



PROJECT PLAN TAX INCREMENT DISTRICT NO. 2



**CITY OF
SOUTH MILWAUKEE
WISCONSIN**

**Project Plan
Tax Increment District No. 2
City of South Milwaukee, WI**

**Prepared For:
City of South Milwaukee**

**Prepared By:
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LIST OF ATTACHMENTS

Financial Attachments

- # 1: TID Summary
- # 2: Planned Project Costs
- # 3: Financing Summary
- #4: Debt Service Plan (Loan #1)
- # 5: Tax Increment Pro Forma
- # 6: Cash Flow Worksheet
- # 7: Analysis of Overlying Taxing Jurisdictions

Resolutions, Notices & Minutes

- # 1: Authorizing Council Resolution
- # 2: Notice to Overlying Taxing Jurisdictions of Creation of Joint Review Board (JRB)
- # 3: Public Notice of Informational Meeting
- # 4: Blight Notification Letter
- # 5: JRB Organizational Meeting Notice
- # 6: JRB Organizational Meeting Minutes
- # 7: Public Hearing Notice Proof of Publication and Notice to Overlying Taxing Jurisdictions
- # 8: Plan Commission Meeting Notice
- # 9: Public Hearing and Plan Commission Meeting Minutes
- #10: City Council Meeting Notice
- #11: City Council Meeting Minutes
- #12: Council Resolution Creating TID No. 2
- #13: JRB Final Meeting Notice
- #14: JRB Final Meeting Minutes
- #15: JRB Resolution

Press Clippings

PROJECT PLAN
TAX INCREMENT DISTRICT NO. 2
SOUTH MILWAUKEE, WISCONSIN

I. INTRODUCTION

This project plan for Tax Increment District No. 2 (TID No. 2) in the City of South Milwaukee has been prepared in compliance with Wisconsin Statutes Chapter 66.46(4)(f). The project plan establishes a need for the district, the proposed improvements within the district, an estimated time schedule, and an estimated budget. This project plan also includes a detailed description of the Tax Increment District boundaries.

A. Approval Process

After three months of public discussion regarding boundaries and projects, the City of South Milwaukee Common Council met on May 2, 2000 and directed the City Plan Commission to prepare the project plan and boundaries for Public Hearing. Notice of the Public Hearing was published May 11, 2000 and May 18, 2000. Owners of property within the boundaries of TID No. 2 were notified by certified mail on May 5, 2000 of the proposed designation of a blighted area within TID No. 2 and of the Public Hearing.

A Public Hearing was held on May 30, 2000, and approval of the project plan and boundary was made by the Plan Commission and recommended to the Common Council for adoption on May 30, 2000. This project plan was adopted by resolution of the City Council on July 5, 2000. Documentation of all resolutions, notices and minutes can be found as attachments to this Project Plan.

This is to be used as the official plan that guides redevelopment activities within TID No. 2. Implementation of the project plan and construction of the proposed improvements will require a case-by-case authorization by the City Council. The City Council anticipates creating a Community Development Authority (CDA) in the year 2000. The CDA will be the primary agent for implementing this Project Plan. Public expenditures for projects listed in the project plan will be based on the development status of the land and economic conditions existing at the time the project is scheduled for construction. The City Council is not mandated to make expenditures described in this plan and is limited to implementing only those project cost categories identified. Changes in boundaries or additional project categories not identified here will require formal amendment to the project plan involving public review and City Council approval.

As required by Wisconsin Statutes Chapter 66.46(5)(b), a copy of the project plan will be submitted to the Wisconsin Department of Revenue and used as the basis for the certification of Tax Increment District No. 2 in the City of South Milwaukee.

B. Joint Review Board

The TID No. 2 project plan was reviewed and approved by a Joint Review Board as required by Wisconsin Statutes consisting of:

City of South Milwaukee
David Kieck, Mayor
City of South Milwaukee
2424 15th Ave.
South Milwaukee, WI
53172

Milwaukee County Board
David Zepecki
Milwaukee County Courthouse
901 N. 9th Street
Room 307-C
Milwaukee, WI 53233

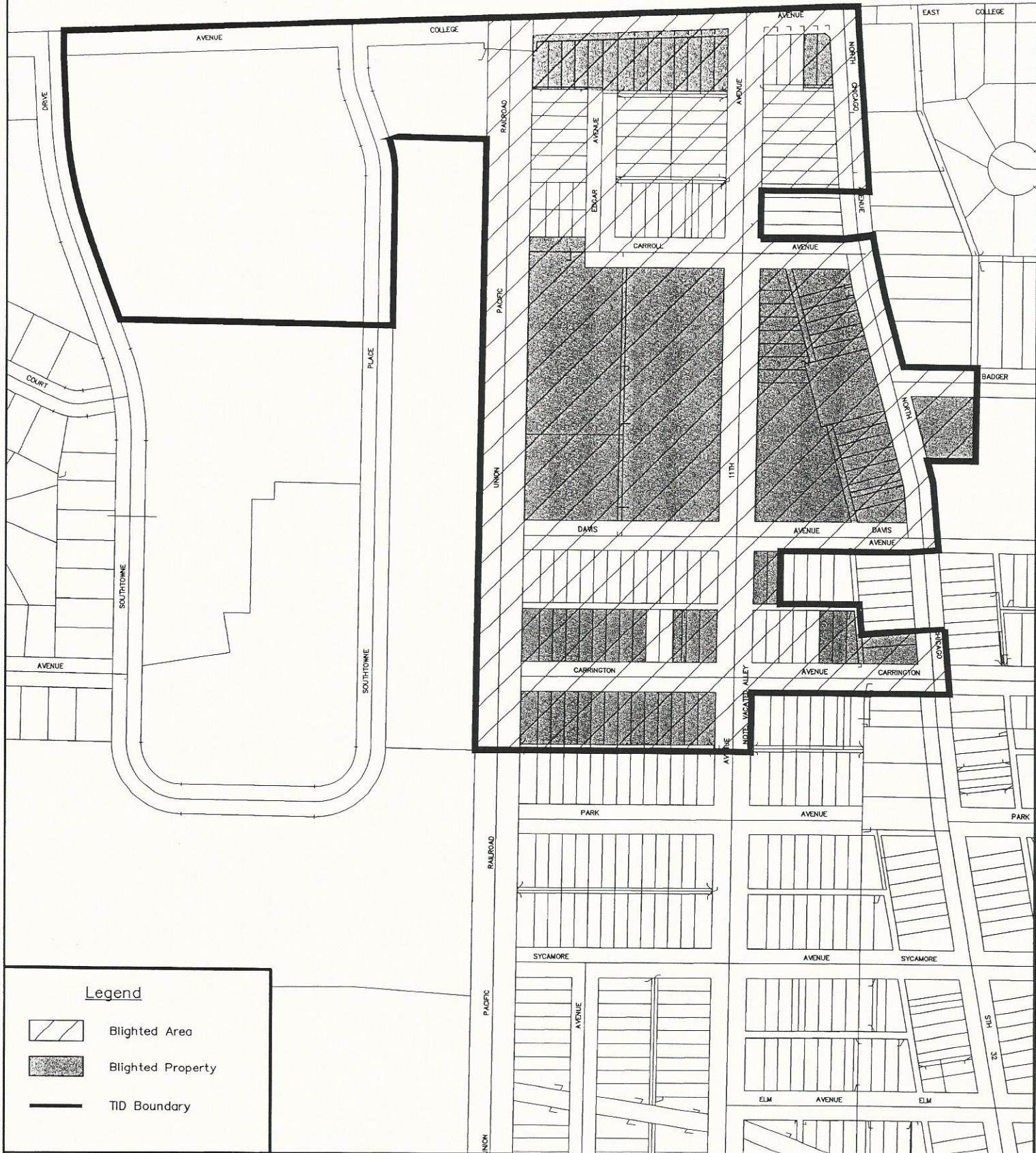
Milwaukee Area Tech. College
Todd Poppe
MATC
700 West State Street
Milwaukee, Wisconsin 53233-1443

South Milwaukee School District
Mike Stritchko
903 N. Chicago Ave.
South Milwaukee, WI 53172

At-Large
Brett Briesemeister
718 Walnut St.
South Milwaukee, WI 53172

The JRB held its organizational meeting on May 23, 2000, at which members voted to accept Brett Briesemeister as the At-Large Member and Mayor Kieck as the JRB Chairman.

The final meeting of the JRB was held on August 1, 2000. The JRB approved the City's creation of TID No. 2.



Scale 1"=200'

City of South Milwaukee
Tax Increment District No. 2

District Boundary and Condition of Property

Map No. 1



April 2000

II. STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND IMPROVEMENTS WITHIN THE DISTRICT

The area proposed for TID No. 2 of South Milwaukee is characterized by underutilized, obsolete and/ or blighted properties and vacant sites. This is predominantly an industrial area with sections of non-conforming residential property located in areas zoned for manufacturing. Commercial development is found along the north and east boundary of the TID. A large vacant parcel will be developed for residential use in the north west part of TID No. 2. No TID project costs will be expended to benefit this project, however, the tax increment from the development will be the primary source of revenue to encourage redevelopment of the blighted area to the east and across the railroad tracks from this development. Maps and a parcel listing on the following pages identify specific conditions, parcels, and uses.

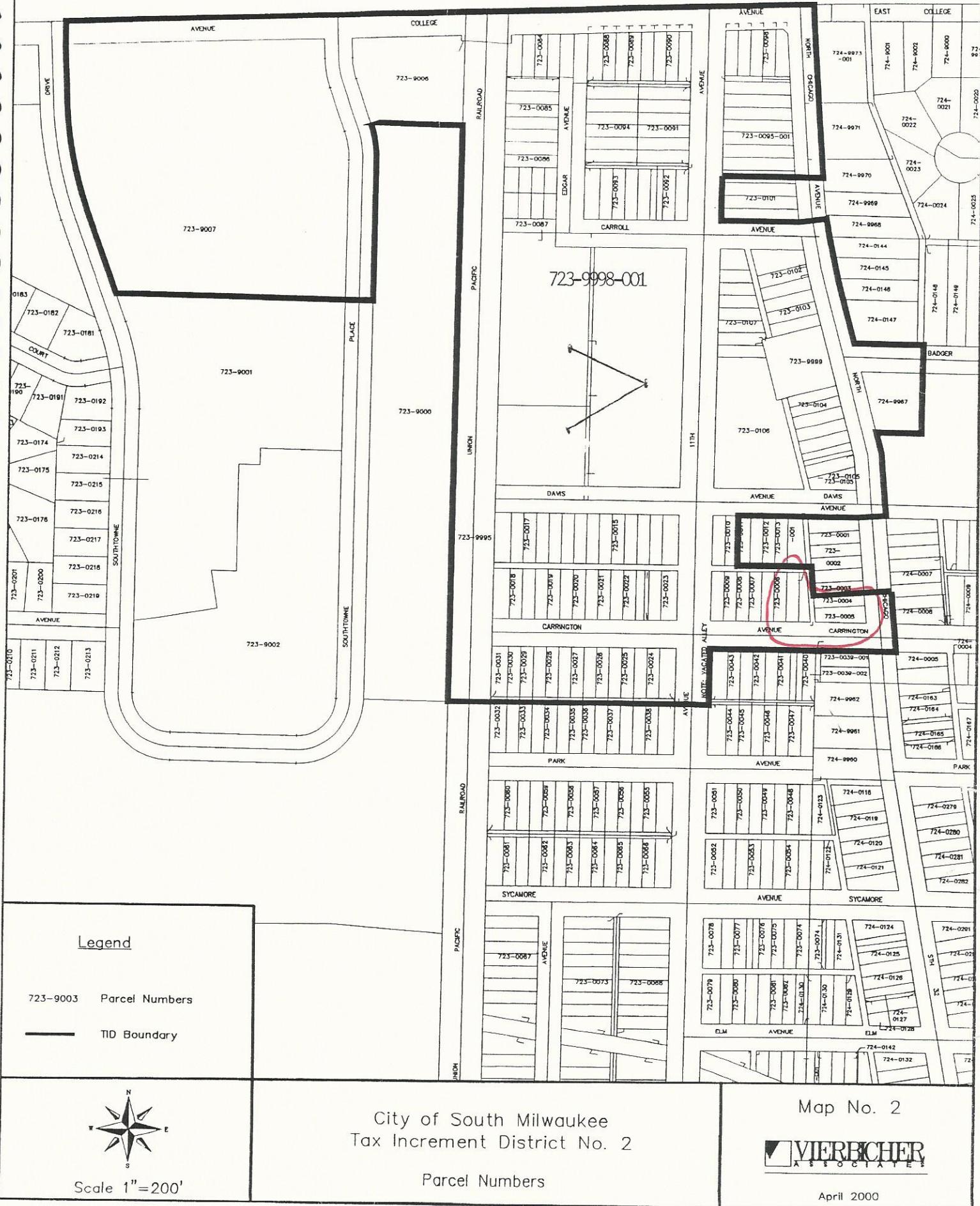
TID No. 2 of the City of South Milwaukee is created primarily to eliminate blight as authorized in Wisconsin Statutes 66.52 in order to improve a portion of the City, enhance the value of said property, broaden the property tax base, and relieve the tax burden of residents and home owners.

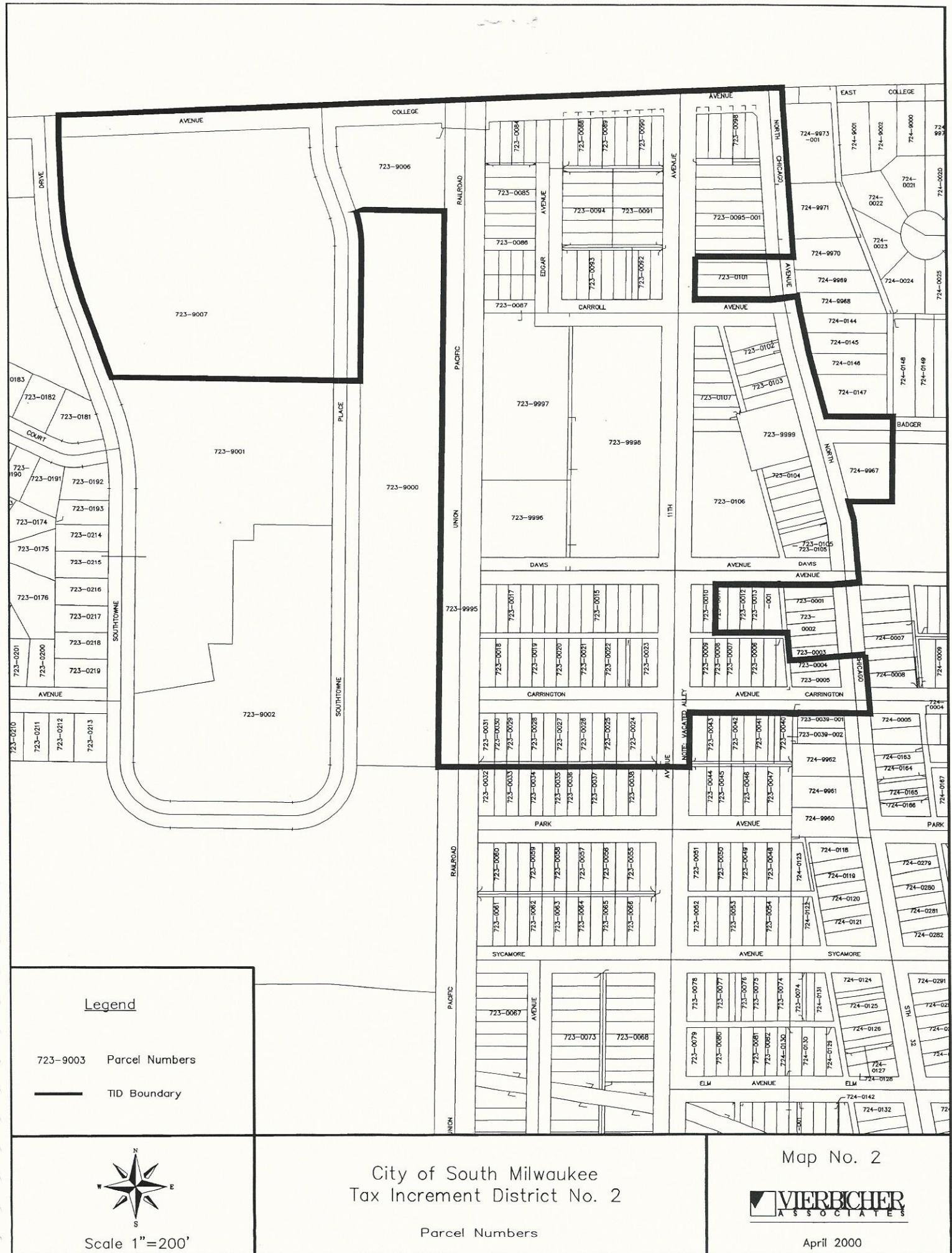
TID Redevelopment Area

	Area	%
Total Area Within TID No. 2	45.58 Acres	100%
Area of Real Property (parcels)	31.77 Acres	69.7%
Right-of-Way	13.81 Acres	30.3%
Blighted Property	16.84 Acres	53% of parcels
Blighted Area for Redevelopment	34.3 Acres	75.3% of TID Area
Vacant Parcels	11.36 Acres	24.9%
Vacant Parcels Vacant > 7 Years	1.2 Acres	24.7%

Any cost directly or indirectly related to achieving the objectives of blight elimination, rehabilitation, or conservation is considered a "project cost" and eligible to be paid from tax increments of this tax increment district, including but not limited to the list below. The costs of planning, engineering, design, surveying, legal and other consultant fees, testing, environmental studies, permits necessary for the public work, easements, judgements or claims for damages, and other expenses for all projects are included as project costs.

The City intends to create a Community Development Authority to work in conjunction with TID No. 2 and the City of Milwaukee to encourage redevelopment of this area. This Project Plan identifies a general redevelopment program as the major category of improvements to be made. A specific plan of redevelopment will be prepared by the CDA upon completion of a Master Plan update for the City.





Scale 1"=200'

Legend

723-9003 Parcel Numbers

TID Boundary

City of South Milwaukee
Tax Increment District No. 2

Parcel Numbers

Map No. 2

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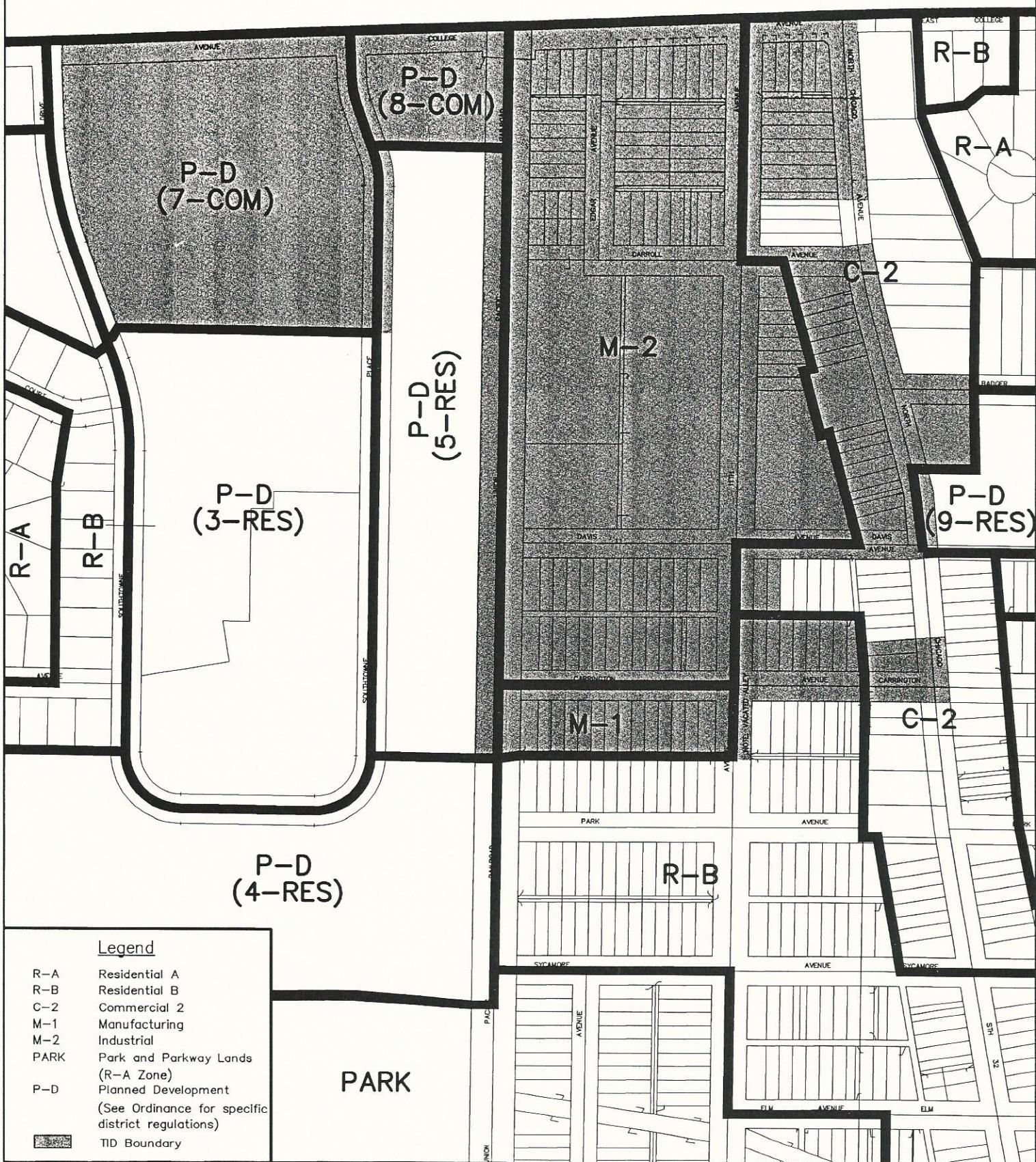
April 2000

PARCEL DATA
CITY OF SOUTH MILWAUKEE
TID #2

Reason for Finding of Blight	Structures demo'd on site?	Parcel #									
		Owner Name		Property Address		Land Value		Improvement Value		Total Value	
		Area (acres)		Use		Area (acres)		Use		Area (acres)	
		Age		Deterioration		Within Blighted Area?		Property Blighted?		Vacant > 7 yrs	
		Obsolescence		Open spaces		Veinilation, light, air, san., or		Deter. of Structures		Diversity of Ownership	
		High density or overcrowding		Endanger life or property		Obsolete Platting		Deter. Of Site Improv.		Impairs sound growth	
		X		X		X		X		X	
		X		X		X		X		X	
		X		X		X		X		X	
		X		X		X		X		X	
7230004	Michals' Limited	312 N. Chicago Ave.	18.900	24,700	43,600	Residential	0.08	Yes	Y	Y	X
7230005	Michals' Limited	314 N Chicago Ave	23,600	0	23,600	Vacant	0.11	No	Yes	Y	X
7230006	Sahagian	1012 Carrington Ave	28,000	0	28,000	Vacant	0.23	Yes	Y	Y	X
7230007	Degner	1016 Carrington Ave	27,000	49,600	76,600	Residential	0.17	No	Y	Y	X
7230008	Mackowiak Life Est	1020 Carrington Ave	18,900	58,100	77,000	Residential	0.08	No	Y	Y	X
7230009	Henkel	1024 Carrington Ave	27,000	58,500	85,500	Residential	0.17	No	Y	Y	X
7230010	Sahr & Sharon M	1021 Davis Ave	27,000	69,400	96,400	Residential	0.16	Yes	Y	Y	X
7230015	Luetzow Industries	1105 Davis Ave	30,300	320,200	350,500	Industrial	0.76	No	Y	Y	X
7230017	Blaeske Inc	1109 Davis Ave	28,800	0	28,800	Vacant	0.43	No	Y	Y	X
7230018	Luetzow Industries	1122 Carrington Ave	15,000	0	15,000	Vacant	0.27	Yes	Y	Y	X
7230019	Bruce	1118 Carrington Ave	14,400	22,000	36,400	Residential	0.17	Yes	Y	Y	X
7230020	Luetzow Industries	1114 Carrington Ave	14,200	0	14,200	Vacant	0.17	Yes	Y	Y	X
7230021	Luetzow Industries	1110 Carrington Ave	14,200	0	14,200	Vacant	0.17	Yes	Y	Y	X
7230022	Wojes	1106 Carrington Ave	24,000	45,400	69,400	Residential	0.22	No	Y	Y	X
7230023	Kurucz	1100 Carrington Ave	31,700	64,900	96,600	Residential	0.22	Yes	Y	Y	X
7230024	Duellman	1103 Carrington Ave	25,400	51,300	76,700	Residential	0.29	Yes	Y	Y	X
7230025	Dretzka	1109 Carrington Ave	15,200	18,500	33,700	Residential	0.17	Yes	Y	Y	X
7230026	Orcholski	1111 Carrington Ave	27,800	51,200	79,000	Residential	0.17	Yes	Y	Y	X
7230027	Heffner	1115 Carrington Ave	27,800	64,800	92,600	Residential	0.17	Yes	Y	Y	X
7230028	Anderson	1121 Carrington Ave	15,200	77,800	93,000	Residential	0.17	Yes	Y	Y	X
7230029	Anderson	1123 Carrington Ave	7,600	0	7,600	Vacant	0.09	Yes	Y	Y	X
7230030	Anderson	1125 Carrington Ave	7,600	0	7,600	Vacant	0.09	Yes	Y	Y	X
7230031	Anderson	1127 Carrington Ave	10,200	0	10,200	Vacant	0.12	Yes	Y	Y	X
7230084	Sahagian	1123 College Ave	25,000	0	25,000	Vacant	0.37	Yes	Y	Y	X
7230085	Sagal	110 Edgar Ave	21,400	49,400	70,800	Industrial	0.45	Yes	Y	Y	X
7230086	Bindas	116 Edgar Ave	18,000	129,300	147,300	Industrial	0.35	No	Y	Y	X
7230087	Racine	124 Edgar Ave	23,400	42,700	66,100	Industrial	2.56	Yes	Y	Y	X
7230088	Sahagian	1115 College Ave	33,800	64,400	98,200	Commercial	0.36	Yes	Y	Y	X

PARCEL DATA
CITY OF SOUTH MILWAUKEE
TID #2

Parcel #	Owner Name	Property Address	Land Value	Improvement Value	Total Value	Use	Area (acres)	Vacant > 7 yrs	Within Blighted Area?	Property Blighted?	Age	Dilapidation	Obscenecne	Ventilation, light, air, san., or open spaces	High density or overcrowding	Endanger life or property	Obsolete Platting	Diversity of Ownership	Deter. of Structures	Deter. Of Site Improv.	Impairs sound growth	Structures demo'd on site?	Reason for Finding of Blight			
7230088	Sahagian	1115 College Ave	33,800	64,400	98,200	Commercial	0.36	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230089	Sahagian	1105 College Ave	34,000	47,200	81,200	Commercial	0.26	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230090	Sahagian	1101 College Ave	26,100	0	26,100	Vacant	0.18	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230091	Wittman Holding Ll	108 11Th Ave	48,100	187,700	235,800	Industrial	0.55	No	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230092	Wallschlaeger Lc	1100 Carroll Ave	19,100	34,700	53,800	Industrial	0.22	No	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230093	Witt	1108 Carroll Ave	43,700	96,000	139,700	Industrial	0.50	No	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230094	So Milwaukee School Dis	109 Edgar Ave	0	0	0	Institutiona	0.55	No	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230095001	Divall Insured Inc	102 N Chicago Ave	244,000	175,000	419,000	Commercial	1.12	No	N	N	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230098	Violet	112 N Chicago Ave	35,000	76,200	111,200	Commercial	0.17	Ye	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230102	Monsisse	200 N Chicago Ave	41,200	47,200	88,400	Commercial	0.31	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230103	Ludeman Trustee	208 N Chicago Ave	32,400	32,000	64,400	Commercial	0.25	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230104	Bank One Trust Co	230 N Chicago Ave	54,000	134,000	188,000	Commercial	0.58	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230105	Stramowski	234 N Chicago Ave	28,400	52,000	80,400	Commercial	0.11	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230106	Northland Industrie	211 11Th Ave	41,800	174,200	216,000	Industrial	1.21	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7230107	Northland Industrie	1010 Davis Ave	24,900	0	24,900	Vacant	0.54	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7239006	Zsf/Gpc(2) Trust	12223 College Ave	160,000	361,000	521,000	Commercial	1.21	No	N	N	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7239007	Security Investment	1301 College Ave	395,000	8,600	403,600	Vacant	8.61	X	No	N	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7239999	Mlachnik	212 N Chicago Ave	66,200	41,600	107,800	Commercial	0.49	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
7249967	Benkowski	221 N Chicago Ave	54,900	12,800	67,700	Commercial	0.42	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
723998001	Midwest Tanning C	1200 Davis Ave	203,400	284,400	487,800	Industrial	5.72	Yes	Y	Y	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
			\$2,153,600	\$3,026,800	\$5,180,400		31.77	acres																		
						Right-of-Way	13.81	acres	Area of Vacant Property	11.36	0.2492															
						Total Acreage in TID	45.58	acres	Area Vacant >7 Years	11.2	0.2468															
						Blighted Area	34.3	acres	Area of Blighted Parcels	16.84	0.5299															



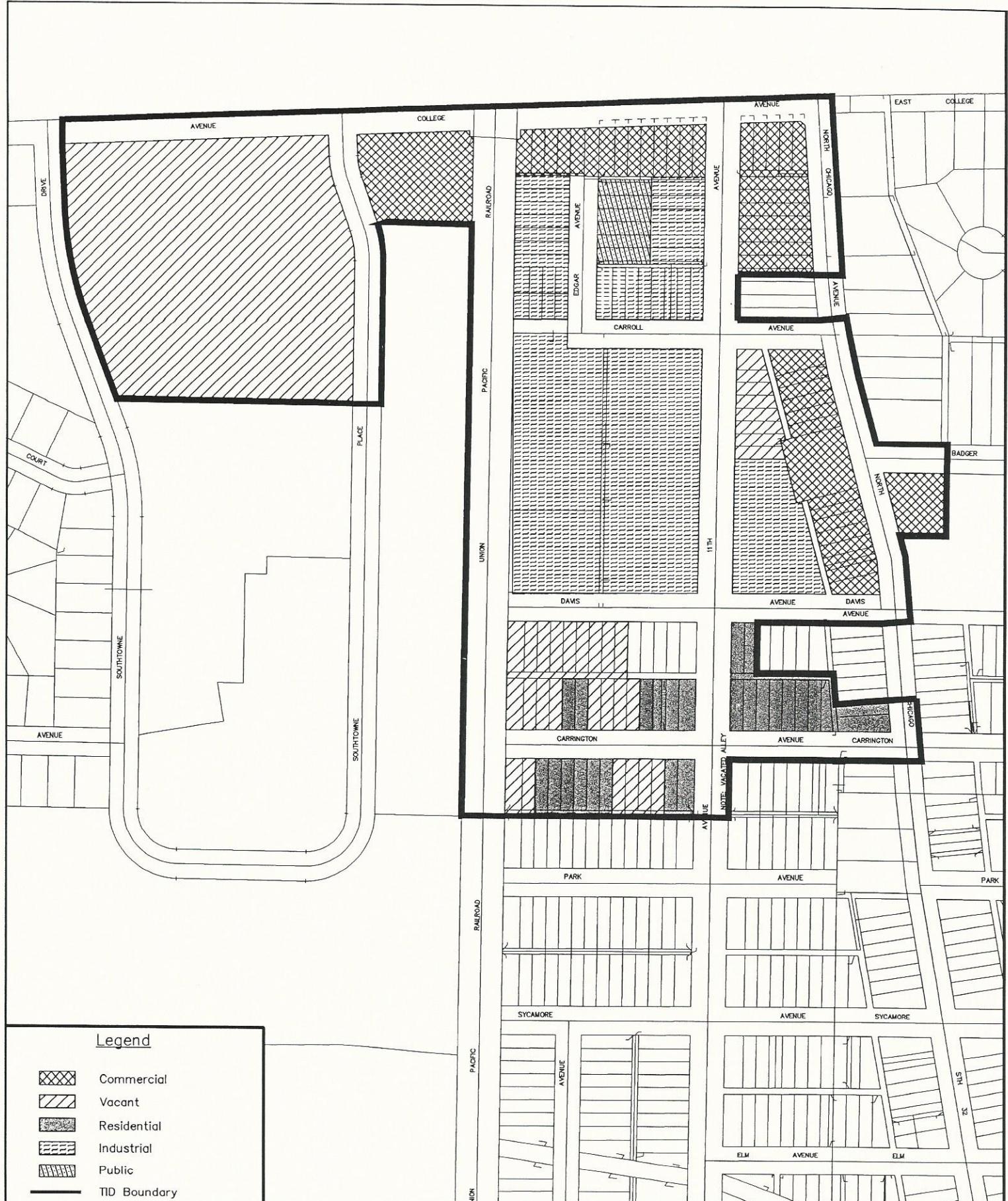
Scale 1"=200'

City of South Milwaukee
Tax Increment District No. 2

Map No. 3

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Legend

A legend consisting of five entries, each with a small graphic followed by a label: 'Commercial' (cross-hatch), 'Vacant' (diagonal lines), 'Residential' (dotted pattern), 'Industrial' (horizontal lines), and 'Public' (vertical lines). Below these is a horizontal line followed by 'TID Boundary'.



Scale 1"=200'

City of South Milwaukee
Tax Increment District No. 2

Existing Land Uses

Map No. 4

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April 2000

The following major public improvement categories are necessary and standard improvements for eliminating blight and promoting redevelopment of blighted areas:

A. Infrastructure for Development of TID:

Infrastructure costs most often include projects located within the boundaries of the TID. Infrastructure costs for projects located outside the TID, benefiting or necessary for the development within the TID may also be eligible TID projects. Such costs must be shared in a reasonable manner relating to the amount of benefit to the District.

Infrastructure projects unknown at this time, but consistent with the purpose of TID No. 2 may be eligible project costs. Such eligibility will be determined by the City Council and/or the CDA at the time the projects are being considered.

B. Site Preparation:

Site development activities required to make sites suitable for reuse include, but are not limited to: environmental studies, environmental cleanups, stripping topsoil, grading, compacted granular fill, topsoil replacement, access drives, parking areas, landscaping, storm water detention areas, razing existing structures, relocating power lines, utilities, signs, fencing, and related activities. Other site preparation activities, unknown at this time, may be eligible costs as long as they are consistent with the purpose of TID No. 2 and approved by the City Council.

C. CDA Redevelopment Funds:

The City may provide funds to a Community Development Authority or Redevelopment Authority for the purpose of acquiring property, entering into financial agreements and other contracts with property owners or developers or any other activity authorized by Wisconsin Statutes to be undertaken by such an Authority.

D. Promotion & Development:

Promotion and development of TID No. 2 including professional services for marketing, recruitment and proposal development, Realtor commissions and fees in lieu of commissions, marketing services and materials, advertising costs, administrative costs and support of development organizations are all eligible costs under this section.

E. Real Estate Acquisition:

This may include, but is not limited to purchase of fee title, easements, appraisals, consultant fees, closing costs, surveying and mapping, lease and/ or sale of property at below market price to encourage or make feasible a blight elimination or redevelopment project.

F. Relocation Costs:

Relocation costs in the event any property is acquired for the above projects, including the cost of a relocation plan, director, staff, publications, appraisals, land and property acquisition costs and relocation benefits as required by Wisconsin Statutes 32.19 and 32.195.

G. Administrative Costs:

Imputed administrative costs including, but not limited to, a portion of the salaries of the City employees and elected officials, professional fees for audits, legal review, planning and engineering services, professional assistance with the general administration of TID No. 2, and others directly involved with the projects over the seven year expenditure period.

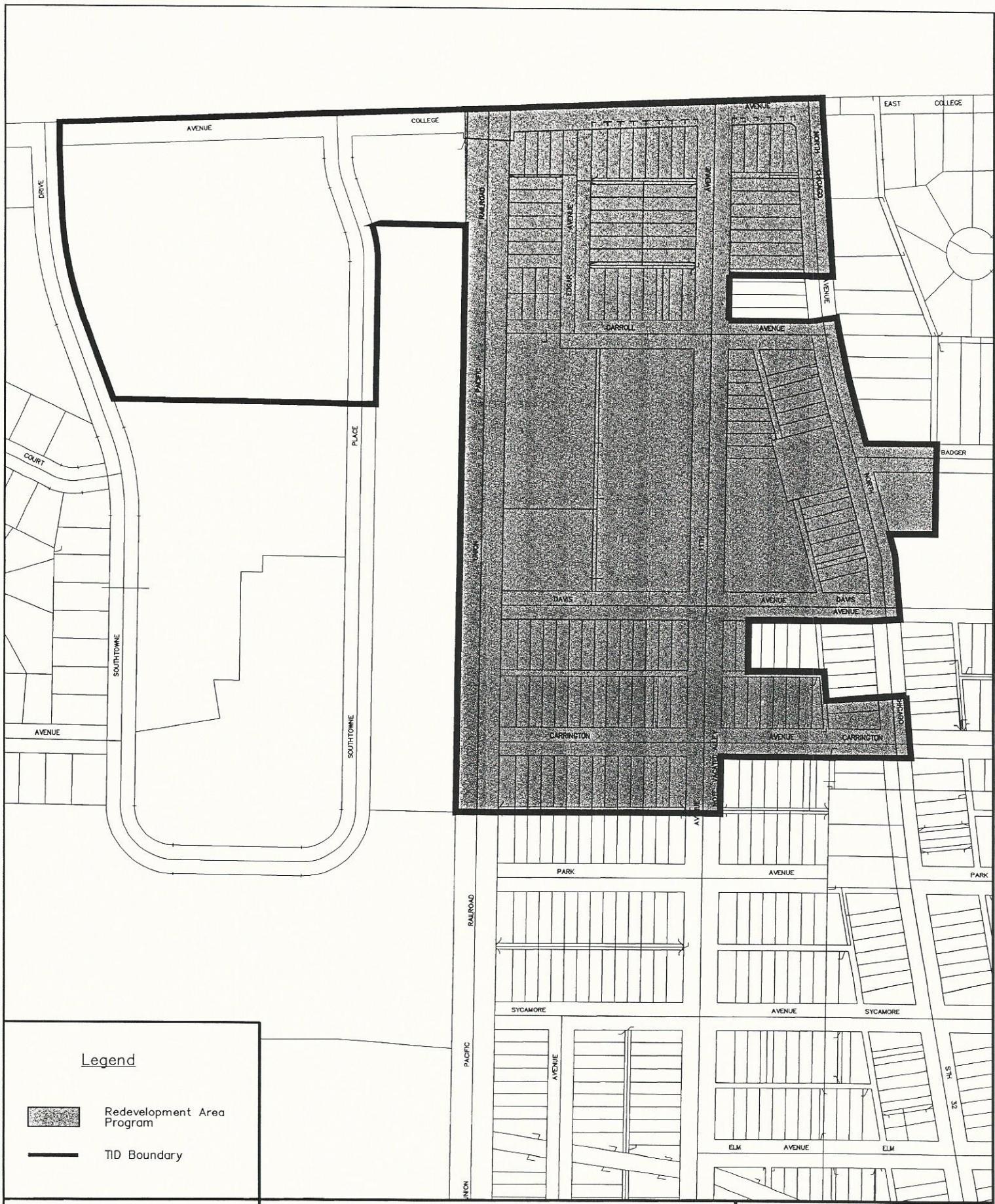
H. Organization Costs:

Organization costs including, but not limited to, the fees of the financial consultant, attorney, engineers, planners, surveyors, appraisers, title companies, map makers, and other contracted services related to the creation of the TID.

I. Financing Costs:

Interest, finance fees, bond discounts, bond redemption premiums, legal opinions, ratings, capitalized interest, bond insurance and other expenses related to financing.

The projects listed above will provide necessary facilities and support to enable and encourage the development of TID No. 2. These projects may be implemented in varying degrees in response to development needs.



City of South Milwaukee
Tax Increment District No. 2

Proposed Improvements



Scale 1"=200'

Map No. 5

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April 2000

III. DETAILED LIST OF PROJECT COSTS

The table below describes the detailed project costs for project categories anticipated to be implemented during the expenditure period of TID No. 2. This format follows Dept. of Revenue guidance on detailed project costs, which states “this list should show estimated expenditures expected for each major category of public improvements”.

All costs listed are based on 2000 prices and are preliminary estimates. The City reserves the right to revise these cost estimates to reflect change in project scope, inflation and other unforeseen circumstances between 2000 and the time of construction or implementation. The City should pursue grant programs to help share project costs included in this project plan, as appropriate. Planned project costs are listed in the table below. A more detailed list of planned project costs is included as Attachment #3.

The City may fund specific project cost items shown below in significantly greater or lesser amounts in response to opportunities which will help the City accomplish the purposes of TID No. 2. The City will generally use overall benefit to the City and economic feasibility, i.e. the availability of future revenue to support additional project costs, in determining the actual budget for project cost items over the course of the TID’s expenditure period.

SOUTH MILWAUKEE TID NO. 2 PLANNED PROJECT COSTS			
Proposed Improvements	Total Cost	Others Share	TID Share
A. Infrastructure Improvements	\$160,000	-0-	\$160,000
B. Site Preparation	\$0	-0-	\$0
C. CDA Redevelopment Funds	\$1,000,000	-0-	\$1,000,000
D. Promotion & Development	\$50,000	-0-	\$50,000
E. Real Estate Acquisition	\$0	-0-	\$0
F. Relocation Costs	\$0	-0-	\$0
G. Administration & Planning	\$70,000	-0-	\$70,000
H. Organizational Costs	\$20,000	-0-	\$20,000
TID SHARE SUBTOTAL	\$1,300,000	-0-	\$1,300,000
Inflation Cost Adjustment			-0-
Capitalized Interest			-0-
Financing Costs (<i>Interest less Capitalized Interest, Financing Fees</i>)			\$942,064
TOTAL TID EXPENDITURE			\$2,242,064

IV. ECONOMIC FEASIBILITY STUDY

In order to evaluate the economic feasibility of the TID, it is necessary to project the amount of tax incremental revenue that can reasonably be generated from the district. The ability of the municipality to finance proposed projects must also be determined. TID No. 2 is economically feasible if the tax incremental revenue generated over the life of the TID is sufficient to pay all project and financing costs incurred during the TID's expenditure period. The components of such an analysis include:

- A. The expected increase in property valuation due to inflation and the impact of general economic conditions on the TID.
- B. The expected increase in property valuation due to new development encouraged by the TID.
- C. Any change that may take place in the full value tax rate.

Following is a discussion of these components. Financing issues are discussed in the next section.

A. Inflation

Throughout the past twenty years, the annual rate of inflation has averaged 6 percent. Currently the State of Wisconsin Department of Administration Office of Budget and Finance is using long term inflation rates of 3 percent to 5.5 percent. In order to account for a long term national trend toward lower rates of inflation, the inflation rate, for the purpose of making projections of equalized value, will be a very conservative 0 percent.

B. Increase in Property Value

The proposed plan for TID No. 2 will encourage the redevelopment of several properties in the City. A proposed development within TID No. 2 is estimated to create \$5,000,000 in increased property valuation. This increase is expected to occur between 2000 and 2001. Revenue from this development will fund the redevelopment of blighted, obsolete and underutilized property within the blighted area of TID No. 2. This redevelopment should create additional increased property valuation, although it is difficult to project the net increase without specific redevelopment proposals. Other miscellaneous improvements may occur within the TID which will also add value.

C. Full Value Tax Rate

The third variable to consider in projecting TID revenues is the full value tax rate. The full value tax rate is adjusted annually based on property valuation and the amount of funds required by all taxing jurisdictions to support their adopted annual budgets. The

following chart summarizes the historic full value tax rate in the City between 1993 and 1999.

Year	Full Value Rate	Percent Change
1993	.03177	N/A
1994	.02975	-6.36%
1995	.02945	-1.01%
1996	.02542	-13.68%
1997	.02437	-4.13%
1998	.02253	-7.55%
1999	0.2448	+8.7%

The full value rate has been historically decreasing since 1993. This decline is due to a number of factors, including property tax reform measures at the state level. The equalized value of the City of South Milwaukee has increased 19.8% since 1993. A full value tax rate of .02448 with 0% change will be used in this project plan to project TID revenues.

D. TIF Revenues

Utilizing an average inflation rate of 0 percent, projected construction increment of \$5,000,000 and an initial tax rate of .02448, which is projected to remain constant, the projected TIF Revenue from TID No. 2 will be as shown in the Tax Increment Proforma in Attachment #5.

The total tax increment revenue is sufficient to pay all TID related costs for the amounts shown in the Planned Project Costs on Page 6. The projected construction increment is sufficient to finance future project costs of \$1,300,000.

E. Cash Flow

Another consideration regarding the adequacy of TID revenues toward paying project costs is the relative timing of revenue and expenditure, or cash flow. As previously stated, there are sufficient TID revenues over the life of the TID to pay all costs. In addition, there are sufficient TID revenues in each year to pay all costs. Borrowing is planned to be timed to coincide with the flow of TID revenue, thereby avoiding the need to borrow additional funds to pay interest costs on the borrowing (capitalized interest) before there is sufficient TID revenue to cover debt service. The Tax Increment Cash Flow Worksheet shown on Attachment #6 summarizes the assumed cash flow.

V. FINANCING METHODS AND TIMETABLE

A. Financing Methods

An important aspect to consider in assessing the economic feasibility of TID No. 2, is the ability of the City to finance desired projects to encourage development. Financial resources available to the City include general obligation notes and bonds, revenue bonds, special assessments, and federal and state community development programs. Additionally, a Community Development Authority may finance project costs within a TID and the City may apply TID revenue to the CDA to service the debt incurred to finance eligible projects within the TID.

General obligations of the City are limited by state law to five percent of the equalized property value. The City has a current total debt capacity of \$40,581,610 and \$13,000,000 in existing General Obligation debt. Using this data, the current remaining debt capacity is \$34,481,610. This is more than adequate financing capacity to finance the planned project costs of approximately \$1.3 million.

The City has the capacity to finance some project costs through direct debt or bond instruments, utilizing the general revenue capacity of the City to secure those instruments. There are other mechanisms available to pay for some project costs that would not count against the City's constitutional debt capacity.

The City may utilize revenue bonds repaid from fees for services charged by the City. Common examples of such revenue are charges for sewer and water usage. There is no statutory limit on the amount of revenue bonds that can be issued, however, the City must demonstrate the ability to repay the debt from anticipated revenues. A further factor that could potentially limit revenues is that utility rates may be regulated by the Wisconsin Public Service Commission.

Some project costs can potentially be paid through special assessments levied on properties directly benefiting from the improvements. Costs of streets, curbs, gutters, and sewer and water extensions are commonly paid through special assessments. The City can issue special assessment bonds, pledging revenues from the special assessments on individual properties to repay the debt. Property owners are generally permitted to pay the special assessments in installments. These bonds are not counted against the City's constitutional debt limit.

The City anticipates the creation of a Community Development Authority to finance most of the redevelopment projects planned for TID No. 2. Infrastructure work is anticipated to be financed by the City.

B. Timetable

The City of South Milwaukee has a maximum of seven years, until June 2007, to incur TIF expenses for the projects outlined in this plan. The City Council is not mandated to make the improvements defined in this plan; each project will require case by case review and approval. The decision to proceed with a particular project will be based on the economic conditions and budgetary constraints at the time a project is scheduled for consideration. Actual implementation of the projects may be accelerated or deferred, depending on conditions existing at the time.

C. Description of Methods of Financing and Time Such Costs or Related Monetary Obligations are to be Incurred

Financing for the projects shown above will be done as summarized in the Financing Summary and the Debt Service plans for the borrowing shown in Attachments #3 and #4. The actual number, timing, and amounts of debt issues will be determined by the City and the CDA at its convenience and as dictated by the nature of the projects as they are implemented. All monetary obligations will be incurred within the seven year expenditure period, unless a relocation requires extending beyond the seven year period.

VI. ANALYSIS OF OVERLYING TAXING DISTRICTS

Taxing Districts overlying the City of South Milwaukee TID No. 2 include Milwaukee County, South Milwaukee School District, Milwaukee Area Technical College, and the State of Wisconsin. Impact on the overlying taxing districts is based on the percentage of tax collections in TID No. 2 in 1999. Total TIF Increment over the life of the district is divided by a proportionate share of each taxing jurisdiction. An analysis of the impact on overlying taxing districts is included as Attachment #7.

VII. MAPS SHOWING EXISTING LAND USES AND ZONING

See Maps #3 and #4, pages 8 and 9.

VIII. MAPS SHOWING PROPOSED IMPROVEMENTS (SEE MAP 5)

See Map #5, page 12.

IX. PROPOSED CHANGES IN THE MASTER PLAN, MAPS, BUILDING CODES AND CITY ORDINANCES

The City of South Milwaukee has a Community Master Plan. No changes of the Master Plan, Official Map, Building Codes or City Ordinances are required for the implementation of this project plan. However, the City is just beginning a process of preparing a

Comprehensive Plan to meet the new Wisconsin standards for Comprehensive Plans. Changes to the existing Master Plan, Official Map, Building Codes or City Ordinances may occur as a result of this planning process.

X. A LIST OF ESTIMATED NON-PROJECT COSTS

There are no project costs planned for TID No. 2 which would directly benefit property outside the TID, therefore there are no "non-project" costs.

XI. PROPOSED METHOD FOR THE RELOCATION OF ANY DISPLACED PERSONS

No persons are expected to be displaced or relocated as a result of proposed projects in TID No. 2. The following is the method proposed to be followed by the City or CDA if future projects require displacement or relocation. Before negotiations begin for the acquisition of property or easements, all property owners will be contacted to determine if there will be displaced persons as defined by Wisconsin Statues and Administrative Rules. If it appears there will be displaced persons, all property owners and prospective displacees will be provided an informational pamphlet prepared by the Wisconsin Department of Commerce (DOC). If any person is to be displaced as a result of the acquisition they will be given a pamphlet on "Relocation Benefits" as prepared by the DOC. The City will file a relocation plan with the DOC and shall keep records as required in Wisconsin Statutes 32.27. The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project and a list of neighboring landowners to whom offers are being made as required by law.

XII. STATEMENT INDICATING HOW CREATION OF THE TID PROMOTES THE ORDERLY DEVELOPMENT OF THE CITY OF SOUTH MILWAUKEE

The creation of TID No. 2 will encourage the development of blighted and otherwise economically distressed and underutilized property in the City. Creation of the TID will also, in general, promote the public health, safety and general welfare. Successful implementation of the projects planned in TID #2 will build tax base for the City and overlying taxing jurisdictions and improve the vitality of the neighborhood and downtown area by bringing more people to live in the neighborhood. This will provide a greater market for neighborhood businesses, which will improve the stability of those businesses.

XIII. DISTRICT BOUNDARIES

Prior to considering the specific area to include within the TID, the Planning Commission established criteria to act as guidelines in their work. The boundary criteria are as follows:

1. The aggregate value of equalized taxable property of the TID cannot exceed 7% of the total value of equalized taxable property in the City, or equalized value of district plus value increments of all other districts won't exceed 5% of the total value of equalized taxable property in the City.

2. A minimum of 50 percent of the TID must be blighted, in need of rehabilitation or conservation or suitable for industrial use.
3. All lands within the TID shall be contiguous.

Boundary Description:

City of South Milwaukee, Tax Increment District No. 2 follows:

Lands located in part of the NW ¼, NE ¼ and SE ¼ of the NW ¼ and part of the SW ¼ and NW ¼ of the NE ¼, all in Section 2, T5N, R22E, in the City of South Milwaukee, Milwaukee County, Wisconsin, described as follows:

Commencing at the Northwest Corner of said Section 2; thence Easterly along the North line of the said NW ¼ of Section 2, 863.28 feet to the point of beginning; thence Southerly, along the Easterly right-of-way of Southtowne Drive and it's northerly extension, 662.20 feet to the Southwest Corner of Lot 2, Milwaukee County Certified Survey Map No. 6144; thence Easterly, along the southerly line of said Lot 2 and it's easterly extension, 613.36 to the intersection with the East line of Southtowne Place; thence Northerly, along the said Easterly line of Southtowne Place, 422.39 feet to the Southwest Corner of Lot 1 of Milwaukee County Certified Survey Map Number 6144; thence Easterly, along the south line of said Lot 1, 220.60 feet to the Southeast Corner of said Lot 1; thence Southerly, along the West right-of-way of the Union Pacific Railroad, 1372.39 feet to the Southeast Corner of Lot 1, Milwaukee County Certified Survey Map No. 5314; thence Easterly 100 feet to the intersection of the centerline of a vacated alley located within Block 3, Carrington Heights Subdivision with the East right-of-way of the Union Pacific Railroad; thence Easterly, along said centerline of vacated alley and its' Easterly extension, 520.43 feet to the intersection with the East line of Eleventh Avenue; thence Northerly, along the said East line of said Eleventh Avenue, 127 feet to the Northwest Corner of Block 4, Carrington Heights Subdivision; thence Easterly, along the South line of Carrington Avenue, 379.52 feet to the Northeast Corner of said Block 4, Carrington Heights Subdivision; thence continuing Easterly, 66 feet, to the Northwest Corner of Block 1, The Beaver Dam Investment Company's Subdivision; thence N 5°05' W, along the East line of Chicago Avenue 146 feet, more or less, to the intersection with the easterly extension of the North line of Lot 7, Block 1, Carrington Heights Subdivision; thence Westerly, along the said North line of Lot 7 and it's extension, 186 feet to the Northwest Corner of said Lot 7, Block 1, Carrington Heights Subdivision; thence Northerly along the East line of an Alley within said Block 1, Carrington Heights Subdivision, 70 feet, more or less, to the intersection with the easterly extension of the North line of an East-West alley within said Block 1, Carrington Heights Subdivision; thence Westerly, along said North line of Alley and it's extension, 181 feet, more or less, to the Southeast Corner of Lot 18, Block 1, Carrington Heights Subdivision; thence Northerly, 120 feet to the Northeast Corner of Lot 18, Block 1, Carrington Heights Subdivision; thence Easterly, along the South line of Davis Avenue, 357.5 feet, more or less,

less, to the Northwest Corner of Block 2, The Beaver Dam Investment Company's Subdivision; thence Northerly, along the Easterly line of North Chicago Avenue, 208 feet, more or less, to a point that is S 15°20' E, 218.44 feet, of the Southwest Corner of Lot 1, Lake View Subdivision No. 1, as measured along the said east line of North Chicago Avenue; thence Easterly 106.83 feet; thence Northerly, 144.66 feet to the intersection with the south line of Badger Avenue, said point being 146.5 feet easterly of the intersection of the South line of Badger Avenue and the Easterly line of North Chicago Avenue; thence continuing Northerly, 66 feet to the Southwest Corner of Lot 2, Lake View Subdivision No. 1; thence Westerly, along the North Line of Badger Avenue, 165 feet to the said southwest corner of Lot 1, Lake View Subdivision No.1; thence Northerly, along the Easterly line of said North Chicago Avenue, 296 feet, more or less, to the intersection with the Easterly extension of the North line of Carroll Avenue; thence Westerly, along the said North line of Carroll Avenue and it's extension, 253.3 feet, more or less, to the Southwest Corner of Block 3, Map of College Avenue Subdivision; thence Northerly, along the east line of Eleventh Avenue, 105 feet to the Southwest Corner of the North 1/2 of Lot 13, Block 3, Map of College Avenue Subdivision; thence Easterly, along the southerly line and it's easterly extension of the North 1/2 of Lot 13, Block 3, Map of College Avenue Subdivision, 242 feet, more or less, to the intersection with the Easterly line of North Chicago Avenue; thence Northerly, along the said Easterly line of North Chicago Avenue, 413 feet, more or less, to the intersection with the said North line of the NW 1/4 of Section 2; thence Westerly, along the said North line of the NW 1/4 of Section 2, 1785.5 feet, more or less, to the point of beginning.

All bearings and distances are from record documents and are used for description clarity only.

XIV. ATTORNEY OPINION LETTER AND CITY COUNCIL RESOLUTION

See Attorney Opinion Letter and City Council Resolution on the following pages.

G:\DATA\COMM.DEV\South Milwaukee\012008541 TIDs 1 & 2\TID #2\Project Plan TID 2.doc

**CITY OF SOUTH MILWAUKEE
CITY ATTORNEY**

P. O. Box 308
South Milwaukee, WI 53172
phone: 414-764-4410
fax: 414-764-6769

June 28, 2000

Mayor David Kieck
City of South Milwaukee
2424 15th Avenue
South Milwaukee, WI 53172

**Re: Tax Increment District No. 1
Opinion Letter Regarding Compliance with SS 66.46(4)**

Dear Mayor Kieck:

As City Attorney for the City of South Milwaukee, I have been asked to review the TID No. 1 Project Plan, which will be submitted to the City of South Milwaukee City Council on July 5, 2000. In accordance with my duties, I have reviewed not only the Project Plan, but also the following documents:

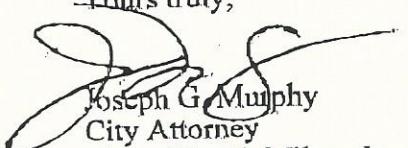
1. Notice of Public Hearing on the creation of Tax Increment District No. 1;
2. Notices to property owners within the area proposed to be found blighted;
3. Timetable for creation of TID No. 1 submitted by Vierbicher Associates, Inc.;
4. The District Boundary Maps;
5. Resolution to be adopted by the City Council.

There are no plats for parcels proposed for residential development.

Based upon the foregoing documents and the information submitted to me, it is my opinion that the Project Plan is complete and complies with W.S.A. 66.46(4).

I am providing you with a copy of this letter, which should be attached to the Project Plan, assuming it is adopted by the City Council. Any questions regarding this opinion may be directed to me.

Yours truly,



Joseph G. Murphy
City Attorney
City of South Milwaukee

JGM:hcf
Encl.

RESOLUTION NO. 00-24
RESOLUTION CREATING TAX INCREMENTAL DISTRICT NO. 2

WHEREAS, the Common Council of the City of South Milwaukee requested the Plan Commission to identify a boundary and prepare a Project Plan for the creation of Tax Incremental District (TID) No. 2; and

WHEREAS, the Plan Commission established boundaries for said TID No. 2 and caused a Project Plan to be prepared which identified a blighted area and public improvements necessary to eliminate blighting conditions and promote the redevelopment of said blighted area; and

WHEREAS, the Plan Commission conducted a public hearing on said boundary and Project Plan after duly notifying property owners and overlying taxing jurisdictions of said public hearing; and

WHEREAS, the Plan Commission approved said boundary and Project Plan for TID No. 2 and recommended the Common Council of the City of South Milwaukee create TID No. 2 as approved by the Plan Commission;

NOW, THEREFORE, BE IT RESOLVED, the Common Council of the City of South Milwaukee hereby creates a Tax Incremental District which shall be known as Tax Incremental District (TID) No. 2, City of South Milwaukee and said District shall be created effective January 1, 2000.

BE IT FURTHER RESOLVED, the boundaries for TID No. 2 shall be those attached and marked as Exhibit A (map) and B (description) to this Resolution and contains only whole units of property as are assessed for property tax purposes; and

BE IT FURTHER RESOLVED, the City hereby confirms that less than 25% of the real property within TID No. 2 has stood vacant for an entire 7 year period prior to the adoption of this resolution; and

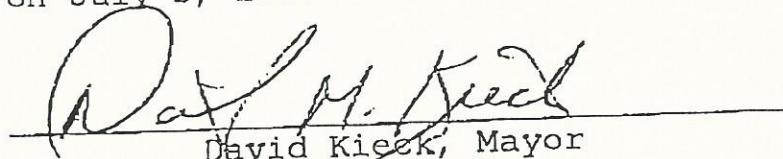
BE IT FURTHER RESOLVED, the City makes the following findings:

- A. Not less than 50 percent, by area, of the real property within the District is blighted as described on Exhibit A; and

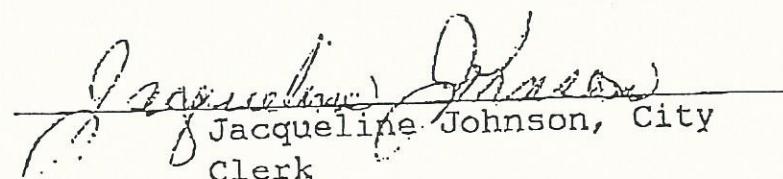
- B. The improvement of TID No. 2 is likely to enhance significantly the value of substantially all of the other real property in such District; and
- C. The project costs directly serve to eliminate blight and are consistent with the purpose for which the Tax Incremental District is created; and
- D. The aggregate value of equalized taxable property of the District plus all existing districts does not exceed seven percent of the total value of equalized taxable property within the City.

BE IT FURTHER RESOLVED, pursuant to Wisconsin Statutes 66.46(4)(g), the Common Council hereby approves the Project Plan as recommended by the Plan Commission, and finds that it is feasible and in conformity with the master plan of the City.

This Resolution is being adopted by the Common Council at a duly scheduled meeting on July 5, 2000.



David Kieck, Mayor



Jacqueline Johnson, City
Clerk

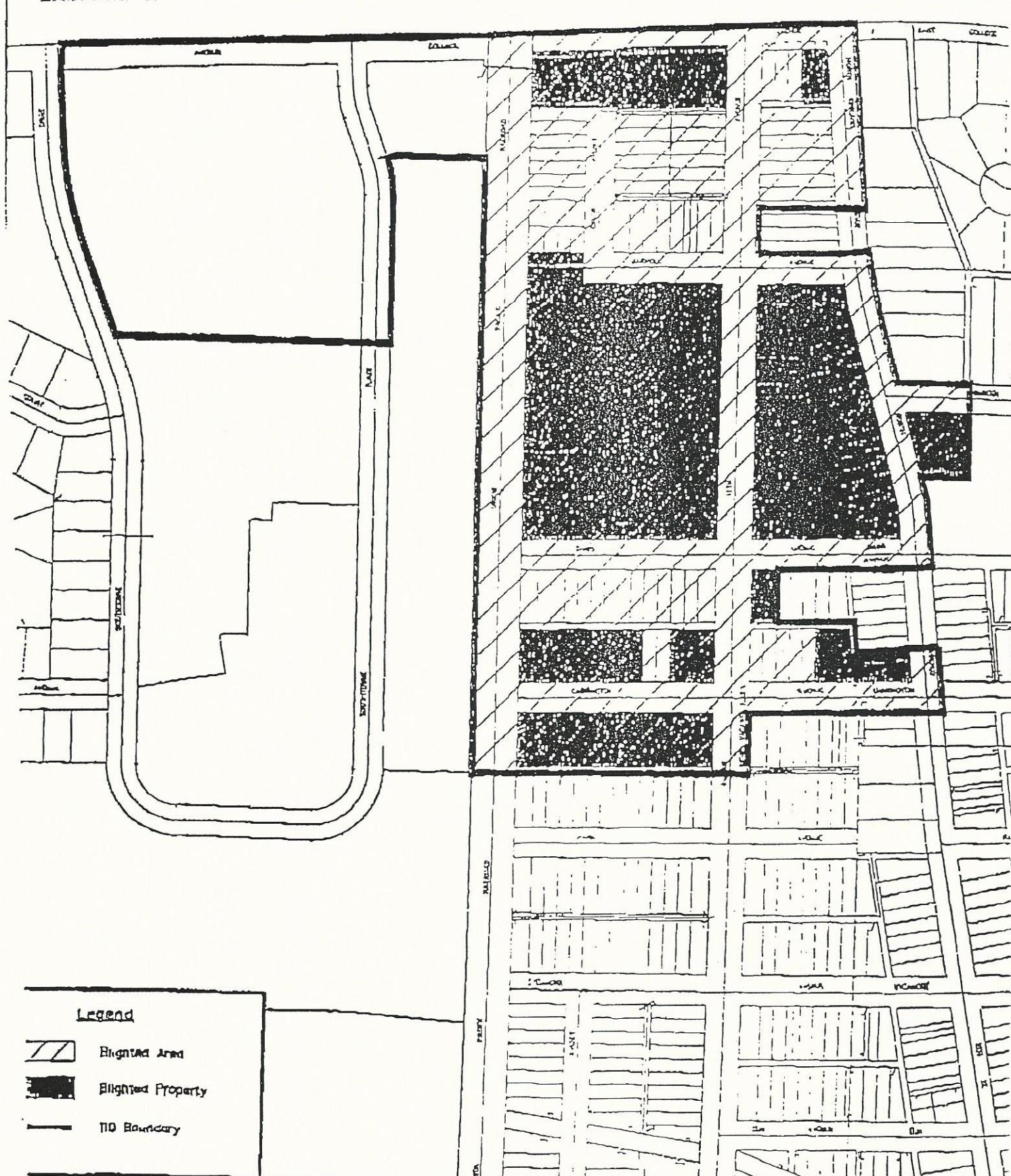
CERTIFICATION

I, Jacqueline Johnson Clerk of the City of South Milwaukee, certify that the foregoing Resolution was duly and regularly adopted by the Common Council at a duly scheduled meeting held at the City Hall on July 5, 2000. Motion by Alderperson Bartoshevich seconded by Alderperson Kopaczewski to adopt the Resolution.

Vote: 8 Yes 0 No

Resolution Adopted.

EXHIBIT A

Legend

- / / Blighted Area
- ██████████ Blighted Property
- TID Boundary



Scale 1"=200'

City of South Milwaukee
Tax Increment District No. 2

District Boundary and Condition of Property

Map No. 1

April 2000

EXHIBIT B

Description of Boundary
South Milwaukee TID NO. 2

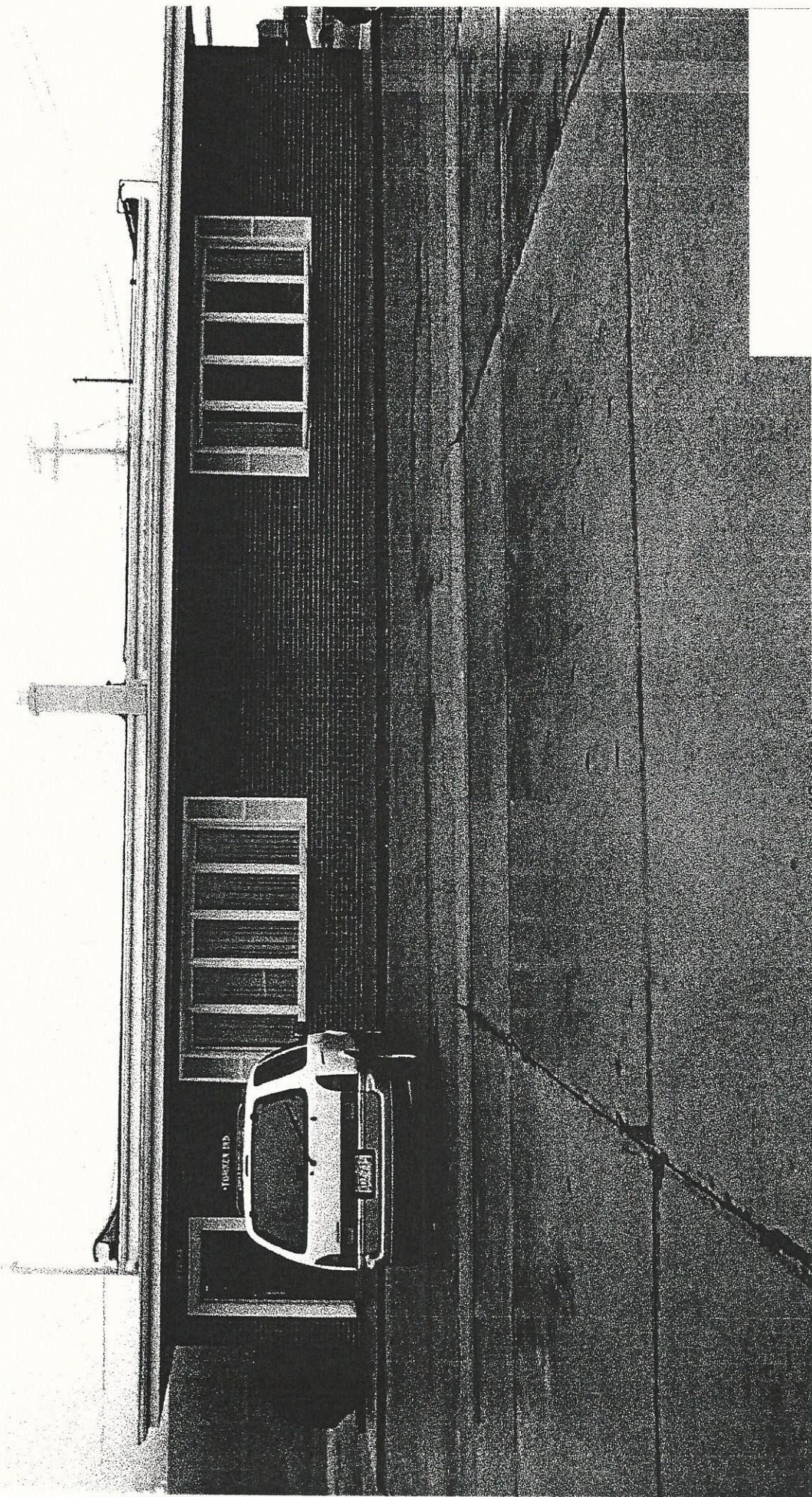
Lands located in part of the NW ¼, NE ¼ and SE ¼ of the NW ¼ and part of the SW ¼ and NW ¼ of the NE ¼, all in Section 2, T5N, R22E, in the City of South Milwaukee, Milwaukee County, Wisconsin, described as follows:

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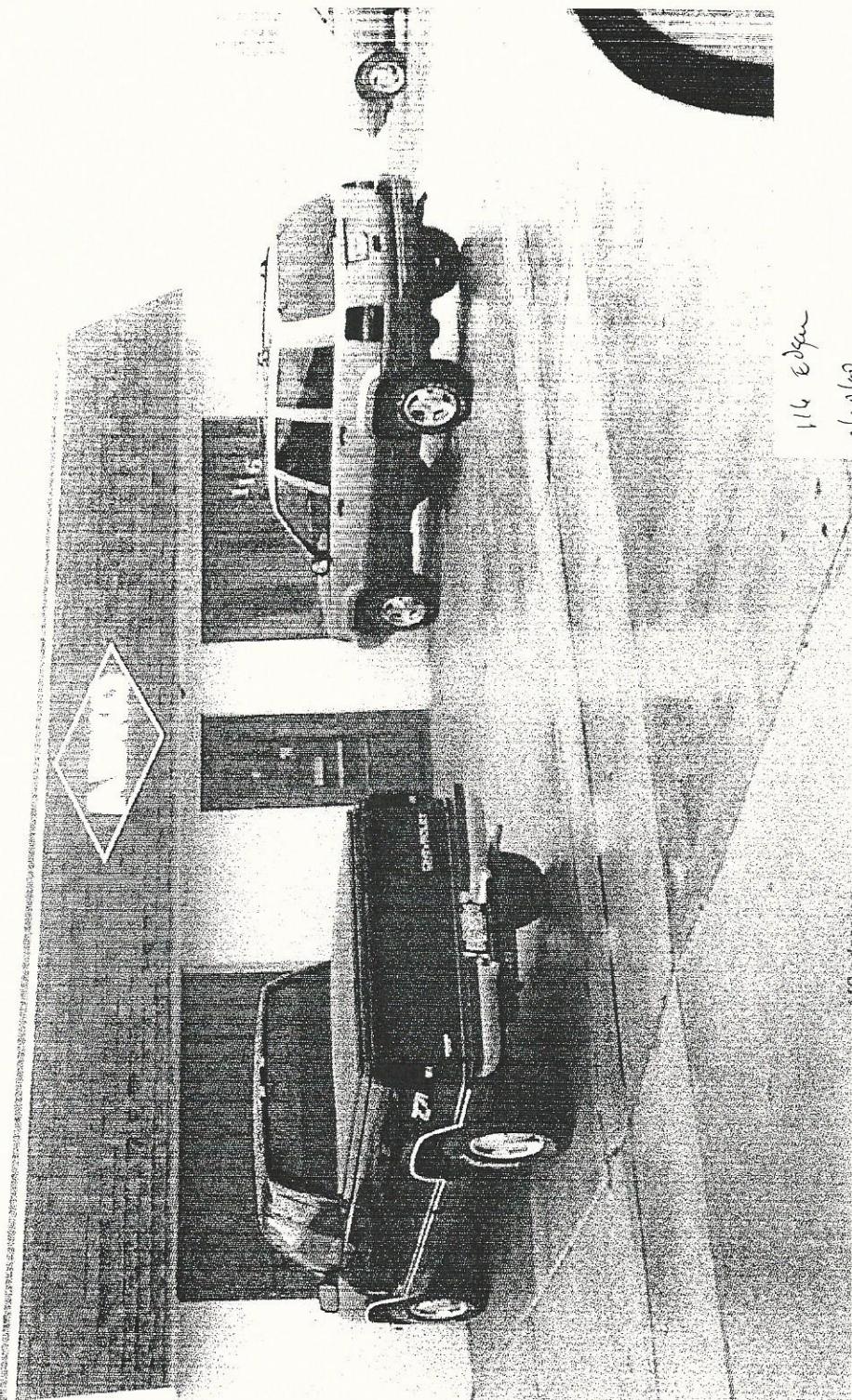
EXHIBIT B

208 feet, more or less, to a point that is S 15°20' E, 218.44 feet, of the Southwest Corner of Lot 1, Lake View Subdivision No. 1, as measured along the said east line of North Chicago Avenue; thence Easterly 106.83 feet; thence Northerly, 144.66 feet to the intersection with the south line of Badger Avenue, said point being 146.5 feet easterly of the intersection of the South line of Badger Avenue and the Easterly line of North Chicago Avenue; thence continuing Northerly, 66 feet to the Southwest Corner of Lot 2, Lake View Subdivision No. 1; thence Westerly, along the North Line of Badger Avenue, 165 feet to the said southwest corner of Lot 1, Lake View Subdivision No. 1; thence Northerly, along the Easterly line of said North Chicago Avenue, 296 feet, more or less, to the intersection with the Easterly extension of the North line of Carroll Avenue; thence Westerly, along the said North line of Carroll Avenue and it's extension, 253.3 feet, more or less, to the Southwest Corner of Block 3, Map of College Avenue Subdivision; thence Northerly, along the east line of Eleventh Avenue, 105 feet to the Southwest Corner of the North $\frac{1}{2}$ of Lot 13, Block 3, Map of College Avenue Subdivision; thence Easterly, along the southerly line and it's easterly extension of the North $\frac{1}{2}$ of Lot 13, Block 3, Map of College Avenue Subdivision, 242 feet, more or less, to the intersection with the Easterly line of North Chicago Avenue; thence Northerly, along the said Easterly line of North Chicago Avenue, 413 feet, more or less, to the intersection with the said North line of the NW $\frac{1}{4}$ of Section 2; thence Westerly, along the said North line of the NW $\frac{1}{4}$ of Section 2, 1785.5 feet, more or less, to the point of beginning.

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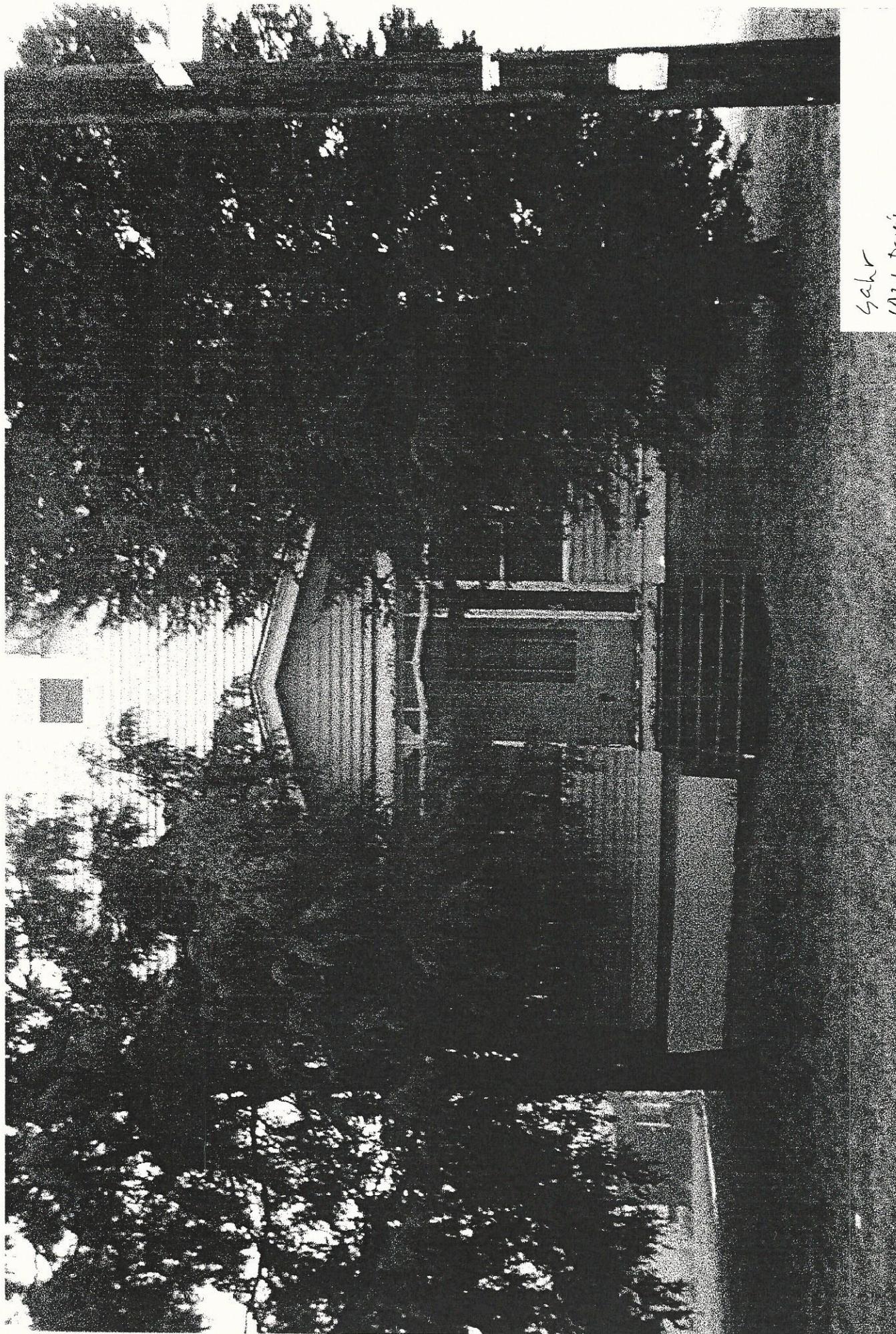


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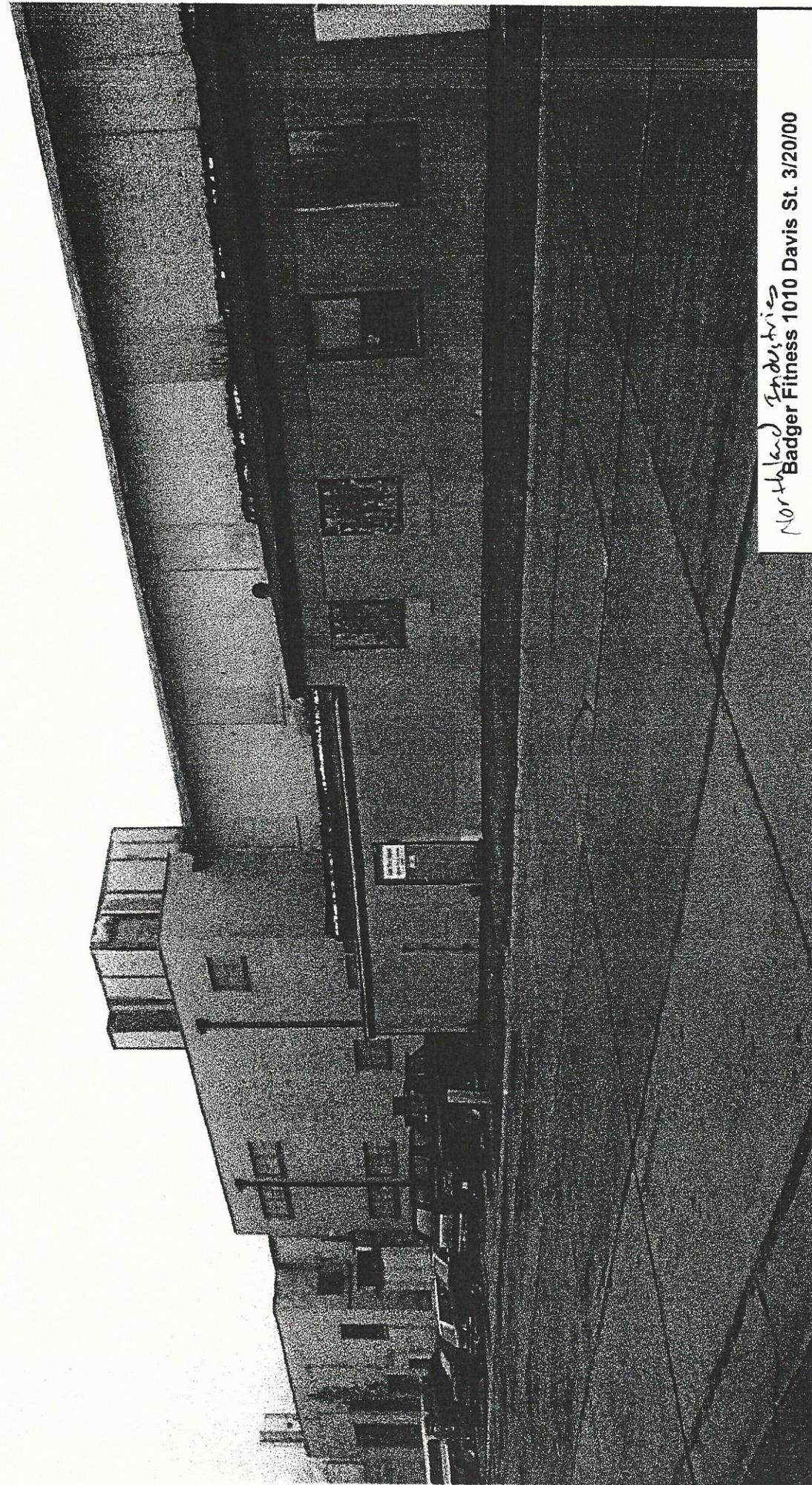
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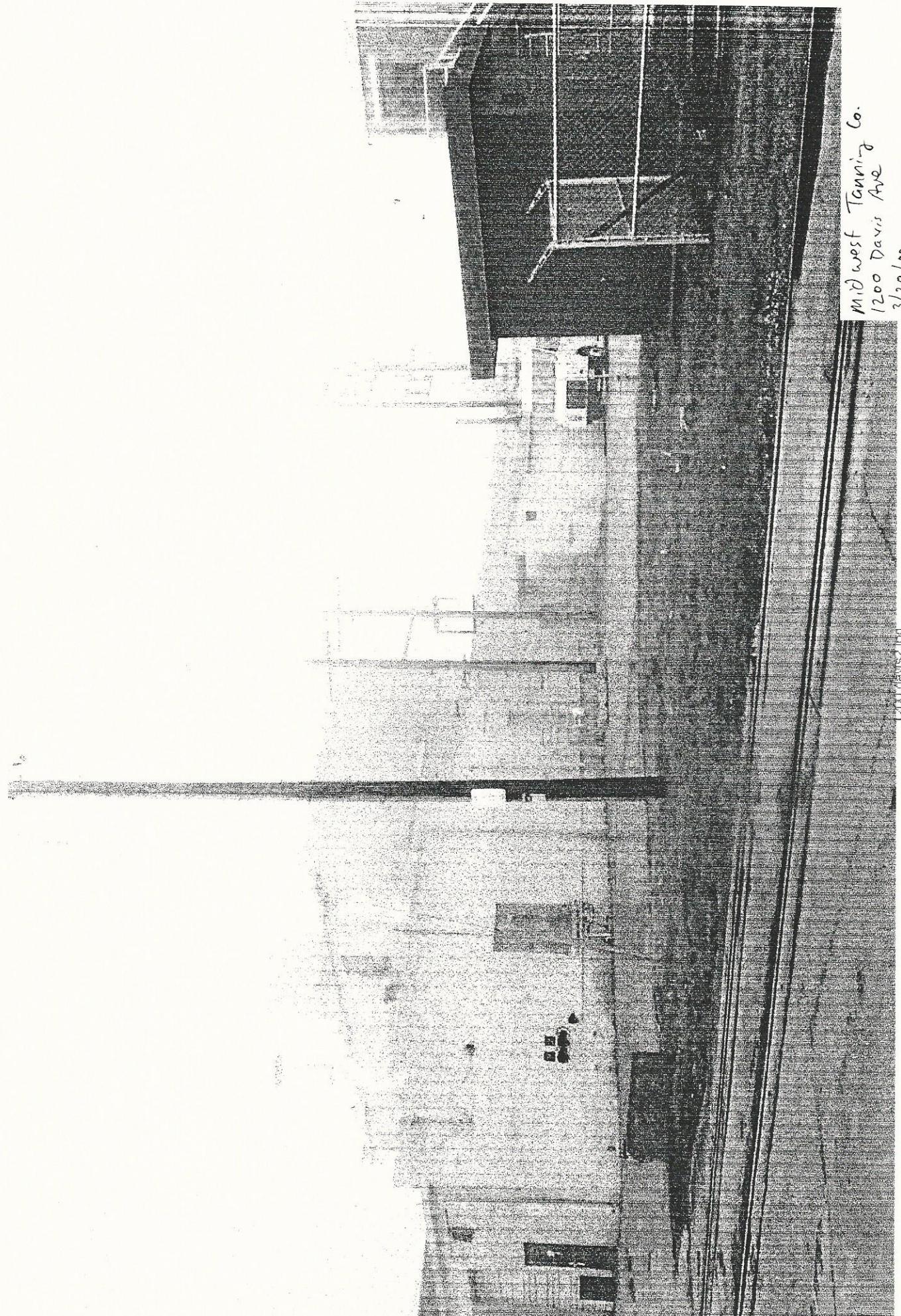
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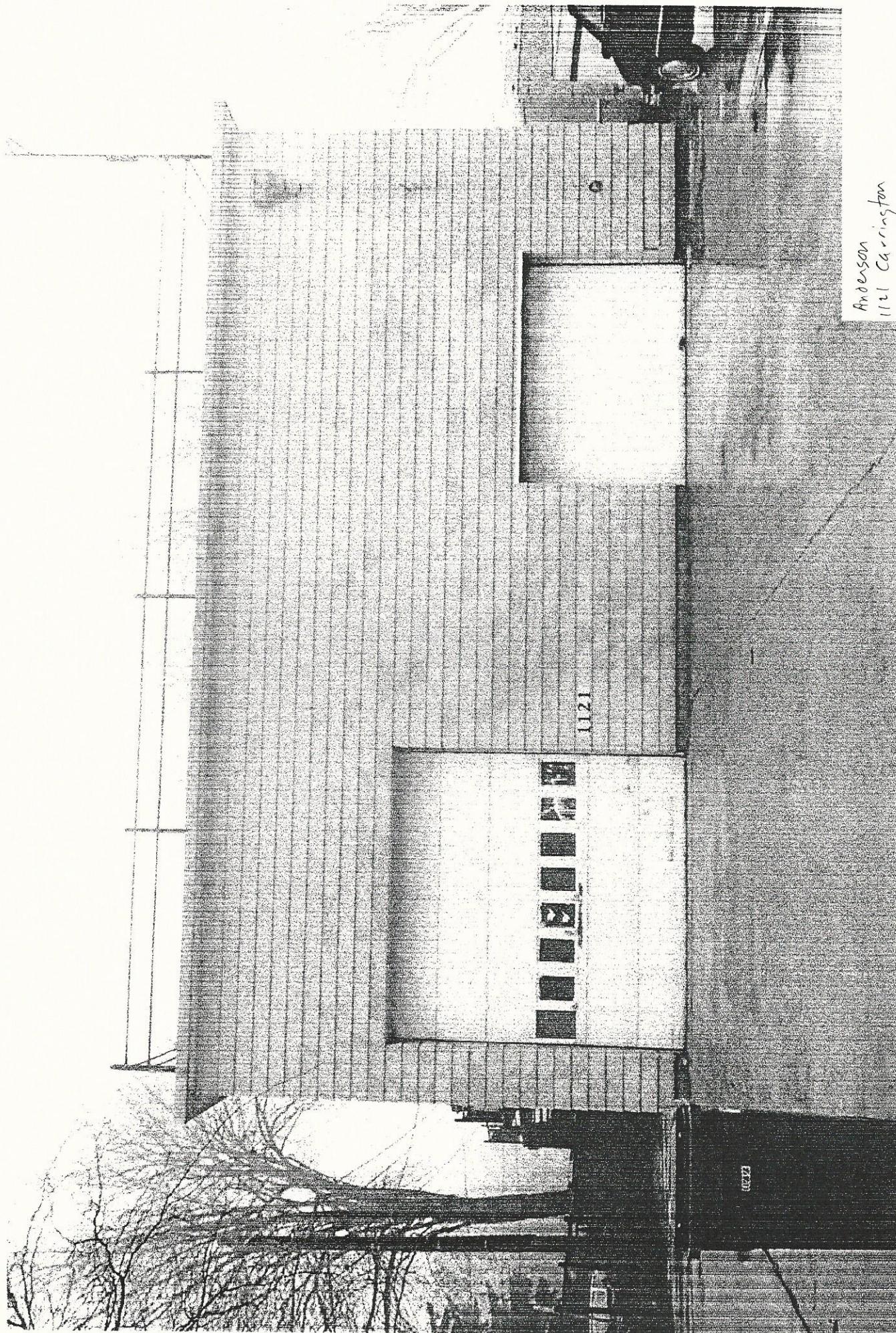
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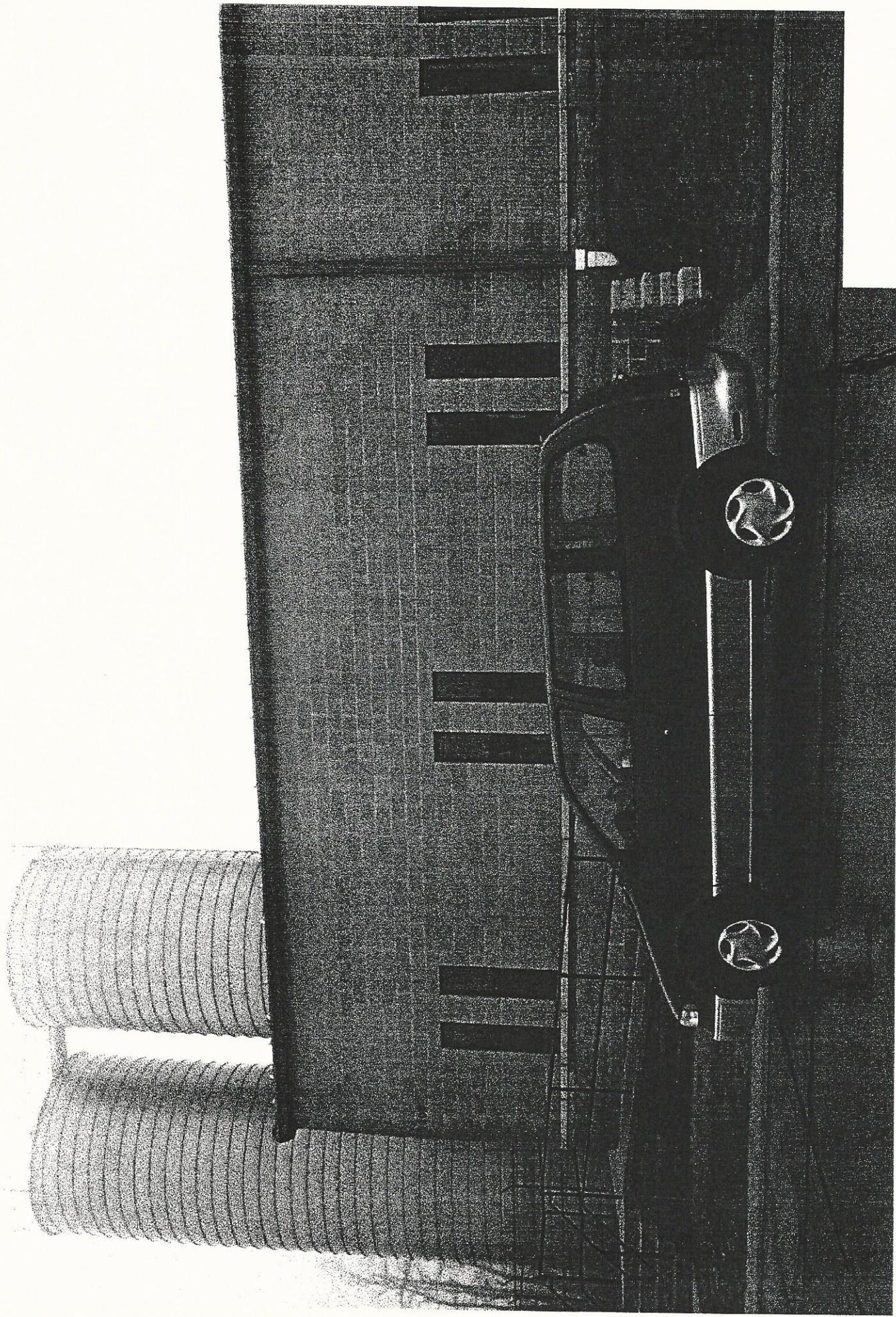
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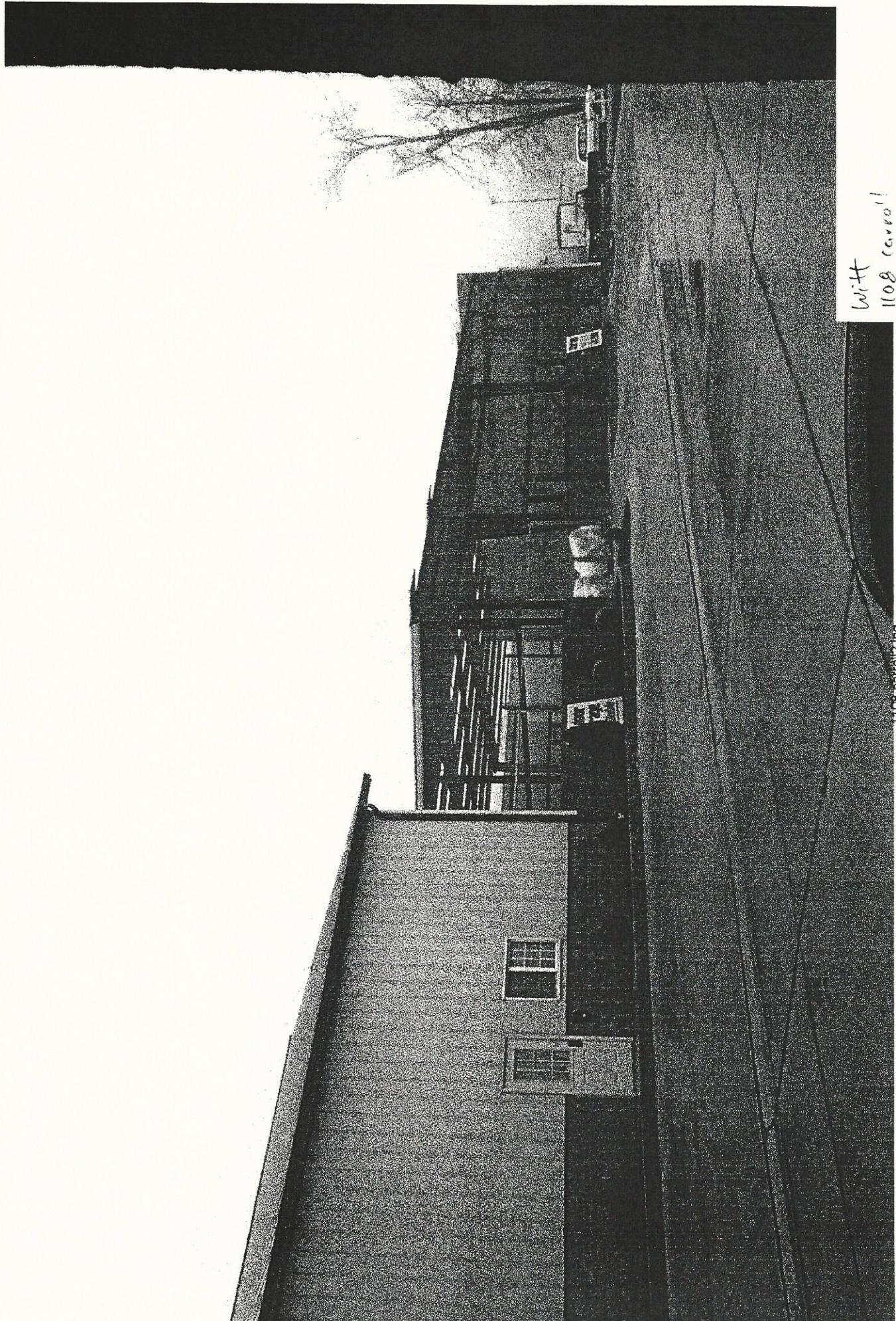


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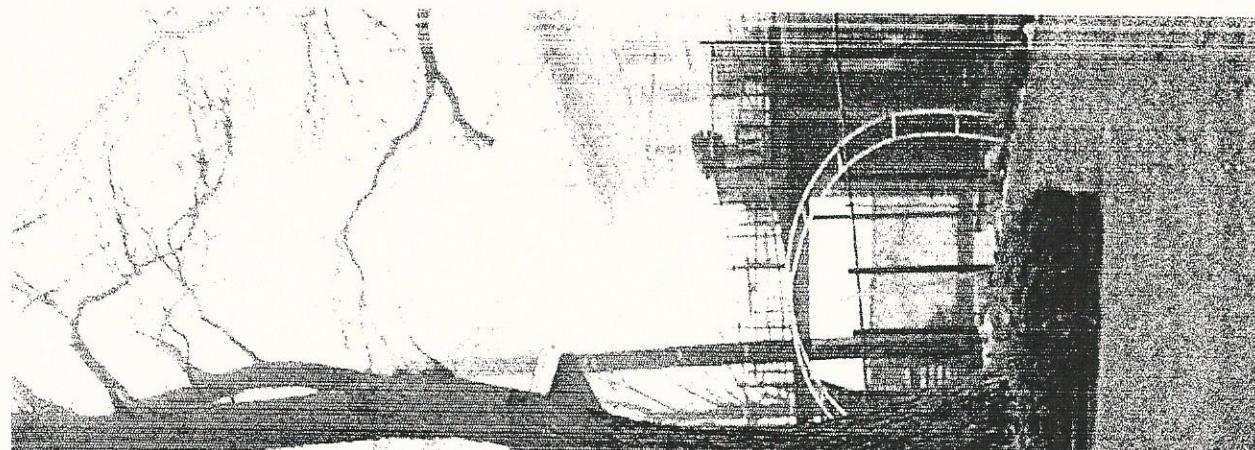


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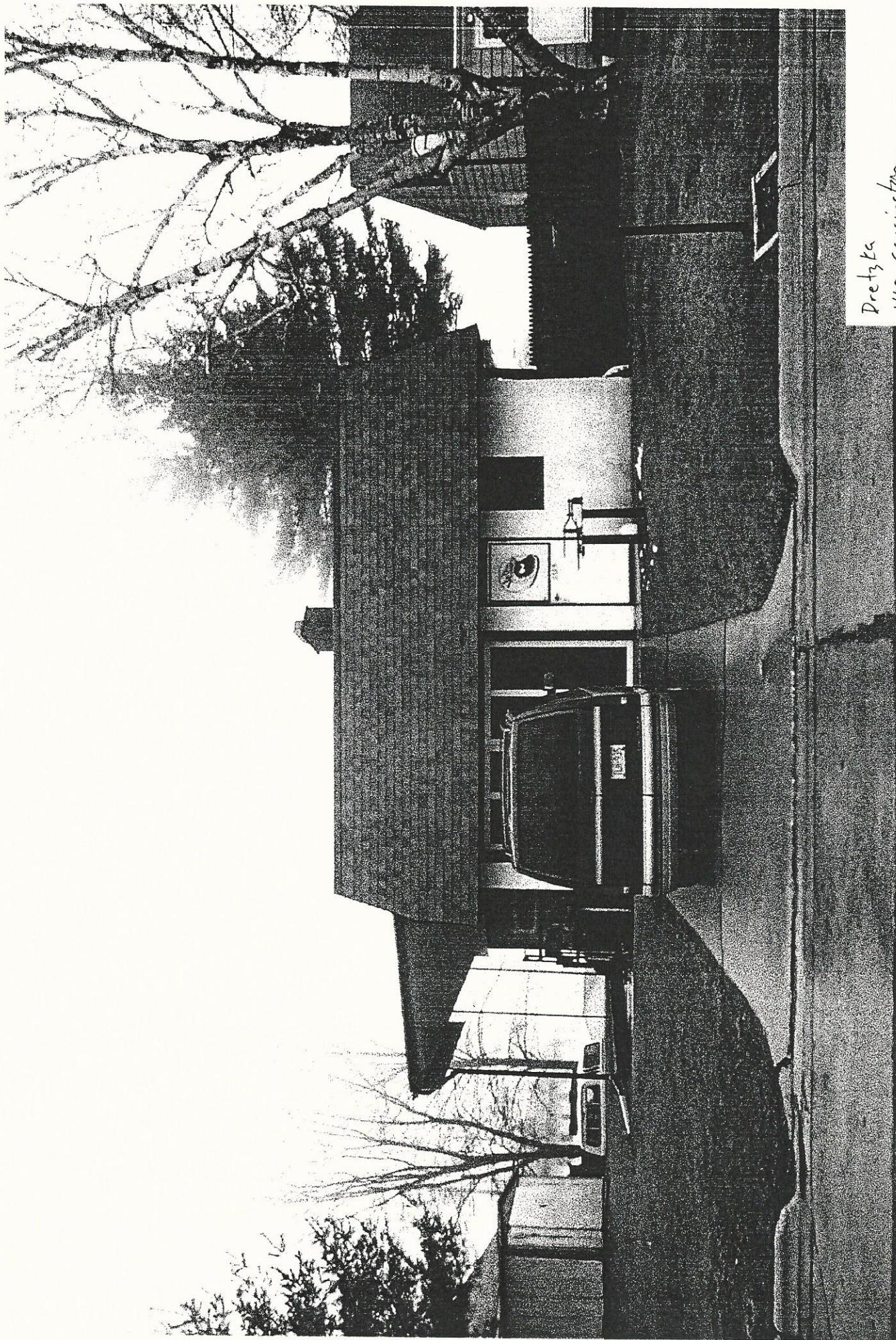
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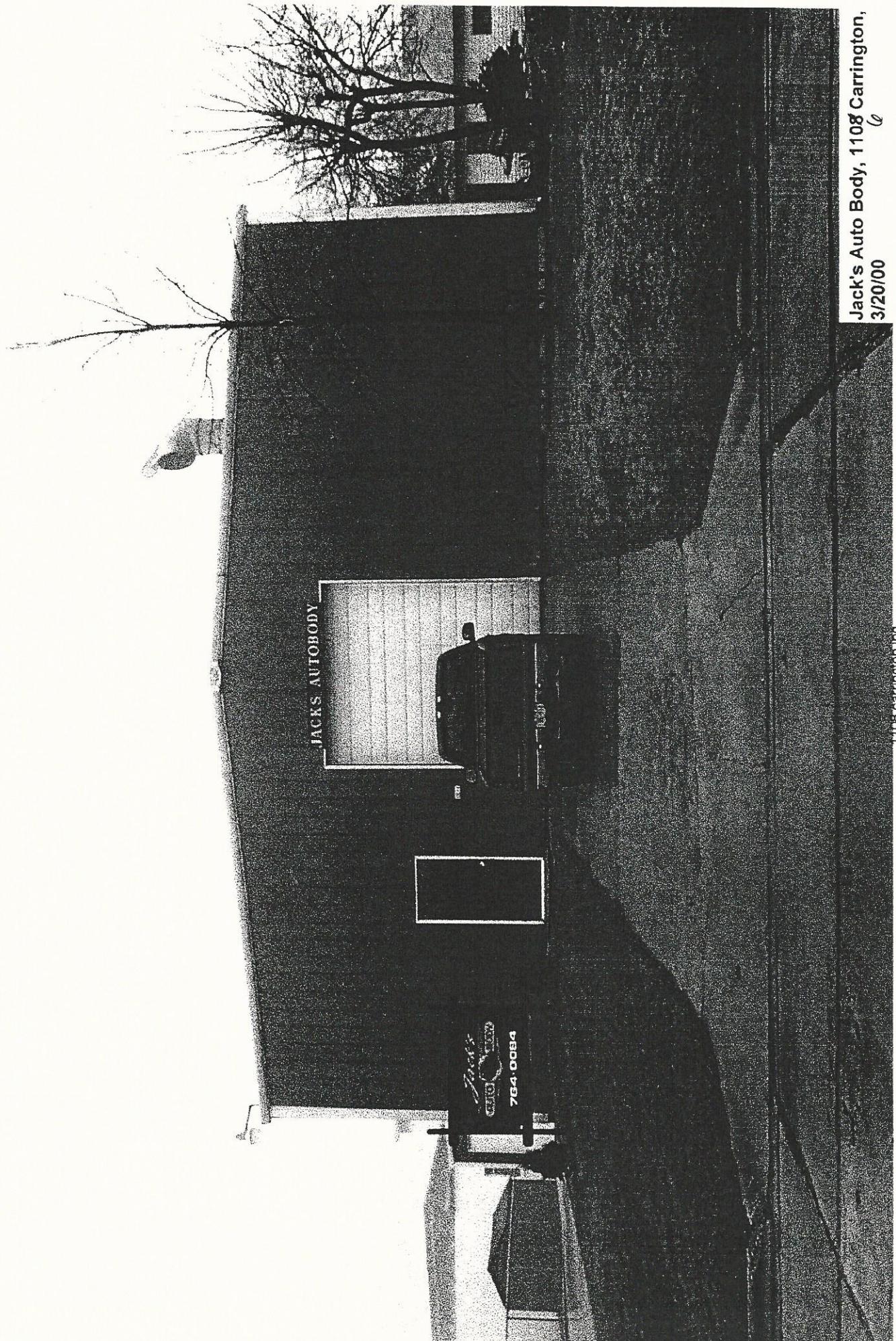
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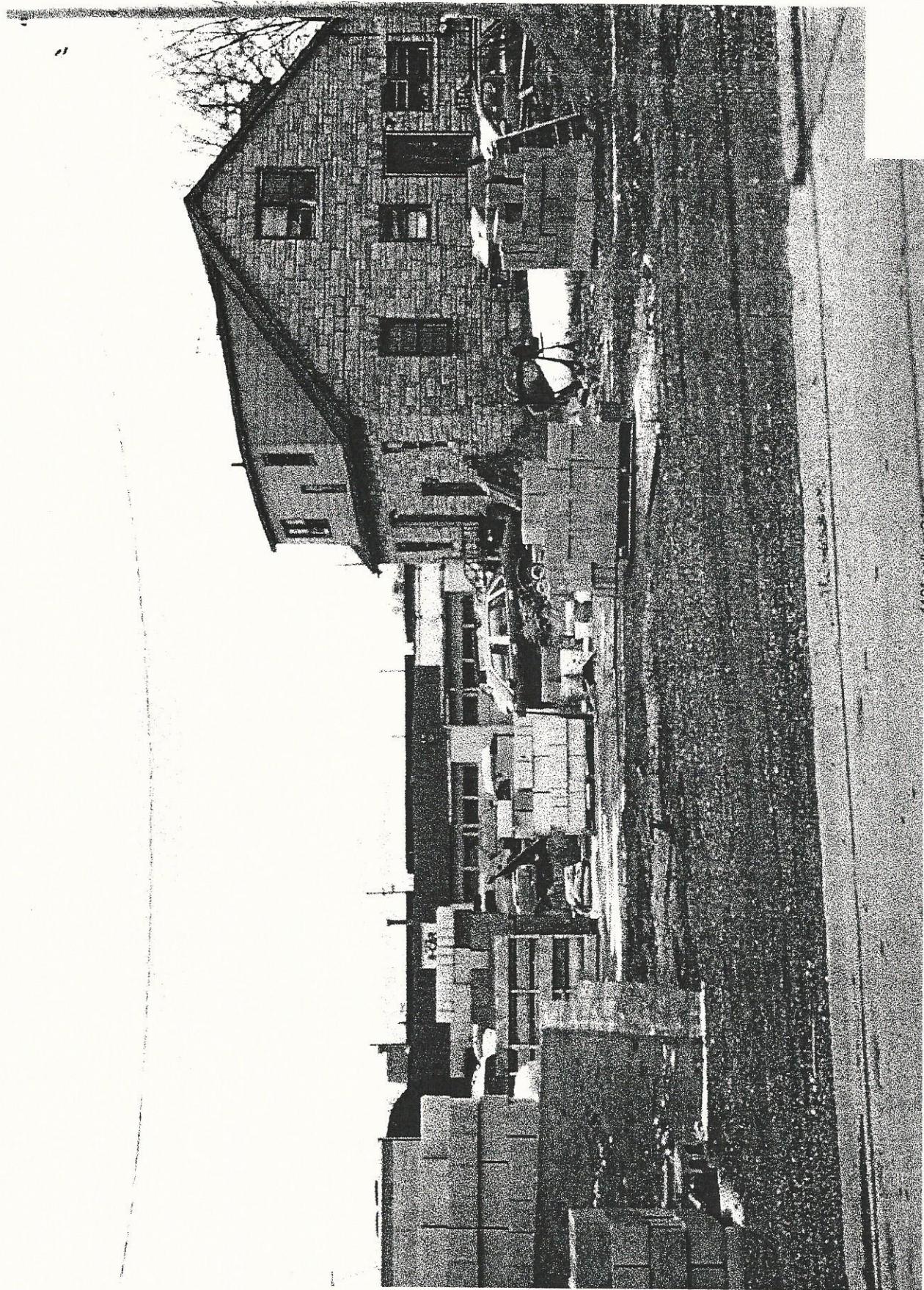


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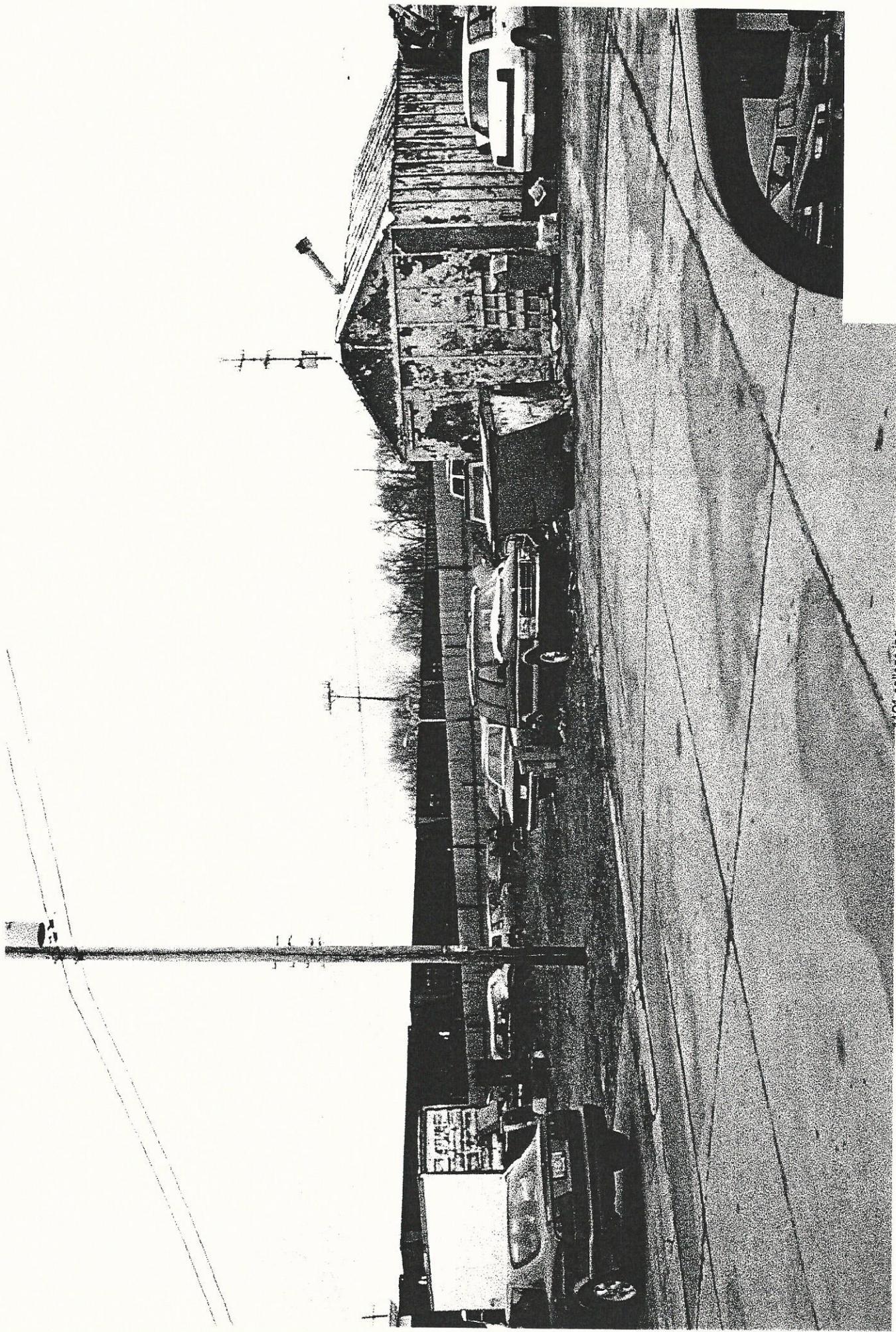


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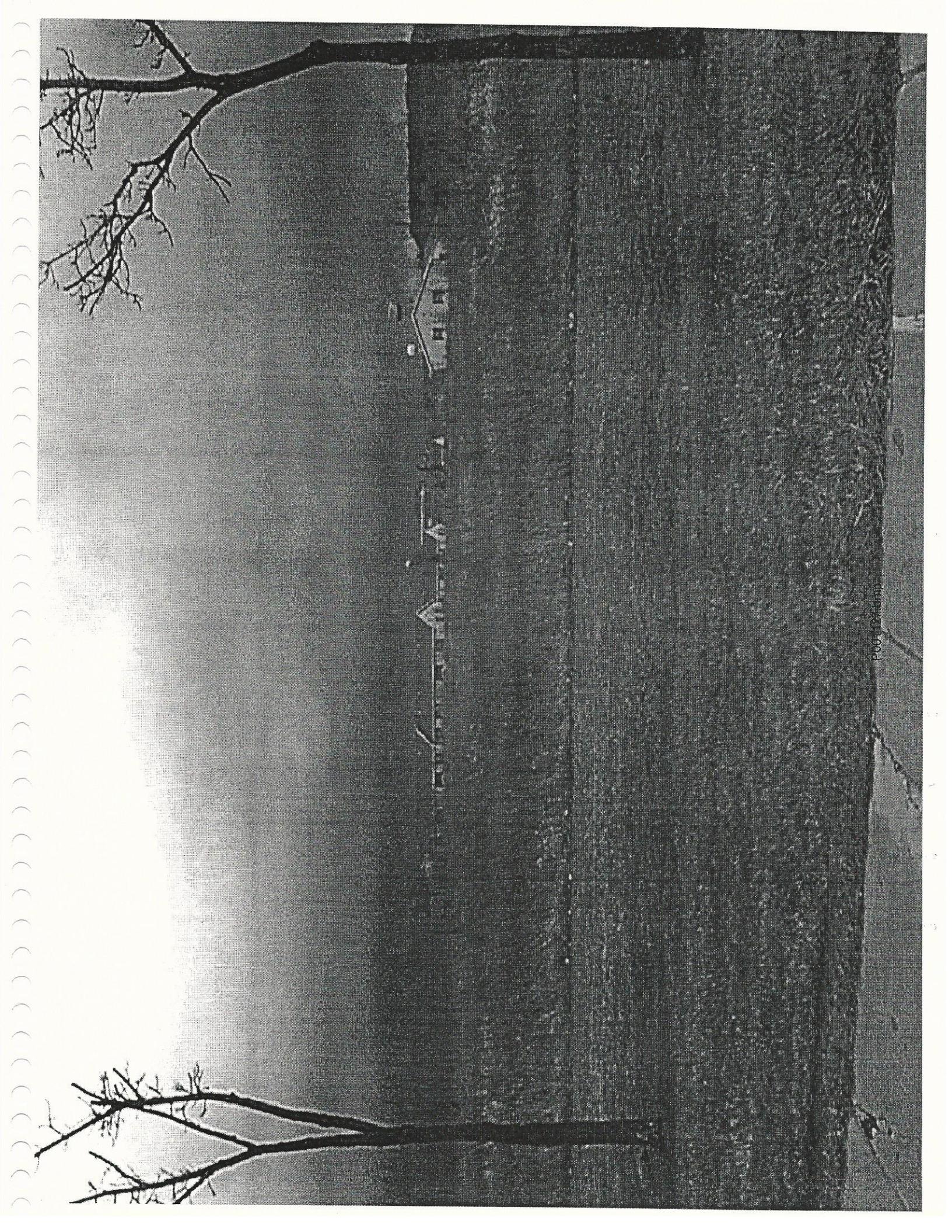
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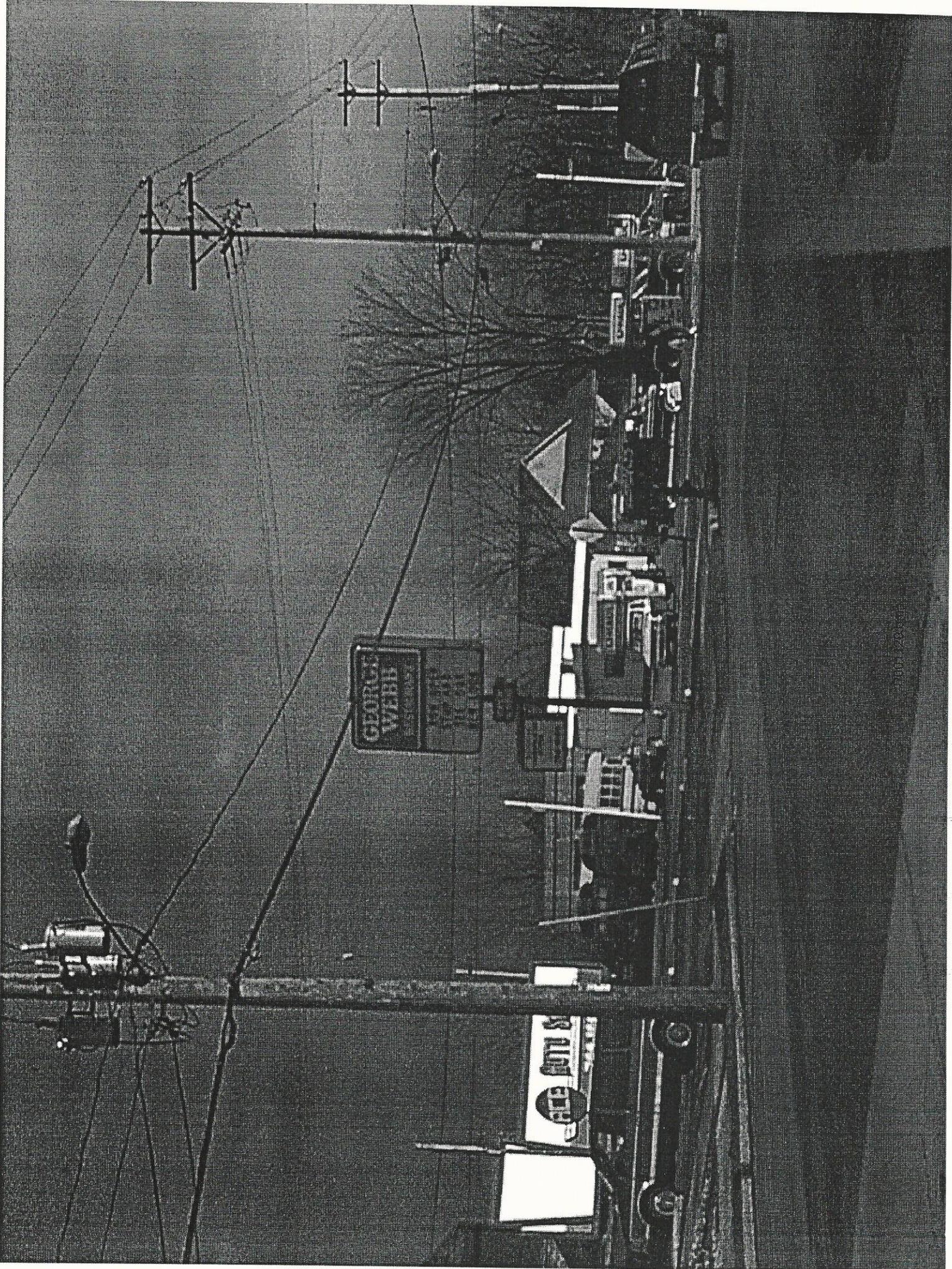


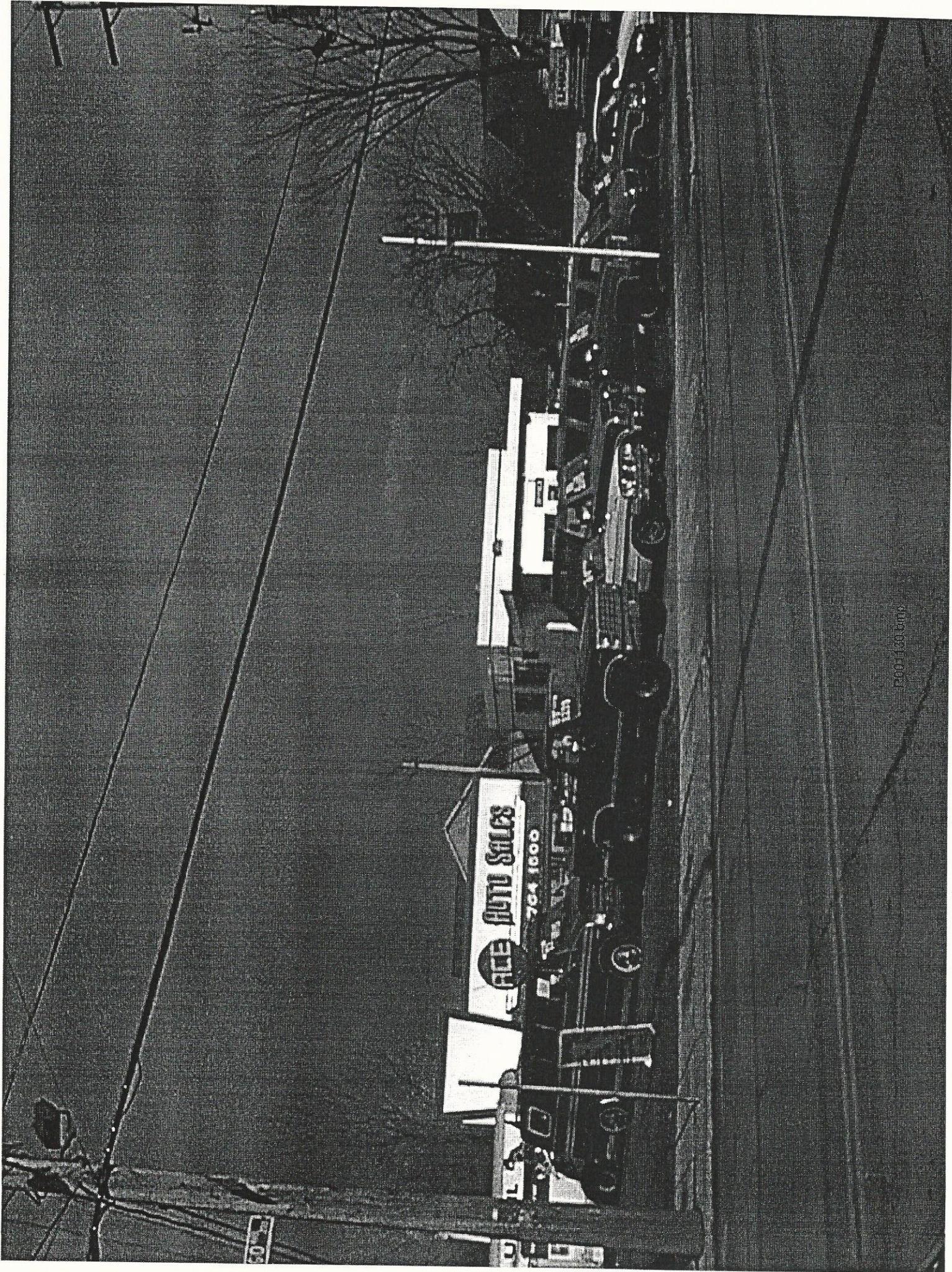
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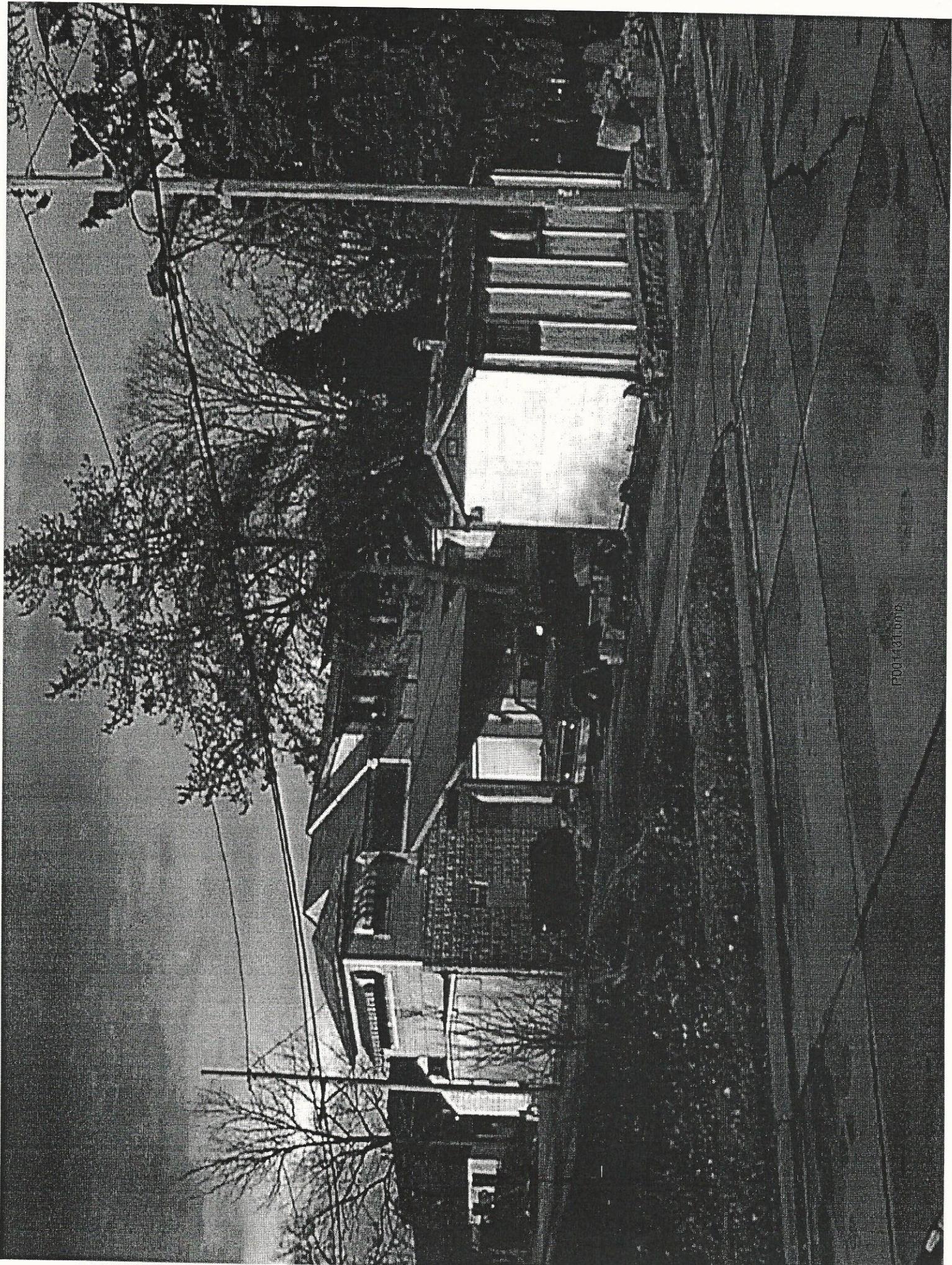




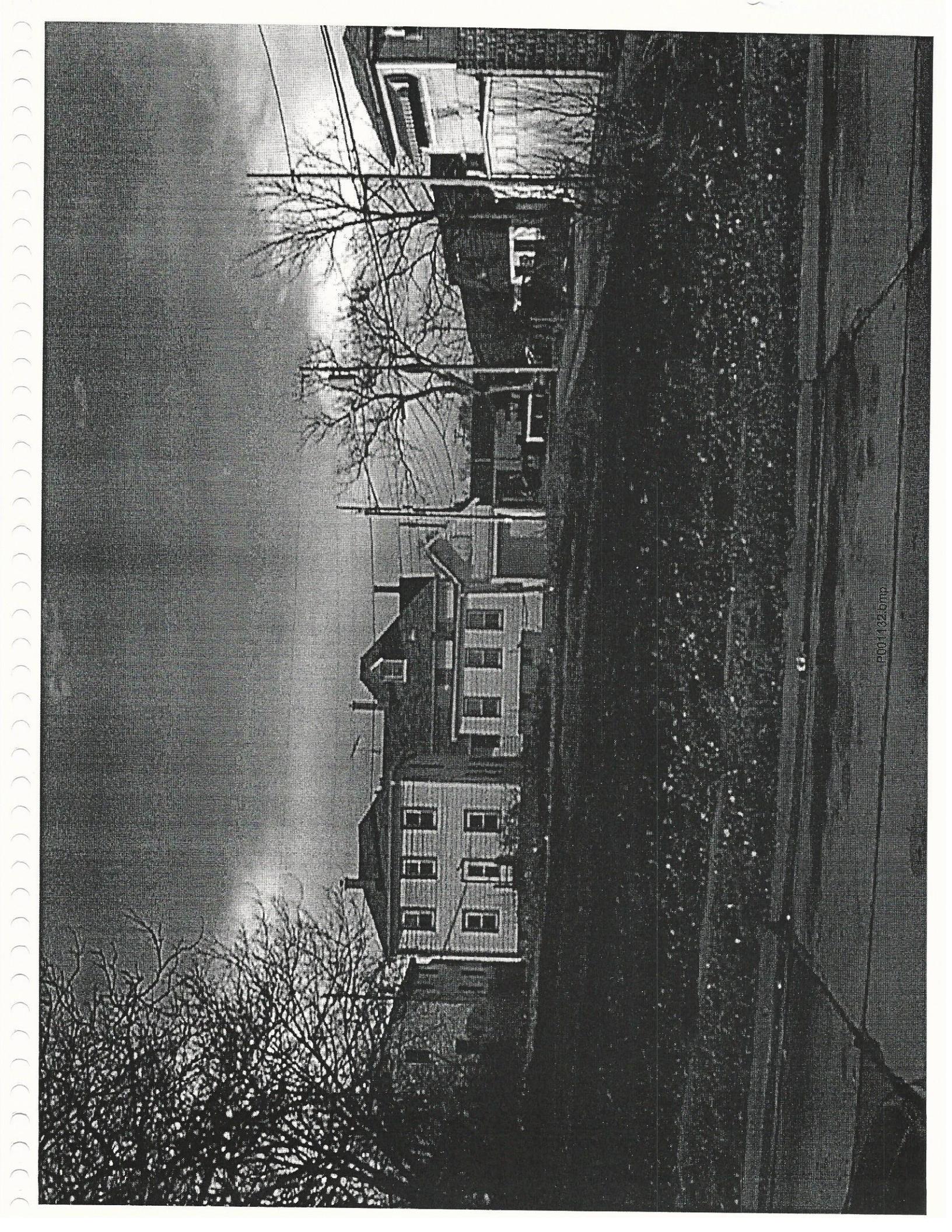
Jake's
Smokin' Rib Bar
670-3825







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CITY OF SOUTH MILWAUKEE
TID #2
SUMMARY

TAX PROFILE - 1999

County	Milwaukee
City Mill Rate (Assessed)	0.0274945
City Mill Rate (Equalized)	0.02448
Total Equalized Value in City	\$806,694,300
Percent Assessment Ratio	89.04%
Assessed Value of Taxable Property	\$718,269,600

DEBT CAPACITY

Statutory Debt Limit	\$40,334,715
Outstanding General Obligation Debt	\$6,100,000
Remaining Debt Capacity	\$34,234,715

ANALYSIS OF EXISTING TID CAPACITY

Equalized Value of Taxable Property in Existing TIDs	\$5,333,752	* including proposed TID #1
Percent of City's Equalized Value in Existing TIDs	0.66%	* including proposed TID #1

ANALYSIS OF PROPOSED TID

Projected Base Value of TID (Assessed)	\$5,180,400
Projected Base Value of TID (Equalized)	\$5,818,148
Percent of City's Equalized Value in Proposed TID	0.72%
Projected Equalized Value of Property in all TIDs	\$11,151,900
Percent of City's Equalized Value in all TIDs	1.38% * including proposed TID #1
Land Area Included in Proposed TID (acres)	45.58
Land Area of All Parcels in TID (acres)	31.77
Land Area of Parcels Considered Blighted (acres)	16.84
Percent of Parcels by Area Considered Blighted	53.0% (must be > 50%)
Area of Parcels Vacant >7 years	11.25
Percent of TID Area Vacant >7 years	24.68% (must be <25%)
Area of Right-of-Way in TID	13.81 acres

SIGNIFICANT ASSUMPTIONS

Inflation Increment	0%
Annual Percent Increase in Tax Rate	0%
City's Cost of Borrowing	
Borrowing #1	6.0%
Borrowing #2	6.0%

PLANNED PROJECT COSTS
CITY OF SOUTH MILWAUKEE TID #1

Planned Projects	AMOUNT	% Paid By		TOTAL TID COSTS	Priority ¹	
		TID	Other		Year(s)	Start
A. Infrastructure Improvements	\$160,000	100%	0%	\$160,000		2000 2007
B. Site Preparation	\$0	100%	0%	\$0		2000 2007
C. CDA Redevelopment Funds	\$1,000,000	100%	0%	\$1,000,000		2000 2007
D. Promotion and Development	\$50,000	100%	0%	\$50,000		2000 2007
E. Real Estate Acquisition	\$0	100%	0%	\$0		2000 2007
F. Relocation Costs	\$0	100%	0%	\$0		2000 2007
G. Administration & Planning						
Development Planning and Review	\$50,000	100%	0%	\$50,000	A	2000 2006
Reports & Recordkeeping	\$20,000	100%	0%	\$20,000	A	2000 2006
Total Administrative Costs	\$70,000	100%	0%	\$70,000		
H. Organizational Costs	\$20,000	100%	0%	\$20,000	A	2000 2000
Subtotal Projects A - G	\$1,300,000	100%	0%	\$1,300,000		
I. Inflation Cost Adjustment				\$0		
J. Capitalized Interest				\$0		
K. Interest, Finance Fees, Etc.				\$942,064		
TOTAL TID EXPENDITURE				\$2,242,064		

¹ Project priority is indicated as "A", "B", or "C".

A = Highest priority, critical for development of TID

B = Critical for development of TID, but not an immediate need

C = Recommended to provide adequate service in the long run

FINANCING SUMMARY
CITY OF SOUTH MILWAUKEE
TID #2

TID Activities	Loan #1 June-02	Loan #2 June-03	Total
A Infrastructure Improvements	\$160,000	\$0	\$160,000
B Site Preparation	\$0	\$0	\$0
CDA Redevelopment Funds	\$1,000,000	\$0	\$1,000,000
Promotion and Development	\$50,000	\$0	\$50,000
E Real Estate Acquisition	\$0	\$0	\$0
F Relocation Costs	\$0	\$0	\$0
Administration & Planning	\$0	\$0	\$0
Organizational Costs	\$0	\$0	\$0
Subtotal	\$1,210,000	\$0	\$1,210,000
J Inflation Factor Cost Adjustm	\$0	\$0	\$0
Total Project Cost	\$1,210,000	\$0	\$1,210,000
Finance Fees	\$24,200	\$0	\$24,200
Capitalized Interest	\$0	\$0	\$0
Less Interest Earned	\$0	\$0	\$0
BORROWING REQUIRED	\$1,234,200	\$0	\$1,234,200
Interest Payment	\$917,864	\$0	\$917,864

PRELIMINARY DEBT SERVICE PLAN
CITY OF SOUTH MILWAUKEE
TID #2

Loan #1

Principal	\$1,234,200	Project Cos	\$1,210,000		
Interest	6.00%	Finance Fe	\$24,200		
Term	20 Years	Interest Earned			
# of Principal Payments	20				
Date of Issue	June 1, 2002	Capitalized			
Total TID Cost of Loan:	\$2,152,064	Interest:	\$0		
YEAR	PRINCIPAL PMNT #	UNPAID PRINCIPAL	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL PAYMENT
2000	0	\$0	\$0	\$0	\$0
2001	0	\$0	\$0	\$0	\$0
2002	0	\$1,234,200	\$0	\$0	\$0
2003	1	\$1,234,200	\$33,551	\$74,052	\$107,603
2004	2	\$1,200,649	\$35,564	\$72,039	\$107,603
2005	3	\$1,165,085	\$37,698	\$69,905	\$107,603
2006	4	\$1,127,386	\$39,960	\$67,643	\$107,603
2007	5	\$1,087,426	\$42,358	\$65,246	\$107,603
2008	6	\$1,045,069	\$44,899	\$62,704	\$107,603
2009	7	\$1,000,170	\$47,593	\$60,010	\$107,603
2010	8	\$952,577	\$50,449	\$57,155	\$107,603
2011	9	\$902,128	\$53,475	\$54,128	\$107,603
2012	10	\$848,653	\$56,684	\$50,919	\$107,603
2013	11	\$791,969	\$60,085	\$47,518	\$107,603
2014	12	\$731,884	\$63,690	\$43,913	\$107,603
2015	13	\$668,194	\$67,512	\$40,092	\$107,603
2016	14	\$600,682	\$71,562	\$36,041	\$107,603
2017	15	\$529,120	\$75,856	\$31,747	\$107,603
2018	16	\$453,264	\$80,407	\$27,196	\$107,603
2019	17	\$372,856	\$85,232	\$22,371	\$107,603
2020	18	\$287,625	\$90,346	\$17,257	\$107,603
2021	19	\$197,279	\$95,766	\$11,837	\$107,603
2022	20	\$101,512	\$101,512	\$6,091	\$107,603
TOTAL		\$1,234,200	\$917,864	\$2,152,064	

TAX INCREMENT PRO FORMA
CITY OF SOUTH MILWAUKEE
TID #2
6/30/2000

BASE VALUE	\$5,818,148
INITIAL TAX RATE	0.024480728
INFLATION INCREMENT	0.0%
ANNUAL INCREASE IN TAX RATE	0.0%

YEAR	PREVIOUS VALUATION	INFLATION INCREMENT	TIF INCREMENT		VALUATION DECREASE	TOTAL VALUATION	CUMULATIVE INCREMENT	TIF TAX RATE	REAL ESTATE SALES	TIF REVENUE
			Real Property	Personal						
2000	\$5,818,148	\$0	\$2,500,000	\$0	\$0	\$8,318,148	\$2,500,000	0.024481	\$0	\$0
2001	\$8,318,148	\$0	\$2,500,000	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$0
2002	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$61,202
2003	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2004	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2005	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2006	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2007	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2008	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2009	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2010	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2011	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2012	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2013	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2014	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2015	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2016	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2017	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2018	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2019	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2020	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2021	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
2022	\$10,818,148	\$0	\$0	\$0	\$0	\$10,818,148	\$5,000,000	0.024481	\$0	\$122,404
TOTAL	\$0					\$0				\$2,509,275

CASH FLOW WORKSHEET
CITY OF SOUTH MILWAUKEE
TID #2
6/30/2000

All Projects

YEAR	BEGINNING BALANCE	REVENUES			EXPENSES			ANNUAL SURPLUS (DEFICIT)	ENDING BALANCE
		CAPITAL INTEREST	TIF REVENUES	INTEREST INCOME	TOTAL REVENUES	DEBT SERVICE	OTHER EXPENSES ¹		
2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2001	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2002	\$0	\$0	\$61,202	\$0	\$61,202	\$0	\$0	\$61,202	\$61,202
2003	\$61,202	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$76,002
2004	\$76,002	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$90,803
2005	\$90,803	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$105,603
2006	\$105,603	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$120,404
2007	\$120,404	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$135,204
2008	\$135,204	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$150,005
2009	\$150,005	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$164,805
2010	\$164,805	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$179,605
2011	\$179,605	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$194,406
2012	\$194,406	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$209,206
2013	\$209,206	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$224,007
2014	\$224,007	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$238,807
2015	\$238,807	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$253,608
2016	\$253,608	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$268,408
2017	\$268,408	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$283,209
2018	\$283,209	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$298,009
2019	\$298,009	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$312,810
2020	\$312,810	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$327,610
2021	\$327,610	\$0	\$122,404	\$0	\$122,404	\$107,603	\$0	\$14,800	\$342,411
2022	\$342,411	\$0	\$122,404	\$0	\$122,404	\$107,603	\$90,000	(\$75,200)	\$267,211
TOTAL	\$0	\$2,509,275	\$0	\$2,509,275		\$2,152,064			

1) Includes reimbursing City for TID related expenses paid out of City budget and not included in TID borrowing:

Administration and Planning: \$70,000

Organizational Costs: \$20,000

TAX INCREMENT ANALYSIS - OVERLYING JURISDICTIONS

CITY OF SOUTH MILWAUKEE

TID #2

6/30/2000

BASE VALUE	\$5,818,148
INITIAL TAX RATE	0.024481
INFLATION INCREMENT	0.0%
ANNUAL INCREASE IN TAX RATE	0.0%

OVERLYING JURISDICTIONS				
1999 Share	SCHOOL	VTAE	STATE	COUNTY
	36.9%	7.4%	0.7%	25.2%
				CITY 29.9%

ANALYSIS OF IMPACT ON OVERLYING JURISDICTIONS OVER LIFE OF TID			
	TAXES w/out TIF INCREMENT	TAXES w/ TIF INCREMENT	INCREASE PERCENTAGE
SCHOOL	\$998,564	\$1,924,458	
STATE	\$19,505	\$37,590	
VTAE	\$199,053	\$383,620	
COUNTY	\$681,128	\$1,312,687	
CITY	\$807,970	\$1,557,140	
TOTAL	\$2,706,219	\$5,215,494	92.7%

