

June 24, 2019

Project Plan for the Project Plan Amendment of Tax Incremental District No. 5



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Public Hearing Held:	June 3, 2019
Consideration for Adoption by Plan Commission:	June 3, 2019
Consideration for Adoption by Village Board:	June 24, 2019
Consideration for Approval by the Joint Review Board:	August 26, 2019

Tax Incremental District No. 5 Project Plan Amendment

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Union Grove Elementary School District J1

UHS of Union Grove High School District

Public Member

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SECTION 1: Executive Summary

Description of District

Type of District, Size and Location

Tax Incremental District (“TID”) No. 5 (The “TID” or “ District”) is an existing blighted area district, created by a resolution of the Village of Union Grove (“Village”) Village Board adopted on November 23, 2015 (the “Creation Resolution”).

Amendments

The District has not had any previous amendments.

Purpose of this Amendment

The proposed additional and updated projects costs may include but are not limited to: various public improvements and cash grants to owners, lessees or developers of land located within the District (development incentives), and professional and organizational services, administrative costs, and finance costs.

Estimated Total Project Expenditures.

The current Project Plan provides for estimated total project cost expenditures of \$1.7M. This proposed amendment would provide for additional estimated expenditures of \$1.45M, for a revised total of \$3,150,000.

Specific details as to the types, locations and cost estimates are found in Sections 7, 8 and 9 of this plan. It is anticipated that the remaining and additional projects will be completed in several phases. The projects are expected to be financed through the issuance of debt issued in 2019 & 2020. 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. The expenditure period of this Existing District terminates on November 23, 2037.

Economic Development

The Village projects that additional land and improvements value of approximately \$10M will be created because of new development, redevelopment, and appreciation in the value of existing properties. In the original plan the value was estimated at \$4,550,000. This amendment will result in an additional \$5,450,000 in value resulting from the additional improvements made and projects undertaken as detailed in this amendment. A table detailing assumption as to the timing of new development and redevelopment, and associated values is in Section 10 of this Plan. In addition, amendment of the District’s Project Plan is expected to result in further economic benefits as detailed in the Summary of Findings hereafter.

Expected Termination of District

The District has a maximum statutory life of 27 years, and must close not later than November 23, 2042, resulting in a final collection of increment in budget year 2043. Pre-amendment cash flow projections which included increment from TID 4, indicated that the TID would have closed as early as 2036 or 6 years earlier than the maximum life. Based on the Economic Feasibility Study located in Section 10 of

this Plan, amendment of the District would shift the projected closure year from 2036 to 2039. However, when considering increment from TID 4 the TID would closeout in 2037 or one year later.

Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan Amendment and the exhibits contained and referenced herein, the following findings are made:

1. **That “but for” amendment of the District’s Project Plan, the remaining 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 additional expenditures contemplated by the plan amendment are necessary to fully achieve the original goals of the District Project Plan, including creation of new tax base and other economic benefits. The Village expects that without the amendment, the full development as projected will be less likely to occur.
 - These additional expenditures are associated with projects that were unanticipated at the time of District creation but have now been determined necessary to enable the District to fully implement its Project Plan.
2. **The economic benefits of amending 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 Village has considered the following information:
 - As demonstrated in the Economic Feasibility Section of this Project Plan amendment, the tax increments projected to be collected are more than enough to pay for the remaining proposed project costs. On this basis alone, the finding is supported.
 - The additional development expected to occur will generate additional housing units adjacent to the downtown along with a commercial development, resulting in greater economic activity.
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
 - Given that it is not likely that the District will achieve all of the objectives of its Project Plan or in the same manner without the continued use of tax incremental financing (see finding # 1), and since the District is expected to generate additional economic benefits that are more than sufficient to compensate for the additional cost of the improvements (see Finding #2), the Village reasonably concludes that the overall additional 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 Project Plan is not amended.
4. The boundaries of the District are not being amended. At the time of creation, and any subsequent additions of territory, not less than 50%, by area, of the real property within the District, as amended, is a blighted area within the meaning of Wisconsin Statutes Section 66.1105(2)(ae)1.

5. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution and in any subsequent resolutions amending the boundaries of the District, the District remains declared a blighted area district based on the identification and classification of the property included within the District.
6. The Project Costs of the District relate directly to promoting the elimination of blight consistent with the purpose for which the District was created.
7. The improvements of such area are likely to enhance significantly the value of substantially all of the other real property in the District.
8. The Village estimates that approximately 10% 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 Section 66.1105(5)(b).
9. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the Village.

SECTION 2: Type and General Description of District

The District was created under the authority provided by Wisconsin Statutes Section 66.1105 November 23, 2015 by resolution of the Village Board. The District's valuation date, for purposes of establishing base value, was January 1, 2016.

The District is a "Blighted Area District," created on a finding that at least 50%, by area, of the real property within the District was blighted, as defined in Wisconsin Statutes Section 66.1105(2)(ae)1.

Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a Village to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have not previously been amended. Since this amendment does not involve the addition or subtraction of territory from the District, it is not counted against the number of available boundary amendments.

This Project Plan Amendment supplements and does not supersede or replace any component of the original Project Plan, unless specifically stated. All components of the original Project Plan remain in effect.

A map depicting the current boundaries of the District is found in Section 3 of this Plan. Based upon the findings stated above, the original findings stated in the Creation Resolution, and the findings contained in any subsequent resolution adding territory to the District, the District remains a blighted area district based on the identification and classification of the property included within the District.

SECTION 3: Map of Current District Boundary



SECTION 4: Map Showing Existing Uses and Conditions

There will be no change to District boundaries, nor any changes to the existing uses and conditions within the District as a result of this amendment. A copy of this map can be found in the Original Project Plan Document.

SECTION 5: Equalized Value Test

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

SECTION 6: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

The proposed additional and updated projects costs within the District may also include but are not limited to: various public improvements and cash grants to owners, lessees or developers of land located within the District (development incentives), professional and organizational services, administrative costs, and finance costs.

The Village proposes modifying the categories, locations and/or costs of the projects to be undertaken within the District through the remainder of its expenditure period as described below and found on Page 17 of this plan:

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development and Redevelopment

In order 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 in order 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.

Acquisition of Rights-of-Way

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

Acquisition of Easements

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

Site Preparation Activities

Environmental Audits and Remediation

There have been no known environmental studies performed within the District. If, however, it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the Village related to environmental audits, testing, and remediations are eligible Project Costs.

Demolition

In order to make sites suitable for development and/or redevelopment, 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 stormwater runoff. The Village may need to remove and dispose of excess material or bring in fill material to provide for proper site elevations. Expenses incurred by the Village for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

There are inadequate sanitary sewer facilities serving areas of the District. To allow development and/or redevelopment to occur, the Village may 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; 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. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, are an eligible project cost under Section 66.1105(2)(f)1 k.

Water System Improvements

There are inadequate water distribution facilities serving areas of the District. To allow development and/or redevelopment to occur, the Village may 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; 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.

Stormwater Management System Improvements

Development and/or redevelopment within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the Village may 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; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs

Electric Service

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

Gas Service

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

Communications Infrastructure

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

Streets and Streetscape

Street Improvements

There are inadequate street improvements serving areas of the District. To allow development and/or redevelopment 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

In order 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.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, amendment, 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 in connection with 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, site preparation, 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 tax increment finance 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 herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment.

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 listed in this Plan or the original Project Plan. To the extent the costs benefit the Village 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. 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 by the Village in connection with the implementation of this Plan.

SECTION 7: Map Showing Proposed Improvements and Uses

There will be no change to District boundaries, nor any changes to the proposed improvements or uses within the District because of this amendment. A copy of this map can be found in the Original Project Plan document.

SECTION 8: Detailed List of Additional and Updated Project Costs

This Section contains information relative to the specific projects and expenditures that the Village anticipates it will undertake within the District during the remainder of the expenditure period. In addition, included for reference purposes, is a listing of the project cost estimates for the original District. As part of this Amendment, the Village is also modifying the project cost estimates for the original District area to add additional projects. Details with respect to the added projects can also be found within this Section.

All costs are based on 2019 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2019 and the time of construction. The Village also reserves the right to increase certain Project Costs to the extent others are reduced or not implemented without amending the Plan. 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 further amending this Plan.

Proposed TIF Project Cost Estimates

Village of Union Grove Tax Increment District #5 Amendment Initial & Amended Project List				
Project ID	Project Name/Type	Original TID Project Plan	Amended Project List	Difference (Note 1)
1	Land Acquisition (Paid with TID 4 Funds)	450,000	240,520	(209,480)
2	Professional Services	25,000	195,000	170,000
3	Environmental Remediation	0	110,780	110,780
4	Water Main Replacement (Mill from State to Clark)	198,000	67,000	(131,000)
5	Water Main Looping (State from Mill to Railroad, west to US 45)	93,720	85,000	(8,720)
6	Roadway Pavement Replacement (Mill & State Street)	368,280	451,000	82,720
7	Relocation of Power Lines (Landmark/State) Parcels	40,000	64,880	24,880
8	Alley Improvements & Lighting	0	40,000	40,000
9	Sanitary Sewer Rehab. (State & 10th)	0	204,620	204,620
10	Initial Development Incentives	250,000	1,100,000	850,000
11	Additional Development Incentives	250,000	250,000	0
Total Projects		<u>1,675,000</u>	<u>2,808,800</u>	<u>1,133,800</u>

Notes:

Note 1 Some project costs are estimates and are subject to modification

SECTION 9: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

This amendment modifies the specific projects and expenditures that the Village anticipates it will undertake within the District during the remainder of the expenditure period.

The information and exhibits contained within this Section demonstrate that the District, as proposed to be amended, will remain economically feasible insofar as:

- The Village has available to it the means to secure the necessary financing required to accomplish the remaining projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The Village expects to complete the remaining projects in one or more 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 incur is included.
- The development anticipated to occur as a result of the continued 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) an updated projection of tax increments to be collected resulting from that development and other economic growth within the District, and 3) an updated 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). As of the date of this plan, the Village has a G.O. debt limit of \$16,541,420, of which \$8,928,440 is currently unused and could be made available to finance Project Costs.

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.

Tax Increment Revenue Bonds

The Village has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the Village, or as a Lease Revenue Bond by its Community Development Authority (CDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the Village and therefore do not count against the Village's statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the Village may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

Utility Revenue Bonds

The Village can issue revenue bonds to be repaid from revenues of its various utility 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 has the ability to 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

As stated in the original project plan, projects identified will provide the necessary anticipated governmental services and/or development incentives to the remaining district. The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements, if any. 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

<h3 style="text-align: center;">Village of Union Grove</h3> <h4 style="text-align: center;">Tax Increment District #5 Amendment</h4> <h5 style="text-align: center;">Estimated Financing Plan</h5>			
	G.O. Bond 2019	Taxable G.O. Bond 2020	Totals
Projects			
Phase I	1,007,500		1,007,500
Phase II		1,560,780	1,560,780
Total Project Funds	1,007,500	1,560,780	2,568,280
Estimated Finance Related Expenses			
Municipal Advisor	17,500	20,000	
Bond Counsel	17,600	19,200	
Paying Agent	850	850	
Underwriter Discount	12.50	12.50	20,313
Capitalized Interest	51,895		
Total Financing Required	1,109,220	1,621,143	
Estimated Interest	1.00%	1.00%	(1,301)
Assumed spend down (months)	6	1	
Rounding	5,818	5,158	
Net Issue Size	1,110,000	1,625,000	2,735,000
Notes:			

Development Assumptions

Village of Union Grove Tax Increment District #5 Amendment Development Assumptions (Initial & Amended)					
Construction Year	Actual	Original TID Development Assumptions	Amended TID Developmen	Difference	Construction Year
1 2016	1,600			1,600	2016
2 2017	40,500	780,000		(739,500)	2017
3 2018		1,500,000	3,000,000	1,500,000	2018
4 2019		1,370,000	7,000,000	5,630,000	2019
5 2020		900,000		(900,000)	2020
Totals	42,100	4,550,000	10,000,000	5,492,100	

Notes:

Increment Revenue Projections

Village of Union Grove										
Tax Increment District #5 Amendment										
Tax Increment Projection Worksheet - Amended										
Type of District	Blighted Area		Base Value	464,700						
District Creation Date	November 23, 2015		Appreciation Factor	0.50%		Apply to Base Value				
Valuation Date	Jan 1,	2016	Base Tax Rate	\$22.52						
Max Life (Years)	27		Rate Adjustment Factor							
Expenditure Period/Termination	22	11/23/2037	Tax Exempt Discount Rate	4.00%						
Revenue Periods/Final Year	26	2043	Taxable Discount Rate	4.50%						
Extension Eligibility/Years	Yes	3								
Eligible Recipient District	Yes									

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt	
								NPV Calculation	Taxable NPV Calculation
1	2016	1,600	2017	0	1,600	2018	\$22.52	36	32
2	2017	40,500	2018	0	42,100	2019	\$22.52	948	842
3	2018	3,000,000	2019	0	3,042,100	2020	\$22.52	68,508	57,151
4	2019	7,000,000	2020	0	10,042,100	2021	\$22.52	226,148	235,879
5	2020	0	2021	50,211	10,092,311	2022	\$22.52	227,279	408,592
6	2021	0	2022	50,462	10,142,772	2023	\$22.52	228,415	575,493
7	2022	0	2023	50,714	10,193,486	2024	\$22.52	229,557	736,777
8	2023	0	2024	50,967	10,244,453	2025	\$22.52	230,705	892,633
9	2024	0	2025	51,222	10,295,676	2026	\$22.52	231,859	1,043,244
10	2025	0	2026	51,478	10,347,154	2027	\$22.52	233,018	1,188,786
11	2026	0	2027	51,736	10,398,890	2028	\$22.52	234,183	1,329,431
12	2027	0	2028	51,994	10,450,884	2029	\$22.52	235,354	1,465,342
13	2028	0	2029	52,254	10,503,139	2030	\$22.52	236,531	1,596,679
14	2029	0	2030	52,516	10,555,654	2031	\$22.52	237,713	1,723,596
15	2030	0	2031	52,778	10,608,433	2032	\$22.52	238,902	1,846,242
16	2031	0	2032	53,042	10,661,475	2033	\$22.52	240,096	1,964,760
17	2032	0	2033	53,307	10,714,782	2034	\$22.52	241,297	2,079,290
18	2033	0	2034	53,574	10,768,356	2035	\$22.52	242,503	2,189,965
19	2034	0	2035	53,842	10,822,198	2036	\$22.52	243,716	2,296,916
20	2035	0	2036	54,111	10,876,309	2037	\$22.52	244,934	2,400,267
21	2036	0	2037	54,382	10,930,690	2038	\$22.52	246,159	2,600,146
22	2037	0	2038	54,653	10,985,344	2039	\$22.52	247,390	2,700,519
23	2038	0	2039	54,927	11,040,271	2040	\$22.52	248,627	2,797,514
24	2039	0	2040	55,201	11,095,472	2041	\$22.52	249,870	2,891,244
25	2040	0	2041	55,477	11,150,949	2042	\$22.52	251,119	2,981,820
26	2041	0	2042	55,755	11,206,704	2043	\$22.52	252,375	3,069,348
Totals	10,042,100		1,164,604			Future Value of Increment	5,567,244		

Notes:

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

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

Cash Flow

Village of Union Grove																				
Tax Increment District #5 Amendment																				
Cash Flow Projection - Amended																				
Year	Projected Revenues					Expenditures							Balances			Year				
	Tax Increments	Interest Earnings/ (Cost)	Capitalized Interest	Sale of Land	Total Revenues	G.O. Bond 1,110,000 Dated Date: 06/05/19			Taxable G.O. Bond 1,625,000 Dated Date: 04/01/20			PAYGO - Per Developmen t Agreement	Land Purchase	Admin.	Total Expenditures		Annual	Cumulative	Principal Outstanding	
2017					0										0	0	(103,923)	0	2017	
2018	36		0	1,400,000	1,400,036								1,400,000		1,400,000	36	(103,887)		2018	
2019	948		15,840		16,788			15,840							15,840	948	(102,939)	2,735,000	2019	
2020	68,508		32,400		100,908	0		32,400						3,000	109,586	(8,678)	(111,617)	2,735,000	2020	
2021	226,148				226,148	25,000	3.00%	32,025		0			55,000		3,060	189,271	36,877	(74,740)	2,710,000	2021
2022	227,279				227,279	25,000	3.00%	31,275		0			55,000		3,121	188,582	38,697	(36,043)	2,685,000	2022
2023	228,415				228,415	25,000	3.00%	30,525		0			55,000		3,184	187,895	40,521	4,478	2,660,000	2023
2024	229,557				229,557	45,000	3.00%	29,475		50,000	3.71%				3,247	201,908	27,649	32,127	2,565,000	2024
2025	230,705	643			231,348	60,000	3.00%	27,900		50,000	3.79%				3,312	213,543	17,804	49,931	2,455,000	2025
2026	231,859	999			232,857	65,000	3.00%	26,025		50,000	3.90%				3,378	214,839	18,018	67,949	2,340,000	2026
2027	233,018	1,359			234,377	65,000	3.00%	24,075		50,000	4.03%				3,446	211,007	23,370	91,318	2,225,000	2027
2028	234,183	1,826			236,009	75,000	3.00%	21,975		50,000	4.18%				3,515	216,961	19,048	110,367	2,100,000	2028
2029	235,354	2,207			237,561	75,000	3.00%	19,725		50,000	4.31%				3,585	212,691	24,870	135,237	1,975,000	2029
2030	236,531	2,705			239,235	75,000	3.00%	17,475		50,000	4.32%				3,657	208,358	30,877	166,114	1,850,000	2030
2031	237,713	3,322			241,036	75,000	3.00%	15,225		60,000	4.39%				3,730	214,021	27,014	193,129	1,715,000	2031
2032	238,902	3,863			242,764	75,000	3.00%	12,975		70,000	4.43%				3,805	219,212	23,553	216,682	1,570,000	2032
2033	240,096	4,334			244,430	75,000	3.00%	10,725		75,000	4.44%				3,881	218,937	25,493	242,175	1,420,000	2033
2034	241,297	4,843			246,140	75,000	3.00%	8,475		75,000	4.46%				3,958	213,434	32,706	274,881	1,270,000	2034
2035	242,503	5,498			248,001	75,000	3.00%	6,225		80,000	4.67%				4,038	212,919	35,082	309,963	1,115,000	2035
2036	243,716	6,199			249,915	85,000	3.00%	3,825		200,000	4.80%				4,118	336,863	(86,948)	223,015	830,000	2036
2037	244,934	4,460			249,395	85,000	3.00%	1,275		200,000	4.80%				4,201	324,796	(75,401)	147,614	545,000	2037
2038	246,159	2,952			249,111					225,000	4.80%				4,285	254,005	(4,893)	142,721	320,000	2038
2039	247,390	2,854			250,244					290,000	4.80%				4,370	308,290	(58,046)	84,675	30,000	2039
2040	248,627	1,693			250,320										4,458	4,458	245,863	330,537	30,000	2040
2041	249,870	6,611			256,481										4,547	4,547	251,934	582,471	30,000	2041
2042	251,119	11,649			262,769										4,638	4,638	258,131	840,602	30,000	2042
2043	252,375	16,812			269,187										4,731	4,731	264,456	1,105,058	30,000	2043
Total	5,567,244	84,830	48,240	1,400,000	7,100,314	1,080,000		367,440		1,625,000		1,162,627	165,000	1,400,000	91,266	5,891,333				Total

Notes: Projected TID Closure

SECTION 10: Annexed Property

No territory will be added or subtracted from the District as a result of this amendment.

SECTION 11: Proposed Zoning Ordinance Changes

The Village does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Project Plan amendment.

SECTION 12: Proposed Changes in Master Plan, Map, Building Codes and Village of Union Grove Ordinances

It is expected that this Plan will be complementary to the Village's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other Village ordinances for the implementation of this Plan.

SECTION 13: 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 chapter 32.

SECTION 14: Orderly Development and Redevelopment of the Village of Union Grove

This Project Plan Amendment will have no impact on the viability of the original District Project Plan as it relates to the orderly development and redevelopment of the Village.

SECTION 15: List of Estimated Non-Project Costs

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

SECTION 16:
Opinion of Attorney for the Village of Union Grove
Advising Whether the Plan is Complete and Complies with
Wisconsin Statutes 66.1105



PRUITT, EKES & GEARY, S.C.

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June 17, 2019

Village Board
c/o Bradley Calder
Village Clerk
Village of Union Grove
925 15th Avenue
Union Grove, WI 53182

RE: Amendment of Tax Incremental District No. 5

Dear Village Board Members:

As attorneys for the Village of Union Grove, we have reviewed the proposed Project Plan for the Project Plan Amendment of Tax Incremental District No. 5 and have determined that it is complete and complies with Section 66.1105 of the Wisconsin Statutes. This opinion is provided pursuant to Wis. Stat. Section 66.1105(4)(f).

Sincerely,

PRUITT, EKES & GEARY, S.C.


Elaine Sutton Ekes
esekes@peglawfirm.com

ESE: