

# Proposed TIF District # 1



## Village of Williams Bay

February 19, 2024

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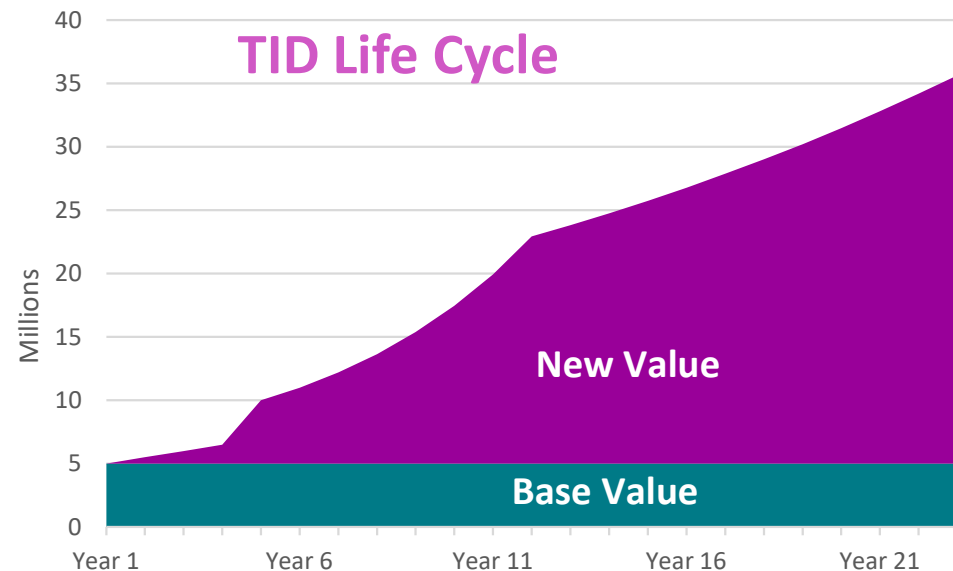
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Discover the *Baird Difference*

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# What is a TID (Tax Increment District)?

- TID is an economic development tool.
- A municipality, school district, county & technical college district agree that the municipality will use the taxes from the increased property value in the TID (increment) to pay for the investment in the TID (ex., roads, sewer, development incentives).
- As property value increases, the municipality uses the tax revenue from the new development, to pay for the projects.
- After the project costs are paid, the municipality terminates the TID and all taxing jurisdictions receive taxes based on the increased property value.



## Villages, Cities, Certain Towns\*

*Sec 66.1105, Wi. Stats.*

- Blight
- Rehabilitation/conservation
- Industrial
- Mixed use
- Environmental remediation (on or after 11/29/2017)

## Towns

*Sec. 60.85, Wi. Stats.*

- Tourism, agriculture, and forestry
- Cooperative

## Environmental Remediation

*Sec. 66.1106, Wi. Stats.*

- Adopted before 11/29/2017

\*Towns with a minimum population of 3,500, minimum valuation of \$500 million and wastewater treatment plant access to the TID are eligible. Sec. 60.23, Wis. Stats.

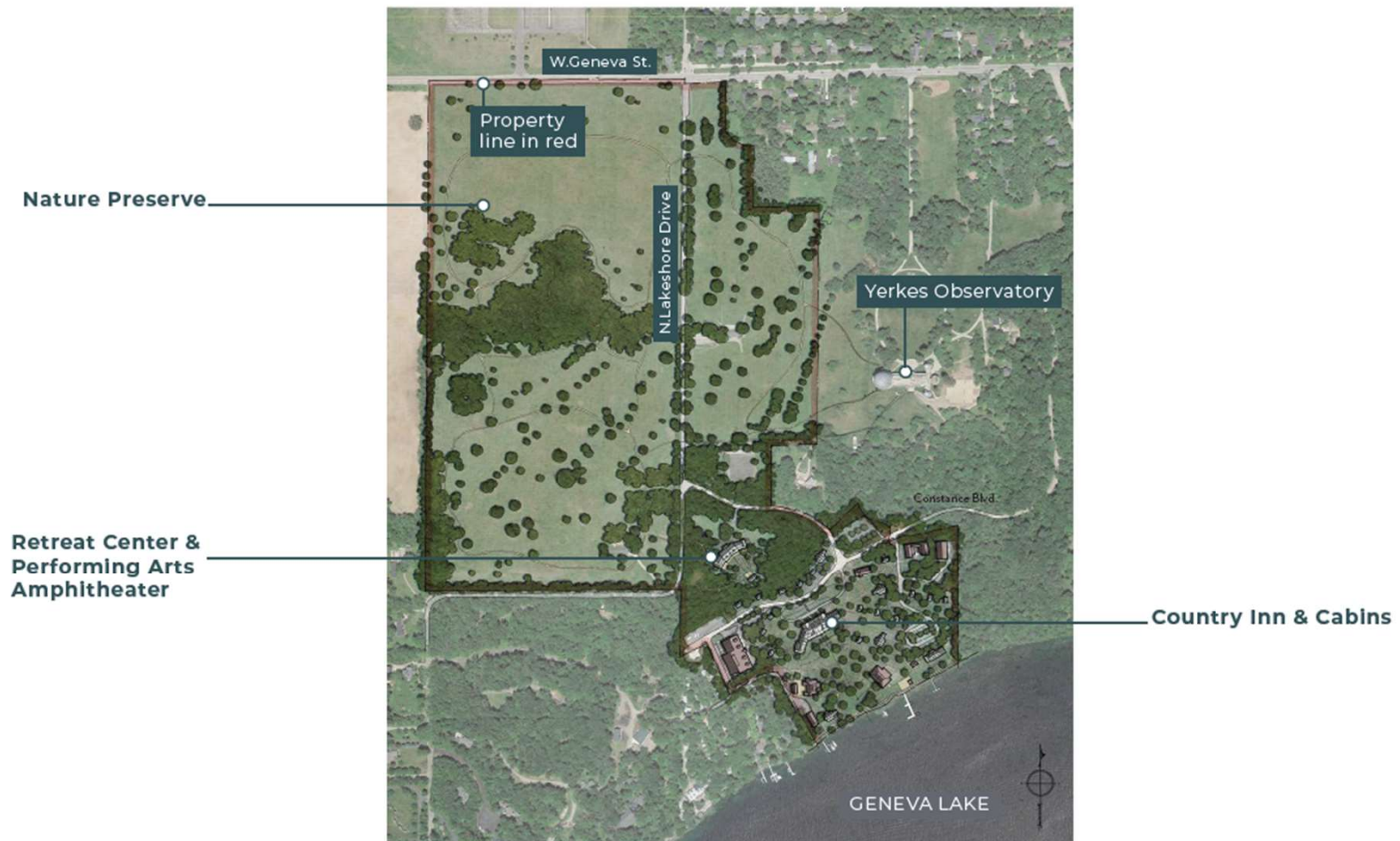
# Equalized Value Test

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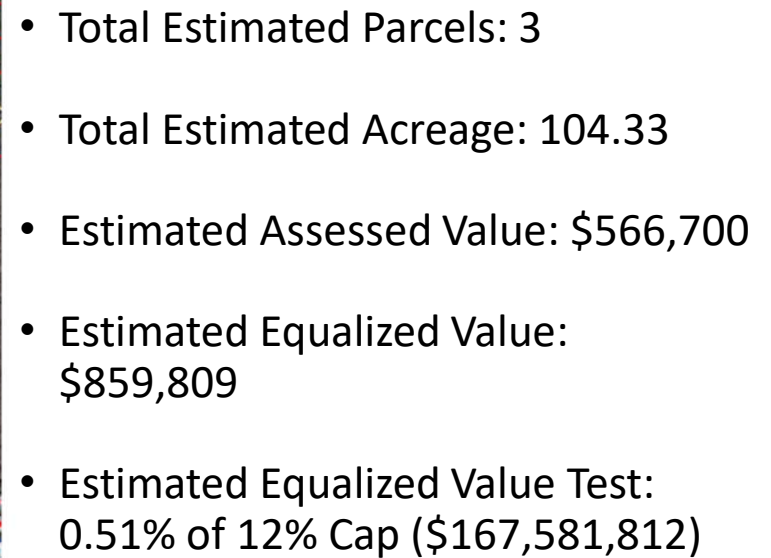
- Equalized value of the proposed TID plus the value increment of all existing TIDs may not exceed 12% of the municipality's total equalized valuation (TID-In)
- DOR releases equalized values for the current year annually on August 15
- The equalized value test is based on figures available at the time the TID creation resolution is adopted by the governing body

12% Statutory Test Limit		
2023 Total Equalized Valuation (TID-In)	\$1,396,515,100	100.00%
12% of Total Equalized Valuation (TID-In)	\$167,581,812	12.00%
Total TID Increment	\$0	0%
Remaining Capacity	\$167,581,812	12.00%

## CONCEPT SITE PLAN

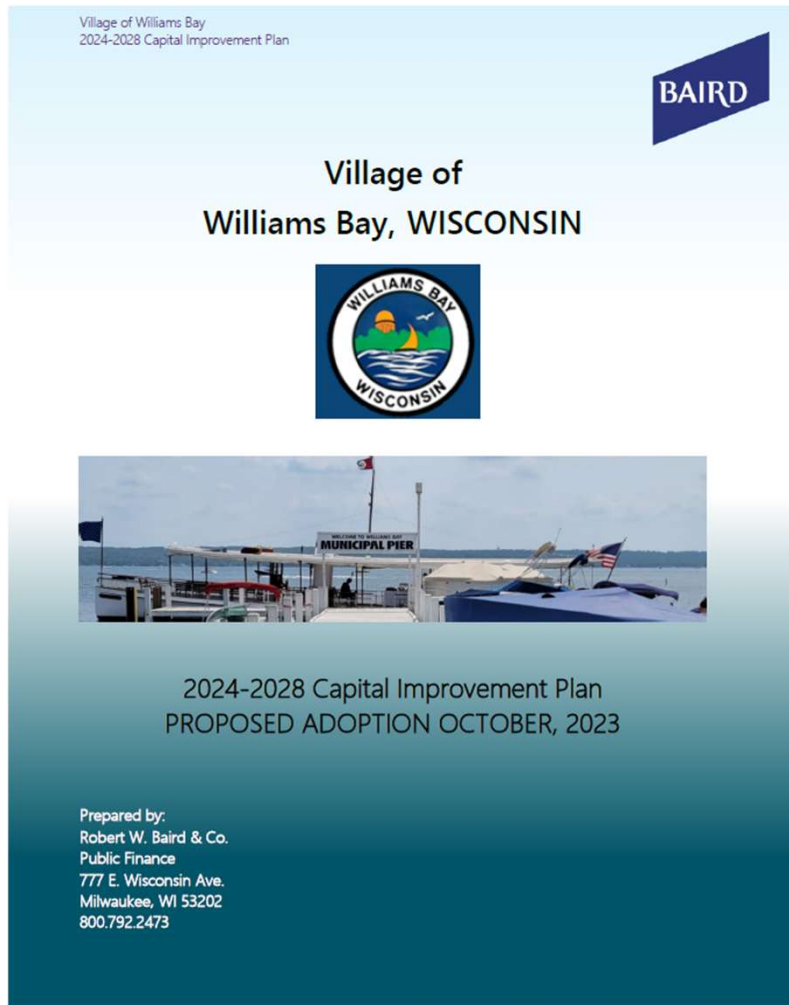






# 2024-2028 CIP Projects in TID and 1/2 Mile Boundary

BAIRD



- Water Projects:
  - 2024-State Rd 67 Water Replacement-\$1,000,000.
  - 2027-Geneva Street STH 67-\$4,100,000.
  - 2028-Geneva Street WM Replacement- \$600,000.
- Sewer Projects:
  - 2024-State Rd 67 Sewer Replacement-\$600,000.
  - 2025-Valley Street/Wood Ave Sewer Repair-\$150,000
  - 2027-Genevae Street STH 67-\$617,000.
- Street Projects:
  - 2024-State Road 67 Reconstruction-\$500,000.
  - 2024-Lakewood Trails Subdivision-\$300,000.
  - 2027-Geneva Street-STH 67- \$1,035,000
- Total Possible Projects: \$8,902,000

# Williams Bay TIF Creation Timeframes



Tax Incremental District (TID) Creation Timeframes						
Municipal Creation Resolution Adoption Date	CreationYear*	TID Added to Tax/AssessmentRoll	First Year Tax Increment Received	First Year Administrative Fee Due**	First TID Equalized Value Established	First Annual Report Due to DOR
October 1, 2023 – September 30, 2024	2024	2025	2026	April 15, 2025	August 15, 2025	July 1, 2026 (for 2025)
<div><div>* TID creation documents for municipal TIDs are due to the Wisconsin Department of Revenue (DOR) October 31 of the creation year. TID creation documents for town TIDs created under sec. 60.85, Wis. Stats. are due to DOR December 31 of the creation year.</div><div>** In some years the observance of Emancipation day affects the administrative fee due date</div></div>						



# Possible Mixed-Use Williams Bay TIF Timeline

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## Village of Williams Bay

### *TID#1 Creation Timeline*

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<i>Monday April 1, 2024</i>	Consulting service agreement executed. Direction to proceed.
<i>Friday, April 26, 2024</i>	Preliminary project plan template available for Village staff review (maps excluded).
<i>Friday, May 3, 2024</i>	TID boundaries finalized.
<i>Friday, May 10, 2024</i>	Mapping in process of completion and delivered to Baird as soon as possible.
<i>Wednesday, May 15, 2024</i>	Baird compiles draft project plan.
<i>Friday, May 17, 2024</i>	Final Village staff/Baird comments/changes to draft project plan due.
<i>Friday, May 24, 2024</i>	Draft version of the project plan available for public review/distribution.
<i>Monday, May 27, 2024</i>	<p>Copy of the Notice of Public Hearing sent via First Class mail, from the Village to all taxing entities (county, school, and technical college district officials). Must occur at least 15 days prior to public hearing and before first publication of Class II notice.</p> <p>Provide DOR with copies of the cover letters that were sent with the notices or a clerk's certification that the letters and notices were distributed on the same date.</p> <p>(After Project Plan is available &amp; before publication date)</p>
<i>Wednesday, May 29, 2024</i>	Class I Notice of Joint Review Board (JRB) Meeting and Class II Notice of Public Hearing due to Village official newspaper.
<i>Week of June 2 thru June 8, 2024</i>	<p>First publication of Class II Notice of Public Hearing (1<sup>st</sup> &amp; 2<sup>nd</sup> notice must occur in 2 consecutive weeks). Publication date for notices/hearings of City official newspaper.</p> <p>Publication of Class I Notice of Joint Review Board Meeting (must be published at least 5 days prior to the JRB meeting).</p> <p>(After Notice of Public Hearing is sent out)</p>

# Possible Mixed-Use Williams Bay TIF Timeline

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<i>Week of June 9 thru June 15, 2024</i>	Second publication of Class II Notice of Public Hearing. Provide DOR with readable copies of the public hearing notices and an affidavit of publication from the newspaper indicating both dates of publication. (Must be at least 7 days prior to Public Hearing)
<i>Thursday, June 20, 2024</i>	JRB holds its first meeting. The Board's Chairperson and public members are selected (must be within 14 days after the notice publication, before public hearing).
<i>Tuesday, June 25, 2024</i>	Public hearing regarding the project plan. Must be held at least one week (7 days) after second publication of public hearing notice.
<i>Tuesday, June 25, 2024</i>	Plan Commission adopts resolution and submits it to the Village Board for approval.
<i>Monday, July 15, 2024</i>	The Village Board considers Plan Commission recommendation. Project plan approved. Village Board adopts resolution. The clerk provides the JRB with a copy of the resolution and financial information. (No sooner than 14 days after the public hearing)
<i>Wednesday, July 17, 2024</i>	Class I notice of JRB meeting due to newspaper.
<i>Week of July 21 thru July 27, 2024</i>	Publication of Class I Notice of JRB meeting (must be published at least 5 days prior to the JRB meeting).
<i>Thursday, August 1, 2024</i>	Final action by JRB. (Within 45 Days after receiving Resolution)
<i>Friday, August 2, 2024</i>	JRB notifies the city of its decision. (Within 7 Days of JRB action)
<i>Monday, August 5, 2024</i>	Submit written notice to DOR of TID approval. (Within 60 Days of Approval)
<i>Submitted by October 31, 2024</i>	Submit completed application to DOR for base value certification.

# TID # 1 Proforma-Scenario 1 (\$10,000,000 Construction Value)

## Village of Williams Bay Hypothetical New Tax Increment District - Mixed-Use Hypothetical Cash Flow Proforma Analysis TID # 1

Assumptions	
Annual Inflation During Life of TID.....	0.00%
2023 Gross Tax Rate (per \$1000 Equalized Value).....	\$12.00
Annual Adjustment to tax rate.....	0.00%
Estimated PV Rate.....	5.00%
Investment rate.....	0.00%
Data above dashed line are actual	

Background Data					Revenues		Expenditures	TID Status			Year
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Cumulative PV at 5.00%	Combined Expenditures	Annual Balance	Year End Cumulative Balance	Cost Recovery	
(January 1)		(1)							(December 31)		
Base Value \$859,809											
2024	\$859,809	\$0	\$0	\$12.00	\$0	\$0	\$0	\$0	\$0	Expenditures Recovered	2024
2025	\$859,809	\$0	\$26,000,000	\$12.00	\$0	\$0	\$0	\$0	\$0	Expenditures Recovered	2025
2026	\$26,859,809	\$0	\$5,000,000	\$12.00	\$0	\$0	\$0	\$0	\$0	Expenditures Recovered	2026
2027	\$31,859,809	\$0	\$31,000,000	\$12.00	\$311,926	\$269,453	\$0	\$311,926	\$311,926	Expenditures Recovered	2027
2028	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$575,425	\$0	\$371,911	\$683,837	Expenditures Recovered	2028
2029	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$866,828	\$0	\$371,911	\$1,055,748	Expenditures Recovered	2029
2030	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$1,144,354	\$0	\$371,911	\$1,427,660	Expenditures Recovered	2030
2031	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$1,408,664	\$0	\$371,911	\$1,799,571	Expenditures Recovered	2031
2032	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$1,660,388	\$0	\$371,911	\$2,171,482	Expenditures Recovered	2032
2033	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$1,900,126	\$0	\$371,911	\$2,543,394	Expenditures Recovered	2033
2034	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$2,128,447	\$0	\$371,911	\$2,915,305	Expenditures Recovered	2034
2035	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$2,345,896	\$0	\$371,911	\$3,287,216	Expenditures Recovered	2035
2036	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$2,552,990	\$0	\$371,911	\$3,659,128	Expenditures Recovered	2036
2037	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$2,750,223	\$0	\$371,911	\$4,031,039	Expenditures Recovered	2037
2038	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$2,938,063	\$0	\$371,911	\$4,402,950	Expenditures Recovered	2038
2039	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$3,116,959	\$0	\$371,911	\$4,774,862	Expenditures Recovered	2039
2040	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$3,287,336	\$0	\$371,911	\$5,146,773	Expenditures Recovered	2040
2041	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$3,449,599	\$0	\$371,911	\$5,518,684	Expenditures Recovered	2041
2042	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$3,604,136	\$0	\$371,911	\$5,890,596	Expenditures Recovered	2042
2043	\$31,859,809	\$0	\$31,000,000	\$12.00	\$371,911	\$3,751,314	\$0	\$371,911	\$6,262,507	Expenditures Recovered	2043
2044					\$371,911	\$3,891,484	\$0	\$371,911	\$6,634,418	Expenditures Recovered	2044
2045					\$371,911	\$4,024,978	\$0	\$371,911	\$7,006,330	Expenditures Recovered	2045
		\$0	\$31,000,000		\$7,006,330		\$0				

Type of TID: Mixed-Use

- 2024 TID Inception (After 4/1)
- 2039 Final Year to Incur TIF Related Costs
- 2044 Maximum Legal Life of TID (20 Years)
- 2045 Final Tax Collection Year

(1) Estimated increment Per Village.



# TID # 1 Proforma-Scenario 2 (\$30,000,000 Construction Value)

## Village of Williams Bay Hypothetical New Tax Increment District - Mixed-Use Hypothetical Cash Flow Proforma Analysis TID # 1

Assumptions	
Annual Inflation During Life of TID.....	0.00%
2023 Gross Tax Rate (per \$1000 Equalized Value).....	\$12.00
Annual Adjustment to tax rate.....	0.00%
Estimated PV Rate.....	5.00%
Investment rate.....	0.00%
Data above dashed line are actual	

Background Data					Revenues		Expenditures	TID Status				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
Year	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Cumulative PV at 5.00%	Combined Expenditures	Annual Balance	Year End Cumulative Balance	Cost Recovery	Year
	(January 1)									(December 31)		
	Base Value		(1)									
	\$859,809											
2024	\$859,809	\$0		\$0	\$12.00	\$0	\$0		\$0	\$0	Exp ended not Recovered	2024
2025	\$859,809	\$0	\$26,000,000	\$26,000,000	\$12.00	\$0	\$0	\$0	\$0	\$0	Exp ended not Recovered	2025
2026	\$26,859,809	\$0	\$10,000,000	\$36,000,000	\$12.00	\$0	\$0	\$0	\$0	\$0	Exp ended not Recovered	2026
2027	\$36,859,809	\$0	\$15,000,000	\$51,000,000	\$12.00	\$311,926	\$269,453	\$0	\$311,926	\$311,926	Exp ended not Recovered	2027
2028	\$51,859,809	\$0		\$51,000,000	\$12.00	\$431,897	\$624,776	\$0	\$431,897	\$743,823	Exp ended not Recovered	2028
2029	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$1,104,180	\$0	\$611,854	\$1,355,677	Exp ended not Recovered	2029
2030	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$1,560,755	\$0	\$611,854	\$1,967,531	Exp ended not Recovered	2030
2031	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$1,995,588	\$0	\$611,854	\$2,579,385	Exp ended not Recovered	2031
2032	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$2,409,715	\$0	\$611,854	\$3,191,239	Exp ended not Recovered	2032
2033	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$2,804,121	\$0	\$611,854	\$3,803,093	Exp ended not Recovered	2033
2034	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$3,179,747	\$0	\$611,854	\$4,414,948	Exp ended not Recovered	2034
2035	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$3,537,485	\$0	\$611,854	\$5,026,802	Exp ended not Recovered	2035
2036	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$3,878,189	\$0	\$611,854	\$5,638,656	Exp ended not Recovered	2036
2037	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$4,202,668	\$0	\$611,854	\$6,250,510	Exp ended not Recovered	2037
2038	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$4,511,696	\$0	\$611,854	\$6,862,364	Exp ended not Recovered	2038
2039	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$4,806,008	\$0	\$611,854	\$7,474,218	Exp ended not Recovered	2039
2040	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$5,086,306	\$0	\$611,854	\$8,086,072	Exp ended not Recovered	2040
2041	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$5,353,255	\$0	\$611,854	\$8,697,927	Exp ended not Recovered	2041
2042	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$5,607,494	\$0	\$611,854	\$9,309,781	Exp ended not Recovered	2042
2043	\$51,859,809	\$0		\$51,000,000	\$12.00	\$611,854	\$5,849,625	\$0	\$611,854	\$9,921,635	Exp ended not Recovered	2043
2044					\$12.00	\$611,854	\$6,080,226	\$0	\$611,854	\$10,533,489	Exp ended not Recovered	2044
2045						\$611,854	\$6,299,847	\$0	\$611,854	\$11,145,343	Exp ended not Recovered	2045
						\$11,145,343		\$0				
		\$0	\$51,000,000									

Type of TID: Mixed-Use

- 2024 TID Inception (After 4/1)
- 2039 Final Year to Incur TIF Related Costs
- 2044 Maximum Legal Life of TID (20 Years)
- 2045 Final Tax Collection Year

(1) Estimated increment Per Village.

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# Village Only Tax Rate Proforma

## Village of Williams Bay Hypothetical Village Only Tax Rate Project Funding Hypothetical Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID.....	0.00%
2023 Gross Tax Rate (per \$1000 Equalized Value).....	\$3.44
Annual Adjustment to tax rate.....	0.00%
Estimated PV Rate.....	5.00%
Investment rate.....	0.00%
Data above dashed line are actual	

Background Data					Revenues		Expenditures	TID Status			Year
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
Year	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Cumulative PV at 5.00%	Combined Expenditures	Annual Balance	Year End Cumulative Balance	Cost Recovery
	(January 1)										
	Base Value										
	\$859,809										
	(1)										
2024	\$859,809	\$0		\$0	\$3.44	\$0	\$0		\$0	\$0	
2025	\$859,809	\$0	\$26,000,000	\$26,000,000	\$3.44	\$0	\$0	\$0	\$0	\$0	
2026	\$26,859,809	\$0	\$5,000,000	\$31,000,000	\$3.44	\$0	\$0	\$0	\$0	\$0	
2027	\$31,859,809	\$0		\$31,000,000	\$3.44	\$89,440	\$77,262	\$0	\$89,440	\$89,440	Exp endtu rex R recovered
2028	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$164,995	\$0	\$106,640	\$196,080	Exp endtu rex R recovered
2029	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$248,550	\$0	\$106,640	\$302,720	Exp endtu rex R recovered
2030	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$328,126	\$0	\$106,640	\$409,360	Exp endtu rex R recovered
2031	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$403,913	\$0	\$106,640	\$516,000	Exp endtu rex R recovered
2032	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$476,091	\$0	\$106,640	\$622,640	Exp endtu rex R recovered
2033	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$544,833	\$0	\$106,640	\$729,280	Exp endtu rex R recovered
2034	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$610,300	\$0	\$106,640	\$835,920	Exp endtu rex R recovered
2035	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$672,650	\$0	\$106,640	\$942,560	Exp endtu rex R recovered
2036	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$732,032	\$0	\$106,640	\$1,049,200	Exp endtu rex R recovered
2037	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$788,585	\$0	\$106,640	\$1,155,840	Exp endtu rex R recovered
2038	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$842,446	\$0	\$106,640	\$1,262,480	Exp endtu rex R recovered
2039	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$893,741	\$0	\$106,640	\$1,369,120	Exp endtu rex R recovered
2040	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$942,594	\$0	\$106,640	\$1,475,760	Exp endtu rex R recovered
2041	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$989,121	\$0	\$106,640	\$1,582,400	Exp endtu rex R recovered
2042	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$1,033,432	\$0	\$106,640	\$1,689,040	Exp endtu rex R recovered
2043	\$31,859,809	\$0		\$31,000,000	\$3.44	\$106,640	\$1,075,633	\$0	\$106,640	\$1,795,680	Exp endtu rex R recovered
2044					\$3.44	\$106,640	\$1,115,825	\$0	\$106,640	\$1,902,320	Exp endtu rex R recovered
2045						\$106,640	\$1,154,102	\$0	\$106,640	\$2,008,960	Exp endtu rex R recovered
		\$0	\$31,000,000			\$2,008,960		\$0			

Type of TID: Mixed-Use

- 2024 TID Inception (After 4/1)
- 2039 Final Year to Incur TIF Related Costs
- 2044 Maximum Legal Life of TID (20 Years)
- 2045 Final Tax Collection Year

(1) Estimated increment Per Village.



# Impact to Taxing Jurisdictions in Creation of TIF District

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- **Village of Williams Bay Impact**

- Development requires ageing infrastructure to be replaced.
- But For Test is put into effect!
  - Without creation of TIF District would project and improvements occur?
    - Potential loss of development/increment.
    - Cost for improvements required to be incorporated into existing mill rate of \$3.44.
    - If can't be incorporated, then tax rate increase may occur. (Borrowed Funds)
    - Potential Water/Sewer Rate increases would be necessary.

- **School District Impact**

- District taxpayers within village would be impacted by above scenarios.
- With Creation of TIF District:
  - School District still receives base value in tax revenue.
  - Only newly created increment is deferred and utilized by TID District until closure.
    - Approx. \$147,946.33 per year which would reduce tax rate. ( Not additional revenue)

- **Walworth County Impact and Gateway Technical College Impact**

- With Creation of TIF District :
  - Taxing Entities still receives base value in tax revenue.
  - Only newly created increment is deferred and utilized by TID District until closure.
    - County-Approx. \$94,874.58 per year
    - Technical College- Approx. \$22,426.26 per year

# Important Disclosures

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