

***Project Plan
for the Creation of
Tax Incremental District No. 4
Within the
VILLAGE OF BELLEVILLE, WISCONSIN***



September 23, 2009

<i>Organizational Joint Review Board Meeting Held:</i>	<i>August 12, 2009</i>
<i>Public Hearing Held:</i>	<i>August 12, 2009</i>
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Tax Incremental District No. 4 Creation Project Plan

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Jim Schmitz	Lance Williston
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EXECUTIVE SUMMARY

DESCRIPTION OF DISTRICT

- Type of District, Size and Location. TID No. 4 is proposed to be created as an industrial district. A map of the proposed District boundaries are located in Section 3 of this plan.
- Estimated Total Project Expenditures. The Village anticipates making total project expenditures of approximately \$2,080,000 to undertake the projects listed in this Project Plan. The Village anticipates completing the projects in two phases. The Expenditure Period of this District is 15 years from the date of adoption of the Creation Resolution by the Village Board. The projects to be undertaken pursuant to this Project Plan are expected to be financed with debt issued by the Village, however, the Village may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the Village, or provide other advantages as determined by the Village Board. A discussion and listing of other possible financing mechanisms, as well as a summary of project financing by phase is located in Section 10 of this plan.
- Economic Development. As a result of the creation of this District, the Village projects that additional land and improvements value of approximately \$2,850,000 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment, and associated values is located in Section 10 of this plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.
- Expected Termination of District. Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to recover all project costs by the year 2028; 2 years earlier than the 20 year maximum life of this District.

SUMMARY OF FINDINGS

As required by s.66.1105 Wis. Stats., and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the Village. In making this determination, the Village has considered the following information:

- The sites proposed for development and/or redevelopment have remained underutilized for the past history of the village. The existing grain elevator use can be expanded. Given that the sites have not developed as would have been expected under normal market conditions, it is the judgment of the Village that the use of TIF will be required to provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the Village.
2. **The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the Village has considered the following information:
 - As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
 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 District creation would become effective for valuation purposes as of January 1, 2009. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation or appreciation of property values occurring after January 1, 2009 would be collected by the Tax Incremental District and used to repay the costs of TIF-eligible projects undertaken within the District.
 - Since the development expected to occur is unlikely to take place without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the Village reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of this plan.
 4. Not less than 50% by area of the real property within the District is suitable for industrial sites and zoned for industrial use within the meaning of Section 66.1101 of the Wisconsin Statutes. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use at the time of the creation of the District will remain zoned for industrial use for the life of the District.
 5. Based upon the findings, as stated above, the District is declared to be an industrial district based on the identification and classification of the property included within the district.
 6. The project costs relate directly to promoting industrial development in the District consistent with the purpose for which the District is created.

7. The improvements of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
8. The equalized value of taxable property of the District plus the value increment of all existing tax incremental districts within the Village, does not exceed 12% of the total equalized value of taxable property within the Village.
9. The Village estimates that approximately 23% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin Statutes.
10. The Project Plan for the District in the Village is feasible, and is in conformity with the master plan of the Village.

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TYPE & GENERAL DESCRIPTION OF DISTRICT

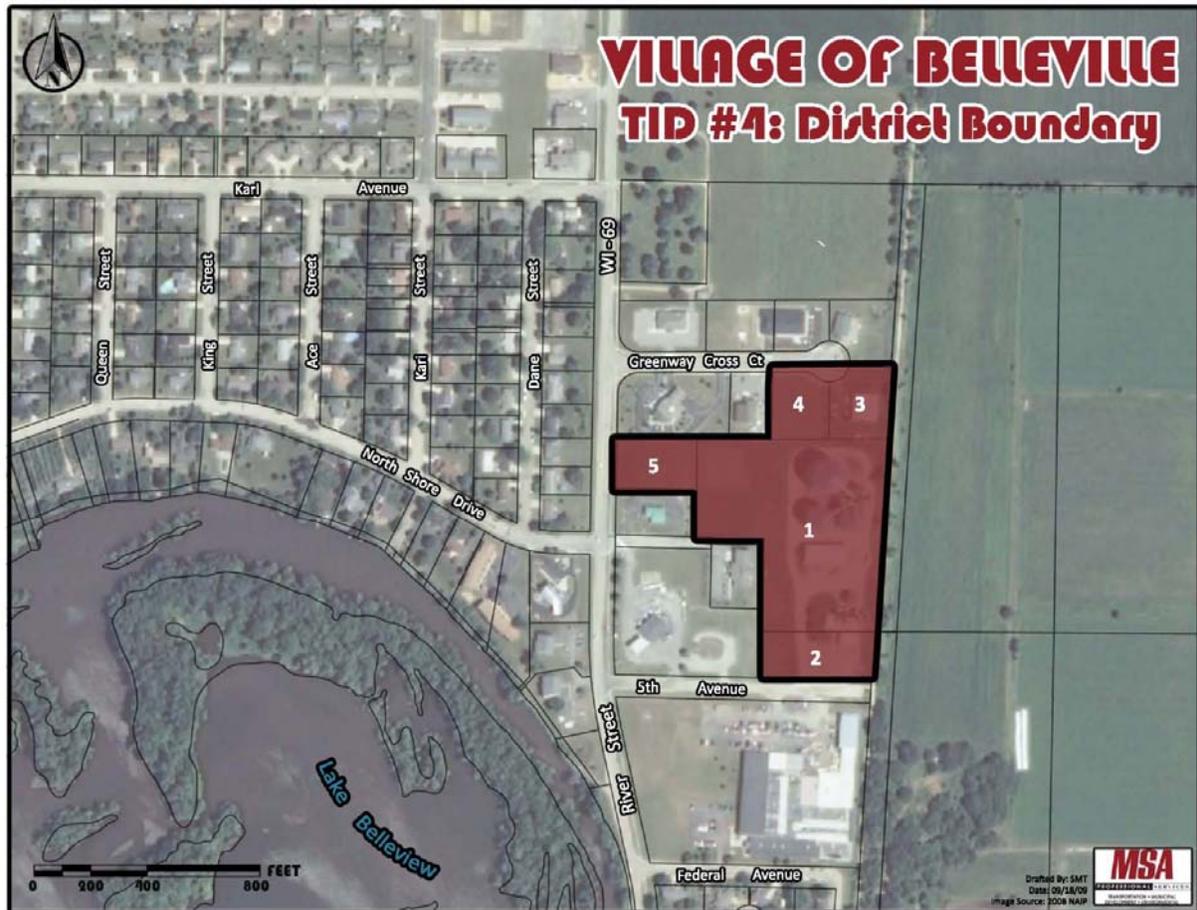
Tax Incremental District No. 4 (the “District”) is being created by the Village of Belleville under the authority provided by Wisconsin Statute Section 66.1105. This District is created as an “Industrial District” based upon a finding that at least 50%, by area, of the real property within the District is zoned and suitable for industrial sites within the meaning of Wisconsin Statute Section 66.1101 (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test).

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

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

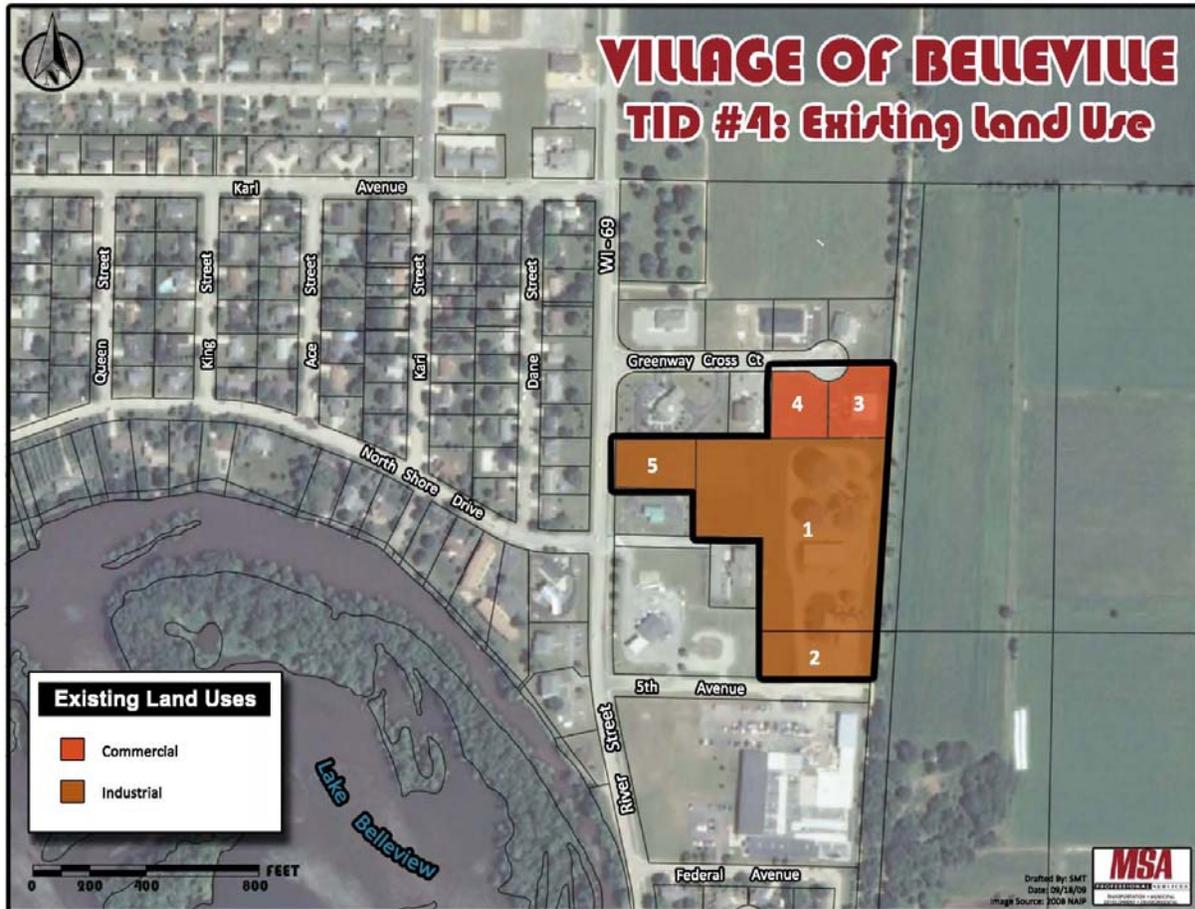
3

MAP OF PROPOSED DISTRICT BOUNDARY



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MAP SHOWING EXISTING USES AND CONDITIONS



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EQUALIZED VALUE TEST

The following calculations demonstrate that the Village is in compliance with s.66.1105(4)(gm)4.c. Wis. Stats., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing Tax Incremental Districts, does not exceed 12% of the total equalized value of taxable property within the Village.

The equalized value of the increment of existing Tax Incremental Districts within the Village, plus the base value of the proposed District, totals \$2,378,656. This value is less than the maximum of \$22,474,896 in equalized value that is permitted for the Village of Belleville. The Village is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

 Village of Belleville, WI Tax Increment District No. 4 Valuation Test Compliance Calculation		
Anticipated Creation Date:	9/21/2009	Valuation Data Establishing 12% Limit Based on Anticipated Creation Date
Property Appreciation Factor:	2.00%	ACTUAL
As of January 1,		2009
Total Equalized Value (TID IN)		187,290,800
Limit for 12% Test		22,474,896
Increment Value of Existing TID's		
Total Existing Increment		0
Projected Base Value of New District		2,378,656
Existing TID New Construction Factor		
TOTAL VALUE SUBJECT TO TEST/LIMIT		2,378,656
COMPLIANCE		PASS
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STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS

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

PROPERTY, RIGHT-OF-WAY AND EASEMENT ACQUISITION

- **PROPERTY ACQUISITION FOR DEVELOPMENT AND/OR REDEVELOPMENT.** In order to promote and facilitate development and/or redevelopment the Village may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the Village from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the Village to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in State Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.
- **PROPERTY ACQUISITION FOR CONSERVANCY.** In order to promote the objectives of this Plan, the Village intends to acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife, maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.
- **ACQUISITION OF RIGHTS-OF-WAY.** The Village may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire rights-of-way are eligible Project Costs.
- **ACQUISITION OF EASEMENTS.** The Village may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire easement rights are eligible Project Costs.
- **RELOCATION COSTS.** If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees;

publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

SITE PREPARATION ACTIVITIES

- **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 Village related to environmental audits, testing, and remediation are eligible Project Costs.
- **DEMOLITION.** In order to make sites suitable for development and/or redevelopment, the Village may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.
- **SITE GRADING.** Land within the District may require grading to make it suitable for development and/or redevelopment, to provide access, and to control stormwater runoff. The Village may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the Village for site grading are eligible Project Costs.

UTILITIES

- **SANITARY SEWER SYSTEM IMPROVEMENTS.** To allow development and/or redevelopment to occur, the Village may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.
- **WATER SYSTEM IMPROVEMENTS.** To allow development and/or redevelopment to occur, the Village may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand water system infrastructure located outside of

the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

- **STORMWATER MANAGEMENT SYSTEM IMPROVEMENTS.** Development and/or redevelopment within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the Village may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.
- **ELECTRIC SERVICE.** In order to create sites suitable for development and/or redevelopment, the Village may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the Village to undertake this work are eligible Project Costs.
- **GAS SERVICE.** In order to create sites suitable for development and/or redevelopment, the Village may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the Village to undertake this work are eligible Project Costs.
- **COMMUNICATIONS INFRASTRUCTURE.** In order to create sites suitable for development and/or redevelopment, the Village may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the Village to undertake this work are eligible Project Costs.

STREETS AND STREETSCAPE

- **STREET IMPROVEMENTS.** There are inadequate street improvements serving the District. To allow development and/or redevelopment to occur, the Village may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

- **STREETSCAPING AND LANDSCAPING.** In order to attract development and/or redevelopment consistent with the objectives of this Plan, the Village may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the Village are eligible Project Costs.

CDA TYPE ACTIVITIES

- **CONTRIBUTION TO COMMUNITY DEVELOPMENT AUTHORITY.** As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the Village may provide funds to its CDA be used for administration, planning and operations related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.
- **REVOLVING LOAN/GRANT PROGRAM.** To encourage private redevelopment consistent with the objectives of this Plan, the Village, through its CDA, will provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA in the program manual. Any funds returned to the CDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds will be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA for purposes of implementing this program are considered eligible Project Costs.

MISCELLANEOUS

- **CASH GRANTS (DEVELOPMENT INCENTIVES).** The Village may enter into agreements with property owners, lessees, or developers of land located within the District for 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 Village executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the Village are eligible Project Costs.
- **PROFESSIONAL SERVICE AND ORGANIZATIONAL COSTS.** The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.
- **ADMINISTRATIVE COSTS.** The Village may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee

salaries. Costs allocated will bear a direct connection to the time spent by Village employees in connection with the implementation of the Plan.

- **FINANCING COSTS.** Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

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

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

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

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

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MAP SHOWING PROPOSED IMPROVEMENTS AND USES



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DETAILED LIST OF PROJECT COSTS

All costs are based on 2009 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2009 and the time of construction. The Village also reserves the right to increase certain project costs to the extent others are reduced or not implemented, without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

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

PROPOSED TIF PROJECT COST ESTIMATES

 Village of Belleville, WI Tax Increment District No. 4 Project List				
	Phase I	Phase II		
Projects				
Building Demolition/Site Development	1,500,000			
Relocaton	80,000			
Parking & Driveways				
Site Lighting				
Landscape & Retaining Walls				
Site Utilities				
Surveying Costs				
Soil Borings				
Impact Fees				
Site Acquisition Costs				
Development Incentives		500,000		
Less Developer Contribution	(1,000,000)			
Subtotal Needed for Projects	580,000	500,000		

10 ECONOMIC FEASIBILITY STUDY & A DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS RELATED THERETO ARE TO BE INCURRED

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

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

AVAILABLE FINANCING METHODS

Implementation of this Plan will require that the Village issue obligations to provide direct or indirect financing for the Projects to be undertaken. The following is a list of the types of obligations the Village may choose to utilize.

General Obligation (G.O.) Bonds or Notes

The Village may issue G.O. Bonds or Notes to finance the cost of Projects included within this Plan. Wisconsin Statutes limit the principal amount of G.O. debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values). The tables on page 24 provide a calculation of the Village’s current and projected G.O. debt capacity. Tables 1 and 2 project, respectively, the Village’s equalized value, and the full faith and credit borrowing capacity of the Village. Equalized valuation projections were made using two methods. The first projects future valuation of the Village using the average annual percentage of valuation growth experienced between 2005 and 2009. This method is identified as the percentage method. The second method projects the future valuation based upon the average annual increment between 2005 and 2009. This method is identified as the straight-line method. Table 2 projects the G.O. borrowing capacity of the Village utilizing the straight-line valuation projection and considering the existing debt of the

Village, demonstrating that the Village will have sufficient G.O. debt capacity during the implementation period of the District to finance projects using this method if it chooses.

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

The Village may issue a bond 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 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 issued to developers in this fashion are not general obligations of the Village and therefore do not count against the Village’s borrowing capacity.

Tax Increment Revenue Bonds

The Village has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the Village, or as a Lease Revenue Bond by a Community Development Authority (CDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the Village and therefore do not count against the Village’s 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 the sewer and/or water 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 underwriters 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 G.O. debt limit. 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.

EQUALIZED VALUATION PROJECTION



Village of Belleville, WI



Projection of General Obligation Debt Borrowing Capacity

Table 1 - Projection of Growth in Equalized Value (TID IN)

----PERCENTAGE METHOD----			--STRAIGHT LINE METHOD--		
HISTORICAL DATA					
2005	150,423,000		2005	150,423,000	
2006	168,100,400		2006	168,100,400	
2007	178,351,700		2007	178,351,700	
2008	189,694,200		2008	189,694,200	
2009	187,290,800	6.13%	2009	187,290,800	9,216,950
PROJECTED VALUATIONS					
2010	198,766,771	6.13%	2010	196,507,750	4.92%
2011	210,945,915	6.13%	2011	205,724,700	4.69%
2012	223,871,318	6.13%	2012	214,941,650	4.48%
2013	237,588,707	6.13%	2013	224,158,600	4.29%
2014	252,146,608	6.13%	2014	233,375,550	4.11%
2015	267,596,524	6.13%	2015	242,592,500	3.95%
2016	283,993,111	6.13%	2016	251,809,450	3.80%
2017	301,394,375	6.13%	2017	261,026,400	3.66%
2018	319,861,876	6.13%	2018	270,243,350	3.53%

Table 2 - Projection of G.O. Debt Capacity (Based on Straight Line Method)

BUDGET YEAR	EQUALIZED VALUE	GROSS DEBT LIMIT	DEBT BALANCE	NET BORROWING CAPACITY
2010	187,290,800	9,364,540	2,280,170	7,084,370
2011	196,507,750	9,825,388	1,965,170	7,860,218
2012	205,724,700	10,286,235	1,710,170	8,576,065
2013	214,941,650	10,747,083	1,465,170	9,281,913
2014	224,158,600	11,207,930	1,195,170	10,012,760
2015	233,375,550	11,668,778	920,000	10,748,778
2016	242,592,500	12,129,625	685,000	11,444,625
2017	251,809,450	12,590,473	445,000	12,145,473
2018	261,026,400	13,051,320	205,000	12,846,320
2019	270,243,350	13,512,168		13,512,168
2020	279,460,300	13,973,015		13,973,015
2021	288,677,250	14,433,863		14,433,863
2022	297,894,200	14,894,710		14,894,710
2023	307,111,150	15,355,558		15,355,558
2024	316,328,100	15,816,405		15,816,405
2025	325,545,050	16,277,253		16,277,253
2026	334,762,000	16,738,100		16,738,100
2027	343,978,950	17,198,948		17,198,948
2028	353,195,900	17,659,795		17,659,795
2029	362,412,850	18,120,643		18,120,643
2030	371,629,800	18,581,490		18,581,490
2031	380,846,750	19,042,338		19,042,338

PLAN IMPLEMENTATION

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

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

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

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

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

IMPLEMENTATION & FINANCING TIMELINE

		<i>Village of Belleville, WI</i>				
		Tax Increment District No. 4				
		Estimated Project Costs & Financing Plan				
		Bond Anticipation Note		G.O. Bond		Municipal Revenue Obligation (MRO)
		2009		2013		
Subtotal Needed for Projects		580,000		655,000		500,000
Finance Related Expenses						
Financial Advisor		10,305		10,483		0
Bond Counsel (Estimate)		5,000		5,000		0
Rating Agency Fee						0
Paying Agent (if Term Bonds)		0		0		0
Max. Underwriter's Discount	\$10.00	6,550	\$10.00	6,750	\$0.00	0
Capitalized Interest		52,400				0
Total Financing Required		654,255		677,233		500,000
<i>Estimated Interest Earnings</i>	1.00%	(1,210)	4.00%	0	4.00%	0
<i>Assumed Spend Down (Months)</i>	6		1		1	
Rounding		1,955		(2,233)		0
NET ISSUE SIZE		655,000		675,000		500,000

DEVELOPMENT ASSUMPTIONS

		<i>Village of Belleville, WI</i>				
Tax Increment District No. 4 Development Assumptions						
<u>Construction Year</u>	<u>Actual</u>	<u>Landmark Demolition/ Relocation</u>	<u>Landmark Redevelopment</u>	<u>Miscellaneous Development</u>	<u>Annual Total</u>	
2009					0	
2010		(150,000)			(150,000)	
2011			1,600,000		1,600,000	
2012					0	
2013				700,000	700,000	
2014					0	
2015				700,000	700,000	
2016					0	
2017					0	
2018					0	
2019					0	
2020					0	
2021					0	
2022					0	
2023					0	
2024					0	
2025					0	
2026					0	
2027					0	
2028					0	
2029					0	
2030					0	
2031					0	
2032					0	
2033					0	
2034					0	
2035					0	
TOTALS	0	(150,000)	1,600,000	1,400,000	2,850,000	

NOTES:
 Landmark Redevelopment based on 4 acres net developable @ \$400,000 per acre
 Miscellaneous Development based on 6 acres net developable @\$350,000 per acre

INCREMENT REVENUE PROJECTIONS

Village of Belleville, WI



Tax Increment District No. 4 Tax Increment Projection Worksheet

Type of District	Industrial
Anticipated Creation Date	9/21/2009
Valuation Date	Jan. 1, 2009
Maximum Life (In Years)	20
Expenditure Period (In Years)	15
Revenue Periods/Final Rev Year	20 2030
End of Expenditure Period	9/21/2024
Latest Termination Date	9/21/2029
Eligible for Extension/No. of Years	Yes 3
Eligible Recipient District	No

Projected Base Value	2,378,656
Pre-Amendment Base Value (Actual)	NA
Property Appreciation Factor	3.00%
Current Tax Rate (Per \$1,000 EV)	\$18.69
Tax Rate Adjustment Factor (Next 2 Years)	-2.50%
Tax Rate Adjustment Factor (Following 2 Years)	-0.50%
Tax Rate Adjustment Factor (Thereafter)	-0.50%
Discount Rate 1 for NPV Calculation	5.00%
Discount Rate 2 for NPV Calculation	7.00%

Apply Inflation Factor to Base?

Net Present Value Calculation

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment	Cumulative @ 5.00%	Cumulative @ 7.00%
1 2009	0	2010	71,360	71,360	2011	17.76	1,267	1,095	1,034
2 2010	(150,000)	2011	73,500	(5,140)	2012	17.67	0	1,095	1,034
3 2011	1,600,000	2012	71,205	1,666,066	2013	17.58	29,287	24,041	21,815
4 2012	0	2013	121,342	1,787,407	2014	17.49	31,263	47,370	42,747
5 2013	700,000	2014	124,982	2,612,389	2015	17.40	45,464	79,680	71,059
6 2014	0	2015	149,731	2,762,121	2016	17.32	47,829	112,053	98,896
7 2015	700,000	2016	154,223	3,616,344	2017	17.23	62,308	152,217	132,787
8 2016	0	2017	179,850	3,796,194	2018	17.14	65,079	192,170	165,870
9 2017	0	2018	185,246	3,981,439	2019	17.06	67,914	231,878	198,136
10 2018	0	2019	190,803	4,172,242	2020	16.97	70,813	271,309	229,577
11 2019	0	2020	196,527	4,368,769	2021	16.89	73,777	310,434	260,192
12 2020	0	2021	202,423	4,571,192	2022	16.80	76,810	349,228	289,980
13 2021	0	2022	208,495	4,779,687	2023	16.72	79,912	387,667	318,944
14 2022	0	2023	214,750	4,994,438	2024	16.64	83,084	425,729	347,088
15 2023	0	2024	221,193	5,215,631	2025	16.55	86,330	463,395	374,418
16 2024	0	2025	227,829	5,443,459	2026	16.47	89,651	500,647	400,942
17 2025	0	2026	234,663	5,678,123	2027	16.39	93,048	537,469	426,671
18 2026	0	2027	241,703	5,919,826	2028	16.31	96,524	573,848	451,614
19 2027	0	2028	248,954	6,168,781	2029	16.22	100,080	609,771	475,785
20 2028	0	2029	256,423	6,425,204	2030	16.14	103,719	645,227	499,196
			2,850,000	3,575,204					

Future Value of Increment **1,304,157**



CASH FLOW

Village of Belleville, WI



Tax Increment District No. 4
Cash Flow Pro Forma

Year	Revenues				Expenditures						Balances		Project Cost Principal Outstanding	Year		
	Tax Increments	Investment Earnings	Cap I	Total Revenues	Bond Anticipation Note \$655,000 2009			G.O. Bond \$675,000 2013			Admin	Total Expenditures			Annual	Cumulative
		3.00%			Prin (11/1)	Est. Rate	Interest	Prin (3/1)	Est. Rate	Interest						
2009		0	52,400	52,400								0	52,400	52,400	655,000	2009
2010		1,572		1,572		4.000%	26,200				5,000	31,200	(29,628)	22,772	655,000	2010
2011	1,267	683		1,950		4.000%	26,200				5,000	31,200	(29,250)	(6,478)	655,000	2011
2012	0	0		0		4.000%	26,200				5,000	31,200	(31,200)	(37,678)	655,000	2012
2013	29,287	0		29,287		4.000%	26,200				5,000	31,200	(1,913)	(39,591)	655,000	2013
2014	31,263	0	765,000	796,263	655,000	4.000%	13,100			18,563	5,000	691,663	104,600	65,009	675,000	2014
2015	45,464	1,950		47,414				0	5.500%	37,125	2,000	39,125	8,289	73,298	675,000	2015
2016	47,829	2,199		50,028				0	5.500%	37,125	2,000	39,125	10,903	84,201	675,000	2016
2017	62,308	2,526		64,834				20,000	5.500%	36,575	2,000	58,575	6,259	90,459	655,000	2017
2018	65,079	2,714		67,793				25,000	5.500%	35,338	2,000	62,338	5,456	95,915	630,000	2018
2019	67,914	2,877		70,791				30,000	5.500%	33,825	2,000	65,825	4,966	100,881	600,000	2019
2020	70,813	3,026		73,839				35,000	5.500%	32,038	2,000	69,038	4,801	105,683	565,000	2020
2021	73,777	3,170		76,948				40,000	5.500%	29,975	2,000	71,975	4,973	110,655	525,000	2021
2022	76,810	3,320		80,129				45,000	5.500%	27,638	2,000	74,638	5,492	116,147	480,000	2022
2023	79,912	3,484		83,396				50,000	5.500%	25,025	2,000	77,025	6,371	122,518	430,000	2023
2024	83,084	3,676		86,760				55,000	5.500%	22,138	2,000	79,138	7,622	130,141	375,000	2024
2025	86,330	3,904		90,234				60,000	5.500%	18,975	2,000	80,975	9,259	139,400	315,000	2025
2026	89,651	4,182		93,833				70,000	5.500%	15,400	2,000	87,400	6,433	145,833	245,000	2026
2027	93,048	4,375		97,423				75,000	5.500%	11,413	2,000	88,413	9,010	154,843	170,000	2027
2028	96,524	4,645		101,169				80,000	5.500%	7,150	2,000	89,150	12,019	166,863	90,000	2028
2029	100,080	5,006		105,086				90,000	5.500%	2,475	2,000	94,475	10,611	177,473	0	2029
2030	103,719	5,324		109,043								0	109,043	286,517	0	2030
Total	1,304,157	58,635	817,400	2,180,192	655,000		117,900	675,000		390,775	55,000	1,893,675	286,517			

NOTES:

Projected TID Closure

11 ANNEXED PROPERTY

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

12 ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

Pursuant to Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin State Statutes the Village estimates that 23% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

13 PROPOSED CHANGES IN ZONING ORDINANCES

The Village of Belleville does not anticipate that the District will require any changes in zoning ordinances.

14 PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND VILLAGE OF BELLEVILLE ORDINANCES

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

15 RELOCATION

It is anticipated there will be a need to relocate any persons or businesses in conjunction with this Plan.

In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the Village will follow applicable state statutes as required in Wisconsin Statutes chapter 32.

16 ORDERLY DEVELOPMENT AND/OR REDEVELOPMENT OF THE VILLAGE OF BELLEVILLE

The District contributes to the orderly development and/or redevelopment of the Village by providing the opportunity for continued growth in tax base and job opportunities.

17 A LIST OF ESTIMATED NON-PROJECT COSTS

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

- A public improvement made within the District that also benefits property outside the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

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

18

**OPINION OF ATTORNEY FOR THE VILLAGE OF BELLEVILLE
ADVISING WHETHER THE PLAN IS COMPLETE AND
COMPLIES WITH WISCONSIN STATUTES, SECTION 66.1105**



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September 29, 2009

April Little
Village Administrator/Clerk/Treasurer
Village of Belleville
24 West Main Street
P.O. Box 79
Belleville, WI 53508-0079

Village of Belleville – TID No. 4

Dear April:

As requested by the Village, I have reviewed the Project Plan for the Creation of Tax Incremental District No. 4 in the Village of Belleville, dated September 23, 2009, and consisting of 31 pages. In my opinion, the Project Plan is complete and complies with Wis. Stat. § 66.1105.

Very truly yours,

Matthew P. Dregne

MPD:lab

cc: Terry Kringle, Village President
James A. Mann, Ehlers & Associates Inc.
Paula Czaplewski, Ehlers & Associates Inc.

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EXHIBIT A - CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS

Estimated Share by Taxing Jurisdiction of Projected Tax Increments to be paid by Owners of Taxable Property in each of the Taxing Jurisdictions Overlying the Tax Increment District

Revenue Year	Village	County	School District	Tech College	Total
	37.89%	12.13%	43.77%	6.21%	
2011	480	154	555	79	1,267
2012	0	0	0	0	0
2013	11,097	3,553	12,820	1,818	29,287
2014	11,845	3,792	13,685	1,941	31,263
2015	17,226	5,515	19,901	2,822	45,464
2016	18,122	5,802	20,936	2,969	47,829
2017	23,608	7,558	27,274	3,868	62,308
2018	24,658	7,894	28,487	4,040	65,079
2019	25,732	8,238	29,728	4,216	67,914
2020	26,831	8,590	30,997	4,396	70,813
2021	27,954	8,949	32,294	4,580	73,777
2022	29,103	9,317	33,622	4,768	76,810
2023	30,278	9,693	34,979	4,961	79,912
2024	31,480	10,078	36,368	5,158	83,084
2025	32,710	10,472	37,789	5,359	86,330
2026	33,968	10,875	39,243	5,565	89,651
2027	35,255	11,287	40,730	5,776	93,048
2028	36,572	11,708	42,251	5,992	96,524
2029	37,920	12,140	43,808	6,213	100,080
2030	39,299	12,581	45,401	6,439	103,719
	494,138	158,196	570,865	80,958	1,304,157

NOTE: The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.