improvements and Uses



Section 9: Detailed List of Project Costs

All costs are based on 2018 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2018 and the time of construction. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The Village retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Village Board, without amending the Plan.

Proposed TIF Project Cost Estimates

| Village of Germantown Tax Increment District # 8 Estimated Project List | | | | | |
|--|---|------------------|------------------|-------------------|-------------------|
| Project ID | Project Name/Type | Phase I 2018 | Phase II 2020 | Phase III 2021 | Total |
| 1 | Public Improvements - Offsite ¹ | 5,178,903 | 3,021,097 | | 8,200,000 |
| 2 | Public Improvements - Internal ¹ | 1,600,000 | 1,450,000 | | 3,050,000 |
| 3 | Development Incentive ² | 1,000,000 | | | 1,000,000 |
| 4 | Well, Water Tower and Lift Station ³ | | | 1,872,923 | 1,872,923 |
| 6 | Future Phase - Infrastructure (Non Zilber) ⁴ | | | 0 | 0 |
| 7 | Professional Services | 25,000 | | | 25,000 |
| Total Projects | | 7,803,903 | 4,471,097 | 1,872,923 | 14,147,923 |

Notes:

- Note 1 Project costs are estimates per Developer & Village staff
- Note 2 To be provided by Washington County - Dependant Upon Job Creations, etc.
- Note 3 Water Tower/Deep Well/Pressure Boosting Pump Station & Upgra de Main Street & Old Farm Sewage Pump Stations - TID 8 portion is 56.85% of the overall cost to accommodate new users.
- Note 4 Future cost not determined to open up additional TID land not controlled by Zilber. This project has not been included in the cashflow and will only proceed if there is sufficient development to warrant moving forward.

Section 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

The information and exhibits contained within this Section demonstrate that the proposed District is economically feasible insofar as:

- The Village has available to it the means to secure the necessary financing required to accomplish the projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The Village expects to complete the projects in one or multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private development. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur because of the implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the District, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

Available Financing Methods

The following is a list of the types of obligations the Village may choose to utilize.

General Obligation (G.O.) Bonds or Notes

The Village may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN).

Bonds Issued to Developers (“Pay as You Go” Financing)

The Village may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the Village’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the Village and, therefore, do not count against the Village’s statutory borrowing capacity.

Utility Revenue Bonds

The Village can issue revenue bonds to be repaid from revenues of the its various systems, including revenues paid by the Village that represent service of the system to the Village. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the Village must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the Village utilizes utility revenues other than tax increments to repay a portion of the bonds, the Village must reduce the total eligible Project Costs in an equal amount.

Special Assessment “B” Bonds

The Village can levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the Village determines that special assessments are appropriate, the Village can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the Village's statutory borrowing capacity. If special assessments are levied, the Village must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined on the following page. However, public debt and expenditures should be made at the pace private development occurs to assure increment is sufficient to cover expenses.

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

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

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

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

Implementation and Financing Timeline - Phase I & All Phase's

| Village of Germantown | | | | | |
|---------------------------------------|-------------------|-------------------|---|-------------------|-------------------|
| Tax Increment District # 8 | | | | | |
| Estimated Financing Plan - All Phases | | | | | |
| | G.O. Bond 2018 | G.O. Bond 2020 | Municipal Revenue Obligation (MRO) 2018 | G.O. Bond 2021 | Totals |
| Projects | | | | | |
| Initial Phase Public Improvements | 5,178,903 | 3,021,097 | | | 8,200,000 |
| Remaining Public Improvements | | | | | 0 |
| Public Improvements Internal | 1,600,000 | 1,450,000 | | | 3,050,000 |
| Well, Water Tower, lift station | | | | 1,872,923 | 1,872,923 |
| Professional Services | 25,000 | | | | 25,000 |
| Development Incentive | | | 1,000,000 | | 1,000,000 |
| Total Project Funds | 6,803,903 | 4,471,097 | 1,000,000 | 1,872,923 | 14,147,923 |
| Estimated Finance Related Expenses | 147,600 | 104,650 | | 78,400 | |
| Capitalized Interest | 478,020 | 0 | | | |
| Total Financing Required | 7,429,523 | 4,575,747 | 1,000,000 | 1,970,923 | |
| Estimated Interest | 1.00% | 1.00% | | 1.00% | |
| Assumed spend down (months) | 8 | 7 | | 6 | |
| | (45,359) | (26,081) | 0 | (9,365) | |
| Rounding | (4,164) | 334 | 0 | (1,558) | |
| Net Issue Size | 7,380,000 | 4,550,000 | 1,000,000 | 1,960,000 | 8,380,000 |

Development Assumptions – Phase I

Village of Germantown Tax Increment District # 8 Development Assumptions - Phase 1 Only

| Construction Year | | Building 1 ¹ | Building 2 ² | Annual Total | Construction Year | |
|-------------------|------|-------------------------|-------------------------|-------------------|-------------------|----|
| 1 | 2018 | 8,400,000 | | 8,400,000 | 2018 | 1 |
| 2 | 2019 | 19,600,000 | 5,000,000 | 24,600,000 | 2019 | 2 |
| 3 | 2020 | | | 0 | 2020 | 3 |
| 4 | 2021 | | | 0 | 2021 | 4 |
| 5 | 2022 | | | 0 | 2022 | 5 |
| 6 | 2023 | | | 0 | 2023 | 6 |
| 7 | 2024 | | | 0 | 2024 | 7 |
| 8 | 2025 | | | 0 | 2025 | 8 |
| 9 | 2026 | | | 0 | 2026 | 9 |
| 10 | 2027 | | | 0 | 2027 | 10 |
| Totals | | <u>28,000,000</u> | <u>5,000,000</u> | <u>33,000,000</u> | | |

Notes:

¹Building 1 - Assumes a 700K SF building with a construction value of \$40 per SF completed in 2019. Minimum Value of \$28M.

²Buildings 2 - Assumes a 150K SF building constructed at a value of \$45 per SF completed in 2019. Minimum Value of \$5M.

Development Assumptions – All Phase’s

| Village of Germantown Tax Increment District # 8 Development Assumptions - All Phases | | | | | | | |
|---|------|-------------------------|-------------------------|-------------------------|---------------------------------|-------------------|-------------------|
| Construction Year | | Building 1 ¹ | Building 2 ² | Building 3 ³ | Future Development ⁴ | Annual Total | Construction Year |
| 1 | 2018 | 8,400,000 | | | | 8,400,000 | 2018 1 |
| 2 | 2019 | 19,600,000 | 5,000,000 | | | 24,600,000 | 2019 2 |
| 3 | 2020 | | | | | 0 | 2020 3 |
| 4 | 2021 | | | | 5,000,000 | 5,000,000 | 2021 4 |
| 5 | 2022 | | | 11,250,000 | | 11,250,000 | 2022 5 |
| 6 | 2023 | | | | 5,000,000 | 5,000,000 | 2023 6 |
| 7 | 2024 | | | | | 0 | 2024 7 |
| 8 | 2025 | | | | 5,000,000 | 5,000,000 | 2025 8 |
| 9 | 2026 | | | | | 0 | 2026 9 |
| 10 | 2027 | | | 4,000,000 | 5,000,000 | 9,000,000 | 2027 10 |
| 11 | 2028 | | | | | 0 | 2028 11 |
| 12 | 2029 | | | | 5,000,000 | 5,000,000 | 2029 12 |
| 13 | 2030 | | | | | 0 | 2030 13 |
| 14 | 2031 | | | | 5,000,000 | 5,000,000 | 2031 14 |
| 15 | 2032 | | | | | 0 | 2032 15 |
| 16 | 2033 | | | | 5,000,000 | 5,000,000 | 2033 16 |
| 17 | 2034 | | | | | 0 | 2034 17 |
| 18 | 2035 | | | | 5,000,000 | 5,000,000 | 2035 18 |
| 19 | 2036 | | | | | 0 | 2036 19 |
| 20 | 2037 | | | | | 0 | 2037 20 |
| Totals | | <u>28,000,000</u> | <u>5,000,000</u> | <u>15,250,000</u> | <u>40,000,000</u> | <u>88,250,000</u> | |

Notes:

¹Building 1 - Assumes a 700K SF building with a construction value of \$40 per SF completed in 2019. Minimum Value Guarantee of \$28M.

²Building 2 - Assumes a 150K SF building being constructed in 2019 with a \$5M value.

³Building 3 - Assumes a 250K SF building with a construction value of \$45 per SF completed in 2022.

⁴Future Development - Assumes \$40M in development on the remaining available acreage.

Increment Revenue Projections – Phase I

| Village of Germantown Tax Increment District # 8 Tax Increment Projection Worksheet - Phase 1 | | | | | | | | |
|---|--------------|-------------------|-----------|--------------------------|------------|----------------------------------|----------|-------------------|
| Type of District | Industrial | | | Base Value | 599,500 | | | |
| Creation Date | July 1, 2018 | | | Appreciation Factor | 0.00% | | | |
| Valuation Date | Jan 1, | 2018 | | Base Tax Rate | \$17.58 | | | |
| Max Life (Years) | 20 | | | Rate Adjustment Factor | 0.00% | | | |
| Expenditure Periods/Termination | 15 | 7/1/2033 | | Tax Exempt Discount Rate | 3.50% | | | |
| Revenue Periods/Final Year | 21 | 2040 | | Taxable Discount Rate | 4.00% | | | |
| Extension Eligibility/Years | Yes | 3 | | | | | | |
| Adverse Impact Eligibility | | | | | | | | |
| Recipient District | No | | | | | | | |
| Construction | Year | Value Added | Valuation | Inflation | Total | Revenue | Tax Rate | Tax |
| | | | Year | Increment | Increment | Year | | Increment |
| 1 | 2018 | 8,400,000 | 2019 | 0 | 8,400,000 | 2020 | \$17.58 | 147,664 |
| 2 | 2019 | 24,600,000 | 2020 | 0 | 33,000,000 | 2021 | \$17.58 | 580,107 |
| 3 | 2020 | 0 | 2021 | 0 | 33,000,000 | 2022 | \$17.58 | 580,107 |
| 4 | 2021 | 0 | 2022 | 0 | 33,000,000 | 2023 | \$17.58 | 580,107 |
| 5 | 2022 | 0 | 2023 | 0 | 33,000,000 | 2024 | \$17.58 | 580,107 |
| 6 | 2023 | 0 | 2024 | 0 | 33,000,000 | 2025 | \$17.58 | 580,107 |
| 7 | 2024 | 0 | 2025 | 0 | 33,000,000 | 2026 | \$17.58 | 580,107 |
| 8 | 2025 | 0 | 2026 | 0 | 33,000,000 | 2027 | \$17.58 | 580,107 |
| 9 | 2026 | 0 | 2027 | 0 | 33,000,000 | 2028 | \$17.58 | 580,107 |
| 10 | 2027 | 0 | 2028 | 0 | 33,000,000 | 2029 | \$17.58 | 580,107 |
| 11 | 2028 | 0 | 2029 | 0 | 33,000,000 | 2030 | \$17.58 | 580,107 |
| 12 | 2029 | 0 | 2030 | 0 | 33,000,000 | 2031 | \$17.58 | 580,107 |
| 13 | 2030 | 0 | 2031 | 0 | 33,000,000 | 2032 | \$17.58 | 580,107 |
| 14 | 2031 | 0 | 2032 | 0 | 33,000,000 | 2033 | \$17.58 | 580,107 |
| 15 | 2032 | 0 | 2033 | 0 | 33,000,000 | 2034 | \$17.58 | 580,107 |
| 16 | 2033 | 0 | 2034 | 0 | 33,000,000 | 2035 | \$17.58 | 580,107 |
| 17 | 2034 | 0 | 2035 | 0 | 33,000,000 | 2036 | \$17.58 | 580,107 |
| 18 | 2035 | 0 | 2036 | 0 | 33,000,000 | 2037 | \$17.58 | 580,107 |
| 19 | 2036 | 0 | 2037 | 0 | 33,000,000 | 2038 | \$17.58 | 580,107 |
| 20 | 2037 | 0 | 2038 | 0 | 33,000,000 | 2039 | \$17.58 | 580,107 |
| Totals | | 33,000,000 | | 0 | | Future Value of Increment | | 11,169,692 |
| Notes: | | | | | | | | |
| Actual results will vary depending on development, inflation of overall tax rates. | | | | | | | | |

Increment Revenue Projections – All Phase’s

| Village of Germantown | | | | | | | |
|---|--------------|----------|--|--------------------------|---------|--|--|
| Tax Increment District # 8 | | | | | | | |
| Tax Increment Projection Worksheet - All Phases | | | | | | | |
| Type of District | Industrial | | | Base Value | 599,500 | | |
| Creation Date | July 1, 2018 | | | Appreciation Factor | 0.00% | | |
| Valuation Date | Jan 1, | 2018 | | Base Tax Rate | \$17.58 | | |
| Max Life (Years) | 20 | | | Rate Adjustment Factor | 0.00% | | |
| Expenditure Periods/Termination | 15 | 7/1/2033 | | Tax Exempt Discount Rate | 3.50% | | |
| Revenue Periods/Final Year | 21 | 2040 | | Taxable Discount Rate | 4.00% | | |
| Extension Eligibility/Years | Yes | 3 | | | | | |
| Adverse Impact Eligibility | | | | | | | |
| Recipient District | No | | | | | | |

| Construction Year | Value Added | Valuation Year | Inflation Increment | Total Increment | Revenue Year | Tax Rate | Tax Increment | |
|-------------------|-------------------|----------------|---------------------|-----------------|----------------------------------|----------|-------------------|-----------|
| 1 | 2018 | 8,400,000 | 2019 | 0 | 8,400,000 | 2020 | \$17.58 | 147,664 |
| 2 | 2019 | 24,600,000 | 2020 | 0 | 33,000,000 | 2021 | \$17.58 | 580,107 |
| 3 | 2020 | 0 | 2021 | 0 | 33,000,000 | 2022 | \$17.58 | 580,107 |
| 4 | 2021 | 5,000,000 | 2022 | 0 | 38,000,000 | 2023 | \$17.58 | 668,002 |
| 5 | 2022 | 11,250,000 | 2023 | 0 | 49,250,000 | 2024 | \$17.58 | 865,765 |
| 6 | 2023 | 5,000,000 | 2024 | 0 | 54,250,000 | 2025 | \$17.58 | 953,660 |
| 7 | 2024 | 0 | 2025 | 0 | 54,250,000 | 2026 | \$17.58 | 953,660 |
| 8 | 2025 | 5,000,000 | 2026 | 0 | 59,250,000 | 2027 | \$17.58 | 1,041,555 |
| 9 | 2026 | 0 | 2027 | 0 | 59,250,000 | 2028 | \$17.58 | 1,041,555 |
| 10 | 2027 | 9,000,000 | 2028 | 0 | 68,250,000 | 2029 | \$17.58 | 1,199,766 |
| 11 | 2028 | 0 | 2029 | 0 | 68,250,000 | 2030 | \$17.58 | 1,199,766 |
| 12 | 2029 | 5,000,000 | 2030 | 0 | 73,250,000 | 2031 | \$17.58 | 1,287,661 |
| 13 | 2030 | 0 | 2031 | 0 | 73,250,000 | 2032 | \$17.58 | 1,287,661 |
| 14 | 2031 | 5,000,000 | 2032 | 0 | 78,250,000 | 2033 | \$17.58 | 1,375,556 |
| 15 | 2032 | 0 | 2033 | 0 | 78,250,000 | 2034 | \$17.58 | 1,375,556 |
| 16 | 2033 | 5,000,000 | 2034 | 0 | 83,250,000 | 2035 | \$17.58 | 1,463,451 |
| 17 | 2034 | 0 | 2035 | 0 | 83,250,000 | 2036 | \$17.58 | 1,463,451 |
| 18 | 2035 | 5,000,000 | 2036 | 0 | 88,250,000 | 2037 | \$17.58 | 1,551,346 |
| 19 | 2036 | 0 | 2037 | 0 | 88,250,000 | 2038 | \$17.58 | 1,551,346 |
| 20 | 2037 | 0 | 2038 | 0 | 88,250,000 | 2039 | \$17.58 | 1,551,346 |
| Totals | 88,250,000 | | 0 | | Future Value of Increment | | 22,138,984 | |

Notes:
Actual results will vary depending on development, inflation of overall tax rates.

Cash Flow – Phase I

| Village of Germantown | | | | | | | | | | | | | | | | | |
|---|--------------------|---------------------------|----------------------|----------------|-----------------------|-----------|-----------|--|-----------|----------|------------|-------------|--------------------|-----------|------------|-----------|-----------------------|
| Tax Increment District # 8 | | | | | | | | | | | | | | | | | |
| Cash Flow Projection - Borrow Phase 1 Costs | | | | | | | | | | | | | | | | | |
| Year | Projected Revenues | | | | Expenditures | | | | | | | | Balances | | | Year | |
| | Tax Increments | Interest Earnings/ (Cost) | Capitalized Interest | Total Revenues | G.O. Bond 7,380,000 | | | Municipal Revenue Obligation (MRO) 1,000,000 | | | TID Set Up | Admin. + 2% | Total Expenditures | Annual | Cumulative | | Principal Outstanding |
| | | | | | Dated Date: Principal | Est. Rate | Interest | Dated Date: Principal (2/1' | Est. Rate | Interest | | | | | | | |
| 2018 | | 1.00% | | | Note 1 | | | Note 2 | | | 25,000 | | 25,000 | 453,020 | 453,020 | 7,380,000 | 2018 |
| 2019 | | 4,530 | 478,020 | 478,020 | 0 | 2.25% | 235,073 | | | | | 5,000 | 240,073 | (235,542) | 217,478 | 7,380,000 | 2019 |
| 2020 | 147,664 | 2,175 | | 149,838 | 0 | 2.25% | 235,073 | | | | | 5,000 | 240,073 | (90,234) | 127,244 | 7,380,000 | 2020 |
| 2021 | 580,107 | 1,272 | | 581,379 | 225,000 | 2.30% | 232,485 | | 3.75% | 103,125 | | 5,000 | 565,610 | 15,769 | 143,013 | 8,155,000 | 2021 |
| 2022 | 580,107 | 1,430 | | 581,537 | 250,000 | 2.40% | 226,898 | 42,849 | 3.75% | 36,697 | | 5,000 | 561,443 | 20,094 | 163,106 | 7,862,151 | 2022 |
| 2023 | 580,107 | 1,631 | | 581,738 | 265,000 | 2.50% | 220,585 | 44,487 | 3.75% | 35,059 | | 5,000 | 570,131 | 11,607 | 174,714 | 7,552,664 | 2023 |
| 2024 | 580,107 | 1,747 | | 581,854 | 270,000 | 2.65% | 213,695 | 46,187 | 3.75% | 33,359 | | 5,000 | 568,241 | 13,613 | 188,327 | 7,236,477 | 2024 |
| 2025 | 580,107 | 1,883 | | 581,990 | 300,000 | 2.80% | 205,918 | 47,952 | 3.75% | 31,594 | | 5,000 | 590,463 | (8,473) | 179,854 | 6,888,526 | 2025 |
| 2026 | 580,107 | 1,799 | | 581,905 | 325,000 | 2.90% | 197,005 | 49,784 | 3.75% | 29,761 | | 5,000 | 606,551 | (24,645) | 155,208 | 6,513,741 | 2026 |
| 2027 | 580,107 | 1,552 | | 581,659 | 350,000 | 3.00% | 187,043 | 51,687 | 3.75% | 27,859 | | 5,000 | 621,588 | (39,929) | 115,279 | 6,112,054 | 2027 |
| 2028 | 580,107 | 1,153 | | 581,260 | 375,000 | 3.05% | 176,074 | 53,662 | 3.75% | 25,883 | | 5,000 | 635,619 | (54,360) | 60,919 | 5,683,392 | 2028 |
| 2029 | 580,107 | 609 | | 580,716 | 400,000 | 3.10% | 164,155 | 55,713 | 3.75% | 23,833 | | 5,000 | 648,701 | (67,985) | (7,066) | 5,227,679 | 2029 |
| 2030 | 580,107 | (71) | | 580,036 | 400,000 | 3.15% | 151,655 | 57,842 | 3.75% | 21,703 | | 5,000 | 636,201 | (56,165) | (63,230) | 4,769,836 | 2030 |
| 2031 | 580,107 | (632) | | 579,474 | 425,000 | 3.20% | 138,555 | 60,053 | 3.75% | 19,493 | | 5,000 | 648,101 | (68,626) | (131,856) | 4,284,784 | 2031 |
| 2032 | 580,107 | (1,319) | | 578,788 | 450,000 | 3.30% | 124,330 | 62,348 | 3.75% | 17,198 | | 5,000 | 658,876 | (80,087) | (211,944) | 3,772,436 | 2032 |
| 2033 | 580,107 | (2,119) | | 577,987 | 475,000 | 3.35% | 108,949 | 64,731 | 3.75% | 14,815 | | 5,000 | 668,494 | (90,507) | (302,451) | 3,232,705 | 2033 |
| 2034 | 580,107 | (3,025) | | 577,082 | 500,000 | 3.40% | 92,493 | 67,204 | 3.75% | 12,341 | | 5,000 | 677,038 | (99,956) | (402,407) | 2,665,501 | 2034 |
| 2035 | 580,107 | (4,024) | | 576,083 | 525,000 | 3.45% | 74,936 | 69,773 | 3.75% | 9,773 | | 5,000 | 684,482 | (108,399) | (510,806) | 2,070,728 | 2035 |
| 2036 | 580,107 | (5,108) | | 574,999 | 575,000 | 3.50% | 55,818 | 72,439 | 3.75% | 7,107 | | 5,000 | 715,363 | (140,364) | (651,170) | 1,423,289 | 2036 |
| 2037 | 580,107 | (6,512) | | 573,595 | 600,000 | 3.55% | 35,105 | 75,207 | 3.75% | 4,338 | | 5,000 | 719,651 | (146,056) | (797,226) | 748,082 | 2037 |
| 2038 | 580,107 | (7,972) | | 572,135 | 670,000 | 3.65% | 12,228 | 78,082 | 3.75% | 1,464 | | 5,000 | 766,773 | (194,639) | (991,865) | (0) | 2038 |
| 2039 | 580,107 | (9,919) | | 570,188 | | | | | | | | 5,000 | 565,188 | (426,677) | (0) | (0) | 2039 |
| Total | 11,169,692 | (20,919) | 478,020 | 11,626,794 | 7,380,000 | | 3,088,069 | 1,000,000 | | 455,402 | 25,000 | 105,000 | 12,053,470 | | | | Total |

Notes:

- 1 Assumes the debt payment for the Village offsite and internal phase infrastructure. Interest rates are based upon the Yield Curves as of 5-17-18 for an A rated Bond.
- 2 Assumes a loan from WCEDC with increment being paid with TID increment.

Cash Flow – All Phase’s

| Village of Germantown | | | | | | | | | | | | | | | | | | | | | | |
|--|--------------------|---------------------------------|-------------------------|-------------------|------------------------|----------|-------------|---|----------|-------------|------------------------|----------|-------------|------------------------|----------|------------|----------------|-----------------------|-----------|---------|------------|--------------------------|
| Tax Increment District # 8 | | | | | | | | | | | | | | | | | | | | | | |
| Cash Flow Projection - Borrow All Phases | | | | | | | | | | | | | | | | | | | | | | |
| Year | Projected Revenues | | | | Expenditures | | | | | | | | | | | | Balances | | | Year | | |
| | Tax Increments | Interest Earnings/ (Cost) | Capitalized Interest | Total Revenues | G.O. Bond 7,380,000 | | | Municipal Revenue Obligation (MRO) 1,000,000 | | | G.O. Bond 4,550,000 | | | G.O. Bond 1,960,000 | | | Admin. + 2% | Total Expenditures | Annual | | Cumulative | Principal Outstanding |
| | | | | Dated Date: | Est. Rate | Interest | Dated Date: | Est. Rate | Interest | Dated Date: | Est. Rate | Interest | Dated Date: | Est. Rate | Interest | TID Set Up | | | | | | |
| | | | | 09/01/18 | | | 11/01/18 | | | 09/01/20 | | | 09/01/21 | | | | | | | | | |
| 2018 | | 1.00% | 478,020 | 478,020 | Note 1 | | Note 2 | | | Note 3 | | | Note 3 | | | 25,000 | | 25,000 | 453,020 | 453,020 | 7,380,000 | 2018 |
| 2019 | | 4,530 | | 4,530 | 0 | 2.25% | 239,010 | | | | | | | | | 7,000 | | 246,010 | (241,480) | 211,540 | 7,380,000 | 2019 |
| 2020 | 147,664 | 2,115 | | 149,779 | 0 | 2.25% | 239,010 | | | | | | | | | 7,140 | | 246,150 | (96,371) | 115,169 | 7,380,000 | 2020 |
| 2021 | 580,107 | 1,152 | 179,915 | 761,173 | 100,000 | 2.30% | 237,860 | | 3.75% | 103,125 | | 0 | 2.80% | 179,915 | | 7,283 | | 628,183 | 132,991 | 248,160 | 8,280,000 | 2021 |
| 2022 | 580,107 | 2,482 | | 582,588 | 100,000 | 2.40% | 235,510 | 42,849 | 3.75% | 36,697 | | 0 | 2.90% | 179,915 | 0 | 7,428 | | 679,022 | (96,433) | 151,727 | 12,687,151 | 2022 |
| 2023 | 668,002 | 1,517 | | 669,519 | 150,000 | 2.50% | 232,435 | 44,487 | 3.75% | 35,059 | | 0 | 3.00% | 179,915 | 0 | 7,577 | | 726,095 | (56,576) | 95,150 | 14,452,664 | 2023 |
| 2024 | 865,765 | 952 | | 866,717 | 250,000 | 2.65% | 227,248 | 46,187 | 3.75% | 33,359 | 50,000 | 3.15% | 179,128 | 30,000 | 3.15% | 7,729 | | 900,272 | (33,555) | 61,596 | 14,076,477 | 2024 |
| 2025 | 953,660 | 616 | | 954,276 | 300,000 | 2.80% | 219,735 | 47,952 | 3.75% | 31,594 | 75,000 | 3.30% | 177,103 | 35,000 | 3.30% | 7,883 | | 969,944 | (15,667) | 45,928 | 13,618,526 | 2025 |
| 2026 | 953,660 | 459 | | 954,120 | 300,000 | 2.90% | 211,185 | 49,784 | 3.75% | 29,761 | 75,000 | 3.40% | 174,590 | 60,000 | 3.40% | 8,041 | | 982,884 | (28,764) | 17,164 | 13,133,741 | 2026 |
| 2027 | 1,041,555 | 172 | | 1,041,727 | 355,000 | 3.00% | 201,510 | 51,687 | 3.75% | 27,859 | 75,000 | 3.50% | 172,003 | 65,000 | 3.50% | 8,202 | | 1,028,742 | 12,985 | 30,148 | 12,587,054 | 2027 |
| 2028 | 1,041,555 | 301 | | 1,041,857 | 365,000 | 3.05% | 190,619 | 53,662 | 3.75% | 25,883 | 90,000 | 3.55% | 169,093 | 65,000 | 3.55% | 8,366 | | 1,037,830 | 4,027 | 34,175 | 12,013,392 | 2028 |
| 2029 | 1,199,766 | 342 | | 1,200,108 | 475,000 | 3.10% | 177,690 | 55,713 | 3.75% | 23,833 | 105,000 | 3.60% | 165,605 | 110,000 | 3.60% | 8,533 | | 1,189,274 | 10,834 | 45,010 | 11,267,679 | 2029 |
| 2030 | 1,199,766 | 450 | | 1,200,216 | 475,000 | 3.15% | 162,846 | 57,842 | 3.75% | 21,703 | 130,000 | 3.65% | 161,343 | 115,000 | 3.65% | 8,704 | | 1,196,378 | 3,838 | 48,848 | 10,489,836 | 2030 |
| 2031 | 1,287,661 | 488 | | 1,288,150 | 475,000 | 3.20% | 147,765 | 60,053 | 3.75% | 19,493 | 230,000 | 3.70% | 154,715 | 125,000 | 3.70% | 8,878 | | 1,280,646 | 7,504 | 56,352 | 9,599,784 | 2031 |
| 2032 | 1,287,661 | 564 | | 1,288,225 | 475,000 | 3.30% | 132,328 | 62,348 | 3.75% | 17,198 | 270,000 | 3.80% | 145,330 | 130,000 | 3.80% | 9,055 | | 1,296,376 | (8,151) | 48,201 | 8,662,436 | 2032 |
| 2033 | 1,375,556 | 482 | | 1,376,038 | 500,000 | 3.35% | 116,115 | 64,731 | 3.75% | 14,815 | 350,000 | 3.85% | 133,463 | 130,000 | 3.85% | 9,236 | | 1,368,537 | 7,501 | 55,702 | 7,617,705 | 2033 |
| 2034 | 1,375,556 | 557 | | 1,376,113 | 525,000 | 3.40% | 98,815 | 67,204 | 3.75% | 12,341 | 375,000 | 3.90% | 119,413 | 130,000 | 3.90% | 9,421 | | 1,382,367 | (6,254) | 49,448 | 6,520,501 | 2034 |
| 2035 | 1,463,451 | 494 | | 1,463,946 | 550,000 | 3.45% | 80,403 | 69,773 | 3.75% | 9,773 | 450,000 | 3.95% | 103,213 | 130,000 | 3.95% | 9,609 | | 1,442,873 | 21,073 | 70,521 | 5,320,728 | 2035 |
| 2036 | 1,463,451 | 705 | | 1,464,156 | 575,000 | 3.50% | 60,853 | 72,439 | 3.75% | 7,107 | 500,000 | 4.00% | 84,325 | 130,000 | 4.00% | 9,802 | | 1,474,492 | (10,336) | 60,185 | 4,043,289 | 2036 |
| 2037 | 1,551,346 | 602 | | 1,551,948 | 675,000 | 3.55% | 38,809 | 75,207 | 3.75% | 4,338 | 500,000 | 4.05% | 64,200 | 135,000 | 4.05% | 9,998 | | 1,532,320 | 19,628 | 79,814 | 2,658,082 | 2037 |
| 2038 | 1,551,346 | 798 | | 1,552,144 | 735,000 | 3.65% | 13,414 | 78,082 | 3.75% | 1,464 | 500,000 | 4.15% | 43,700 | 140,000 | 4.15% | 10,198 | | 1,546,157 | 5,987 | 85,801 | 1,205,000 | 2038 |
| 2039 | 1,551,346 | 858 | | 1,552,204 | | | | | | | 775,000 | 4.30% | 16,663 | 430,000 | 4.30% | 10,402 | | 1,250,554 | 301,650 | 387,451 | 0 | 2039 |
| Total | 22,138,984 | 20,637 | 657,935 | 22,817,556 | 7,380,000 | | 3,263,158 | 1,000,000 | | 455,402 | 4,550,000 | | 2,603,628 | 1,960,000 | | 25,000 | 180,483 | 22,430,105 | | | | Total |

Notes:

- 1 Assumes the debt payment for the Village offsite and internal phase infrastructure. Interest rates are based upon the Yield Curves as of 5-17-18 for an A rated Bond.
- 2 Assumes a loan from WCEDC with increment being paid with TID increment.
- 3 Assumes .50 basis points above the 5-17-18 scale.

Section 11: Annexed Property

There are no lands proposed for inclusion within the District that were annexed by the Village on or after January 1, 2004.

Section 12: Estimate of Property to be Devoted to Retail Business

Pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1, the Village estimates that none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

Section 13: Proposed Zoning Ordinance Changes

Proposed industrial development within TID #8 will require changing the zoning districts assigned to all the parcels within the TID #8 area. As indicated in section 5, parcels located within TID #8 are currently located in an A-1: Agricultural, A-2: Agricultural, Rs-1: Single-Family or Rs-2: Single-Family Zoning District. Prior to Village Board adoption of the resolution creating TID #8, all the parcels located within TID #8 will require rezoning into the M-1: Limited Industrial Zoning District. At the time of the drafting of this document, the Village Board was considering, but had not yet approved, a rezoning application to change the zoning for the parcels within the entire TID #8 area to the M-1: Limited Industrial District.

The Village further acknowledges that any real property within the District that is found suitable for industrial sites and is zoned for industrial use will remain zoned for industrial use for the life of the District.

Section 14: Proposed Changes in Master Plan, Map, Building Codes and Village of Germantown Ordinances

Proposed industrial development within TID #8 will require amendments to the Village's 2020 Smart Growth Plan; specifically, changes to the 2020 Land Use Plan (LUP) Map. Prior to Village Board adoption of the resolution creating TID #8, the entire TID #8 area will require the following:

1. change the entire TID #8 area from the "Mixed Use" category to the "Industrial/Office" category on the 2020 LUP Map; and
2. extend the Sanitary Sewer Service Area (SSA) boundary on the 2020 LUP Map to include the entire TID #8 area.

At the time of the drafting of this document, the Village Board was considering, but had not yet approved, an application to change the 2020 LUP Map as described above. No changes to the building codes or other Village ordinances are required or anticipated for the implementation of this Plan.

Section 15: Relocation

It is not anticipated there will be a need to relocate persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the Village will follow applicable Wisconsin Statutes Section chapter 32.

Section 16: Orderly Development of the Village of Germantown

The District contributes to the orderly development of the Village by providing the opportunity for continued growth in tax base, job opportunities and general economic activity.

Section 17: List of Estimated Non-Project Costs

Non-Project costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds.

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

Section 18: Opinion of Attorney for the Village of Germantown Advising Whether the Plan is Complete and Complies with Wisconsin Statutes 66.1105

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JANE C. KASSIS,
LEGAL SECRETARY

June 28, 2018

Honorable Dean R. Wolter
Village of Germantown
N112 W17001 Mequon Road
Germantown, WI 53022

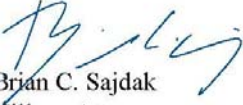
Re: Germantown Tax Increment District No. 8 Project Plan

Dear President Wolter:

In my role as Village Attorney for the Village of Germantown, I have reviewed the Project Plan for Germantown Tax Increment District No. 8. Following that review, it is my opinion that the Project Plan is complete and that it complies with the requirements of Wis. Stat. § 66.1105(4)(f).

Please let me know if I can be of any further assistance on this matter.

Very truly yours,


Brian C. Sajdak
Village Attorney

cc: Ms. Deanna Boldrey, Village Clerk
Mr. Steven Kreklow, Village Administrator
Mr. Phil Cosson