

RESOLUTION NO.05-20-20-01

**RESOLUTION DESIGNATING PROPOSED AMENDED BOUNDARIES  
AND APPROVING A PROJECT PLAN AMENDMENT  
FOR TAX INCREMENTAL DISTRICT NO. 6,  
CITY OF WAUPUN, WISCONSIN**

WHEREAS, the City of Waupun (the "City") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS, Tax Incremental District No. 6 (the "District") was created by the City on August 21, 2012 as a blighted area district; and

WHEREAS, the City now desires to amend the Project Plan and boundaries of the District (the "Amendment") in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, such Amendment will:

- a. Add to the District as permitted under Wisconsin Statutes Section 66.1005(4)(h)2.
- b. Amend the categories, locations or costs of project costs to be made as permitted under Wisconsin Statutes Section 66.1005(4)(h)1.

WHEREAS, an amended Project Plan for the District (the "Amendment") has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the amendment of the district promotes the orderly development of the City;
- k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to owners of all property in the proposed District, to the chief executive officers of Fond du Lac County, the Waupun School District, and the Moraine Park Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on May 20, 2020 held a public hearing concerning the proposed amendment to the Project Plan and boundaries of the District, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the City of Waupun that:

1. It recommends to the Common Council that the boundaries of Tax Incremental District No. 6 be amended as designated in Exhibit A of this Resolution.
2. It approves and adopts the amended Project Plan for the District, attached as Exhibit B, and recommends its approval to the Common Council.
3. Amendment of the Project Plan and Boundaries of the District promotes orderly development in the City.

Adopted this 20th day of May, 2020



Julie J. Nickel, Plan Commission Chair



Sarah B Van Buren, Acting Secretary of the Plan Commission



May 18, 2020

# Project Plan for the Territory & Project Plan Amendment of Tax Incremental District No. 6

## CITY OF WAUPUN, WISCONSIN

Organizational Joint Review Board Meeting Held:	Scheduled for: May 20, 2020
Public Hearing Held:	Scheduled for: May 20, 2020
Consideration for Approval by Plan Commission:	Scheduled for: May 20, 2020
Consideration for Adoption by Common Council:	Scheduled for: June 9, 2020
Consideration for Approval by the Joint Review Board:	Scheduled for: TBD

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# **SECTION 1: Executive Summary**

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## **Description of District**

### **Type of District, Size and Location**

Tax Incremental District (“TID”) No. 6 (the “TID” or “District”) is an existing blighted area district, which was created by a resolution of the City of Waupun (“City”) Common Council adopted on August 21, 2012 (the “Creation Resolution”).

### **Amendments**

The District was previously amended in 2013, whereby a resolution was adopted to add additional territory and to remove territory from the District, and to amend the list of projects to be undertaken. This amendment was the first of four territory amendments permitted for this District.

The District was previously amended in 2014, whereby a resolution was adopted to allow the District to share excess increment with TID No. 3.

### **Purpose of this Amendment**

To further facilitate redevelopment within areas adjacent to the District, the City desires to amend its boundaries to add territory. A map, located in Section 3 of this plan, identifies the Territory to be added and its geographic relationship to the existing District’s boundaries.

This amendment will cause territory to be added to the District and modify the eligible projects to be undertaken, providing incentive and opportunities for additional private development and redevelopment.

### **Estimated Total Project Expenditures**

The City anticipates making project expenditures of approximately \$350,000 not including financing costs and potential interest to undertake projects in the amendment areas as listed in this Project Plan. It is anticipated that the remaining and additional projects will be completed one phase. The Expenditure Period of this District terminates on August 21, 2034. The remaining and additional projects to be undertaken pursuant to this Project Plan are expected to be financed with general obligation debt issued in 2020 or 2021, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as

well as a summary of project financing by phase is located in Section 10 of this plan.

### **Economic Development**

As a result of the amendment of this District, the City projects that additional land and improvements value of approximately \$1,500,000 will be created as a result of new development & the redevelopment of a vacant school building, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the amended area. A table detailing assumption as to the timing of new development and redevelopment, and associated values is located in Section 10 of this plan. In addition, the amendment of the District is expected to result in further economic benefits as detailed in the Summary of Findings hereafter.

### **Expected Termination of District**

TID No. 6 has a maximum statutory life of 27 years, and must close not later than August 21, 2039, resulting in a final collection of increment in budget year 2040. Pre-amendment cash flow projections considering only existing increment value and assuming no additional projects are undertaken or revenue sharing with TID 3 occurs, the anticipate total cumulative revenues that will exceed total liabilities by the year 2029, enabling the District to close 11 years earlier than its 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 2029 to 2030.

### **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 this District, the additional development projected to occur within the amendment areas 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 City. In making this determination, the City has considered the following information:
  - Some sites proposed for redevelopment have remained vacant for years due to the financial challenge of redeveloping a vacant school, possible need for demolition or incentives to assist in the redevelopment. Given that the sites have not redeveloped as would have been expected under normal market conditions, it is the judgment of the City that the use of tax incremental financing (“TIF”) will be required to provide the necessary inducements to encourage redevelopment on the site consistent with that desired by the City.

2. The economic benefits of amending 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 City has considered the following information:
  - As demonstrated in the Economic Feasibility Section of this Project Plan, the total tax increments projected to be collected are more than sufficient to pay for the actual and proposed Project Costs within the original District and the amended areas. On this basis alone, the finding is supported.
  - The additional development expected to occur in the amendment area(s) is likely to generate residential units, providing housing opportunities for workers.
3. 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 boundary amendment would become effective for valuation purposes as of January 1, 2020. 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 amendment area due to new construction, renovation or appreciation of property values occurring after January 1, 2020 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
  - Given that additional development is not likely to occur or in the same manner without the use of tax incremental financing (see finding # 1), and since the District will generate additional economic benefits that are more than sufficient to compensate for the additional cost of the improvements (see Finding #2), the City 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 District is not amended. 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 the Project Plan.

4. 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)(a)1.
5. Based upon the findings, as stated above, and the original findings as stated in the Creation Resolution, 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 to be made within the territory incorporated by this Amendment are likely to enhance significantly the value of substantially all of the other real property in the District.
8. The equalized value of the taxable property within the territory to be added to the District by this amendment, plus the value increment of all other existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b).
10. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the City.

## **SECTION 2: Type and General Description of District**

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The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on August 21, 2012 by resolution of the Common Council. The District's valuation date, for purposes of establishing base value, was January 1, 2012.

The existing 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. The District will remain in compliance with this finding after the addition of the Territory identified in this Amendment.



Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a City 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 been amended once prior to this Amendment.

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

The purpose of the Amendment is to facilitate redevelopment within areas adjacent to the existing District. The amendment to the District boundaries and the Project Plan will enable the City to make additional necessary related expenditures that will create redevelopment opportunities consistent with the original purposes for which the District was created.

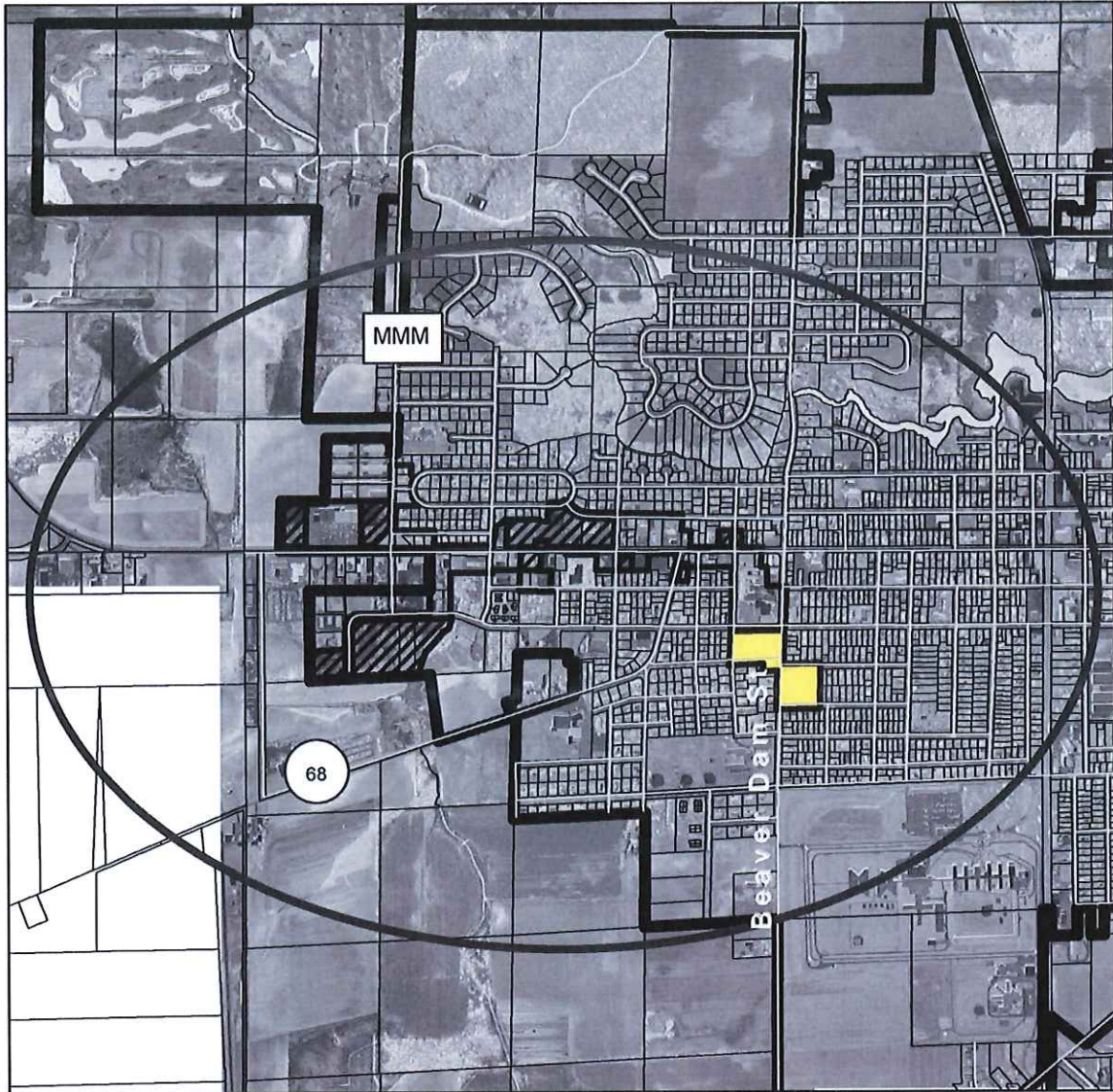
A map depicting the boundaries of the District is found in Section 3 of this Plan. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution, the District remains a blighted area District based on the identification and classification of the property included within the District.







**SECTION 3:**  
**Preliminary Maps of Original District Boundary and  
Territory Amendment Area Identified**


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See following pages


**CITY OF WAUPUN, WISCONSIN**  
**Proposed Tax Incremental Finance District #6**  
 Map 1A - Proposed Boundary Amendment - May 20, 2020



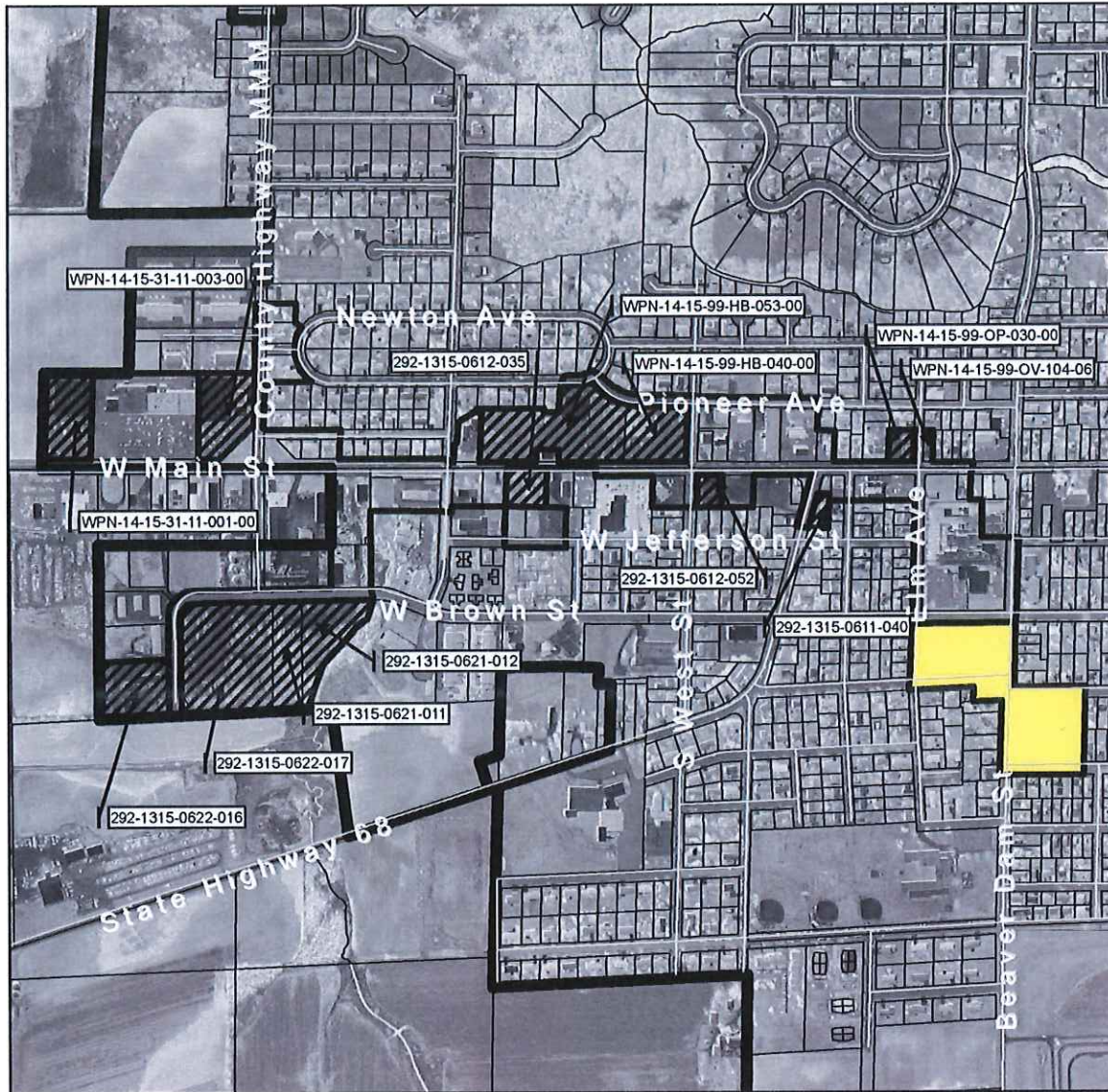
LEGEND	
 City of Waupun	 TID # 6 1/2 Mile Buffer
 Parcels	 Blighted Parcels
 TID #6	 TID #6 Amendment



**CITY OF WAUPUN**  
municipal government



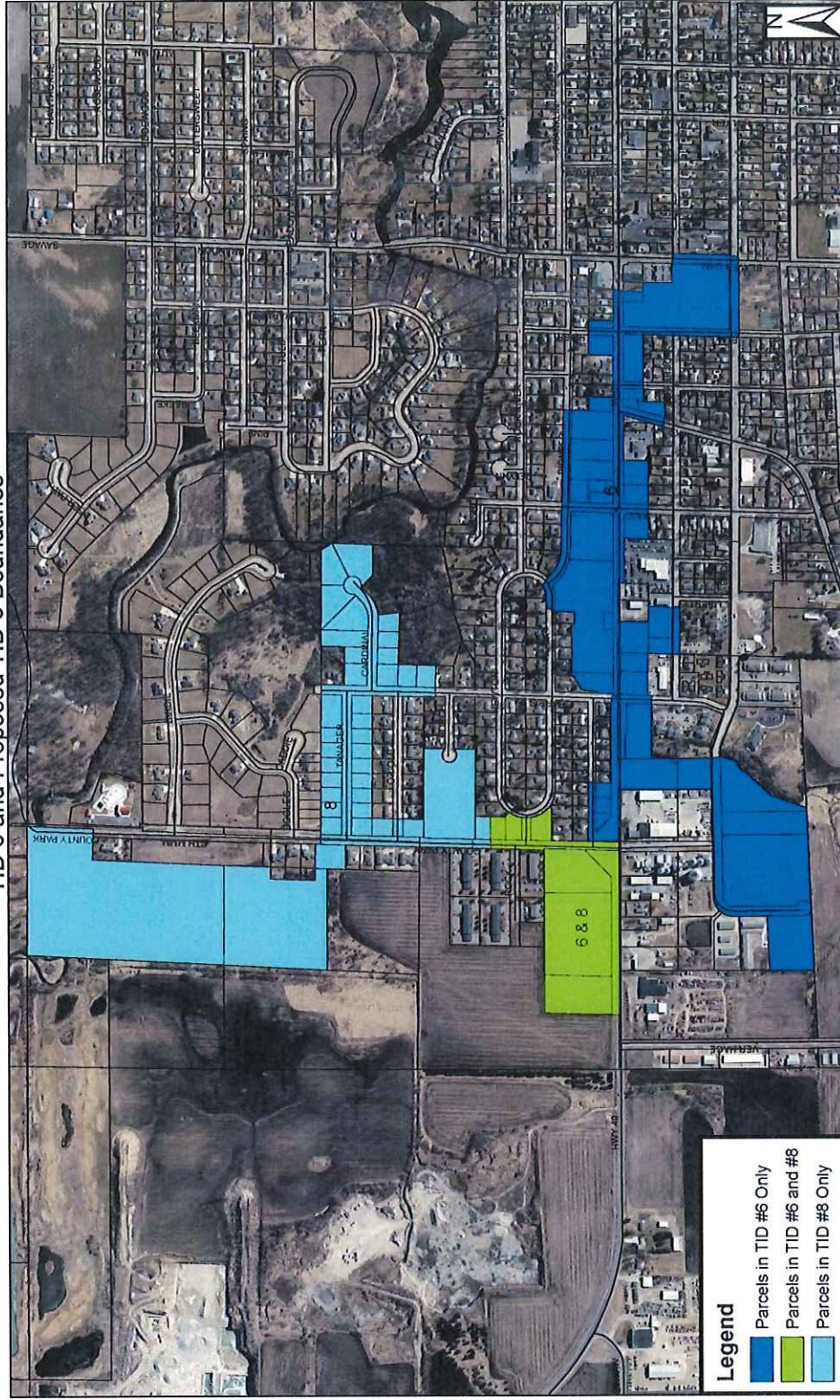
**CITY OF WAUPUN, WISCONSIN**  
**Proposed Tax Incremental Finance District #6**  
 Map 1B - Proposed Boundary Amendment - May 20, 2020



LEGEND	
	City of Waupun
	Parcels
	TID #6
	Blighted Parcels
	TID #6 Amendment

**CITY OF WAUPUN**  
municipal government

CITY OF WAUPUN  
TID 6 and Proposed TID 8 Boundaries

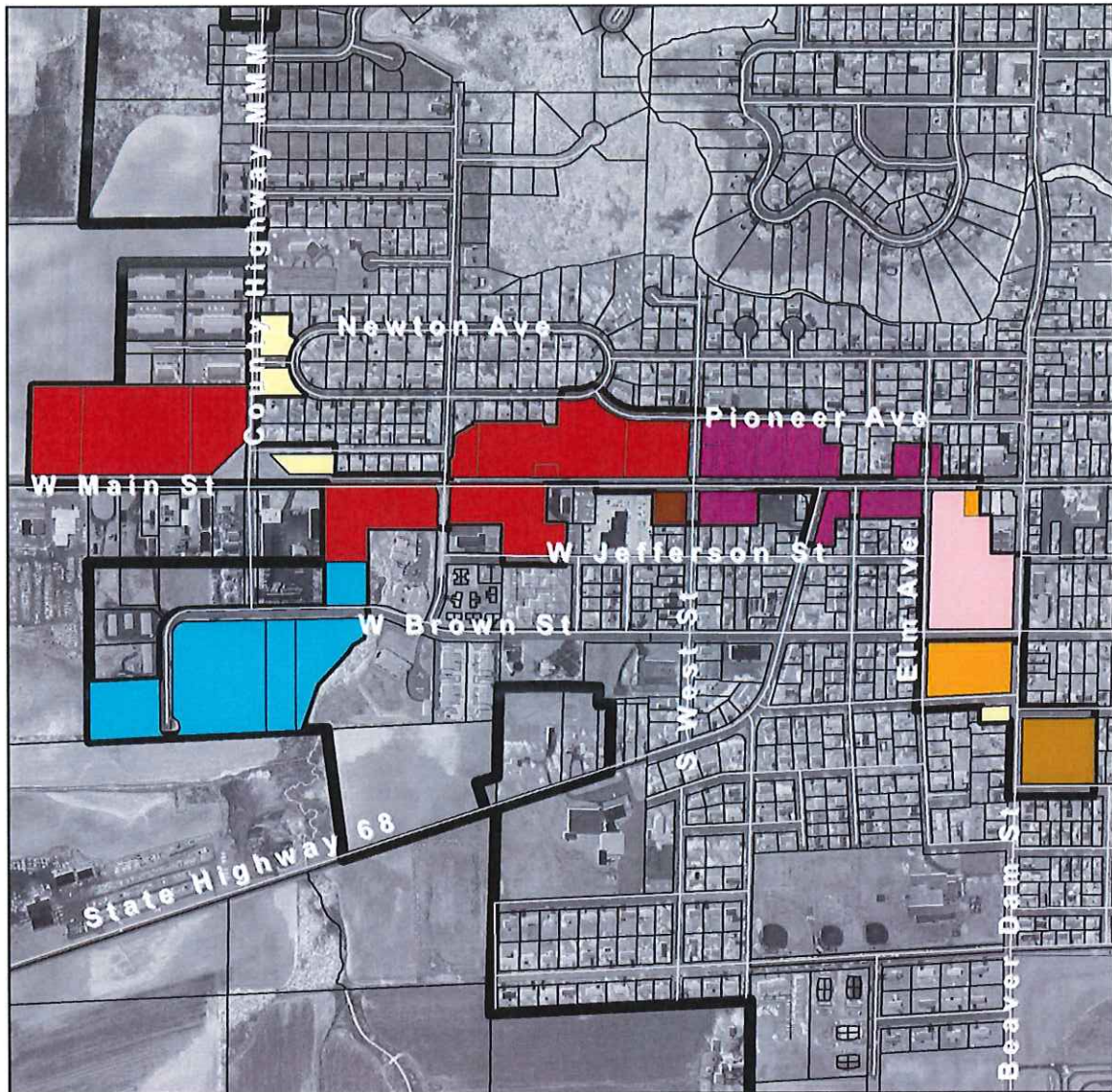


## **SECTION 4: Maps Showing Existing Uses and Conditions Within the Territory To Be Added**


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See following pages


**CITY OF WAUPUN, WISCONSIN**  
**Proposed Tax Incremental Finance District #6**  
 TID #6 - Zoning - May 20, 2020



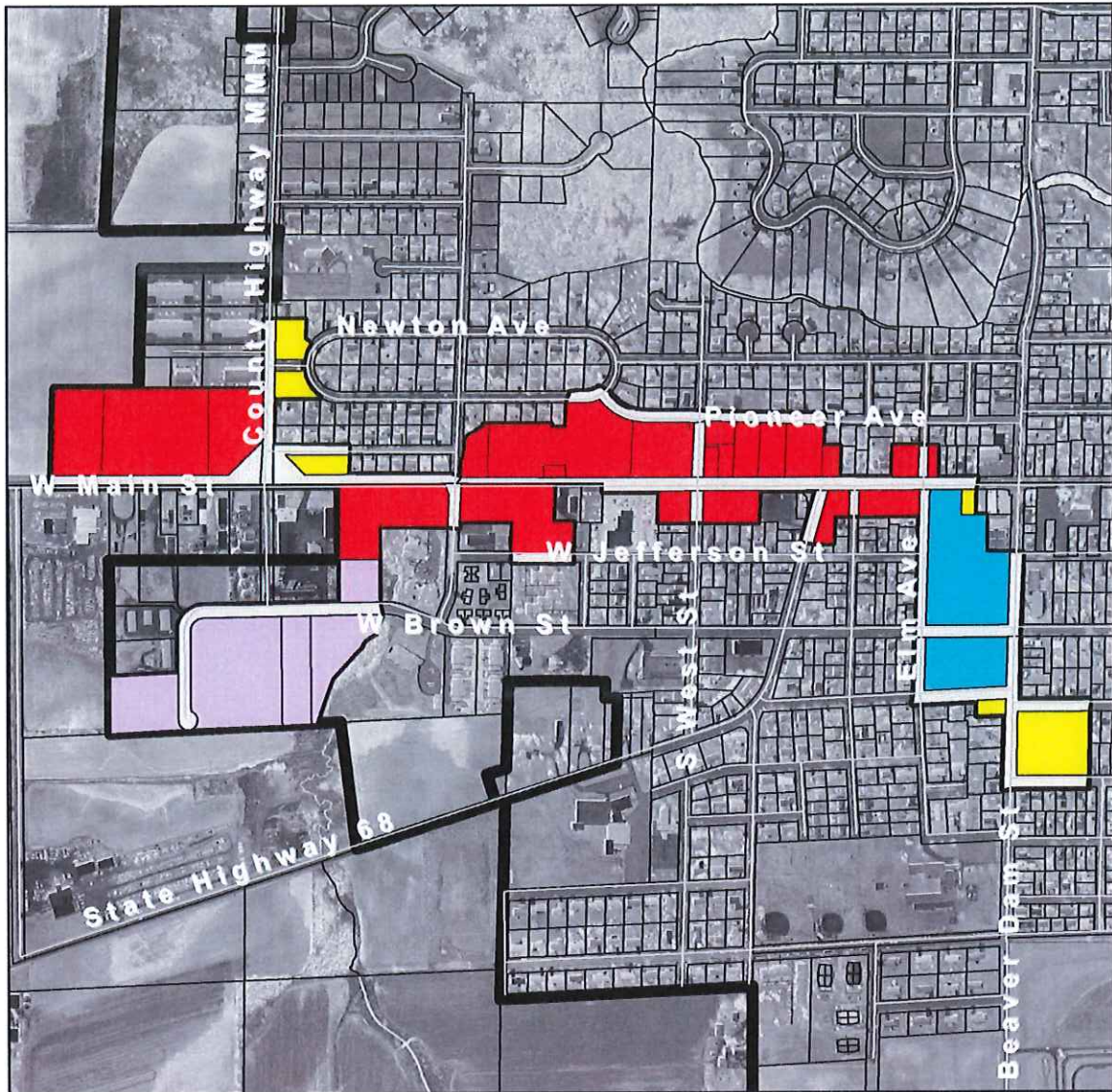
LEGEND			
	City of Waupun		R-1
	Parcels		R-3
	TID #6		R-4
			B-1
			B-2
			B-3
			B-6
			M-2



**CITY OF WAUPUN**  
municipal government



**CITY OF WAUPUN, WISCONSIN**  
**Proposed Tax Incremental Finance District #6**  
 Map 2 - Existing Land Use - May 20, 2020



LEGEND		CITY OF WAUPUN municipal government	
	City of Waupun		Single Family and Duplex
	Parcels		Industrial
	TID #6		Multi Family
			Public/Tax Exempt
			Commercial
			Transportation



# SECTION 5: Preliminary Parcel List and Analysis Within The Territory To Be Added

City of Waupun, Wisconsin													
Tax Increment District # 6													
Base Property Information													
				Assessment Information				Equalized Value					
Parcel Number	Street Address	Owner	Acreage	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	
				0	0	0	0	100.00%	0	0	0	0	0
292-1315-0611-068	Beaver Dam Street	City of Waupun	2.78	0	0	0	0	100.00%	0	0	0	0	0
292-1315-0614-013	310 Beaver Dam Street	Gerald & Susan Medema	0.24	22,000	67,100	0	89,100	100.00%	22,000	67,100	0	89,100	
292-1315-0523-106	520 McKinley Street	City of Waupun	2.75	0	0	0	0	100.00%	0	0	0	0	0
				0	0	0	0	100.00%	0	0	0	0	0
		<b>Total Acreage</b>	<b>5.77</b>	<b>22,000</b>	<b>67,100</b>	<b>0</b>	<b>89,100</b>		<b>22,000</b>	<b>67,100</b>	<b>0</b>		<b>Estimated Base Value 89,100</b>

## SECTION 6: Equalized Value Test

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The following calculations demonstrate that the City is in compliance with Wisconsin Statutes Section 66.1105(4)(gm)4.c., which requires that the equalized value of the Territory to be added to the District, plus the value increment of the District being amended, plus the value increment of all other existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the Territory to be incorporated by this Amendment, plus the increment value of TID No. 6, plus the value increment of all other existing tax incremental districts within the City, totals \$42,287,700. This value is less than the maximum of \$ 57,062,496 in equalized value that is permitted for the City of Waupun. The City is therefore in compliance with the statutory equalized valuation test and may proceed with amendment of this District.

City of Waupun, Wisconsin	
Tax Increment District # 6	
Valuation Test Compliance Calculation	
District Creation Date	8/21/2012
	Valuation Data Currently Available 2019
Total EV (TID In)	475,520,800
12% Test	57,062,496
Total Existing Increment	42,198,600
Projected Base of New or Amended District	89,100
Less Value of Any Underlying TID Parcels	0 <sup>▲</sup>
Total Value Subject to 12% Test	42,287,700
Compliance	PASS

## **SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects**

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The original project costs will not change and have not been restated in this amendment. The statement of kind, number and location of proposed public works and other projects as documented in the Original and/or Amended Project Plan Documents remains in effect. The additional TID eligible improvements resulting from this amendment are listed below.

### **Property, Right-of-Way and Easement Acquisition**

#### **Property Acquisition Redevelopment**

In order to promote and facilitate redevelopment the City may acquire property within the amended area of 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 City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for 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 City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

#### **Acquisition of Easements**

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

## **Site Preparation Activities**

### **Environmental Audits and Remediation**

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

### **Demolition**

In order to make sites suitable for redevelopment, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

### **Site Grading**

Land within the District may require grading to make it suitable for redevelopment, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

### **Miscellaneous**

#### **Cash Grants (Development Incentives)**

The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

#### **Professional Service and Organizational Costs**

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

#### **Administrative Costs**

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees 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 City 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 City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted here from and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment.

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

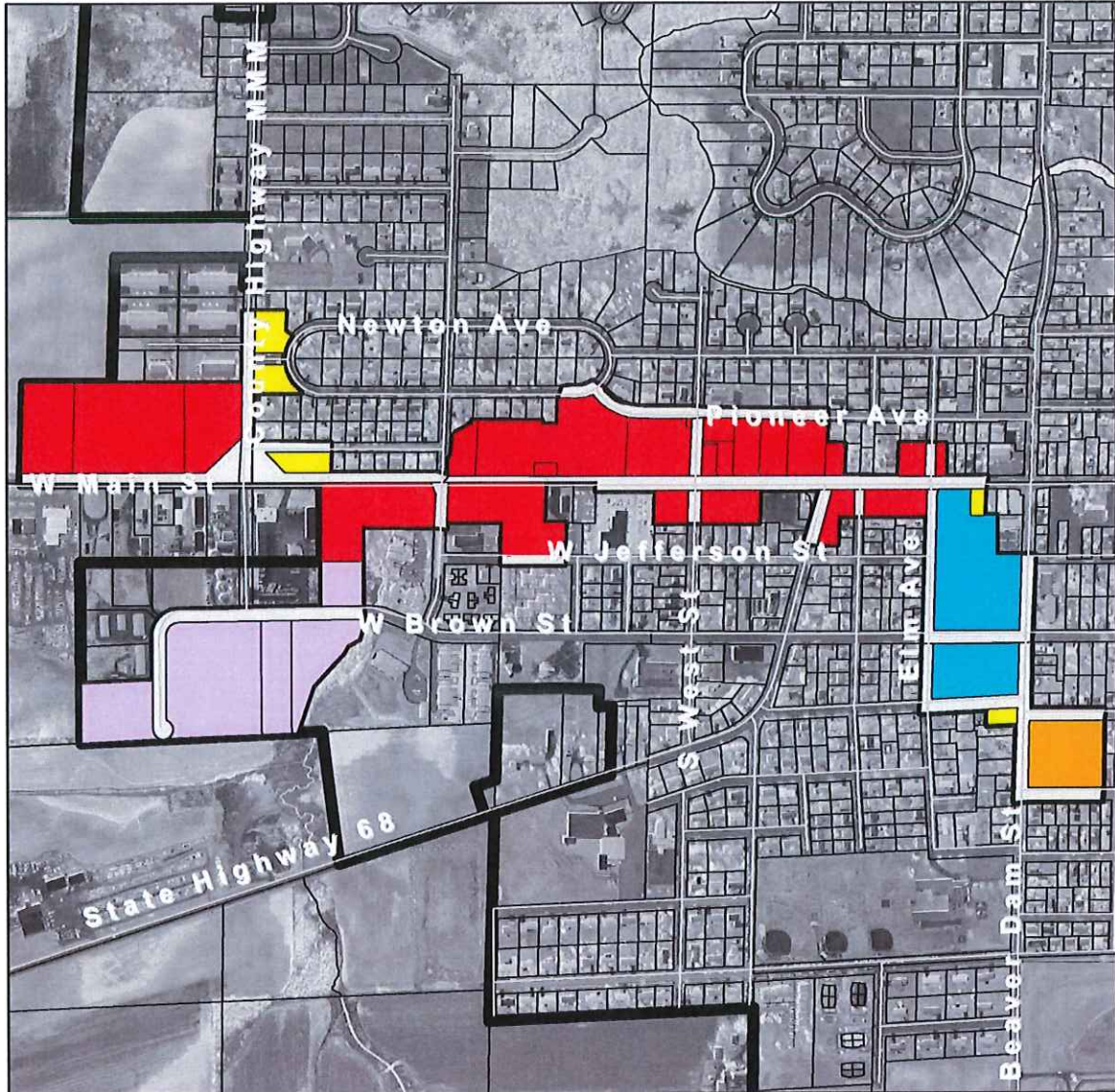
Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Plan or the original Project Plan. To the extent the costs benefit the City outside the District, a proportionate share of the cost is not a 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 City in connection with the implementation of this Plan.

**SECTION 8:  
Maps Showing Proposed Improvements and Uses  
Within The Territory To Be Added**

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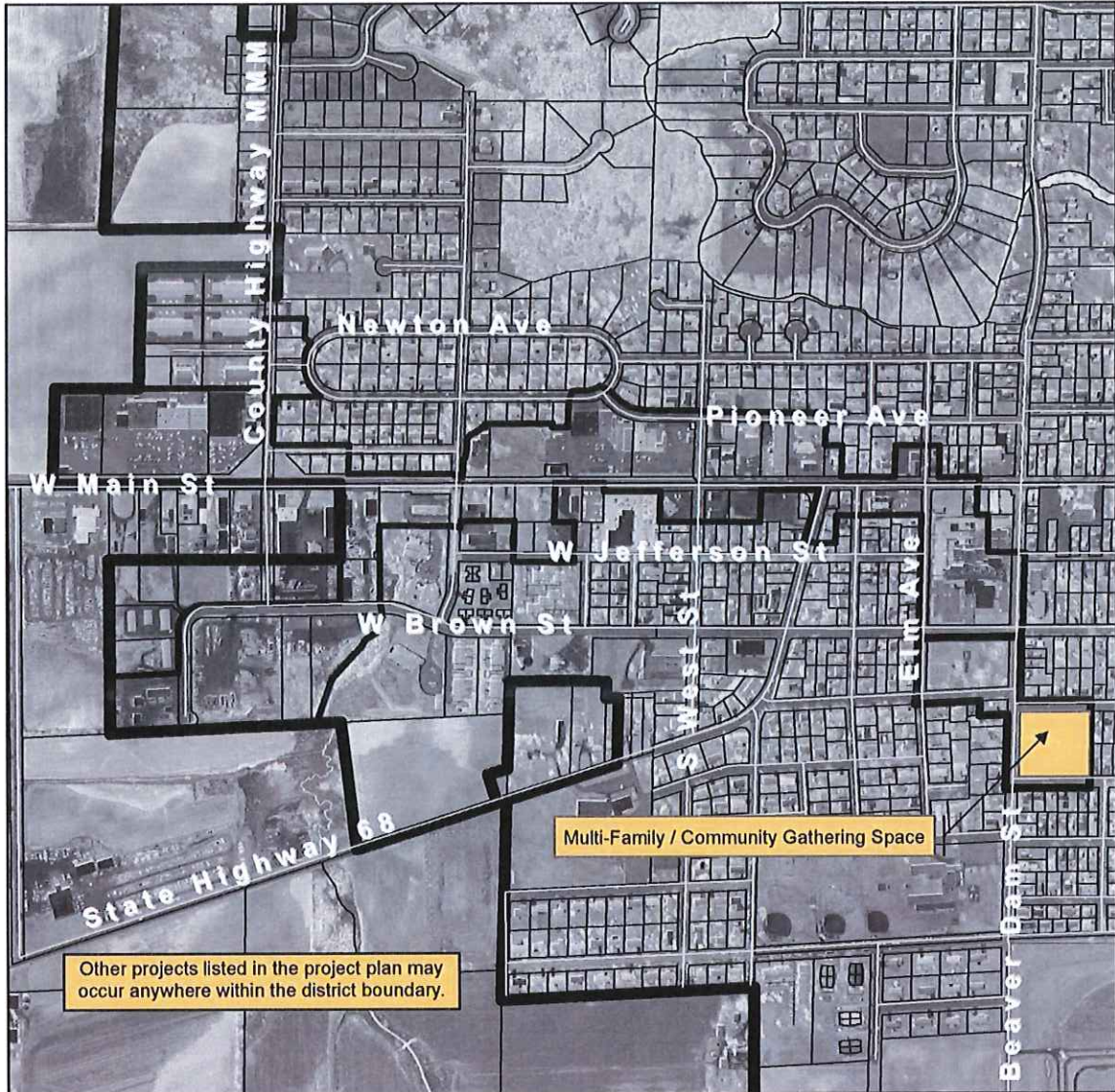
See following pages

**CITY OF WAUPUN, WISCONSIN**  
**Proposed Tax Incremental Finance District #6**  
 Map 3 - Planned Land Use - May 20, 2020




LEGEND		CITY OF WAUPUN municipal government	
	City of Waupun		Single Family and Duplex
	Parcels		Multi Family
	TID #6		Industrial
			Public/Tax Exempt
			Commercial
			Transportation


**CITY OF WAUPUN, WISCONSIN**  
**Proposed Tax Incremental Finance District #6**  
 Proposed Improvements/Projects



LEGEND	
	City of Waupun
	Parcels
	TID #6
	TID #6 Projects



**CITY OF WAUPUN**  
municipal government





## **SECTION 9: Detailed List of Additional Project Costs**

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This Section contains information relative to the specific projects and expenditures that the City anticipates it will undertake or make within the Territory to be incorporated into the District by this Amendment.

All costs are based on 2020 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2020 and the time of construction. The City 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 City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without further amending this Plan.

## Proposed TIF Project Cost Estimates

City of Waupun, Wisconsin				
Tax Increment District # 6				
Estimated Project List				
Project ID	Project Name/Type	Phase I Year	Phase II Year	Total (Note 1)
	1 Demolition	225,000		225,000
	2 Acquisition of Property	25,000		25,000
	3 Misc Professional Services	<u>100,000</u>		<u>100,000</u>
	<b>Total Projects</b>	<u>350,000</u>	<u>0</u>	<u>350,000</u>
<b>Notes:</b>				
<b>Note 1</b> Project costs are estimates and are subject to modification				

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

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

- The City 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 City expects to complete the remaining projects in one phase and can adjust the timing of implementation as needed to coincide with the pace of private redevelopment. 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 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 redevelopment expected to occur, 2) an updated projection of tax increments to be collected resulting from that redevelopment 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 City may choose to utilize.

#### **General Obligation (G.O.) Bonds or Notes**

The City 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 City has adequate capacity to undertake the projects identified in the plan.

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

The City 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 City’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 City and, therefore, do not count against the City’s statutory borrowing capacity.

### **Utility Revenue Bonds**

The City can issue revenue bonds to be repaid from revenues of its various utility systems, including revenues paid by the City that represent service of the system to the City. 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 City must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

### **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 City reserves the right to alter the implementation of this Plan to accomplish this objective.

It is anticipated developer agreements between the City 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 expenditures are made should be adjusted in accordance with development and execution of developer agreements. The City 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 City reserves the right to use alternate financing solutions for the projects as they are implemented.

**Implementation and Financing Timeline**

<p style="text-align: center;"><b>City of Waupun, Wisconsin</b></p> <p style="text-align: center;"><b>Tax Increment District # 6</b></p> <p style="text-align: center;"><b>Estimated Financing Plan</b></p>		
	State Trust Fund Loan 2020 - 2022	Totals
Projects		
Demolition	225,000	225,000
Acquisition of Property	25,000	25,000
Misc Professional Services	100,000	100,000
<b>Total Project Funds</b>	350,000	350,000
Estimated Finance Related Expenses	10,000	
Municipal Advisor		
<b>Total Financing Required</b>	360,000	
<b>Net Issue Size</b>	360,000	360,000
Notes:		

## Development Assumptions

<div style="text-align: center;"> <b>City of Waupun, Wisconsin</b>  <b>Tax Increment District # 6</b>  <b>Development Assumptions - Fond du Lac County</b> </div>							
Construction Year		Actual	Existing Area	Amended Area	Annual Total	Construction Year	
1	2012	(122,000)			(122,000)	2012	1
2	2013	(245,400)			(245,400)	2013	2
3	2014	(210,100)			(210,100)	2014	3
4	2015	(243,000)			(243,000)	2015	4
5	2016	(92,800)			(92,800)	2016	5
6	2017	(545,000)			(545,000)	2017	6
7	2018	(372,500)			(372,500)	2018	7
8	2019				0	2019	8
9	2020				0	2020	9
10	2021				0	2021	10
11	2022				0	2022	11
12	2023				0	2023	12
13	2024				0	2024	13
14	2025				0	2025	14
15	2026				0	2026	15
16	2027				0	2027	16
17	2028				0	2028	17
18	2029				0	2029	18
19	2030				0	2030	19
20	2031				0	2031	20
21	2032				0	2032	21
22	2033				0	2033	22
23	2034				0	2034	23
24	2035				0	2035	24
25	2036				0	2036	25
26	2037				0	2037	26
27	2038				0	2038	27
Totals		(1,830,800)	<u>0</u>	<u>0</u>	<u>(1,830,800)</u>		

Notes:

# City of Waupun, Wisconsin

## Tax Increment District # 6

### Development Assumptions - Dodge County

Construction Year		Actual	Existing Area	Amended Area	Annual Total	Construction Year	
1	2012	4,436,000			4,436,000	2012	1
2	2013	521,000			521,000	2013	2
3	2014	315,100			315,100	2014	3
4	2015	(93,200)			(93,200)	2015	4
5	2016	137,300			137,300	2016	5
6	2017	(540,300)			(540,300)	2017	6
7	2018	441,500			441,500	2018	7
8	2019		1,100,000		1,100,000	2019	8
9	2020				0	2020	9
10	2021			1,500,000	1,500,000	2021	10
11	2022				0	2022	11
12	2023				0	2023	12
13	2024				0	2024	13
14	2025				0	2025	14
15	2026				0	2026	15
16	2027				0	2027	16
17	2028				0	2028	17
18	2029				0	2029	18
19	2030				0	2030	19
20	2031				0	2031	20
21	2032				0	2032	21
22	2033				0	2033	22
23	2034				0	2034	23
24	2035				0	2035	24
25	2036				0	2036	25
26	2037				0	2037	26
27	2038				0	2038	27
Totals		5,217,400	1,100,000	1,500,000	7,817,400		

Notes:



# Increment Revenue Projections

City of Waupun, Wisconsin									
Tax Increment District # 6									
Tax Increment Projection Worksheet - Existing									
Type of District	Blighted Area			Base Value	5,180,600		Apply to Base Value		
District Creation Date	August 21, 2012			Appreciation Factor	1.00%				
Valuation Date	Jan 1, 2012			Base Tax Rate	\$22.30				
Max Life (Years)	27			Rate Adjustment Factor					
Expenditure Period/Termination	22	8/21/2034		Tax Exempt Discount Rate	2.50%				
Revenue Periods/Final Year	27	2040		Taxable Discount Rate	4.66%				
Extension Eligibility/Years	Yes 6								
Eligible Recipient District	Yes								

Construction Year	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
6	2017	-540,300	2018 0	4,775,900	2019 \$22.95	109,593	89,948	80,078
7	2018	441,500	2019 0	5,217,400	2020 \$22.30	116,327	183,094	161,808
8	2019	1,100,000	2020 52,174	6,369,574	2021 \$22.30	142,016	294,036	257,749
9	2020	0	2021 63,696	6,433,270	2022 \$22.30	143,436	403,355	350,922
10	2021	0	2022 64,333	6,497,602	2023 \$22.30	144,870	511,074	441,407
11	2022	0	2023 64,976	6,562,578	2024 \$22.30	146,319	617,217	529,283
12	2023	0	2024 65,626	6,628,204	2025 \$22.30	147,782	721,806	614,623
13	2024	0	2025 66,282	6,694,486	2026 \$22.30	149,260	824,865	697,502
14	2025	0	2026 66,945	6,761,431	2027 \$22.30	150,752	926,416	777,990
15	2026	0	2027 67,614	6,829,045	2028 \$22.30	152,260	1,026,480	856,156
16	2027	0	2028 68,290	6,897,336	2029 \$22.30	153,783	1,125,081	932,067
17	2028	0	2029 68,973	6,966,309	2030 \$22.30	155,320	1,222,238	1,005,789
18	2029	0	2030 69,663	7,035,972	2031 \$22.30	156,874	1,317,973	1,077,384
19	2030	0	2031 70,360	7,106,332	2032 \$22.30	158,442	1,412,308	1,146,914
20	2031	0	2032 71,063	7,177,395	2033 \$22.30	160,027	1,505,262	1,214,438
21	2032	0	2033 71,774	7,249,169	2034 \$22.30	161,627	1,636,777	1,331,215
22	2033	0	2034 72,492	7,321,661	2035 \$22.30	163,243	1,729,286	1,397,447
23	2034	0	2035 73,217	7,394,878	2036 \$22.30	164,876	1,820,442	1,461,769
24	2035	0	2036 73,949	7,468,826	2037 \$22.30	166,525	1,910,264	1,524,235
25	2036	0	2037 74,688	7,543,515	2038 \$22.30	168,190	1,998,771	1,584,899
26	2037	0	2038 75,435	7,618,950	2039 \$22.30	169,872	2,085,983	1,643,814
27	2038	0	2039 76,189	7,695,139	2040 \$22.30	171,570	2,171,919	1,701,028
<b>Totals</b>	<b>6,317,400</b>	<b>1,377,739</b>		<b>Future Value of Increment</b>		<b>3,352,963</b>		

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).

# City of Waupun, Wisconsin

## Tax Increment District # 6

### Tax Increment Projection Worksheet - Amended

Type of District	Blighted Area	Base Value	5,180,600	<b>Apply to Base Value</b>
District Creation Date	August 21, 2012	Appreciation Factor	1.00%	
Valuation Date	Jan 1, 2012	Base Tax Rate	\$22.30	
Max Life (Years)	27	Rate Adjustment Factor		
Expenditure Period/Termination	22 8/21/2034	Tax Exempt Discount Rate	2.50%	
Revenue Periods/Final Year	27 2040	Taxable Discount Rate	4.00%	
Extension Eligibility/Years	Yes 6			
Eligible Recipient District	Yes			

Construction Year	Valuation Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt		
								NPV Calculation	Taxable NPV Calculation	
6	2017	-540,300	2018	0	4,775,900	2019	\$22.95	109,593	89,948	80,078
7	2018	441,500	2019	0	5,217,400	2020	\$22.30	116,327	183,094	161,808
8	2019	1,100,000	2020	52,174	6,369,574	2021	\$22.30	142,016	294,036	257,749
9	2020	0	2021	63,696	6,433,270	2022	\$22.30	143,436	403,355	350,922
10	2021	1,500,000	2022	64,333	7,997,602	2023	\$22.30	178,314	535,942	462,296
11	2022	0	2023	79,976	8,077,578	2024	\$22.30	180,097	666,588	570,458
12	2023	0	2024	80,776	8,158,354	2025	\$22.30	181,898	795,322	675,500
13	2024	0	2025	81,584	8,239,938	2026	\$22.30	183,717	922,173	777,511
14	2025	0	2026	82,399	8,322,337	2027	\$22.30	185,554	1,047,167	876,580
15	2026	0	2027	83,223	8,405,561	2028	\$22.30	187,410	1,170,332	972,792
16	2027	0	2028	84,056	8,489,616	2029	\$22.30	189,284	1,291,694	1,066,227
17	2028	0	2029	84,896	8,574,512	2030	\$22.30	191,177	1,411,280	1,156,968
18	2029	0	2030	85,745	8,660,257	2031	\$22.30	193,089	1,529,117	1,245,091
19	2030	0	2031	86,603	8,746,860	2032	\$22.30	195,020	1,645,229	1,330,672
20	2031	0	2032	87,469	8,834,329	2033	\$22.30	196,970	1,759,642	1,413,785
21	2032	0	2033	88,343	8,922,672	2034	\$22.30	198,939	1,919,189	1,554,280
22	2033	0	2034	89,227	9,011,899	2035	\$22.30	200,929	2,033,055	1,635,802
23	2034	0	2035	90,119	9,102,018	2036	\$22.30	202,938	2,145,255	1,714,972
24	2035	0	2036	91,020	9,193,038	2037	\$22.30	204,967	2,255,812	1,791,859
25	2036	0	2037	91,930	9,284,968	2038	\$22.30	207,017	2,364,752	1,866,528
26	2037	0	2038	92,850	9,377,818	2039	\$22.30	209,087	2,472,097	1,939,043
27	2038	0	2039	93,778	9,471,596	2040	\$22.30	211,178	2,577,872	2,009,466
<b>Totals</b>		<b>7,817,400</b>		<b>1,654,196</b>		<b>Future Value of Increment</b>		<b>4,008,957</b>		

**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 Flows

## City of Waupun, Wisconsin

Tax Increment District # 6

Cash Flow Projection - No Amendment

Year	Projected Revenues					Expenditures					Balances		
	Tax Increment - Dodge County	Tax Increment - Fond Du Lac County	Exempt Earnings/ (Cost)	Exempt Computer Aid	Other Revenue	Total Revenues	Professional Services	Transfer to Debt Service Fund	Admin.	Total Expenditures	Annual	Cumulative	Principal Outstanding
2019	109,593	0	5,573	4,832	0	115,166	1,058	53,000	10,768	54,058	61,108	(415,724)	2019
2020	116,327	0	4,832	4,832	(16,629)	104,530	15,200	55,500	10,768	81,468	23,062	(392,663)	2020
2021	142,016	0	(15,707)	4,832	131,141	131,141	31,500	58,000	7,650	97,150	33,991	(358,671)	2021
2022	143,436	0	(14,347)	4,832	133,921	133,921	31,600	60,000	7,700	99,300	34,621	(324,050)	2022
2023	144,870	0	(12,962)	4,832	136,740	136,740	19,200	60,000	3,950	83,150	53,590	(270,460)	2023
2024	146,319	0	(10,818)	4,832	140,332	140,332	19,200	60,000	3,950	83,150	57,182	(213,278)	2024
2025	147,782	0	(8,531)	4,832	144,083	144,083	19,200	60,000	3,950	83,150	60,933	(152,345)	2025
2026	149,260	0	(6,094)	4,832	147,998	147,998	19,200	60,000	3,950	83,150	64,848	(87,497)	2026
2027	150,752	0	(3,500)	4,832	152,085	152,085	19,200	60,000	3,950	83,150	68,935	(18,562)	2027
2028	152,260	0	(742)	4,832	156,350	156,350	19,200	60,000	3,950	83,150	73,200	54,638	2028
2029	153,783	0	2,186	4,832	160,800	160,800	19,200	15,000	15,000	34,200	126,600	181,238	2029
2030	155,320	0	4,832	4,832	160,152	160,152	19,200	3,950	3,950	23,150	137,002	318,240	2030
2031	156,874	0	4,832	4,832	161,706	161,706	19,200	3,950	3,950	23,150	138,556	456,796	2031
2032	158,442	0	4,832	4,832	163,274	163,274	19,200	3,950	3,950	23,150	140,124	596,920	2032
2033	160,027	0	4,832	4,832	164,859	164,859	19,200	3,950	3,950	23,150	141,709	738,629	2033
2034	161,627	0	4,832	4,832	166,459	166,459	19,200	3,950	3,950	23,150	143,309	881,938	2034
2035	163,243	0	4,832	4,832	168,075	168,075	6,700	3,950	3,950	10,650	157,425	1,039,363	2035
2036	164,876	0	4,832	4,832	169,708	169,708	6,700	3,950	3,950	10,650	159,058	1,198,421	2036
2037	166,525	0	4,832	4,832	171,357	171,357	6,700	3,950	3,950	10,650	160,707	1,359,128	2037
2038	168,190	0	4,832	4,832	173,022	173,022	6,700	3,950	3,950	10,650	162,372	1,521,499	2038
2039	169,872	0	4,832	4,832	174,704	174,704	6,700	3,950	3,950	10,650	164,054	1,685,553	2039
2040	171,570	0	4,832	4,832	176,402	176,402	6,700	3,950	3,950	10,650	165,752	1,851,306	2040
Total	3,352,963	0	(87,146)	107,045	0	3,372,864	0	349,958	586,500	108,268	1,044,726		Total

Notes:

Projected TID Closure

# City of Waupun, Wisconsin

## Tax Increment District # 6

### Cash Flow Projection - With Amendment Costs & Development

Year	Projected Revenues					Expenditures					Balances						
	Tax Increment - Dodge County	Tax Increment - Fond Du Lac County	Interest Earnings/ (Cost)	Exempt Computer Aid	Other Revenue	Total Revenues	Dated Date: Principal	State Trust Fund Loan 08/01/20 Est. Rate	Interest	Professional Services	Transfer to Debt Service Fund	Admin.	Total Expenditures	Annual	Cumulative	Principal Outstanding	Year
2019	109,593	0	0	5,573	0	115,166				1,058	53,000		54,058	61,108	(415,724)		2019
2020	116,327	0	(16,629)	4,832	0	104,530			15,200	55,500	10,768	81,468	23,062	(392,663)		2020	
2021	142,016	0	(15,707)	4,832	0	131,141		3.50%	31,500	58,000	7,650	109,750	21,991	(371,271)		2021	
2022	143,436	0	(14,851)	4,832	0	133,417	2,500	3.50%	31,600	60,000	7,700	114,400	19,017	(352,254)		2022	
2023	178,314	0	(14,090)	4,832	0	169,056	25,000	3.50%	19,200	60,000	3,950	120,663	48,993	(303,861)		2023	
2024	180,097	0	(12,154)	4,832	0	172,775	30,000	3.50%	19,200	60,000	3,950	124,798	47,987	(255,874)		2024	
2025	181,898	0	(10,235)	4,832	0	176,495	35,000	3.50%	19,200	60,000	3,950	128,738	47,758	(208,116)		2025	
2026	183,717	0	(8,325)	4,832	0	180,225	40,000	3.50%	19,200	60,000	3,950	132,513	47,712	(160,404)		2026	
2027	185,554	0	(6,416)	4,832	0	183,970	45,000	3.50%	19,200	60,000	3,950	136,113	47,858	(112,546)		2027	
2028	187,410	0	(4,502)	4,832	0	187,740	55,000	3.50%	19,200	60,000	3,950	144,538	43,203	(69,344)		2028	
2029	189,284	0	(2,774)	4,832	0	191,342	60,000	3.50%	19,200	60,000	3,950	87,613	103,730	34,386		2029	
2030	191,177	0	1,375	4,832	0	197,384	67,500	3.50%	19,200	60,000	3,950	93,013	104,372	138,758	2030		
2031	193,089	0	5,550	4,832	0	203,471			19,200	60,000	15,000	34,200	169,271	308,029		2031	
2032	195,020	0	4,832	4,832	0	199,852			19,200	60,000	3,950	23,150	176,702	484,731		2032	
2033	196,970	0	4,832	4,832	0	201,802			19,200	60,000	3,950	23,150	178,652	663,382		2033	
2034	198,939	0	4,832	4,832	0	203,771			19,200	60,000	3,950	23,150	180,621	844,004		2034	
2035	200,929	0	4,832	4,832	0	205,761			6,700	60,000	3,950	10,650	195,111	1,039,114		2035	
2036	202,938	0	4,832	4,832	0	207,770			6,700	60,000	3,950	10,650	197,120	1,236,234		2036	
2037	204,967	0	4,832	4,832	0	209,799			6,700	60,000	3,950	10,650	199,149	1,435,384		2037	
2038	207,017	0	4,832	4,832	0	211,849			6,700	60,000	3,950	10,650	201,199	1,636,583		2038	
2039	209,087	0	4,832	4,832	0	213,919			6,700	60,000	3,950	10,650	203,269	1,839,852		2039	
2040	211,178	0	4,832	4,832	0	216,010			6,700	60,000	3,950	10,650	205,360	2,045,213		2040	
Total	4,008,957		(98,756)	107,045	0	4,017,246	360,000		349,958	586,500	108,268	1,495,201				Total	

Notes:

Projected TID Closure

## **SECTION 11: Annexed Property**

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There are no lands within the Territory proposed to be included within the District by Amendment that were annexed by the City on or after January 1, 2004.

## **SECTION 12: Estimate of Additional Property to be Devoted to Retail Business**

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The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b)

## **SECTION 13: Proposed Zoning Ordinance Changes**

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The City anticipates that a portion of the Territory to be incorporated into the District by Amendment will be rezoned prior to development.

## **SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and City of Waupun Ordinances**

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

## **SECTION 15: Relocation**

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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 City will follow applicable Wisconsin Statutes Section chapter 32.

## **SECTION 16: Orderly Redevelopment of the City of Waupun**

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This amendment contributes to the orderly redevelopment of the City by providing the opportunity for continued growth in tax base and general economic activity.

## **SECTION 17: List of Estimated Non-Project Costs**

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

**SECTION 18:  
Opinion of Attorney for the City of Waupun  
Advising Whether the Plan is Complete and  
Complies with Wisconsin Statutes 66.1105**

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May 16, 2020

SAMPLE

Mayor Julie Nickel  
City of Waupun  
201 E. Main Street  
Waupun, Wisconsin 53963

RE: City of Waupun, Wisconsin Tax Incremental District No. 6  
Amendment

Dear Mayor:

As City Attorney for the City of Waupun, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Section 66.1105 of the Wisconsin Statutes. This opinion is provided pursuant to Wisconsin Statutes Section 66.1105(4)(f).

Sincerely,

Attorney Daniel VandeZande  
City of Waupun