

VILLAGE OF JOHNSON CREEK TAX INCREMENT FINANCING DISTRICT #4 Amendment No. 1

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SECTION I. INTRODUCTION

Project Background

The Village of Johnson Creek created Tax Increment District #4 (TID #4) on July 12, 2021. TID #4 is located in the center of the Village as a “mixed-use” District. This area generally includes properties along Highway 26 and Milwaukee Street/County Road B, as well as properties fronting Grell Lane and Wright Road.

The Village is proposing to amend the TID #4 spending plan to account for completed projects since 2021, to add new priority projects that are needed to support new development within the TID, and to add additional administrative and professional expenditures to support implementation of the TID. Because the spending plan is proposed to change, a new financial feasibility analysis is provided. There are no proposed changes to the boundary of TID #4.

This TID #4 Project Plan Amendment No. 1 has been prepared in compliance with Sec 66.1105, Wis. Stats. As required by Wis. Stat. §66.1105(5) a copy of this amended Project Plan will be submitted to the Department of Revenue and used as the basis for their certification of Tax Increment District #4, Amendment No. 1 in the Village of Johnson Creek.

This amended Project Plan follows the same layout and section order as the original Project Plan. Sections where no changes are proposed are indicated as such, and sections with amendments are identified accordingly.

Summary of Findings

As required by Wis. Stat. §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.
 - To support development within the District, the Village will need to make a substantial investment to pay for the costs of necessary public infrastructure and assist with closing financing gaps with private development projects. Due to extensive investment required, the Village has determined that development of the area will not occur solely as a result of private investment. Accordingly, the Village finds that absent the use of TIF, development of the area is unlikely to occur. Additionally, new priority expenditures, including administrative costs and project costs, have been identified critical needs to serve anticipated development within the TID.
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 expected to be sufficient to pay for the proposed project costs.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

- Since the development expected to occur is subject to site preparation and other extraordinary costs, it is unlikely to take place or in the same manner or timeframe without the use of TIF. Since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements, 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 Wis. Stats. §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 B of this plan.
4. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
 5. The equalized value of taxable property of the District, the only open Tax Increment Finance District in the Village, does not exceed 12% of the total equalized value of taxable property within the Village.
 6. Lands in the District proposed for newly platted residential use comprise less than 35% of the total area of the District.
 7. The Village estimates that up to 0.5% of the territory within the District (0.75 of 165.7 total developable acres) may be suitable for retail business at the end of the District’s maximum expenditure period pursuant to Wis. Stats. § 66.1105(5)(b) and 66.1105(6)(am)1.
 8. The Project Plan for the District in the Village is economically feasible and is in conformity with the comprehensive plan of the Village.

SECTION II. DESCRIPTION OF HOW TAX INCREMENT DISTRICT #4 WILL PROMOTE THE ORDERLY DEVELOPMENT OF THE VILLAGE OF JOHNSON CREEK

There are no changes to this section.

SECTION III. TAX INCREMENT DISTRICT BOUNDARY DESCRIPTION AND EQUALIZED VALUES

There are no changes to this section.

SECTION IV. EXISTING USES AND CONDITIONS OF REAL PROPERTY

There are no changes to this section.

SECTION V. PROPOSED PUBLIC WORKS AND ESTIMATED COSTS

In the originally adopted TID #4 project plan, the authorized spending on direct project costs for TID #4 totaling \$12,042,596 to facilitate growth and development over the District's 20-year life. The proposed total level of spending on direct project costs for TID #4 Amendment No. 1 is \$12,633,680. The specific changes proposed include:

- Reducing the total priority infrastructure project expenses from \$4,030,195 to \$3,045,000.
- Changing the list of priority infrastructure projects to remove the following projects
 - Hwy 26 Sewer and Water project (completed and funded by other sources)
- Changing the list of priority infrastructure projects to add the following projects
 - Grell Lift Station
 - A proportionate share of Well #4 Treatment, Conveyance, Lift Station Upgrades needed to serve development within the TID (occurs within the half-mile boundary)
 - A proportionate share of Sludge Processing Plant upgrades needed to serve development within the TID (occurs within the half-mile boundary)
- Reducing economic development incentives from \$7,862,400 to \$6,775,110
- Adding interest charges for borrowing costs totaling \$1,415,458
- Increasing administrative and professional project costs from \$150,000 to \$1,398,112
- The financial feasibility cash flow analysis shows \$226,500 in funding as a repayment of fund advances for prior expenditures authorized by the project plan. In the project narrative, this cost is added to the Administrative/Professional Costs expenses for a total of \$1,398,112 of total spending in this category.

Below are descriptions of the major public improvement categories, which are necessary and standard improvements for promoting mixed-use redevelopment of the area. In addition to a general description, each category contains a list of the following types of proposed expenditures. These project expenditures are listed in Table 3, and their general locations are shown on Map 4. The map has been updated to account for the removed project and the new projects proposed with TID #4 Amendment No. 1.

Priority Expenditures are those that the Village intends, but is not required, to undertake based on the projected tax increments to be received from the future redevelopment projects described in Section VII.

Expenditures within a Half mile are those priority projects, or portions thereof, that may occur within one-half mile of the District boundary per Wis. Stats. §66.1105(2)(f)1.n. and are shown in the descriptions below with an asterisk (*). In most cases, projects outside of the District boundary are incidental to or extensions of projects with the boundary that continue

out of the District in order to be fully complete and of the greatest benefit to the District. All other expenditures within a half mile not specifically identified herein will require an amendment to this project plan and approval of the Joint Review Board.

Contingent Expenditures are those the Village may undertake provided sufficient tax increments become available to pay for them. The tax increments projected to be received from the future redevelopment projects described in Section VII are not thought to be sufficient to cover the Contingent Expenditures and, therefore, these expenditures are not included in the financial feasibility analysis contained in Section VII. However, should additional tax increments be generated, then the Village may use them to undertake these projects.

Consistent with the goals and purposes of the District as articulated in this project plan, all project expenditures are intended to promote orderly development, stimulate commercial revitalization, create jobs, enhance the value of property, and broaden the property tax base of the Village of Johnson Creek and the overlying taxing jurisdictions. Below are descriptions of those projects that are considered necessary and standard costs for promoting redevelopment within the District. In addition to a general description of eligible costs, some project categories contain a list of priority projects the Village intends - but is not required - to undertake based on the projected tax increments to be received from property in the District.

Implementation and construction of the proposed projects identified herein will require case-by-case authorization by the Village Board. Public expenditures for projects listed in this project plan should and will be based on market conditions and the status of development at the time a project is scheduled for construction. The Village Board is not mandated to make the public expenditures described in this plan. Redistribution of project costs within the total spending estimate will not require an amendment to the project plan provided that the expenditures meet the purpose and intent of the District as expressed in the plan. Scheduling of project activities will be monitored to ensure that the projected economic stimulation is occurring prior to proceeding with other project activities. This monitoring will occur on an annual basis. If economic conditions are not altered by the proposed project activity, other project activities may be delayed and/or removed from the project schedule. The goal of the proposed projects is to provide the public improvements and inducements necessary to attract and stimulate private reinvestment and redevelopment.

The project costs shown in Table 3 are preliminary estimates provided by the Village's engineering and planning consultants that may be adjusted and refined. The adjustments and refinements may include changing the year in which a project activity is undertaken and reallocating the cost of specific projects within the limitation of the total estimated project costs. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2024 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 project plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of this project plan. Other adjustments to this project plan will be made on the recommendation of the Plan Commission to be reviewed and acted upon by the Village Board.

1. Capital Improvements

There are no changes to this section.

2. Infrastructure

These costs include, but are not limited to, that portion of costs related to the construction or alteration of: sewerage treatment plants, water treatment plants, storm water detention/retention and treatment facilities, and other environmental protection devices including sustainable features for any of the foregoing as well as renewable and on-site energy systems related thereto; storm and sanitary sewer lines; water lines; amenities on streets; bike paths, trails and related facilities; and the rebuilding and expansion of streets, the construction, alteration, rebuilding or expansion of which are necessitated to carry out the goals of this project plan within the District and within a half-mile of the District. Infrastructure also can be installed further outside of the District if required to carry out the project plan, but only the portion which directly benefits the District is an eligible cost. The cost of land acquisition, design, construction management, and other soft costs related to any of the above also may be included.

Priority Projects

- A. County Road B Multiuse Path*– This project involves construction of a multiuse, off-street walking and biking path to stimulate revitalization and promote redevelopment in the District
- B. Wright Road Pedestrian Improvements* – This project involves construction of sidewalks to stimulate revitalization and promote redevelopment in the District
- C. Bell Park Sidewalk* – This project involves construction of a sidewalk to stimulate revitalization and promote redevelopment in the District
- D. Hartwig Boulevard Sidewalk* – This project involves construction of a sidewalk to stimulate revitalization and promote redevelopment in the District
- E. South Street Bike Lane* – This project involves construction of bicycle facilities, such as an on-street bike lane, to stimulate revitalization and promote redevelopment in the District
- F. Wright Road Bike Lane – This project involves construction of bicycle facilities, such as an on-street bike lane, to stimulate revitalization and promote redevelopment in the District
- G. Milwaukee Street Bike Lane* – This project involves construction of bicycle facilities, such as an on-street bike lane to stimulate revitalization and promote redevelopment in the District
- H. Milwaukee Street Crosswalk – This project involves construction of enhanced crosswalk across HWY 26 to stimulate revitalization and promote redevelopment in the District
- I. Village Sign Replacement – This project involves replacement of the Village of Johnson Creek sign to stimulate economic revitalization and promote redevelopment in the District
- J. Grey Hawk Subdivision Road Improvements* – This project involves repaving (mill and overlay) Hunters Glen and Red Fox Drive to improve safety and stimulate redevelopment in the District

- K. Hartwig Boulevard and Hartwig Drive Road Improvements* – This project involves repaving (mill and overlay) Hartwig Boulevard to improve safety and stimulate redevelopment in the District
- L. Lincoln Street Road Improvements* – This project involves repaving (mill and overlay) Lincoln Street to improve safety and stimulate redevelopment in the District
- M. Sanctuary Court Road Improvements* – This project involves repaving (mill and overlay) Sanctuary Court to improve safety and stimulate redevelopment in the District
- N. West Street Road Improvements* – This project involves repaving (chip seal) West Street to improve safety and stimulate redevelopment in the District
- O. Wright Road (North) Improvements – This project involves repaving (mill and overlay) Wright Road to improve safety and stimulate redevelopment in the District
- P. Wright Road (South) Improvements* – This project involves repaving (chip seal) Wright Road to improve safety and stimulate redevelopment in the District
- Q. Midge Street Road Improvements* – This project involves repaving (mill and overlay) Midge Street to improve safety and stimulate redevelopment in the District
- R.-U. Highland Neighborhood Road Improvements* – This project involves repaving (chip seal) Highland Boulevard, Pioneer Drive, Parkview Drive, and Aspen Street to improve safety and stimulate redevelopment in the District
- V. Grell Lift Station – This project involves construction of a sewerage lift station to serve development within the District.
- W. Well #4 Treatment, Conveyance, Lift Station Upgrade* - This project involves a proportionate share of infrastructure upgrades to serve water needs within the District.
- X. Sludge Processing Plant Upgrade* - This project involves a proportionate share of infrastructure upgrades to serve sanitary sewerage needs within the District.
- Y. Hwy 26 Pedestrian Bridge - The total cost of the bridge is estimated at \$3 million, and the TID would be the primary beneficiary of it. The expense shown is a conservative estimate of how much the TID could afford to contribute. In the event additional funds become available, the TID will fund up to 75% of the total cost.

3. Real Estate Acquisition and Relocation

There are no changes to this section.

4. Economic Development Assistance

These costs include, but are not limited to, cash grants, loans, incentives, and any expenditures of the type described in any of the other categories listed in this section by or on behalf of a developer to induce development and ensure project feasibility. All development projects that receive some form of direct or indirect TIF participation will first enter into a development agreement approved by the Village Board that specifies the terms of the TIF contributions and the obligations of the receiving property or business owner. Such contributions may be in the form of direct cash grants or in “pay-as-you-go” payments over time.

Priority Projects*

Economic Development Assistance payments may be provided to landowners, businesses, or leasees anywhere within the District as well as within a half mile of the District boundary. The amount and form of TIF participation for a particular project, if any, will be determined on a project-by-project basis as described in a project development agreement depending upon a project's specific needs, funding availability, and the project's consistency with the goals and objectives stated in this plan and other Village plans and policies. For the purposes of Table 3, all such incentives are assumed to be provided as pay-as-you-go payments to be provided to developers over 15 years or the remaining life of the district, whichever is less. The total amount of economic development incentive expenditures is proposed to decrease in the TID #4 Amendment No. 1 project plan.

5. Administrative and Professional Services

These costs include, but are not limited to, those costs incurred for architectural, planning, engineering, financial, marketing and market analysis, legal advice, and other services necessary to implement this Plan. Among other services, these may include developer recruitment and negotiations, capital improvement and infrastructure design, site design, public space design, and similar services whether conducted by Village staff, contractors, or one or more of the Village's partner agencies. In addition, these costs include ongoing administration of the District, including cost recovery for service demands necessitated by and specific to the District's development as well as the completion of required annual reports, forms and audits, and similar efforts. The total amount of administrative and professional services expenditures is proposed to increase in the TID #4 Amendment No. 1 project plan.

Priority Projects

Active project management will be a key activity and expenditure for successful implementation of the TID #4 project plan. It is the intent of the Johnson Creek Village Board to offer a wide range of services which may include, but are not limited to: recruitment of appropriately-qualified developers for each potential redevelopment site; marketing the District for potential businesses; providing low-interest loans and/or interest write-downs for property rehabilitation and redevelopment; providing grants for façade improvements; site acquisition and preparation; and cost recovery for service demands necessitated by and specific to the District's development. In addition, implementation of this Plan may include the following general tasks, which Village staff, contractors or partner organizations may reasonably undertake at the Village's discretion:

- Conducting more detailed planning and engineering studies;
- Developing more refined land use and redevelopment plans for implementation;
- Developing standards for which development within the District will need to conform;
- General guidance and referral of actions to other Village committees and the Village Board;
- Establishing and managing an economic development master fund;
- Identifying and applying for additional non-TIF revenue sources such as grants;
- Public infrastructure construction oversight;

- Developing and implementing a business marketing plan;
- Developer recruitment and negotiations;
- Business recruitment;
- Preparation of annual reports and submittal of required forms and fees to the state Department of Revenue; and
- Conducting audits.

6. Finance Charges and Interest

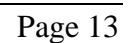
Finance charges and interest include, but are not limited to, interest paid on debt obligations incurred to pay for project costs, debt issuance costs, capitalized interest, coverage and reserve funds, and costs of redemption prior to maturity. This also may include interest paid to developers under pay-as-you-go provisions included in an approved development agreement. The total amount of finance charges and interest expenditures is proposed to increase in the TID #4 Amendment No. 1 project plan.

Priority Projects

As described in Section VII, one borrowing is planned for the full amount of capital needed for priority infrastructure, incentives, and administrative costs. The level of borrowing, timing, interest rates, and finance charges are estimates and will likely vary based on economic conditions and projected District cash flows at the time the obligations are incurred. Therefore, the costs shown in Section VII are subject to change without having to amend this plan.

Table 3: Priority Projects and Estimated Costs

#	Project Category/Description	Cost Estimate	Year	Contingent Expenses
Infrastructure				
A	CTY B Multiuse Path*	\$60,000	2028	
B	Wright Rd Sidewalk	\$45,000	2027	
C	Bell Park Sidewalk*	\$9,300	2022	
D	Hartwig Blvd Sidewalk*	\$114,000	2028	
E	South St Bike Lane*	\$3,000	2029	
F	Wright Rd Bike Lane	\$3,000	2028	
G	Milwaukee St Bike Lane*	\$3,000	2029	
H	Milwaukee St Crosswalk	\$16,800	2026	
I	Village Sign Replacement	\$25,000	2028	
J	Grey Hawk Subdivision Road Improvements*	\$168,800	2029	
K	Hartwig Blvd & Dr*	\$50,000	2022	
L	Lincoln St*	\$16,500	2025	
M	Sanctuary Ct*	\$5,900	2025	
N	West Street*	\$25,000	2024	
O	Wright Rd (North)	\$128,000	2029	
P	Wright Rd (South)*	\$11,000	2028	
Q	Midge St*	\$43,500	2027	
R	Highland Blvd*	\$15,600	2026	
S	Pioneer Dr*	\$7,360	2030	
T	Parkview Dr*	\$25,400	2030	
U	Aspen St*	\$11,000	2030	
V	Grell Lift Station	\$85,000	2025	
W	Well #4 Treatment, Conveyance, Lift Station Upgrade*	\$740,000	2025	
X	Sludge Processing Plant Upgrade*	\$597,840	2025	
Y	HWY 26 Pedestrian Bridge	\$835,000		\$2,165,000
Economic Development Incentives				
	Development Incentives (subject to development agreement)	\$6,775,110		
Administration and Professional Services				
	Administrative Projects	\$1,398,112		
Finance Charges and Interest				
	Finance Charges and Interest	\$1,415,458		
Total Priority Project Expenditures		\$12,633,680		



SECTION VI. NON TAX REVENUES AND NON PROJECT COSTS

There are no changes to this section.

SECTION VII. ECONOMIC FEASIBILITY ANALYSIS

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.
- The Village expects to complete the projects in multiple phases and can adjust the timing of implementation as needed to coincide with the pace of redevelopment.
- The development anticipated to occur as a result of the implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects.

Table 3: Priority Projects and Estimated Costs (Section V) lists the priority projects and provides an estimated total cost for each category and/or project throughout the District's life. All costs carried over from the original TID #4 project plan are shown in 2021 dollars while added projects are shown in 2024 dollars.

Within this section are the several tables that, together, provide 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.

Each project will need to be addressed on an individual basis through negotiations and a review of project finances ultimately resulting in a development agreement. Each project also will be reviewed in a manner addressing the criteria of job creation, tax increment creation, and similar development criteria. One development project may address certain criteria while another may address different criteria. Consequently, the Village Board will review each project individually and make its determinations based on the project's implementation goals. The Village reserves the right to implement only those projects that remain viable as the Plan period proceeds.

Financing for certain priority projects listed in Table 3 will be made on a case-by-case basis. The borrowing could be a mix of General Obligation, Revenue Bonds, and Special Assessment B Bonds in order to keep borrowing flexibility on future Village projects. (See Section VIII for detailed descriptions of these and other financing methods available to the Village.)

Table 4: Development Assumptions by Year provides a more detailed schedule of expected development in TID #4 based on the potential for expansion or redevelopment potential of selected parcels over the life of the District. The actual pace of development is difficult to predict, but it is the Village's goal to capture increment value from new construction projects to spur additional growth within the District over the next 20 years. There were no changes to the expected level of new development compared to the original TID #4 project plan, however actual change in increment value is reflected for years 2021 and 2022, and the tax rate and value inflation rate were adjusted resulting in a different total level of expected new value and new tax increment. The TID #4 Amendment No. 1 places a reasonable estimate of the value increment from new construction within the District at approximately \$42,877,900 with most of the projected new value anticipated within the first 10 years of the TID in the form of new development activity.

Table 5: Projected Tax Increment estimates the tax increment to be generated from new construction in the District. Note that there is a one-year lag until the value of new construction is added to the tax roll and a two-year lag until the project generates tax increment. Based on the type and intensity of development calculated in Table 4, new construction in the District is projected to yield a tax value increment of \$14,206,818.

As shown on Table 6: Financial Feasibility, the District is expected to close on time, if not earlier, in 2041 with a projected positive cash balance of \$1,573,137, demonstrating its economic feasibility.

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” is included in Section VIII.
- 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.
- The development anticipated to occur as a result 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.

Plan Implementation

To be successful, the District will need to be implemented in accordance with the following objectives:

- Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined on Table 4. 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.
- The Village currently intends to borrow funds for planned infrastructure projects in three borrowings. See Table 7. Interest rates for any borrowing will be subject to then prevailing market conditions, which are constantly changing. 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.

Table 4: Development Assumptions by Year

Construction Year		Total Development Increment by Year	Cumulative Value Increment
1	2021 & 2022	\$7,427,900	\$7,427,900
2	2023	\$3,000,000	\$10,427,900
3	2024	\$2,000,000	\$12,427,900
4	2025	\$14,200,000	\$26,627,900
5	2026	\$3,750,000	\$30,377,900
6	2027	\$6,000,000	\$36,377,900
7	2028	\$3,000,000	\$39,377,900
8	2029	\$750,000	\$40,127,900
9	2030	\$1,250,000	\$41,377,900
10	2031	\$750,000	\$42,127,900
11	2032	\$750,000	\$42,877,900
12	2033	\$0	\$42,877,900
13	2034	\$0	\$42,877,900
14	2035	\$0	\$42,877,900
15	2036	\$0	\$42,877,900
16	2037	\$0	\$42,877,900
17	2038	\$0	\$42,877,900
18	2039	\$0	\$42,877,900
19	2040	\$0	\$42,877,900
20	2041	\$0	\$42,877,900
Totals		\$ 42,877,900	

Table 5: Projected Tax Increment

				Base Value		\$ 11,185,600			
				Tax Rate Adjustment Factor		0.00%			
Construction Year	Valuation Year	Revenue Year	Change in Increment Value	Cumulative Value Increment	Tax Rate	Annual Tax Increment Revenue*	Cumulative Tax Increment Revenue		
1	2021	2022	2023	\$ 1,445,100	\$ 1,445,100	20.08	29,012		
2	2022	2023	2024	5,982,800	7,427,900	19.82	\$ 147,194	\$ 176,206	
3	2023	2024	2025	3,000,000	10,427,900	19.82	206,644	382,849	
4	2024	2025	2026	2,000,000	12,427,900	19.82	246,276	629,126	
5	2025	2026	2027	14,200,000	26,627,900	19.82	527,669	1,156,795	
6	2026	2027	2028	3,750,000	30,377,900	19.82	601,981	1,758,776	
7	2027	2028	2029	6,000,000	36,377,900	19.82	720,879	2,479,655	
8	2028	2029	2030	3,000,000	39,377,900	19.82	780,328	3,259,983	
9	2029	2030	2031	750,000	40,127,900	19.82	795,191	4,055,174	
10	2030	2031	2032	1,250,000	41,377,900	19.82	819,961	4,875,135	
11	2031	2032	2033	750,000	42,127,900	19.82	834,824	5,709,959	
12	2032	2033	2034	750,000	42,877,900	19.82	849,686	6,559,645	
13	2033	2034	2035		42,877,900	19.82	849,686	7,409,331	
14	2034	2035	2036		42,877,900	19.82	849,686	8,259,017	
15	2035	2036	2037		42,877,900	19.82	849,686	9,108,703	
16	2036	2037	2038		42,877,900	19.82	849,686	9,958,388	
17	2037	2038	2039		42,877,900	19.82	849,686	10,808,074	
18	2038	2039	2040		42,877,900	19.82	849,686	11,657,760	
19	2039	2040	2041		42,877,900	19.82	849,686	12,507,446	
20	2040	2041	2042		42,877,900	19.82	849,686	13,357,132	
21	2041	2042	2043		42,877,900	19.82	849,686	14,206,818	
Totals				\$ 42,877,900					

Prepared by PFM Financial Advisors, LLC

Table 6: Financial Feasibility

Year	Tax Increment Revenue	Total Available Funds	Principal	Interest	Total Debt Service	MasterMold Developer Payments	Other Economic Development Incentives	Admin. Exp.	Repayment of Fund Advance	Total Expenses	TID No. 4 Balance	
											Annual Surplus (Deficit)	Cumulative Surplus (Deficit)
2021			-	-								
2022			-	-								
2023	29,012	29,012	-	-	-	-	-	17,737		17,737	11,275	11,275
2024	147,194	147,194	-	-	-	48,055	-	68,875	4,500	121,430	25,764	37,039
2025	206,644	206,644	-	49,333	49,333	48,055	-	70,000	4,500	171,888	34,755	71,794
2026	246,276	246,276	-	74,000	74,000	48,055	189,855	70,000	4,500	386,410	(140,134)	(68,340)
2027	527,669	527,669	-	74,000	74,000	48,055	239,985	70,000	4,500	436,540	91,129	22,790
2028	601,981	601,981	70,000	108,750	178,750	48,055	320,205	70,000	4,500	621,510	(19,529)	3,260
2029	720,879	720,879	120,000	104,000	224,000	48,055	362,425	65,000	4,500	703,980	16,899	20,160
2030	780,328	780,328	145,000	139,125	284,125	48,055	373,585	65,000	4,500	775,265	5,063	25,223
2031	795,191	795,191	150,000	131,750	281,750	48,055	393,385	65,000	4,500	792,690	2,501	27,724
2032	819,961	819,961	170,000	123,750	293,750	48,055	406,115	65,000	4,500	817,420	2,541	30,265
2033	834,824	834,824	180,000	115,000	295,000	48,055	419,855	65,000	4,500	832,410	2,414	32,679
2034	849,686	849,686	210,000	105,250	315,250	48,055	419,855	60,000	4,500	847,660	2,026	34,705
2035	849,686	849,686	220,000	94,500	314,500	32,395	435,515	60,000	4,500	846,910	2,776	37,480
2036	849,686	849,686	230,000	83,250	313,250	-	467,910	60,000	4,500	845,660	4,026	41,506
2037	849,686	849,686	245,000	71,375	316,375	-	467,910	60,000	4,500	848,785	901	42,407
2038	849,686	849,686	255,000	58,875	313,875	-	467,910	60,000	4,500	846,285	3,401	45,808
2039	849,686	849,686	320,000	44,500	364,500	-	419,860	60,000	4,500	848,860	826	46,634
2040	849,686	849,686	335,000	28,125	363,125	-	419,860	60,000	4,500	847,485	2,201	48,835
2041	849,686	849,686	395,000	9,875	404,875	-	230,010	60,000	150,000	844,885	4,801	53,636
2042	849,686	849,686			-	-	179,870			179,870	669,816	723,452
2043	849,686	849,686			-	-				-	849,686	1,573,137
		\$ 14,206,818	\$ 3,045,000	\$ 1,415,458	\$ 4,460,458	\$ 561,000	\$ 6,214,110	\$ 1,171,612	\$ 226,500	\$ 12,633,680	\$ 1,573,137	

Prepared by PFM Financial Advisors, LLC

SECTION VIII. AVAILABLE FINANCING METHODS

Implementation of this Plan may require that the Village issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. As shown in Table 6, the Village intends to borrow as deemed necessary in accordance with Wisconsin State Statute. The following is a list of the types of obligations the Village may choose to utilize. Table 7 provides a schedule of potential borrowing to support project costs.

Interfund Borrowing

The Village may advance funds from the general fund to cover the costs of projects within this Plan. These funds can be borrowed at a rate set by the Village and repaid on a schedule determined by the Village.

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 (TID #4 Amendment No.1), the Village has a G.O. debt limit of \$28,959,875, of which \$19,859,875 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 form of lease revenue bond by a Redevelopment Authority (RDA), if one were to be created. 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 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.

Table 7: Borrowing Schedule

Year	2025 Borrowing 3/1/2025			2027 Borrowing 11/1/2027			Pedestrian Bridge Project 11/1/2029			TOTAL - TID No. 4		
	Principal	Rate	Interest	Principal	Rate	Interest	Principal	Rate	Interest	Principal	Interest	Debt Service
2021												
2022												
2023										--	--	--
2024										--	--	--
2025		5.00%	49,333							--	49,333	49,333
2026	-	5.00%	74,000							--	74,000	74,000
2027	-	5.00%	74,000							--	74,000	74,000
2028	70,000	5.00%	72,250	-	5.00%	36,500				70,000	108,750	178,750
2029	80,000	5.00%	68,500	40,000	5.00%	35,500				120,000	104,000	224,000
2030	85,000	5.00%	64,375	45,000	5.00%	33,375	15,000	5.00%	41,375	145,000	139,125	284,125
2031	90,000	5.00%	60,000	45,000	5.00%	31,125	15,000	5.00%	40,625	150,000	131,750	281,750
2032	90,000	5.00%	55,500	50,000	5.00%	28,750	30,000	5.00%	39,500	170,000	123,750	293,750
2033	95,000	5.00%	50,875	50,000	5.00%	26,250	35,000	5.00%	37,875	180,000	115,000	295,000
2034	100,000	5.00%	46,000	50,000	5.00%	23,750	60,000	5.00%	35,500	210,000	105,250	315,250
2035	105,000	5.00%	40,875	55,000	5.00%	21,125	60,000	5.00%	32,500	220,000	94,500	314,500
2036	110,000	5.00%	35,500	60,000	5.00%	18,250	60,000	5.00%	29,500	230,000	83,250	313,250
2037	120,000	5.00%	29,750	60,000	5.00%	15,250	65,000	5.00%	26,375	245,000	71,375	316,375
2038	125,000	5.00%	23,625	65,000	5.00%	12,125	65,000	5.00%	23,125	255,000	58,875	313,875
2039	130,000	5.00%	17,250	65,000	5.00%	8,875	125,000	5.00%	18,375	320,000	44,500	364,500
2040	135,000	5.00%	10,625	70,000	5.00%	5,500	130,000	5.00%	12,000	335,000	28,125	363,125
2041	145,000	5.00%	3,625	75,000	5.00%	1,875	175,000	5.00%	4,375	395,000	9,875	404,875
Total	1,480,000		776,083	730,000		298,250	835,000		341,125			

SECTION IX. CONSISTENCY OF ACTIVITIES WITHIN TAX INCREMENT DISTRICT #4 WITH THE VILLAGE ZONING ORDINANCE, MASTER PLAN AND OTHER DEVELOPMENT ORDINANCES

Since the 2021 Project Plan adoption, rezoning has occurred and a CSM has reconfigured parcels near southeast corner of the Hwy B and Hwy 26 intersection to accommodate an approved and under-construction multi-family development.

SECTION X. ANNEXED PROPERTY

There are no changes to this section.

SECTION XI. ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

There are no changes to this section.

SECTION XII. STATEMENT ON RELOCATION

There are no changes to this section.

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APPENDIX A. TID #4 CERTIFIED BASE VALUE**State of Wisconsin • DEPARTMENT OF REVENUE**

DIVISION OF STATE AND LOCAL FINANCE • OFFICE OF TECHNICAL & ASSESSMENT SERVICES • 2135 RIMROCK RD. MADISON, WI 53713

February 4, 2022

Mailing Address
 PO Box 8971 #6-97
 Madison, WI 53708-8971
 Phone: (608) 266-7750
 tif@wisconsin.gov

28-141

Sam Bell
 Municipal Clerk/Treasurer
 PO Box 238
 Johnson Creek, WI 53038-0238

RE: Certified Base Value School District of Johnson Creek — Village of Johnson Creek Tax Incremental District (TID) 004

Dear Sam Bell:

The Wisconsin Department of Revenue is certifying a base value for the TID listed below. The certified base value establishes the starting point for any value increment calculation. The value increment is the change in value from the base value to the current year's value. The municipality can use the taxes levied on the value increment to pay costs identified in the project plan.

TID Number	Certified Base Value	As of Original Base Year
004	\$14,106,800	January 1, 2021
<ul style="list-style-type: none"> • Make sure to add the TID number for each parcel in the TID on the 2022 tax roll • The maximum TID life is July 12, 2041 		

Base Value Calculation (sec. 66.1105(2)(j), Wis. Stats.)			
Property Types	Provided Value	Ratio	Final Value
Non-manufacturing real estate & personal property	\$5,126,700	88.02%	\$5,824,500
Manufacturing real estate	\$7,989,400	100.00%	\$7,989,400
Manufacturing personal property	\$292,900	100.00%	\$292,900
Municipal-owned	\$0	100.00%	\$0
2021 DOR Certified Base Value			\$14,106,800

Table definitions:

- Provided Value — assessed value submitted by the municipality for each parcel in the TID
- Ratio — municipality's level of assessment
- Final Value — assessments within the TID adjusted to full value by the municipality's level of assessment

If you have questions, contact us at tif@wisconsin.gov.

Sincerely,

Kristin Filipiak
 Community Services Specialist
 Office of Technical and Assessment Services

APPENDIX B. IMPACT ON OVERLYING TAXING JURISDICTIONS

Base Value:		\$11,185,600 (January 1, 2023)					
Projected Value Increment:		\$42,877,900 (At district closure)					
Projected Total Tax Increment		\$14,180,378 (From creation to closure)					
Taxing Jurisdiction		2023 Tax Rate	% of Mill Rate by Jurisdiction	2023 Taxes Collected on Base Value by Jurisdiction	Total Tax Increment Collected by the TID Over the Life of the District	Annual Taxes Collected After TID Closure by Jurisdiction	Increase in Annual Taxes Collected After TID Closure by Jurisdiction
County		3.16	15.95%	\$35,346	\$ 2,261,989	\$ 170,841	\$ 135,494
Village		4.41	22.26%	\$49,328	\$ 3,156,762	\$ 238,420	\$ 189,092
School		11.58	58.46%	\$129,529	\$ 8,289,186	\$ 626,055	\$ 496,526
Tech college/other		0.66	3.33%	\$7,382	\$ 472,441	\$ 35,682	\$ 28,299
Total		19.81	100%	\$221,587	\$ 14,180,378	\$1,070,998	\$849,411
Footnote:							
1. Gross millage rates not including school tax credit.							