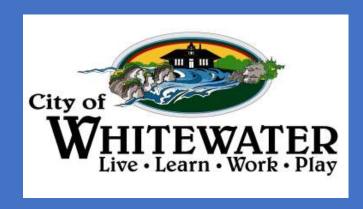




Process of TIF in City of Whitewater

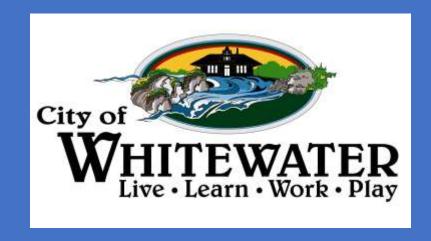
Redevelopment Resources, Kristen Fisch-Peterson





Developer Approaches the Office of Economic Development

Economic Development Staff meet with Developer to Learn More about his/her vision





The developer is required to present a site plan and proforma, outlining costs and investment from them.





It is the developer's responsibility to show there is a gap if they are requesting financial support from the City.









If the developer is requesting financial incentives, they need to prove their need, that there is indeed a gap, and that the project will not happen without an incentive.

Staff Calculates if the gap can be filled with a TIF incentive and checks to see that the project will support the incentive over its allowable lifetime. This is also known as the "But For" test. But for the incentive, the project would not occur.





Staff also calculates if it's a reasonable request by calculating a payback period, and a percent of the total project.

We try to keep it at a reasonable amount (5%-20%, more if warranted).





	Sing.	e Project Proj		V V OI II DII										
		TID	14											
		Walworth County												
	Type of District		Mixed Use											
Dist	rict Creation Date		8/3/2021			Base Value	,							
Valuation Date			Jan 1,	2021	Appre	ciation Factor			0.50%		Sale Price for	r 3 units vear	1	825,
Max life (Years)			20					se Tax Rate	\$ 18.20		Sale price for 12 units year 2			3,300
penditure Period/Termination			15	8/3/2036	R	ate Adjustmer			-1.00%		Sale price for 12 units year 3			3,300
Revenue Period/Final year			20	2042					2,0076		Sale price for 11 units year 4			3,025
Extension Eligibility/Years			Yes	3		Tax Exemi		scount Rate	3.00%					0,020
Eligible Recipient District			No			Taxable Discount Rate			4.00%					No
			- 10			Tuxu	ibic bi	Scount nate	1.0070					
	Construction year	Assessed Increment Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue / Budget Year	Ta	x Rate	Requested Project Support	Tax Increment	Annual Cash Flow	Cumulative Cash Flow	Tax Exempt NPV Calculation	Taxa NP Calcul
1	2021		2022	-	-	2023	\$	18.20	-	-	-	-	-	
2	2022		2023	-	-	2024	\$	18.02	-	-	-	-	-	
3	2023	-	2024	-	-	2025	\$	17.84	-	-	-	-	-	
4	2024	825,000	2025	-	825,000	2026	\$	17.66	(138,700)	14,572	(124,128)	(124,128)	(103,955)	(98
5	2025	3,300,000	2026	4,125	4,129,125	2027	\$	17.66	(95,600)	72,935	(22,665)	(146,793)	(122,384)	
6	2026	3,300,000	2027	20,646	7,449,771	2028	\$	17.66	(86,700)	131,589	44,889	(101,905)	(86,949)	
7	2027	3,025,000	2028	37,249	10,512,019	2029	\$	17.66	(55,000)	185,678	130,678	28,774	13,205	g
8	2028		2029	52,560	10,564,580	2030	\$	17.66		186,607	186,607	215,381	152,058	135
9	2029		2030	52,823	10,617,402	2031	\$	17.66		187,540	187,540	402,920	287,541	257
10	2030		2031	53,087	10,670,489	2032	\$	17.66		188,477	188,477	591,398	419,735	374
11	2031		2032	53,352	10,723,842	2033	\$	17.66		189,420	189,420	780,818	548,721	488
12	2032		2033	53,619	10,777,461	2034	\$	17.66		190,367	190,367	971,185	674,576	598
13	2033		2034	53,887	10,831,348	2035	\$	17.66		191,319	191,319	1,162,504	797,376	704
14	2034		2035	54,157	10,885,505	2036	\$	17.66		192,275	192,275	1,354,779	917,196	807
15	2035		2036	54,428	10,939,933	2037	\$	17.66		193,237	193,237	1,548,016	1,034,108	906
16			2037	54,700	10,994,632	2038	\$	17.66		194,203	194,203	1,742,219	1,148,181	1,002
17			2038	54,973	11,049,606	2039	\$	17.66		195,174	195,174	1,937,393	1,259,486	1,095
18			2039	55,248	11,104,854	2040	\$	17.66		196,150	196,150	2,133,543	1,368,090	1,184
19	2039		2040	55,524	11,160,378	2041	\$	17.66		197,131	197,131	2,330,673	1,474,057	1,271
20			2041	55,802	11,216,180	2042	\$	17.66		198,116	198,116	2,528,789	1,577,453	1,354
	-	10,450,000		766,180	, -, -,		Ė	-		2,904,789	2,528,789	, -, -	, ,	,
Red	quest Assumptions								Conclusions					
			generate o	ver \$10 milli	on in assessed val	ue assuming				ntives would be	paid back in	year five of tax	collection	
	Meadowview Court Development would generate over \$10 million in assessed value an assessed value of \$290,000 per home for 38 units.									ll between high	-			values c
	Mixed Use TID, with 20-year projection, originally created in 2021.										,			

			TII) 11			
	,		Prospect D	Prive, LLC			
Project Description	Development of eight 16-unit ma	rket rate multifamily buildings					
Location	Morraine View Parkway and Jak						
Size	10.175 acres						
Number of Buildings	8						
Timeline	Fall 2024-Fall 2025						
Request	\$ 5,007,245 Development I	ncentive					
Construction Costs	Total construction costs estimate	ed at \$31,962,178					
But For	This project would not be finance enough to support the debt. There					like this are not	
Sources/Uses							
Uses/Sources	Total Owner	Bank City/TIF					
Land	\$ 500,000 \$ 500,000	\$ -					
Hard Costs	\$ 28,206,176 \$ 1,200,442	\$ 21,912,607 \$ 5,093,127					
Soft Costs	\$ 3,256,002 \$ 3,256,002	\$ -					
Totals	\$ 31,962,178 \$ 4,956,444	\$ 21,912,607 \$ 5,093,127					
Guarantee	Developer will guarantee an asse	ssed value of \$24,600,000					
Clawback	Developer will commence constr Incentive payments will not begind development fall short of the min taxes (PILOT) for the difference	n until the first payment of prope imum assessed value once constr	rty taxes by the deve	loper. Should the			

Economic Development Staff works with CDA Attorney to draft Developer's Agreement and TIF Agreement





TIF Worksheet and Developer Agreement is presented to the CDA for approval



