



RIVER HILLS TID PLAN

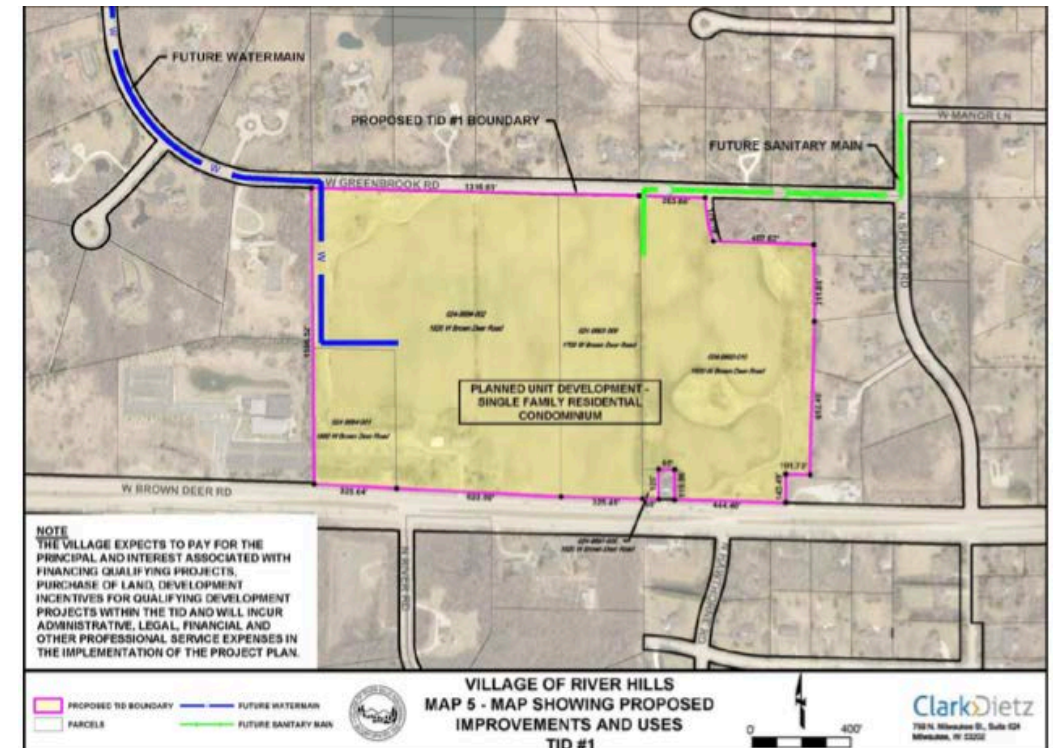


RIVER HILLS TID PLAN

OVERVIEW

Our goal is to ensure that our River Hills community directs the future of the property known as Eder Farm - 53.4 acres located between West Brown Deer Road and West Green Brook Road.

No development plans have been made yet. We will seek community input and have a public process to determine plans for any potential future development on this site.



LAWSUIT RESOLUTION



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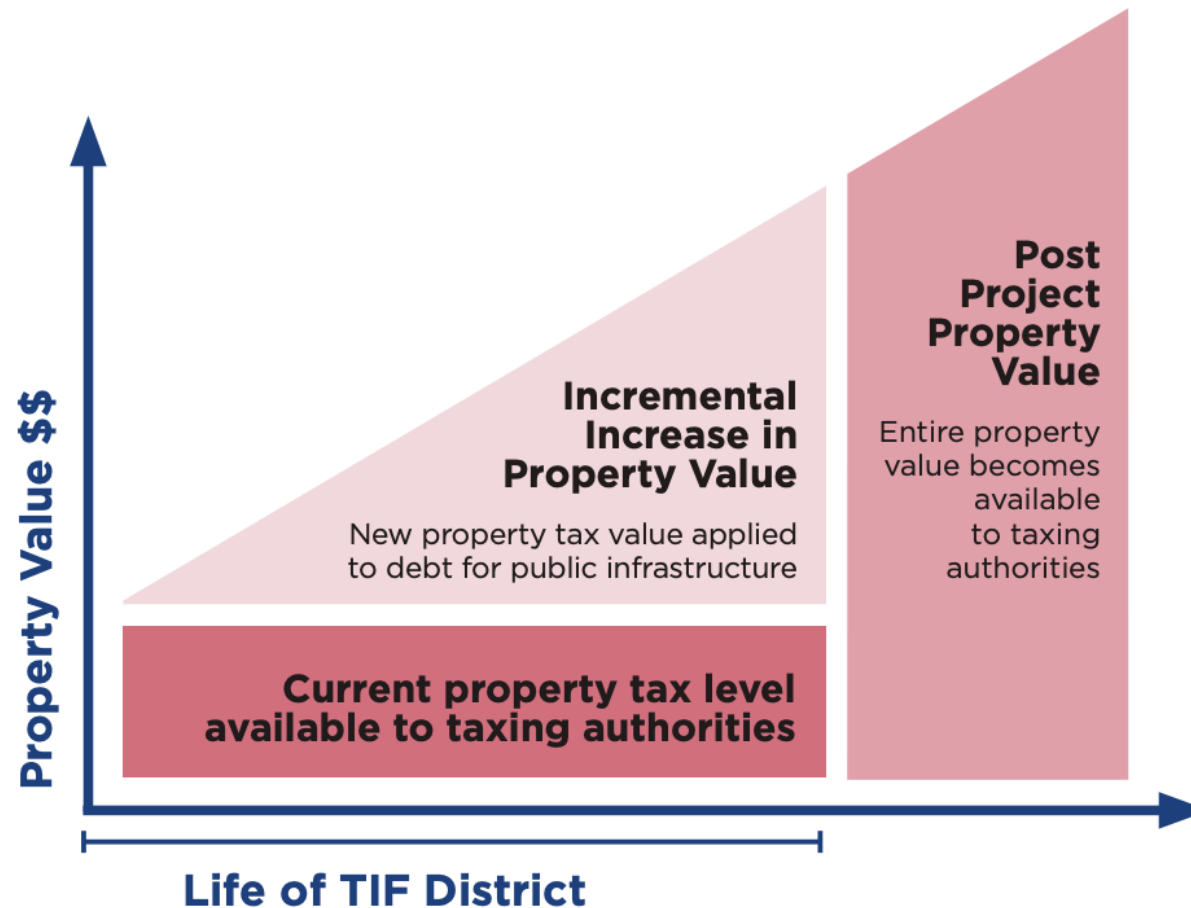
The TID plan also enables the Village to fund its settlement agreement with RRH LLC regarding its lawsuit connected to this site.

The lawsuit will be dismissed and the land conveyed to the Village.



RIVER HILLS TID PLAN

TAX INCREMENTAL FINANCING





RIVER HILLS TID PLAN

PROJECT COST ESTIMATE

Project ID	Project Name/Type	Phase I	Total (Note 1)
1	Land Acquisition (2020)	2,500,000	2,500,000
2	Administrative/Professional Services (2020)	175,000	175,000
	Public Improvements (2021-2022) - Water		
3	Main and Sewer Main Extensions	2,500,000	2,500,000
4	Capitalized Interest - Series 2020B and 2021A (Note 2)	451,128	451,128
5	Developer Grants/Incentives (Note 3)	2,006,928	2,006,928
6	Public Improvements within 1/2 Mile of District (Note 4)	450,000	450,000
7	Administrative Costs (2021-2034)	75,000	75,000
8	Interest Expense	1,213,281	1,213,281
9	Cost of Issuance (Note 5)	254,075	254,075
Total Projects		9,625,412	9,625,412

Notes:

Note 1 Project costs are estimates and are subject to modification.

Note 2 Capitalized interest is for interest only payments in 2021-2024. First year of projected increment is 2025.

Note 3 Developer Grants/Incentives are calculated at 10% of the annual increment, but the amount and if they will be provided will be determined by the Village on a case-by-case basis.

Note 4 Offsite improvements could include improvements to W. Brown Deer Road, a water main extension, and a sanitary sewer main extension, but project cost estimates or need have not yet been determined.

Note 5 Series 2020B, 2021A and 2030A.

Preliminary



RIVER HILLS TID PLAN

INCREMENT PROJECTIONS

Type of District	Rehabilitation	Base Value	0	¹
District Creation Date	January 1, 2021	Appreciation Factor	0.00%	Apply to Base Value
Valuation Date	Jan 1, 2021	Base Tax Rate	\$25.34	
Max Life (Years)	27	Rate Adjustment Factor		
Expenditure Period/Termination	22 1/1/2043			
Revenue Periods/Final Year	27 2049			
Public ImproveEligibility/Years	Yes 3	Tax Exempt Discount Rate	2.50%	
Eligible Recipient District	Yes	Taxable Discount Rate	3.00%	

Construction Year	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
1 2021	0	2022	0	2023	\$25.34	0	0	0
2 2022	0	2023	0	2024	\$25.34	0	0	0
3 2023	9,000,000	2024	0	2025	\$25.34	228,060	201,572	196,727
4 2024	0	2025	0	2026	\$25.34	228,060	398,227	387,723
5 2025	9,000,000	2026	0	2027	\$25.34	456,120	781,945	758,591
6 2026	0	2027	0	2028	\$25.34	456,120	1,156,304	1,118,656
7 2027	9,000,000	2028	0	2029	\$25.34	684,180	1,704,146	1,643,023
8 2028	0	2029	0	2030	\$25.34	684,180	2,238,627	2,152,117
9 2029	9,000,000	2030	0	2031	\$25.34	912,240	2,933,886	2,811,139
10 2030	0	2031	0	2032	\$25.34	912,240	3,612,187	3,450,965
11 2031	0	2032	0	2033	\$25.34	912,240	4,273,945	4,072,156
12 2032	0	2033	0	2034	\$25.34	912,240	4,919,562	4,675,255
13 2033	0	2034	0	2035	\$25.34	912,240	5,549,432	5,260,787
14 2034	0	2035	0	2036	\$25.34	912,240	6,163,940	5,829,265
15 2035	0	2036	0	2037	\$25.34	912,240	6,763,459	6,381,185
16 2036	0	2037	0	2038	\$25.34	912,240	7,348,356	6,917,030
17 2037	0	2038	0	2039	\$25.34	912,240	7,918,988	7,437,267
18 2038	0	2039	0	2040	\$25.34	912,240	8,475,701	7,942,352
19 2039	0	2040	0	2041	\$25.34	912,240	9,018,836	8,432,726
20 2040	0	2041	0	2042	\$25.34	912,240	9,548,724	8,908,818
21 2041	0	2042	0	2043	\$25.34	912,240	10,317,331	9,652,173
22 2042	0	2043	0	2044	\$25.34	912,240	10,834,294	10,114,398
23 2043	0	2044	0	2045	\$25.34	912,240	11,338,649	10,563,159
24 2044	0	2045	0	2046	\$25.34	912,240	11,830,703	10,998,850
25 2045	0	2046	0	2047	\$25.34	912,240	12,310,756	11,421,851
26 2046	0	2047	0	2048	\$25.34	912,240	12,779,099	11,832,532
27 2047	0	2048	0	2049	\$25.34	912,240	13,236,020	12,231,251
Totals	36,000,000	0	0	Future Value of Increment	20,069,280			

Notes:

¹ Assumes land goes in with \$0 value as purchase is in conjunction with a legal settlement between the Village and the property owner, and not strictly for development.

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 costs, capitalized interest and issuance costs).

Preliminary



RIVER HILLS TID PLAN

CASH FLOW

Year	Projected Revenues					Expenditures										Balances			Year		
	Series 2020B - TAXABLE GO Bonds 3,015,000 Dated Date: 10/22/20					Series 2021A - GO Bonds 2,800,000 Dated Date: 10/22/21			Series 2030 TAXABLE GO Refunding Bonds 1,295,000 Dated Date: 03/01/30				Total Expenditures	Principal							
	Tax Increments	Long-Term Debt Proceeds	Interest Earnings	Land Sales	Total Revenues	Principal	Est. Rate	Interest	Principal	Est. Rate	Interest	Purchase Land		Developer Grants/Incentives	Public Improvements	Admin./Prof. Svc/COI	Annual	Cumulative		Outstanding	
						1-Apr			1-Apr			1-Apr									
2020	0	3,015,000			3,015,000										265,700	2,765,700	249,300	249,300	3,015,000	2020	
2021	0	2,800,000	3,125		2,803,125	0	0.00%	58,581						2,500,000	95,925	2,654,506	148,619	397,919	5,815,000	2021	
2022	0			625,000	625,000	0	0.00%	62,210	0	2.50%	65,917				5,000	133,127	491,873	889,792	5,815,000	2022	
2023	0				0	0	0.00%	62,210	0	2.50%	70,000				5,000	137,210	(137,210)	752,582	5,815,000	2023	
2024	0			625,000	625,000	0	0.00%	62,210	0	2.50%	70,000				5,000	137,210	487,790	1,240,372	5,815,000	2024	
2025	228,060				228,060	200,000	1.50%	60,710	150,000	2.50%	70,000			22,806	5,000	508,516	(280,456)	959,916	5,465,000	2025	
2026	228,060			625,000	853,060	205,000	1.65%	57,519	150,000	2.50%	66,250			22,806	5,000	506,575	346,485	1,306,402	5,110,000	2026	
2027	456,120				456,120	210,000	1.80%	53,938	150,000	2.50%	62,500			45,612	5,000	527,050	(70,930)	1,235,472	4,750,000	2027	
2028	456,120			625,000	1,081,120	215,000	1.95%	49,951	150,000	2.50%	58,750			45,612	5,000	524,313	556,807	1,792,279	4,385,000	2028	
2029	684,180				684,180	215,000	2.10%	45,598	150,000	2.50%	55,000			68,418	450,000	5,000	989,016	(304,836)	1,487,443	4,020,000	2029
2030	684,180	1,295,000			1,979,180	1,970,000	2.20%	21,670	150,000	2.50%	51,250			68,418		82,450	2,343,788	(364,608)	1,122,835	3,195,000	2030
2031	912,240				912,240				150,000	2.50%	47,500	100,000	5.00%	53,021		91,224	446,745	465,495	1,588,330	2,945,000	2031
2032	912,240				912,240				150,000	2.50%	43,750	100,000	5.00%	43,750		91,224	433,724	478,516	2,066,846	2,695,000	2032
2033	912,240				912,240				155,000	2.50%	40,000	100,000	5.00%	38,750		91,224	434,974	477,266	2,544,112	2,440,000	2033
2034	912,240				912,240				170,000	2.50%	36,125	100,000	5.00%	33,750		91,224	431,099	481,141	3,025,253	2,170,000	2034
2035	912,240				912,240				175,000	2.50%	31,875	100,000	5.00%	28,750		91,224	426,849	485,391	3,510,644	1,895,000	2035
2036	912,240				912,240				180,000	2.50%	27,500	105,000	5.00%	23,625		91,224	427,349	484,891	3,995,535	1,610,000	2036
2037	912,240				912,240				180,000	2.50%	23,000	105,000	5.00%	18,375		91,224	417,599	494,641	4,490,176	1,325,000	2037
2038	912,240				912,240				180,000	2.50%	18,500	105,000	5.00%	13,125		91,224	407,849	504,391	4,994,567	1,040,000	2038
2039	912,240				912,240				180,000	2.50%	14,000	105,000	5.00%	7,875		91,224	398,099	514,141	5,508,708	755,000	2039
2040	912,240				912,240				190,000	2.50%	9,500	105,000	5.00%	2,625		91,224	398,349	513,891	6,022,599	460,000	2040
2041	912,240				912,240				190,000	2.50%	4,750					91,224	285,974	626,266	6,648,865		2041
2042	912,240				912,240											91,224	91,224	821,016	7,469,881		2042
2043	912,240				912,240											91,224	91,224	821,016	8,290,897		2043
2044	912,240				912,240											91,224	91,224	821,016	9,111,913		2044
2045	912,240				912,240											91,224	91,224	821,016	9,932,929		2045
2046	912,240				912,240											91,224	91,224	821,016	10,753,945		2046
2047	912,240				912,240											91,224	91,224	821,016	11,574,961		2047
2048	912,240				912,240											91,224	91,224	821,016	12,395,977		2048
2049	912,240				912,240											91,224	91,224	821,016	13,216,993		2049
Total	20,069,280	7,110,000	3,125	2,500,000	29,682,405	3,015,000		534,596	2,800,000		866,167	1,025,000		263,646	2,500,000	2,006,928	2,950,000	504,075	16,465,412		Total

Notes:

Developer Grants/Incentives calculated at 10% of the annual increment. Actual Developer Grants/Incentives will be determined on a case-by-case basis and only if the Village determines the Grants/Incentives are warranted.

Projected TID Closure

TID FINANCING



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The TID financing will enable the Village to resolve the lawsuit, develop plans, and establish goals for the site. The Village will then select a developer to implement the Village's development plan.

The proposed TID financing would allow the Village to:

Fund the acquisition of the property

Plan its ultimate use and work toward a long-term solution for Village fiscal needs

Finance public improvements as necessary and approved by Village trustees

Enable potential future private development



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PROJECT BENEFITS

The potential development of the property would bring long-term economic benefits for the Village and its residents, provide additional stormwater retention capabilities, and serve existing River Hills residents by filling a need for single-family residential options.

Projections indicate that a project on this site could **add \$36 million of equalized value** at today's tax rates and would **provide approximately \$1,115 in property tax relief for the average home** in River Hills.

The Village will develop plans and establish goals for the site and will then select a developer to implement the Village's development plan.



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DEVELOPMENT GOALS



One access point,
eliminating traffic
impacts



Significant berm and
landscaping buffers
around the development



Preserve wetlands and
natural areas



Single-family,
single-story
residential



Water connections
for Village residents



\$36M
in property value



Property Tax



Revenue for
Village
Services



RIVER HILLS TID PLAN

TAX IMPACT WITHOUT TIF

	Equalized Value Projection ¹	TAXABLE G.O. Promissory Notes, Series 2020B				Less Capitalized Interest	G.O Promissory Refunding Bonds, Series 2026A				Net Debt Service Levy	Change Over Prior Year	Debt Service Tax Rate		Impact Per \$100,000 Equalized Value	Impact Per Average Home (\$640,321 Eq. Value)
YEAR		\$2,880,000 Dated 10/22/20					\$2,595,000 Dated 2/1/2026							YEAR		
		Prin (4/1)	Coupon	Interest	Total		Prin (4/1)	Est. Rate	Interest	Total						
2020	487,792,400					0					0	0	0.00	2020	\$ -	\$ -
2021	486,092,400			42,726	42,726	(42,726)					0	0	0.00	2021	\$ -	\$ -
2022	486,092,400			45,373	45,373	(45,373)					0	0	0.00	2022	\$ -	\$ -
2023	486,092,400			45,373	45,373	(45,373)					0	0	0.00	2023	\$ -	\$ -
2024	486,092,400		3.00%	45,373	45,373	(45,373)					0	0	0.00	2024	\$ -	\$ -
2025	486,092,400	200,000	3.00%	42,373	242,373						242,373	242,373	0.50	2025	\$ 50	\$ 319
2026	486,092,400	170,000	3.00%	36,823	206,823						206,823	(35,550)	0.43	2026	\$ 43	\$ 272
2027	486,092,400	210,000	0.90%	33,328	243,328		105,000	3.00%	128,175	233,175	233,175	26,353	0.48	2027	\$ 48	\$ 307
2028	486,092,400	215,000	1.15%	31,146	246,146		160,000	3.00%	72,300	232,300	232,300	(875)	0.48	2028	\$ 48	\$ 306
2029	486,092,400	215,000	1.30%	28,513	243,513		165,000	3.00%	67,425	232,425	232,425	125	0.48	2029	\$ 48	\$ 306
2030	486,092,400	1,870,000	1.45%	13,558	1,883,558		170,000	3.00%	62,400	232,400	232,400	(25)	0.48	2030	\$ 48	\$ 306
2031	486,092,400	REFUNDED					175,000	3.00%	57,225	232,225	232,225	(175)	0.48	2031	\$ 48	\$ 306
2032	486,092,400						180,000	3.00%	51,900	231,900	231,900	(325)	0.48	2032	\$ 48	\$ 305
2033	486,092,400						185,000	3.00%	46,425	231,425	231,425	(475)	0.48	2033	\$ 48	\$ 305
2034	486,092,400						190,000	3.00%	40,800	230,800	230,800	(625)	0.47	2034	\$ 47	\$ 304
2035	486,092,400						195,000	3.00%	35,025	230,025	230,025	(775)	0.47	2035	\$ 47	\$ 303
2036	486,092,400						200,000	3.00%	29,100	229,100	229,100	(925)	0.47	2036	\$ 47	\$ 302
2037	486,092,400						205,000	3.00%	23,025	228,025	228,025	(1,075)	0.47	2037	\$ 47	\$ 300
2038	486,092,400						215,000	3.00%	16,725	231,725	231,725	3,700	0.48	2038	\$ 48	\$ 305
2039	486,092,400						220,000	3.00%	10,200	230,200	230,200	(1,525)	0.47	2039	\$ 47	\$ 303
2040	486,092,400						230,000	3.00%	3,450	233,450	233,450	3,250	0.48	2040	\$ 48	\$ 308
TOTALS		2,880,000		364,582	3,244,582	(178,843)	2,595,000		644,175	3,239,175	3,688,370			TOTALS	\$ 759	\$ 4,859

NOTES

¹ Actual Equalized Value for 2020 and assumes a 0% annual growth factor going forward and \$1,700,000 decrease in 2021 for Eder Farm off tax roll.

PROJECTED TIMELINE

The Village Board will consider a resolution authorizing the issuance of debt to pay for land acquisition as outlined in the Project Plan.		The River Hills Plan Commission will hold a public hearing on the Project Plan and will consider approving the TID boundaries and TID project plan.		Joint Review Board will convene to consider the final TID plan.		The Village will seek community input on a development plan for the site, which is currently being developed in partnership with a consultant.	
SEPT 9	SEPT 16	SEPT 28	SEPT 29	OCT 21	OCT 28	END OF OCT	NOV 2020
The draft Project Plan is available for review upon request at Village Hall and online at riverhillswi.com/project-plan/		A Joint Review Board - representing the Village, School Districts, County, MMSD and Technical College - will meet to review the Project Plan, appoint a chairperson and public member, and set the next meeting date. JRB will meet again to consider approval of the TID following Village Board approval.		The River Hills Village Board of Trustees will consider approving the Project Plan and approving the TID boundary.		Village will complete purchase of land.	



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NEXT STEPS | POST-APPROVAL



Create Development Plan

The Village would proceed with public input at public meetings to consider and set the specifics for any future development and will conduct planning work with Carolyn Esswein, a consultant from Ce Planning Studio and a Professor of Practice at the University of Wisconsin-Milwaukee School of Architecture and Urban Planning (SARUP). Carolyn is a recognized community planner and has experience planning with environmental considerations in mind.

Select Developer:

The Village would then seek out a developer to implement the Village's plan.

QUESTIONS



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A few questions have already been submitted via email, including:

- What is the acquisition price of the land?
- Does the area require re-zoning?
- Will residents have to attach to City water?
- Is there a back-up plan for bond re-payment if a potential development does not occur?

We will now respond to any additional questions from those tuning in virtually.