

CITY OF DELAFIELD COMMON COUNCIL MINUTES

CALL COMMON COUNCIL MEETING TO ORDER

Mayor McAleer called the meeting to order at 7:00 P.M.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

ROLL CALL for the December 1, 2008 Common Council meeting:

Present

Absent

Mayor Ed McAleer
Jeff Krickhahn, Ald.
Beth Leonard, Ald.
Erv Sadowski, Ald.
Michele DeYoe, Ald.
Gerald MacDougall, Ald.
Lynn Morrison, Ald.
Ron Miskelley, Ald.
Tim Schuenke, Administrator
Gina C. Gresch, Clerk-Treasurer
Phil Cosson, Financial Advisor

Motion to convene into Closed Session pursuant to 19.85(1)(c) Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility.

E. McAleer stated the Closed Session was cancelled.

Items listed under the Consent Agenda are considered in one motion unless a Common Council Member requests that an item be removed from the Consent Agenda.

1. Approve minutes of November 10, 2008 Budget Public Hearing and November 17, 2008 Common Council meeting.

G. MACDOUGALL MOVED TO APPROVE THE NOVEMBER 10, 2008 BUDGET PUBLIC HEARING MINUTES AS PRESENTED. R. MISKELLEY SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

R. MISKELLEY MOVED TO APPROVE THE NOVEMBER 17, 2008 COMMON COUNCIL MINUTES AS PRESENTED. E. SADOWSKI SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

2. Citizen's comments for items not on the agenda.

There were no Citizen's comments for items not on the agenda.

Citizen's comments for items on the agenda.

Bonnie Fieber, 1814 West Shore Drive, stated she is here tonight in favor of the Red Prairie TIF and would like to know if Red Prairie and its employees are willing to be a part of this community. She would also like to know what Red Prairie provides to its employees. For example, some organizations provide free meal programs to employees, which is very common in the IT business.

Gerry Holton, 485 Lillian Court, stated he is speaking tonight on the TIF. He is asking questions on openness and cooperation and hopes his questions will be answered tonight by Red Prairie

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Technology Development Group. He stated we know who the principles are, but have they undertaken a project this size, where and when? What is the creditworthiness of Red Prairie and its tolerance for debt? The seriousness of Red Prairie seems to be unwilling for requested studies, yet they are asking for a TIF commitment from the City. Is the cart before the horse? Shouldn't the size and scope be further defined for infrastructure and site needs? He offered to the Common Council and Plan Commission members that they tour the area with him to see how this proposal doesn't fit in with in the surrounding area.

Robert Coon, 498 Lapham Peak Road, stated when the first City Hall referendum came up, many mailings were sent and it was distracting. It was very easy to figure out how much it was going to cost each taxpayer. He asked the Common Council to come put out the facts of this development on one sheet of paper.

Brad Hoffman, 498 Lillian Court, expressed his views of the Red Prairie TIF proposal. He stated he believes the agenda and minutes should be corrected to read as RP Technology Group. He stated this is an important change because Red Prairie the business is not requesting the TIF; they will only be leasing the building. Also, if RP Technology Group has secured a main tenant, Red Prairie, it is taken at face value that they do not need the City of Delafield tax base. If a TIF is approved, then RP Technology Group is the benefactor of a very nice profit. He hopes it is clear that a TIF reduces the developer's involvement in a project. If a TIF is approved, it should be approved under a different acronym, TIP, Total Incremental Profit. He asked who are the shareholders of RP Technology Group, will they make more money with than without TIF and how much more. If RP Technology Group would like to proceed, let them finance it themselves.

L. MORRISON MOVED TO CLOSE CITIZEN'S COMMENTS AT 7:13 PM. J. KRICKHAHN SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

E. McAleer stated the Common Council will hear from the Roller Mill Pond Dam people.

Al Wagner, 184 Bark River Court, thanked the Common Council for listening to this group at the last Common Council meeting and for their comments on the presentation. The Common Council has worked through different struggles within the City and this can be addressed to. By sending a letter of commitment, it gives the homeowners a chance to work with the DNR. It was very nice to see that many people that are affected by LOMR and that Rob Montgomery has spoken with many of those people.

Paul Kent, Attorney for the group, asked that the City work with the homeowners to come up with solutions for the area. The cost to repair the dam is far less than original estimates. However, dam removal and stabilization will cost more than expected. The Mill Pond residents are willing to bear the majority of the dam costs by special assessment. He stated the motion to adjourn the public hearing was denied, however, if the City sent a letter to the DNR asking for more time, it might be granted. The public hearing will still proceed on December 10. E. McAleer stated he asked the City Attorney to review this and the City Attorney responded with three scenarios for the Common Council to debate.

P. Kent stated after the public hearing, there is a 120 day period, during which some can come forward stating they want to take over the dam. The DNR needs to know if the City is open to working with the residents, which might take more than 120 days. The group is not asking for a commitment, only the City's support to work with the residents. E. McAleer stated if the City indicates they support the group asking for more time, it does not mean the City supports efforts to save the dam. R. Miskelley asked how much additional time is needed. P. Kent stated the group needs until April or May, but could use an extra 90 days. E. McAleer stated the Common Council needs their intent to be clear. G. MacDougall stated the group is only looking for a time extension. E. McAleer asked what the intent of the letter is. L. Morrison stated to give the group more than 120 days. E. McAleer stated that should be in the motion.

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G. MACDOUGALL MOVED TO DIRECT THE CITY ATTORNEY TO DRAFT A LETTER TO THE DNR ASKING FOR 90 DAY TIME EXTENSION BEYOND THE 120 DAYS, INDICATING THE CITY IS REQUESTING EXTRA TIME SO THE RESIDENTS CAN ANALYZE INFORMATION AND THAT THE CITY IS NOT MAKING A COMMITMENT AT THIS TIME. M. DEYOE SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

B. Leonard asked when the group will ask for an extension, before or after the hearing. P. Kent stated during the hearing and that is has to be made clear to the hearing examiner that there is enough discussion to warrant extra time. It's appropriate to request the time extension as soon as possible. G. MacDougall asked if the motion was satisfactory. P. Kent stated the time extension is to allow more time for the City Staff to work with the residents group. E. McAleer stated the letter is only asking for the time extension right now. L. Morrison suggested that the group come back to the Common Council to present their findings. E. McAleer stated the Common Council is open to listening but before the Common Council gives support, they need to know the facts first. E. Sadowski asked the group to bring facts to the Common Council about the benefits of the Mill Pond being a wet or dry pond. P. Kent stated it won't be a pond, only a river bed.

3. Consent Agenda
 - a. Waukesha County 911 Joint Powers Agreement

E. SADOWSKI MOVED TO APPROVE THE ITEMS ON THE CONSENT AGENDA. J. KRICKHAHN SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

4. Committee Reports
 - a. Licenses
 1. Bartender license – 2 Year Licenses to expire June 30, 2010.
 - a. Christyna Boivin, Pewaukee; Qdoba Mexican Grill
 - b. Delinda Beckstrom, Waukesha; Applebee's
 - c. Scott King, Brookfield; Noodles & Co.
 - d. Leslie Moats, Hartland; ZIN

L. MORRISON MOVED TO APPROVE THE TWO-YEAR BARTENDER LICENSE(S). B. LEONARD SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

2. Class B Beer Class B Liquor to expire June 30, 2009:
 - a. Glenn Fieber, Solly's Grille, 601 Milwaukee Street, Delafield; Glenn Fieber, S75 W24675 Aberdeen Way, Waukesha, Agent

E. SADOWSKI MOVED TO APPROVE THE CLASS B BEER CLASS B LIQUOR TO EXPIRE JUNE 30, 2009 FOR GLENN FIEBER, SOLLY'S GRILLE, 601 MILWAUKEE STREET, DELAFIELD; GLENN FIEBER, S75 W24675 ABERDEEN WAY, WAUKESHA, AGENT. G. MACDOUGALL SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

T. Aul was present and stated he is still working out an agreement with Mr. Fieber and that there could be some remodeling. E. Sadowski stated Solly's has the best burgers in Wisconsin.

- b. Plan Commission – (Minutes of November 19, 2008)
 1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

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B. Leonard stated several items from the Plan Commission meeting are on tonight's agenda for consideration and action.

2. Discussion and action on recommendation from Plan Commission to approve the minor change to the Conditional Use and site plan amendment to place a generator and appropriate screening for DELC 0794.952, 322 W. Enterprise Road, Delafield. Owner: WE Energies. Applicant: Verizon Wireless c/o Velocitel, Inc.

B. Leonard stated this item was recommended by the Plan Commission as a minor change to the Conditional Use. It was on the last Common Council agenda but it was held over to investigate the screening. Verizon has a cell tower on another property that required screening. It was never done because the property owner is responsible for the screening. T. Schuenke stated the Verizon representative is working with him on the screening issue. The other site is the Geason property which they are responsible for screening. These towers are two separate issues, two separate property owners and two separate applicants. B. Leonard stated she is confident staff will pursue enforcement. T. Schuenke stated yes it should have been screened and enforcement is in progress.

B. LEONARD MOVED TO APPROVE THE RECOMMENDATION FROM PLAN COMMISSION TO APPROVE THE MINOR CHANGE TO THE CONDITIONAL USE AND SITE PLAN AMENDMENT TO PLACE A GENERATOR AND APPROPRIATE SCREENING FOR DELC 0794.952, 322 W. ENTERPRISE ROAD, DELAFIELD. OWNER: WE ENERGIES. APPLICANT: VERIZON WIRELESS C/O VELOCITEL, INC. L. MORRISON SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

3. Discussion and action on recommendation from Plan Commission to approve the Final Certified Survey Map for Tax Keys 0624.001, 0624.002, 0624.003 and part 0622.999, Valley Road, Nashotah. Owner/Applicant: Three Siblings, LLC c/o Siepmann Realty Corp.

B. Leonard stated this is a three lot CSM on Valley Road on Upper Nashotah Lake. The petitioner has some conditions as set forth by Yaggy Colby which have been met.

L. MORRISON MOVED TO APPROVE THE RECOMMENDATION FROM PLAN COMMISSION TO APPROVE THE FINAL CERTIFIED SURVEY MAP FOR TAX KEY 0624.001, 0624.002, 0624.003 AND PART 0622.999, VALLEY ROAD, NASHOTAH. OWNER/APPLICANT: THREE SIBLINGS, LLC. C/O SIEPMANN REALTY CORP. G. MACDOUGALL SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

4. Discussion and action on recommendation from Plan Commission to approve the minor change to the Conditional Use for the approval of a monument sign for Tax Key 0793.021.001, 705 Genesee Street, Delafield. Owner/Applicant: Delafield Convenience, c/o Gary Durenberger.

B. Leonard stated this item was recommended by the Plan Commission as a minor change to the Conditional Use. The petitioner will be replacing the existing sign, which is required to be replaced. It will be replaced with a ground mounted face lit sign. The Plan Commission discussed waiving the site visibility triangle. R. Dupler stated the photographic analysis for visibility was scheduled for either today or tomorrow for the next Public Works Committee meeting. The Plan Commission is allowed latitude to waive the restriction if agreed to by Public Works Director.

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B. LEONARD MOVED TO APPROVE THE RECOMMENDATION FROM PLAN COMMISSION TO APPROVE THE MINOR CHANGE TO THE CONDITIONAL USE FOR THE APPROVAL OF A MONUMENT SIGN FOR TAX KEY 0793.021.001, 705 GENESEE STREET, DELAFIELD, SUBJECT TO THE COMPLETION OF A VIEW SHED ANALYSIS AND APPROVAL BY THE PUBLIC WORKS COMMITTEE. OWNER/APPLICANT: DELAFIELD CONVENIENCE, C/O GARY NUERNBERGER. R. MISKELLEY SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

5. Discussion and action on recommendation from Plan Commission to approve the minor change to the Conditional Use to allow signage that exceeds the zoning code for Tax Key 0787.999, 1452 Genesee Street, Delafield. Owner/Applicant: Lake Country Health Center, Dr. Daniel T. Murray.

B. Leonard stated this item was recommended by the Plan Commission as a minor change to the Conditional Use. The blue hanging signs exceeds the allowable amount in the Zoning Code. The Plan Commission determined the blue signs are occupation signs, not service signs and that the Zoning Code does not allow signs that describe services. G. MacDougall stated he is not sure if the blue signs meet the occupation rule. R. Dupler stated this is not opening the door for anyone else; this decision is unique to this Conditional Use.

B. LEONARD MOVED TO APPROVE THE RECOMMENDATION FROM PLAN COMMISSION TO APPROVE THE MINOR CHANGE TO THE CONDITIONAL USE TO ALLOW SIGNAGE THAT EXCEEDS THE ZONING CODE FOR TAX KEY 0787.999, 1452 GENESEE STREET, DELAFIELD, AS THE BLUE SIGNS WERE DETERMINED AS OCCUPATION SIGNS, NOT SERVICE SIGNS. OWNER/APPLICANT: LAKE COUNTRY HEALTH CENTER, DR. DANIEL T. MURRAY. R. MISKELLEY SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

6. Discussion and action on recommendation from Plan Commission for downtown directional signage concept and sample ordinance language for the same.

B. Leonard stated the Plan Commission was presented with design samples. The business owners are concerned that visitors are not able to find businesses on side streets. The proposed plan shows what the sign will look like and they will be mounted on the street light posts. Also, there is a sample ordinance in the packet from Egg Harbor to administer this type of signage. The Common Council needs to determine how to administer these signs, how much to charge, who gets on the sign, etc.

R. Dupler stated the downtown business owners miss the directional signage that was taken down during the downtown reconstruction. These signs are called TODS, Tourist Oriented Directional Signage, which there are many in Waukesha County. He recommends the new signs be simple and consistent with road signage. He recommended mounting them on street lights to establish clear visibility. However, the Main Street stop sign blocks the street light so he is working with the Public Works Director on relocating the stop sign. R. Miskelley asked how the City determines who is on the sign. R. Dupler stated he considers those that are within the downtown district should have the right to be on the sign, which then would exclude Kurt's Steakhouse and Fishbones. J. Krickhahn stated he likes the alternate sign design with the sails on it because it ties in with the community. R. Dupler stated the Plan Commission chose the other sign without the sails because it allows for another slot and that the Chamber is working on rebranding and might come up with a new logo. B. Leonard suggested the City receive input from the business owners on a TODS sign ordinance.

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E. McAleer stated he would like to approve the concept plan and have staff work on the administration of the TODS signage. L. Morrison stated she feels it is logical to have the closest business first on the sign. B. Leonard stated the Plan Commission suggested the opposite that the furthest away should be listed first. E. Sadowski stated these signs will be good for the City and we should move ahead with it.

J. KRICKHAHN MOVED TO APPROVE THE RECOMMENDATION FROM PLAN COMMISSION TO APPROVE THE PROPOSED DIRECTIONAL SIGNAGE AS PRESENTED AND TO DIRECT STAFF TO WORK ON THE ORDINANCE FOR THE SAME. G. MACDOUGALL SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

c. Lake Welfare Committee

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

L. Morrison stated the Lake Welfare Committee has not heard back from the DNR and that they have nine more days to respond.

The next Lake Welfare Committee meeting will be held on December 11, 2008 at 6:00 P.M. in the Fire Department Training Room.

d. Park and Recreation Commission – (Minutes of November 24, 2008)

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

E. Sadowski stated the Park and Recreation Commission met on November 24, 2008, which he was not present for.

The next Park and Recreation Commission meeting will be held on December 22, 2008 at 7:00 P.M.

e. Public Works Committee

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

There was nothing to report at this time.

The next Public Works Committee meeting will be held on December 3, 2008 at 6:30 P.M.

f. Del-Hart Commission – (Minutes of November 18, 2008)

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

M. DeYoe stated Del-Hart met on November 18, 2008 and discussed hiring a new staff person to replace the current employee who was promoted as Del-Hart General Manager.

g. Police and Fire Commission

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

There was nothing to report at this time.

h. Library Board

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1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

The next Library Board meeting will be held on December 9, 2008 at 7:00 P.M.

i. Finance Advisory Board

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

G. MacDougall stated the next quarterly meeting is December 4, 2008 at 8:00 a.m., but there isn't an agenda yet. T. Schuenke stated that meeting was postponed until January.

j. Board of Zoning

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

There was nothing to report at this time.

2. December 11, 2008 Hearings Scheduled:

- a. DELC 0751.032 - Appeal of Thomas Kosidowski (owner) for proposed detached garage at 2634 Nagawicka Ave, relating to Section 17.39(9)(f) regarding minimum front street setback requirements.
- b. DELC 0736.988.002 - Appeal of Dave Morris (owner) of 4207 Campbell Trace, to re-roof and structurally reinforce barn roof areas relating to Section 17.39(2)(g) and Section 17.57 regarding front yard lot line setback requirements and reconstruction of an existing non-conforming structure.
- c. DELC 0787.058 - Appeal of John Nagy (owner) and Pete Davis (agent) for proposed rebuilding of attached garage at 741 Mill St, relating to Section 17.39(9)(f) regarding minimum front street setback requirements, Section 17.39(9)(m) regarding maximum floor area ratio and Section 17.57 regarding reconstruction of an existing non-conforming structure.

k. Promotional and Tourism Committee

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

The next Promotional and Tourism Committee meeting will be held on December 2, 2008 at 7:00 A.M. at the Fish Hatchery.

2. Update from subcommittee for St. John's Northwestern Military Academy 125th Anniversary

There was nothing to report at this time.

m. City of Delafield 50th Birthday Celebration

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

E. Sadowski stated would like to meet sometime next week.

n. Lake Country Fire Department Expansion Committee – (Minutes of November 25, 2008)

1. Report on discussion and action taken at previous meetings, future agenda items and upcoming scheduled meetings.

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G. MacDougall stated the committee met last on November 25, 2008. The committee finished writing the articles and sent them to each committee member for review and comment. Also, using each municipality's budget, the finance formula was modified. The committee agreed to contract with professional services to review the articles, formulas and assumptions. The committee members, Bryce Styza, Richard Lartz and Ed McAleer will be seeking those bids. Once the information is final it will be presented to the respective boards, then a public hearing will be held. E. McAleer stated the committee will get an agreement with Attorney John Macy to put the articles in legal format. His costs will be split three ways and will bring the City's costs to the next Common Council meeting. G. MacDougall stated if the consolidation is approved it will save the City of Delafield money. He and the Mayor are very optimistic about this.

The next Lake Country Fire Department Expansion Committee meeting will be on January 29, 2009 at 7:00 P.M. at the Nashotah Village Hall.

Common Council took a five minute break.

5. Old Business

a. Discussion of possible TIF for Red Prairie Development.

P. Cosson, Financial Advisor from Ehlers was present and reviewed the TID Feasibility Analysis of the RP Development as directed at the last Common Council meeting. **Clerk's Note: The Feasibility Analysis is on file in the Clerk's Office and is attached to the minutes.** He stated there are three types of TIFs: Traditional, Environmental Remediation and Mixed Use. The TIF being proposed is a Mixed Use with a maximum life of 20 years and an expenditure period of 15 years. There was a question about the half mile radius rule. Any project approval located outside the TIF would have to be included in the project plan and if they are not, the plan can be amended through the full amendment process. There was discussion about how much of the development can be office versus residential. P. Cosson stated 35% of the total area can be residential.

P. Cosson continued to review the Feasibility Analysis and stated the RP Development Team is proposing a hybrid TIF district. A portion of the project will be paid for by City and the remaining funds the developer finances and is reimbursed by the increment. RP Development is proposing the City finance \$950,000 of the required \$7.5 million in project costs. RP Development will finance the rest. There was discussion about who finances the CTH C bridge. Rob Gerbitz stated at this time RP Development has to show the costs for the bridge work in their numbers, but they will be asking Waukesha County for those costs. P. Cosson and R. Gerbitz reviewed which costs will be paid for by the developer. R. Gerbitz stated the developer's numbers came from John Stigler, Civil Engineer with Jahnke and Jahnke. These costs are preliminary and are typically high as engineers are conservative in their estimates.

P. Cosson stated the key to a TIF is the Developer's Agreement. The Developer's Agreement will identify costs, City participation, etc. The City can cap the City's contribution and the TID's contribution. With this project, normal procedure is followed: The TIF is created first, then the Developer's Agreement is created and agreed upon. E. McAleer stated he feels both tasks should be done at the same time. L. Morrison asked if the developer gets money from the County and State, will that change how much they request from the TID. P. Cosson stated that is a possibility but that discussion has not happened yet. P. Cosson stated with this proposed hybrid TIF, the developer is bearing quite a bit of the costs.

E. McAleer stated the City required the developer to provide the necessary studies as requested by the Plan Commission so a public hearing can be held. Until we know if this has a chance of succeeding, how can the City move forward? R. Gerbitz stated we could have the public hearings for TIF and PUD on the same night. B. Leonard asked if there will be two separate Developer's Agreements? P. Cosson stated yes, it could be two separate documents if the City

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chooses. E. Sadowski asked when Del-Hart becomes involved. E. McAleer stated Del-Hart needs to analyze the usage to the plant and determine the DUEs.

T. Schuenke summarized the discussion and stated there are two pieces to this puzzle. One is zoning and land use, specifically the PUD. We already have a process in place for that. The second is the agreement between the City and the developer to make the improvements, building buildings and create the increment. That agreement will contain many of things that are being discussed tonight. The Developer's Agreement will also deal with projects to be included in the TIF District. This is all very preliminary to determine if this is feasible or not. The City has a developer that is ready to come here now, so we are actually a step ahead of the process. We need to be sure that the City is protected. E. McAleer stated the developer needs to work with the staff to work out realistic date for a public hearing. R. Gerbitz stated Red Prairie will not come to the City of Delafield unless there is a TIF, no matter who funds it. E. Sadowski stated the City of Delafield needs to be competitive; they like our location.

There was discussion about the rerouting of Indian Spring Drive. R. Gerbitz stated rerouting Indian Spring Drive wasn't their idea, but the DOT's. RP Development would prefer not rerouting Indian Spring Drive, but the DOT needs to be convinced not to move the road. If Indian Spring Drive is not rerouted, there would not be any phasing because the roundabout will not be needed. P. Cosson continued to review the Feasibility Analysis. If the City does borrow money for this TIF, it does not count against City's borrowing capacity. This borrowing will not have any impact on anyone's taxes because the City is paid back first from the increment. E. McAleer and R. Miskelley stated that is not exactly accurate. As development occurs, there are increased costs for Police, Fire and snow plowing. The increment pays for infrastructure only, not the increase in services. P. Cosson continued to review costs and concluded that over the 20 year life of the TIF, it will generate an \$8M increment. Any shortfall will be the developer's responsibility. There was further discussion about how fast the developer will be paid back, which depends on Red Prairie's Development's Internal Rate of Return and negotiating payments back to the city.

P. Cosson continued to review development assumptions at full build out. The developer will be paid back in entirety in about 19 years. This is acceptable by schools and the county. However, historically in Waukesha County, the County likes to see a 15 year payback. R. Miskelley stated Pat Deklotz, Kettle Moraine Superintendent is in favor of the TIF. P. Cosson stated the key date is December 17, 2008 Plan Commission meeting, at which the Plan Commission will call for a public hearing on January 14, 2009. R. Gerbitz stated there is no way to have all of the documents ready for a January 14, 2009 public hearing. He is looking for a February public hearing for both TIF and PUD. There was discussion about the traffic study. R. Gerbitz stated the process has been started at the state and county levels, which could take anywhere from five to eight weeks. E. McAleer stated the Plan Commission is meeting twice a month in January, February and March; a hearing could be set for the February 25, 2009 meeting. P. Cosson stated once the Plan Commission calls for a public hearing the notice is posted and a project plan needs to be submitted to City Hall for public review.

R. Miskelley suggested that R. Gerbitz meet with the staff to review the Indian Spring Drive road plans. E. McAleer suggested negotiating with the DOT about that. M. DeYoe asked who makes up RP Development. R. Gerbitz stated it consists of Mr. Erwin, Briohn Builders and Mr. Zilber. They have the financial capabilities, desire and interest. This is a very good and rare project. The development team has concerns that aren't specific to Delafield but to the TIF. He wants to make sure everyone is on the same page and we want to see this development happen. J. Krickhahn asked if Waukesha County is in favor of this project, would they have more influence with the DOT than the City? E. McAleer stated he feels the City would have more influence. R. Gerbitz stated he has a meeting with the DOT next week. R. Gerbitz also stated that the corporation name has no association with Red Prairie the company, it's just a project name.

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- b. Discussion and action of engagement letter for Ehlers and Associates to analyze Red Prairie TIF proposal.

B. Leonard asked if the Ehlers fees will be reimbursed by the developer. R. Gerbitz stated yes.

R. MISKELLEY MOVED TO APPROVE ENGAGEMENT LETTER FOR EHLERS AND ASSOCIATES TO ANALYZE RED PRAIRIE TIF PROPOSAL. E. SADOWSKI SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

L. Morrison asked about Bonnie Fieber's question, will the employees be involved in the community. R. Gerbitz stated RP has a community department which does get involved in the community but is not sure to what degree.

- c. Discussion and action to adopt Ordinance No. 601, An Ordinance Amending Section 17.33(5) of the Municipal Code of the City of Delafield, Waukesha County, Wisconsin Related to the Plan Commission Criteria for Plan of Operation Approvals.

E. McAleer stated if this is passed it is going to be a challenge for the Plan Commission to treat all businesses consistently when reviewing hours of operation. He wanted to vote against it but has to vote to break a tie to move it to Common Council. There was discussion that the Plan Commission is already reviewing hours of operation but not having the authority to do that. E. McAleer stated this will officially put it in the code. There was discussion about how to enforce the hours of operation. T. Schuenke stated he will enforce them. G. MacDougall stated there are no guidelines or standards in this ordinance. R. Miskelley stated it is too restrictive and asked what triggered this. J. Krickhahn stated Asian Kitchen at Village Square. T. Schuenke stated there are different hours of operation for Subway and Asian Kitchen within the same development. The City's Code states businesses cannot be open between 2 AM and 5 AM. Now there are three sets of rules for one development. E. McAleer stated the ordinance can be adopted and if it's a problem, it can be reviewed. There was discussion about why Asian Kitchen has different hours than what they proposed. There was a miscommunication between the landlord and tenant about hours. The tenant thought the hours of operation was when employee has to leave, but it's really the business hours. L. Morrison asked why the City is regulating misunderstandings. E. McAleer stated Marcus Movies had the same issue, that when the last movie lets out, there is still clean up to be done, which requires employees to be in the building. Adopting this ordinance gives the City code authority, whereas before the City didn't have the authority to set hours of operations. B. Leonard stated this is only an issue with Village Square.

M. DEYOE MOVED TO DENY ADOPTION OF ORDINANCE NO. 601, AN ORDINANCE AMENDING SECTION 17.33(5) OF THE MUNICIPAL CODE OF THE CITY OF DELAFIELD, WAUKESHA COUNTY, WISCONSIN RELATED TO THE PLAN COMMISSION CRITERIA FOR PLAN OF OPERATION APPROVALS. E. SADOWSKI SECONDED THE MOTION. THERE WAS DISCUSSION ABOUT WHETHER OR NOT THE CITY HAS ALREADY BEEN REGULATING HOURS OF OPERATION. L. MORRISON STATED THE CITY HAS ALREADY SET PRECEDENT FOR SETTING HOURS OF OPERATION AND WE DON'T NEED AN ORDINANCE TO DO THAT. E. MCALEER STATED THE CITY ATTORNEY DOESN'T RECOMMEND ADOPTING THIS ORDINANCE. WE ASKED HIM TO DRAFT AN ORDINANCE FOR DISCUSSION AND HE DID. THERE WAS NO FURTHER DISCUSSION. MOTION CARRIED WITH ONE NAY BY B. LEONARD.

- d. Discussion and Action to Adopt Ordinance No. 602, An Ordinance Amending Sections 17.22 and 17.24 of the Municipal Code of the City Of Delafield, Waukesha County, Wisconsin Related to Boathouses.

CITY OF DELAFIELD COMMON COUNCIL MINUTES

L. Morrison stated there was a memo on the ordinance changes in the packet. The proposed ordinance mandates the use of rain gardens or similar items to protect the lake from storm water runoff; it eliminates the usage of toilets and it sets new procedures for approval. If someone wants a boathouse, they first see the Building Inspector, he directs them to the Lake Welfare Committee, and then it goes to Plan Commission. The Clerk also notifies property owners prior to the Plan Commission meeting. There was discussion about the 50% of market value verbiage. E. McAleer stated that verbiage doesn't need to be in the proposed ordinance since legal nonconforming is already addressed in the Zoning Code in another section. It was suggested to remove verbiage from the word "affecting" through 17.55. E. McAleer stated the Plan Commission recommends adoption of the ordinance without the 50% verbiage. B. Leonard stated the Lake Welfare Committee and Plan Commission didn't want it to be that restricted. J. Krickhahn asked if boathouses can be wet or dry. L. Morrison stated wet boathouses aren't allowed anymore. She also stated the DNR did review the ordinance and the City is in compliance. B. Leonard stated this ordinance still does not protect the view of the lake.

L. MORRISON MOVED TO ADOPT ORDINANCE NO. 602, AN ORDINANCE AMENDING SECTION 17.22 AND 17.24 OF THE MUNICIPAL CODE OF THE CITY OF DELAFIELD, WAUKESHA COUNTY, WISCONSIN RELATED TO BOATHOUSES, AS RECOMMENDED BY PLAN COMMISSION, STRIKING THE 50% MARKET VALUE VERBIAGE. G. MACDOUGALL SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. MOTION CARRIED WITH ONE NAY BY B. LEONARD.

- e. Discussion and action on the following items for the Roller Mill Pond Dam:
 - i. Discussion and action to decline taking any position with respect to the contested DNR Hearing.
 - ii. Discussion and action to support an adjournment of the Contested Hearing for a reasonable period of time to allow the Millpond residents to discuss the abandonment process and related issues with both the DNR and the property owner.
 - iii. Discussion and action to requesting the DNR adjourn the attested hearing, and affirmatively represent to the DNR that the City will work with the residents on acquisition and restoration issues.

See above discussion and action.

- f. Discussion and action of current public hearing notification requirements.

G. Gresch stated she sent a survey to the Clerk's Network and the majority of responses are 300 feet. There was discussion about defining where a residential area abuts commercial or industrial, the notification area could be increased to 500 feet or 1000 feet. E. McAleer stated it would be easier for the Clerk to send to 500 feet. L. Morrison stated 500 feet could be a lot of people, which could cause other issues. E. Sadowski asked about notifying 300 feet from the boundary of the development. B. Leonard stated with multiple tax keys, all tax keys would have to have a notification area of 300 feet. T. Schuenke stated he is thinking of all of the situations where that wouldn't work. E. McAleer suggested Planner Dupler work on this with the Administrator and Attorney.

6. Mayor's Report

There was nothing to report at this time.

7. New Business

- a. Discussion and action to waive \$100 temporary sign permit fee.

CITY OF DELAFIELD COMMON COUNCIL MINUTES

E. McAleer stated he received a call from a business owner and requested that the banner signs fee be waived for the holiday season. There is a lack of foot traffic and the banners help draw people in. He stated he spoke with the Administrator about this and he agrees with the 90 day suspension of charging the \$100 fee.

E. SADOWSKI MOVED TO WAIVE \$100 TEMPORARY SIGN PERMIT FEE FOR 90 DAYS. M. DEYOE SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

- 8. Administrator's Report
 - a. Report of City Officials
 - i. Administrator
 - a. Village Square Update.

T. Schuenke stated he has reviewed the Settlement Agreement with the Planner, Mayor and Engineer, along with Alderperson Krickhahn and the neighboring residents. The Settlement Agreement is in compliance. However, there are a couple of issues that residents talked about that the Village Square owner is going to make some changes on. He stated he emailed the same report the Common Council received to those residents. Snow removal will be done during the day; a sign at the entrance / exit to Vettleson Road stating "No Truck Traffic" will be installed; the developer quit mowing around pond to discourage geese. With regards to lighting, the City directed certain lights be installed. The City Engineer measured the foot candles and they are within the City's code. The lights to emit a glare. The developer is not willing to change the heads on the lights due to the expense and that the City ordered those lights to be installed. The developer has agreed to turn the objectionable lights off until the outlot is developed. At that time a comprehensive lighting plan for that outlot will be completed.

T. Schuenke commented on the semi-trucks leaving the site. There are complaints about the trucks moving from stop sign to stop sign making a lot of whirring noise. The site is designed for trucks to leave the site using the perimeter roads because the pavement is thicker there than the parking lot; there is no room behind Pick n' Save to turn around. He reviewed the situation and feels there isn't a reasonable alternative. The Developer has called Pick n' Save to make them aware of the truck noise and to respect the neighbors.

There was further discussion about the lighting. Drew Johnson, Owner stated by turning off the lights, he's violating his lease with each store. There was further discussion about the truck noise. T. Schuenke stated at this time, there is no way to resolve that situation. G. MacDougall asked if we can get something signed from the neighbors stated they agree that the issues have been resolved. T. Schuenke stated he has received three emails from the neighbors thanking him for his work. He stated he will give the Plan Commission the same report as the Common Council, so they know this issue is resolved. J. Krickhahn stated there are three issues which he will keep an eye on. E. Sadowski stated he feels the Administrator and Village Square Owner have done a great job getting the Settlement Agreement in compliance.

- ii. Clerk-Treasurer
There was nothing to report at this time.
- iii. Council requests of future agenda items – NO DISCUSSION OF REQUESTED ITEMS.

CITY OF DELAFIELD COMMON COUNCIL MINUTES

There were no requests at this time.

9. Financial Report
 - a. Approve voucher list

E. SADOWSKI MOVED TO APPROVE THE VOUCHER LIST AS PRESENTED. L. MORRISON SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

10. Correspondence
 - a. Letter from Time Warner Cable regarding channel changes.
 - b. Focus Newsletter.

E. McAleer reviewed the correspondence with the Common Council members.

11. Adjournment

E. SADOWSKI MOVED TO ADJOURN THE DECEMBER 1, 2008, COMMON COUNCIL MEETING AT 10:03 P.M. M. DEYOE SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. ALL WERE IN FAVOR. MOTION CARRIED.

Minutes Prepared By:

Gina C. Gresch, MMC/WCMC/WPCP
City Clerk/Treasurer

Memorandum

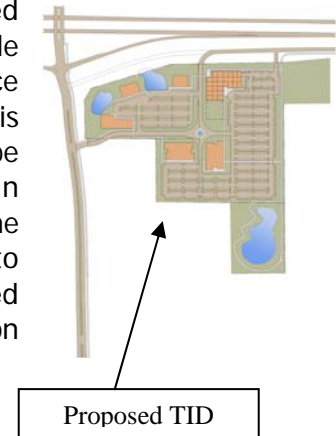
TO: Mayor Ed McAleer & City of Delafield Common Council
Timothy Schuenke, City Administrator

FROM: Philip L. Cosson, CIPFA
Executive Vice President/Director

DATE: December 1, 2008

SUBJECT: Tax Increment District Feasibility Analysis – RedPrairie Development.

At the City's request, Ehlers and Associates, Inc. has prepared this preliminary analysis of the feasibility of creating a tax increment district (TID) for the proposed RedPrairie development in the southern portion of the City. The general boundaries of the area consist of the area on the southeast corner of I94 and CTH C. The general map of the proposed TID area is depicted to the right. The scope of this analysis is to provide an evaluation of the RedPrairie proposal which may include assistance from the City including the use of TID. We have included in this analysis a summary of what is being proposed, the type of TID that would be created and the financing options available to the City under a TID. In addition, a TID feasibility analysis has been included for each of the proposed development scenarios. This analysis does not attempt to answer the "But For" question, as that is a determination that will need to be made independently by the City's Plan Commission, Common Council, and Joint Review Board.

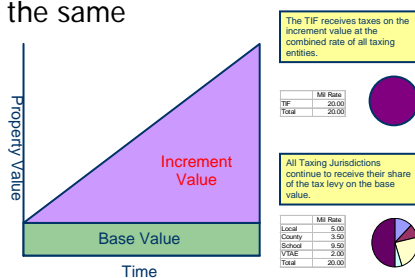


Tax Incremental Finance 101

Tax Incremental Finance districts have been one of Wisconsin's only economic development incentive programs available to municipalities since the mid 1970's. The law has gone through a number of changes, with the current law allowing basically three(3) types of districts: Blight Elimination/Redevelopment (finding that 50% of land within the district is blighted or in need of rehabilitation), Industrial Development (finding that at least 50% of the land within the district is suitable for Industrial Development), and Mixed Use (finding that at least 50% of the land within the district is suitable for 2 of 3 land classifications: industrial, commercial and/or residential).

A tax incremental finance district utilizes the tax authority of the village, school district, county and vocational/technical college district to pay for improvements that otherwise would not have occurred. In other words, "but for" the use of tax incremental financing, the development would either have not occurred, not occurred in the same timeframe, or would not have occurred with the same value.

When a tax increment district is created, a base value is established that continues to be taxed by the all the taxing jurisdiction. The increased value, increment, is then charged at the same tax rate as the base, however the TIF retains all the tax revenue to be used to cover the projects undertaken by the TIF.



Proposed District Creation

The type of district proposed to be created for RedPrairie is a Mixed Use District. Based upon the land area designated for inclusion in the district, greater than 50% of the land area would be suitable for a combination of commercial and residential development. The maximum life of a Mixed Use TID is 20-years with an expenditure period of 15-years. The boundaries of all TIDs can be amended up to three times with approval from the Plan Commission, Common Council and Joint Review Board. There are no limitations as to the number of times a projects related to the TID can be amended, however, the same approvals are needed. The area proposed to be included in the district encompasses approximately 24 acres. Of the total acreage, a maximum of 35% of the total area can be designated for newly platted residential area. However, at this time there is no residential component being contemplated.

Proposed District Projects

In order to provide for the development of the above area, several projects have been contemplated for inclusion in the TID. The projects and related costs were provided by RedPrairie or their consultants. There request is for the City to expend approximately \$4,975,000 on infrastructure improvements to allow for the development to occur. The City would finance \$975K in projects with the remaining \$4M to be developer financed. The major projects they have proposed are as follows:

1. Sanitary Sewer, Storm Sewer, and Water Improvements:	\$1,842,800
2. Highway C Reconstruction Costs:	829,550
3. I-94 Bridge Reconstruction Costs:	2,220,000
4. Onsite Infrastructure:	2,232,300
5. Landscaping, Electric & Gas Service, & IT Services:	250,000
6. Permitting & Professional Services:	<u>200,000</u>
Total	\$7,574,650
Total Requested From TID	\$4,975,000
Total City Project Costs - Financed	\$950,000
Total Developer Financed (\$4M Through TID)	\$6,624,650

It is not anticipated that the above improvements will be assessed directly back to the benefitting properties but rather will be paid through the TID or by the developer. It could be argued that the portion of the proposed TID along the I-94 corridor would develop without TIF. However, there is a disproportionate share of the infrastructure costs (Bridge, Road, and Utility Work) that will be needed to be made to allow for development at the proposed site.

Proposed Private Development (Development Assumptions)

With the construction of the above improvements, the following development assumptions have been utilized in gauging the financial feasibility of the TID. These assumptions have been provided by RedPrairie or their consultant:

1. RedPrairie Development – Phase 1	\$22,900,000
2. Mixed-Use & Office Development – Subsequent Phases	43,400,000
Total	\$66,300,000

The assumption that development will occur over a period of time if the improvements are installed from the previous section have been analyzed as to the financial performance of the proposed district. Attached on the ensuing pages is a detailed financial analysis of the proposed tax increment district.

Summary and Conclusions

Based upon the above, Ehlers & Associates, Inc. conclude that:

- It is likely that the development of the proposed area either would not occur or would not occur with the higher level of amenities/value without the assistance from a tax increment district in the form of installation of major infrastructure improvements.
- Based upon the above information and attached analysis, the creation of a tax increment district would initially spur over \$22M in office development and an additional \$43M in commercial and mixed-use development over the next 18-years.
- With the private development assumptions at full build-out, coupled with the district costs assumptions, the tax increment revenue stream generated by the tax increment generated would support the proposed expenditures and closeout within 18-years.

In the event that the City is desirous of proceeding with the creation of a tax increment district, a draft timeline is attached that lays out the process of creating a tax increment district.

Attachments

1. Financial feasibility analysis
2. Tax Increment District creation timeline

Cc:

Tim Schuenke, City Administrator
David Wagner, Ehlers

City of Delafield

Tax Increment District No. 4

Project List



EHLERS
LEADERS IN PUBLIC FINANCE

	Phase I	Phase II
	Year	Year
Projects		
Mass Site Grading & Regional Storm Facility		
Sanitary Sewer Offsite and Onsite Costs		
Well Water Facility and Watermain Loop		
Street Lighting and Streetscape Amenities		
I94 Bridge Design and Enhancements		
Subtotal: Request From RP Technology Development Group, LLC.	4,950,000	
TID Creation Costs	25,000	
Subtotal Needed for Projects	4,975,000	0

City of Delafield

Tax Increment District No. 4 Estimated TID 4 Capital Borrowings

	G.O. Bond	Municipal Revenue Obligation (MRO)
	2,009	2,009
Projects		
Subtotal: Request From RP TDG, LLC.	950,000	4,000,000
TID Creation Costs	25,000	
Subtotal Needed for Projects	975,000	4,000,000
Finance Related Expenses		
Financial Advisor	13,687	0
Bond Counsel (Estimate)	5,000	10,000
Rating Agency Fee	6,500	
Paying Agent (if Term Bonds)	675	0
Max. Underwriter's Discount	\$10.00 10,700	0
Capitalized Interest	72,225	
Total Financing Required	1,083,787	4,010,000
Est. Interest Earnings	(13,787)	0
NET ISSUE SIZE	1,070,000	4,010,000



Tax Increment District No. 4
Development Assumptions - Phase 1 Only

Construction Year	Increase in Land Valuation	Red Prairie Building	Mixed Use or Office Building	Annual Total
2009	2,500,000	10,200,000		12,700,000
2010		10,200,000	0	10,200,000
2011				0
2012				0
2013				0
TOTALS	2,500,000	20,400,000	0	22,900,000

NOTES: Development Assumptions Provided By Developer.

City of Delafield

Tax Increment District No. 4 Tax Increment Projection Worksheet - Phase 1 Only

Type of District	Mixed Use
Anticipated Creation Date	2/1/2009
Valuation Date	Jan. 1, 2009
Maximum Life (In Years)	20
Expenditure Period (In Years)	15
Revenue Periods/Final Rev Year	19 2029
End of Expenditure Period	2/1/2024
Latest Termination Date	2/1/2029
Eligible for Extension/No. of Years	Yes 3
Eligible Recipient District	No

Projected Base Value	0
Pre-Amendment Base Value (Actual)	0
Property Appreciation Factor	2.00%
Current Tax Rate (Per \$1,000 EV)	\$15.60
Tax Rate Adjustment Factor (Next 2 Years)	-1.50%
Tax Rate Adjustment Factor (Following 2 Years)	-1.00%
Tax Rate Adjustment Factor (Thereafter)	0.00%

Apply Inflation

	Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment
1	2009	12,700,000	2010	0	12,700,000	2011	15.13	192,176
2	2010	10,200,000	2011	254,000	23,154,000	2012	14.98	346,863
3	2011	0	2012	463,080	23,617,080	2013	14.83	350,262
4	2012	0	2013	472,342	24,089,422	2014	14.83	357,267
5	2013	0	2014	481,788	24,571,210	2015	14.83	364,413
6	2014	0	2015	491,424	25,062,634	2016	14.83	371,701
7	2015	0	2016	501,253	25,563,887	2017	14.83	379,135
8	2016	0	2017	511,278	26,075,165	2018	14.83	386,717
9	2017	0	2018	521,503	26,596,668	2019	14.83	394,452
10	2018	0	2019	531,933	27,128,601	2020	14.83	402,341
11	2019	0	2020	542,572	27,671,173	2021	14.83	410,388
12	2020	0	2021	553,423	28,224,597	2022	14.83	418,595
13	2021	0	2022	564,492	28,789,089	2023	14.83	426,967
14	2022	0	2023	575,782	29,364,871	2024	14.83	435,507
15	2023	1	2024	587,297	29,952,169	2025	14.83	444,217
16	2024	2	2025	599,043	30,551,214	2026	14.83	453,101
17	2025	3	2026	611,024	31,162,242	2027	14.83	462,163
18	2026	4	2027	623,245	31,785,490	2028	14.83	471,407
19	2027	5	2028	635,710	32,421,205	2029	14.83	480,835
20	2028	6	2029	648,424	33,069,635	2030	14.83	490,452
		22,900,021		10,169,614	541,550,352			

Future Value of Increment **8,038,958**



Tax Increment District No. 4

Cash Flow Pro Forma - Phase 1 Only (City Financed \$950K Remaining Developer Financed)

Year	Revenues				City Expenditures				Balance	Developer Expenditures			Balances		Year
	Tax Increments	Investment Earnings	Cap. Interest	Total Revenues	G.O. Bond \$1,070,000 Dated			City Admin. Costs	Total Expenditures	Annual	Developer Bond \$4,010,000 Dated: 5/1/09		Annual	Cummulative	
		2.00%			Prin (3/1)	Est. Rate	Interest								
2009			24,075	24,075		4.500%	24,075			0	9.00%	112,725	(112,725)	(112,725)	2009
2010			48,150	48,150		4.500%	48,150	6,500	54,650	(6,500)	9.00%	225,450	(231,950)	(344,675)	2010
2011	192,176			192,176	50,000	4.500%	48,150	6,500	104,650	87,526	9.00%	225,450	(137,924)	(482,599)	2011
2012	346,863			346,863	50,000	4.500%	45,900	6,500	102,400	244,463	9.00%	225,450	(987)	(483,586)	2012
2013	350,262			350,262	75,000	4.500%	43,650	6,500	125,150	225,112	9.00%	223,650	(18,538)	(502,124)	2013
2014	357,267			357,267	80,000	4.500%	40,275	6,500	126,775	230,492	9.00%	221,850	(11,358)	(513,482)	2014
2015	364,413			364,413	85,000	4.500%	36,675	6,500	128,175	236,238	9.00%	220,050	(3,812)	(517,294)	2015
2016	371,701			371,701	90,000	4.500%	32,850	6,500	129,350	242,351	9.00%	218,250	(899)	(518,194)	2016
2017	379,135			379,135	95,000	4.500%	28,800	6,500	130,300	248,835	9.00%	216,000	7,835	(510,359)	2017
2018	386,717			386,717	100,000	4.500%	24,525	6,500	131,025	255,692	9.00%	213,750	11,942	(498,416)	2018
2019	394,452			394,452	105,000	4.500%	20,025	6,500	131,525	262,927	9.00%	211,050	16,877	(481,540)	2019
2020	402,341			402,341	110,000	4.500%	15,300	6,500	131,800	270,541	9.00%	207,900	22,641	(458,899)	2020
2021	410,388			410,388	115,000	4.500%	10,350	6,500	131,850	278,538	9.00%	204,300	29,238	(429,661)	2021
2022	418,595			418,595	115,000	4.500%	5,175	6,500	126,675	291,920	9.00%	200,250	41,670	(387,991)	2022
2023	426,967			426,967				6,500	6,500	420,467	9.00%	195,750	74,717	(313,273)	2023
2024	435,507			435,507				6,500	6,500	429,007	9.00%	182,250	46,757	(266,517)	2024
2025	444,217			444,217				6,500	6,500	437,717	9.00%	164,250	43,467	(223,050)	2025
2026	453,101			453,101				6,500	6,500	446,601	9.00%	143,550	38,051	(184,999)	2026
2027	462,163			462,163				6,500	6,500	455,663	9.00%	119,700	35,963	(149,035)	2027
2028	471,407			471,407				6,500	6,500	464,907	9.00%	92,700	42,207	(106,829)	2028
2029	435,507			435,507				6,500	6,500	429,007	9.00%	63,000	26,007	(80,822)	2029
2030	490,452			490,452				6,500	6,500	483,952	9.00%	32,400	91,552	10,729	2030
Total	7,993,629	0	72,225	8,065,854	1,070,000		423,900	136,500	1,630,400	6,435,454		2,505,000	3,807,000		

NOTES:

Net Present Value of Annual Rev. @9% 2,504,550

Phase 1 Development Would Support City's Portion of TID Debt & \$2.5M of the \$4M Developer Bond. The \$1.5M Shortfall Would Be The Responsibility Of The Developer.

**Tax Increment District No. 4
Development Assumptions - Full Buildout**

Construction Year	Increase in Land Valuation	Red Prairie Building	Mixed Use or Office Building	Annual Total
2009	2,500,000	10,200,000		12,700,000
2010		10,200,000		10,200,000
2011				
2012				
2013			5,400,000	5,400,000
2014				
2015			5,400,000	5,400,000
2016				
2017			6,000,000	6,000,000
2018				
2019			6,000,000	6,000,000
2020				
2021			6,000,000	6,000,000
2022				
2023			6,000,000	6,000,000
2024				
2025			6,000,000	6,000,000
2026				
2027			2,600,000	2,600,000
TOTALS	2,500,000	20,400,000	43,400,000	66,300,000

NOTES: Development Assumptions Provided By Developer. Mixed-Use/Office Development Assumes 30K SF Every Other Year at \$180 Per SF in 2013 & 2015 increasing to \$200 Per SF thereafter.

City of Delafield

Tax Increment District No. 4 Tax Increment Projection Worksheet - Full Buildout

Type of District	Mixed Use
Anticipated Creation Date	2/1/2009
Valuation Date	Jan. 1, 2009
Maximum Life (In Years)	20
Expenditure Period (In Years)	15
Revenue Periods/Final Rev Year	19 2029
End of Expenditure Period	2/1/2024
Latest Termination Date	2/1/2029
Eligible for Extension/No. of Years	Yes 3
Eligible Recipient District	No

Projected Base Value	0
Pre-Amendment Base Value (Actual)	0
Property Appreciation Factor	2.00%
Current Tax Rate (Per \$1,000 EV)	\$15.60
Tax Rate Adjustment Factor (Next 2 Years)	-1.50%
Tax Rate Adjustment Factor (Following 2 Years)	-1.00%
Tax Rate Adjustment Factor (Thereafter)	0.00%

Apply Inflation

	Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment
1	2009	12,700,000	2010	0	12,700,000	2011	15.13	192,176
2	2010	10,200,000	2011	254,000	23,154,000	2012	14.98	346,863
3	2011	0	2012	463,080	23,617,080	2013	14.83	350,262
4	2012	0	2013	472,342	24,089,422	2014	14.83	357,267
5	2013	5,400,000	2014	481,788	29,971,210	2015	14.83	444,499
6	2014	0	2015	599,424	30,570,634	2016	14.83	453,389
7	2015	5,400,000	2016	611,413	36,582,047	2017	14.83	542,544
8	2016	0	2017	731,641	37,313,688	2018	14.83	553,395
9	2017	6,000,000	2018	746,274	44,059,962	2019	14.83	653,448
10	2018	0	2019	881,199	44,941,161	2020	14.83	666,517
11	2019	6,000,000	2020	898,823	51,839,984	2021	14.83	768,832
12	2020	0	2021	1,036,800	52,876,784	2022	14.83	784,209
13	2021	6,000,000	2022	1,057,536	59,934,319	2023	14.83	888,878
14	2022	0	2023	1,198,686	61,133,006	2024	14.83	906,656
15	2023	6,000,000	2024	1,222,660	68,355,666	2025	14.83	1,013,774
16	2024	0	2025	1,367,113	69,722,779	2026	14.83	1,034,050
17	2025	6,000,000	2026	1,394,456	77,117,235	2027	14.83	1,143,716
18	2026	0	2027	1,542,345	78,659,580	2028	14.83	1,166,590
19	2027	2,600,000	2028	1,573,192	82,832,771	2029	14.83	1,228,482
20	2028	0	2029	1,656,655	84,489,427	2030	14.83	1,253,052
		66,300,000		18,189,427	993,960,753			

Future Value of Increment 14,748,599



Tax Increment District No. 4

Cash Flow Pro Forma - Full Buildout (City Financed \$950K Remaining Developer Financed)

Year	Revenues				City Expenditures				Balance	Developer Expenditures			Developer Expenditures			Balances		Year
	Tax Increments	Investment Earnings	Cap. Interest	Total Revenues	G.O. Bond \$1,070,000 Dated		City Admin. Costs	Total Expenditures	Annual	Developer Bond \$2,505,000 Dated: 5/1/09		Developer Bond \$1,505,000 Dated: 5/1/09		Annual	Cummulative			
		2.00%			Prin (3/1)	Est. Rate	Interest											
2009			24,075	24,075		4.500%	24,075	24,075	0	9.00%	112,725	12.00%	90,300	(203,025)	(203,025)	2009		
2010			48,150	48,150		4.500%	48,150	54,650	(6,500)	0	225,450	0	180,600	(412,550)	(615,575)	2010		
2011	192,176			192,176	50,000	4.500%	48,150	6,500	87,526	0	225,450	0	180,600	(318,524)	(934,099)	2011		
2012	346,863			346,863	50,000	4.500%	45,900	6,500	102,400	244,463	0	225,450	0	180,600	(161,587)	(1,095,686)	2012	
2013	350,262			350,262	75,000	4.500%	43,650	6,500	125,150	225,112	0	225,450	0	180,600	(180,938)	(1,276,624)	2013	
2014	357,267			357,267	80,000	4.500%	40,275	6,500	126,775	230,492	0	225,450	0	180,600	(175,558)	(1,452,182)	2014	
2015	444,499			444,499	85,000	4.500%	36,675	6,500	128,175	316,324	0	225,450	0	180,600	(89,726)	(1,541,908)	2015	
2016	453,389			453,389	90,000	4.500%	32,850	6,500	129,350	324,039	0	225,450	0	180,600	(82,011)	(1,623,918)	2016	
2017	542,544			542,544	95,000	4.500%	28,800	6,500	130,300	412,244	0	225,450	0	180,600	6,194	(1,617,725)	2017	
2018	553,395			553,395	100,000	4.500%	24,525	6,500	131,025	422,370	15,000	225,450	0	180,600	1,320	(1,616,405)	2018	
2019	653,448			653,448	105,000	4.500%	20,025	6,500	131,525	521,923	50,000	224,100	40,000	180,600	27,223	(1,589,182)	2019	
2020	666,517			666,517	110,000	4.500%	15,300	6,500	131,800	534,717	75,000	219,600	40,000	175,800	24,317	(1,564,866)	2020	
2021	768,832			768,832	115,000	4.500%	10,350	6,500	131,850	636,982	150,000	212,850	75,000	171,000	28,132	(1,536,734)	2021	
2022	784,209			784,209	115,000	4.500%	5,175	6,500	126,675	657,534	155,000	199,350	75,000	162,000	66,184	(1,470,550)	2022	
2023	888,878			888,878				6,500	6,500	882,378	240,000	185,400	100,000	153,000	203,978	(1,266,571)	2023	
2024	906,656			906,656				6,500	6,500	900,156	245,000	163,800	125,000	141,000	225,356	(1,041,216)	2024	
2025	1,013,774			1,013,774				6,500	6,500	1,007,274	250,000	141,750	150,000	126,000	339,524	(701,691)	2025	
2026	1,034,050			1,034,050				6,500	6,500	1,027,550	255,000	119,250	160,000	108,000	385,300	(316,392)	2026	
2027	1,143,716			1,143,716				6,500	6,500	1,137,216	260,000	96,300	175,000	88,800	517,116	200,724	2027	
2028	1,166,590			1,166,590				6,500	6,500	1,160,090	265,000	90,000	180,000	67,800	574,390	775,115	2028	
2029	1,228,482			1,228,482				6,500	6,500	1,221,982	270,000	49,050	190,000	46,200	666,732	1,441,847	2029	
2030	1,253,052			1,253,052				6,500	6,500	1,246,552	275,000	24,750	195,000	23,400	728,402	2,170,249	2030	
Total	14,748,599	0	72,225	14,820,824	1,070,000		423,900	136,500	1,630,400	13,190,424	2,505,000	3,738,150	1,505,000	3,069,000				

NOTES:

Projected Closeout

**CITY OF DELAFIELD, WI
TAX INCREMENTAL DISTRICT NO. 4 CREATION**

Proposed Timetable

<u>ACTION DATE</u>	<u>STEP</u>
November – December	City will provide Ehlers a list of the parcel tax key #'s within the District, pertinent parcel information, the maps, list of projects and costs
November - December	Ehlers will prepare & provide the City with a feasibility analysis report, options, and/or draft project plan document
December 1	Common Council discusses proposed TID
December 17	Plan Commission makes a motion to call for a public hearing
December 22	Ehlers' will send a Class 2 Notice to Official City Newspaper. (cc: City)
	Ehlers will send notification letters, along with required enclosures, to overlapping taxing jurisdictions of JRB organizational meeting & public hearing, as well as the Agenda - to be posted by the City. (cc: City & attorney) <i>(Letters must be postmarked prior to first publication).</i>
December - January	Ehlers will provide City, overlapping taxing entities, and/or City Attorney with [revised] draft Project Plan document, if not yet provided and/or necessary, as well as the agenda language (City to post) & resolution for first meetings, and will also request a legal opinion of the plan.
December 30	First Publication of Hearing Notice <i>(Week prior to second notice)</i>
January 6	Second Publication of Hearing Notice. <i>(At least 7 days before public hearing)</i>
January 14	Joint Review Board meets to review plan, appoint chairperson and fifth member and set next meeting date. <i>(Within 14 days after publication, but prior to hearing)</i>
	Plan Commission Public Hearing on Project Plan and approval of TID boundary.
	Plan Commission reviews plan & approval of District Project Plan and boundaries.
January	Ehlers will provide City & City Attorney with revised draft Project Plan, if necessary, as well as the agenda language (City to post) & resolution for Common Council meeting.
February 2	Common Council reviews plan & adopts resolution approving District Project Plan and boundaries. <i>(at least 14 days after hearing)</i>
TBD	Ehlers will send notices & required attachments to JRB of the final meeting, along with the Agenda (City to post). (cc: City & Attorney)
TBD	Approval by Joint Review Board. <i>(Within 30 days of notification of meeting / receipt of Plan Commission & Common Council resolutions)</i>
April - November	Ehlers will gather, prepare, and submit state forms & required documents to the state, once the <u>2009</u> assessed parcel values are available and we receive all remaining maps, legal descriptions, parcel information, documents, etc. from the City.

*Lake Country Reporter publishes Tu. & Th.
Deadline week prior
Word document to: mfisher@jcpgroup.com*