



May 20, 2025

Sent via electronic mail

Tim Kessler, County Board Chair
Washburn County

Rocky VanGilder, JRB Village Member
& Village President

Bridget Milligan, JRB Public Member

John Will, President
Sara Nick, VP of Business Services and
CFO
Northwood Technical College

Gayle Luebke, District Administrator
c/o School Board President
Birchwood School District

RE: Village of Birchwood

A meeting to organize a Joint Review Board (“JRB”) for the Village’s proposed amendment of Tax Incremental District No. 1 (“District”) will be held at 4:30 PM on June 10, 2025.

The meeting will be held at the Birchwood Village Hall, located at 101 N Main St. You may also attend the meeting virtually with the following link:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZDYwOWI4OTItYmYxYi00MzY1LTlhZjMtNzljMDc4YTc2NzEw%40thread.v2/0?context=%7b%22Tid%22%3a%2271c01b83-561e-4863-a987-0b04d2e359b9%22%2c%22Oid%22%3a%2230fb6422-cf3a-4d14-9cff-9e736427b5d1%22%7d

At this meeting, the JRB will:

- Be asked to appoint a chair and public member, and to set an additional meeting date or dates. Village staff will also review the draft Project Plan.
- Review a Cash Flow Analysis showing that Tax Incremental District No. 6 cannot repay project costs within its maximum life, in order to allow for additional time to pay incurred project costs, and consider approval by resolution; Wisconsin State Statutes 66.1105(7)(am)1, 2, 3 (“Standard 4 Year Extension”).
- Review a Cash Flow Analysis showing that the Tax Incremental District No. 6 increment was negatively impacted, in order to allow for additional time to pay incurred project costs for TIDs affected by 2013 Act 145, and consider approval by resolution; Wisconsin State Statutes 66.1105(7)(am)4 (“Technical College 3 Year Extension”).

As a quorum must be achieved for the Village to proceed, we would ask that you ensure the availability of your appointee to attend.

We've attached the following documents:

- The draft meeting agenda.
- A copy of the legal notice published for the JRB meeting and public hearing.
- A "TID No. 1 Standard Extension Resolution".
- A "TID No. 1 Technical College Extension Resolution".

A copy of the draft Project Plan and Cash Flow analysis will be emailed to you prior to the meeting.

At a subsequent meeting the JRB will be asked to approve the resolution to be adopted by the Village amending the District. In considering approval, the JRB will review the public record, planning documents and the resolutions adopted by the Village's Plan Commission and Village Board. Its decision, by majority vote, must be made within 45 days of receipt of the adopted Village Board resolution and is to be based on the following criteria specified in Wis. Stat. § 66.1105(4m)(c)1.:

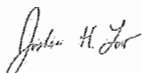
1. Whether the development expected in the tax incremental district would occur without the use of tax incremental financing.
2. Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements.
3. Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

If the JRB does not approve the amendment of the District it must issue a written explanation describing why it fails to meet one or more of these criteria.

If you have questions regarding the meeting or attached materials, please contact us at 800-552-1171.

Sincerely,

EHLERS



Josh Low
Associate Municipal Advisor

cc: Deanna Lapacinski, Executive Assistant, Northwood Technical College
Alicia Swearingen, County Clerk
Ashley Beffa, Village Clerk/Treasurer, Village of Birchwood
Benjamin Ludeman, Village Attorney, Village of Birchwood
Peter Meidal, Municipal Advisor, Ehlers
Paula Czaplowski, Senior Public Finance Analyst - TIF, Ehlers
Annie Mallon, Senior Public Finance Analyst, Ehlers

Memo

To: Joint Review Board Members
From: Josh Low - Associate Municipal Advisor, Ehlers
Cc: Ashley Beffa, Clerk/Treasurer - Village of Birchwood, WI
Date: June 10, 2025
Subject: Request to Extend the Maximum Life of Tax Increment District No. 1

Summary of Request

The Village of Birchwood is requesting that the Joint Review Board (“JRB”) extend the life of Tax Incremental District No. 1 (“District”) as permitted by Wis. Stat. § 66.1105(7)(am)1,2,3 and § 66.1105(7)(am)4. Statute § 66.1105(7)(am)1,2,3 provides authority for a JRB to grant a four-year extension to the maximum life of a rehabilitation tax increment district if the district cannot repay project costs within its maximum life. Statute § 66.1105(7)(am)4 provides authority for a JRB to grant a three-year extension to the maximum life of a tax incremental district if during the district's existence the annual and total amount of tax increments to be generated were adversely impacted by 2013 Wisconsin Act 145 (“Act 145”). Act 145 provided technical college property tax relief which reduced mill rates and diminished tax incremental revenues beginning with the 2014 tax levy. **The total extension that is requested is seven years.**

If a community provides the JRB with an independent audit demonstrating that a district is unable to recover its project costs within its maximum statutory life, the JRB must approve the request. If such an audit is not provided, the JRB may approve or deny the request. **The Village is making its request to the JRB on a discretionary basis and is not providing an independent audit.**

Reason for the Request

To achieve objectives listed in the District's project plan, the Village is planning to implement additional street reconstruction projects. The reconstructed streets will allow for greater access to the Village's central business district and improve economic conditions in the area. Based on cash flow projections, the District will not be able to undertake the street reconstruction projects without the requested extensions. Without the extensions the anticipated TID No. 1 cashflow shortfall would be approximately \$208,000, as shown in Attachment 1.

Calculation of Incremental Revenue Lost Due to Act 145

As part of the 2013 levy for 2014 budget, the Village received \$2,158 in tax incremental revenue based on Northwood Technical College's \$1.25 mil rate. Following implementation of Act 145, the College's mil rate dropped to \$0.36 diminishing the incremental revenue by \$1,296. Holding the most current mil rate constant, the current

increment constant and comparing that to the pre-Act 145 rate of \$2.48, the projected total loss of revenue to the Village through 2032 \$46,364. **Based on this analysis, the District qualifies to request a three-year life extension as the annual and total amount of tax increments to be generated over the life of the District were adversely impacted by Act 145.** Attachment 2 demonstrates the impact to the Village.

Impact of Seven-Year Extension and Project Plan Amendment

The Village proposes to extend the life of TID No. 1 by seven years and add new street reconstruction projects to TID 1. The cash flow exhibit shows the impact of extending TID 1 by seven years and adding new project costs to the TID 1 Project Plan. With the extension TID 1 is projected to end with a surplus of \$27,652 in 2039, as shown in Attachment 3.

Approval Process

To seek approval of this request, the Village must call a meeting of the JRB. Approval of the extension requests will require an affirmative vote from a majority of the JRB members present. The Village has scheduled a meeting at 4:30 p.m. on June 10th for purposes of this consideration.

Village of Birchwood, WI

Tax Incremental Forecast

TID No. 1

District Classification Rehab
 Creation Year 2004
 Creation Date 9/7/2004
 End of Expenditure Period 9/7/2026
 Maximum Life of District (Final Year) 2031
 Final Revenue Year 2032

2023 Audited Financials
 Fund Balance: \$88,022

YEAR		REVENUE						EXPENSES				BALANCE			
Construction Year	Valuation Year	Revenue Year	New Valuation	Prior Year Correction	TID Value Increment	Tax Rate	Projected Tax Revenue	Other Revenues	Total Projected Revenue	Main St. 2016 G.O. Note \$176,148	Projected 2026 G.O. Note \$500,000	Admin Expenses	Total Projected Expenses	Annual Balance	Cumulative Balance
2021	2022	2023			2,652,500										88,022
2022	2023	2024			3,216,000	15.13	48,671	1,000	49,671	17,275		1,500	16,775	30,896	118,918
2023	2024	2025			2,461,900	12.34	30,387	1,000	31,387	59,756		1,500	61,256	(29,869)	89,049
2024	2025	2026		590,900	3,052,800	12.34	37,680	1,000	38,680			1,500	1,500	37,180	126,229
2025	2026	2027			3,052,800	12.34	37,680	1,000	38,680		100,089	1,500	101,589	(62,910)	63,319
2026	2027	2028	500,000		3,552,800	12.34	43,851	1,000	44,851		100,089	1,500	101,589	(56,738)	6,581
2027	2028	2029			3,552,800	12.34	43,851	1,000	44,851		100,089	1,500	101,589	(56,738)	(50,157)
2028	2029	2030			3,552,800	12.34	43,851	1,000	44,851		100,089	1,500	101,589	(56,738)	(106,895)
2029	2030	2031	500,000		4,052,800	12.34	50,023	1,000	51,023		100,089	1,500	101,589	(50,567)	(157,462)
2030	2031	2032			4,052,800	12.34	50,023	1,000	51,023		100,089	1,500	101,589	(50,567)	(208,029)

Attachment 2

For Disc Only

Levy Year/ Budget Year	Northwood Technical College Levy	TID In EV	TID Increment Value	With Act 145		Without Act 145		Difference
				Tech College Portion of TID Interim Rate	Tech College Portion of Tax Increment Collection	Tech College Portion of TID Interim Rate	Tech College Portion of Tax Increment Collection	
2013/14	Actual	28,538,300	1,721,900	1.25	2,158	1.25	2,158	-
2014/15	Actual	27,984,300	1,454,900	0.36	527	1.25	1,823	(1,296)
2015/16	Actual	27,836,500	1,734,800	0.37	648	1.25	2,174	(1,526)
2016/17	Actual	27,838,800	2,076,000	0.38	784	1.25	2,601	(1,817)
2017/18	Actual	29,543,700	2,228,100	0.38	847	1.25	2,792	(1,945)
2018/19	Actual	30,004,200	2,116,300	0.38	805	1.25	2,652	(1,847)
2019/20	Actual	31,024,500	2,852,500	0.38	1,077	1.25	3,574	(2,497)
2020/21	Actual	33,612,700	3,598,700	0.37	744	1.25	2,488	(1,745)
2021/22	Actual	33,201,300	4,891,300	0.32	1,570	1.25	6,129	(4,559)
2022/23	Actual	36,647,000	4,069,300	0.32	1,306	1.25	5,099	(3,793)
2023/24	Actual	40,815,300	50,339,200	0.32	3,057	1.25	11,934	(8,877)
2024/25	Projected	53,154,700	8,123,500	0.24	1,947	1.25	10,179	(8,232)
2025/26	Projected	53,154,700	8,123,500	0.24	1,947	1.25	10,179	(8,232)
2026/27	Projected	53,154,700	8,123,500	0.24	1,947	1.25	10,179	(8,232)
2027/28	Projected	53,154,700	8,123,500	0.24	1,947	1.25	10,179	(8,232)
2028/29	Projected	53,154,700	8,123,500	0.24	1,947	1.25	10,179	(8,232)
2029/30	Projected	53,154,700	8,123,500	0.24	1,947	1.25	10,179	(8,232)
2030/31	Projected	53,154,700	8,123,500	0.24	1,947	1.25	10,179	(8,232)
2031/32	Projected	53,154,700	8,123,500	0.24	1,947	1.25	10,179	(8,232)
Total								(\$46,364)

Village of Birchwood, WI

Tax Increment Forecast

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2023	2024	2025			2,461,900	12.34	30,387	1,000	31,387	59,756		16,500	76,256	(44,869)	74,049
2024	2025	2026		590,900	3,052,800	12.34	37,660	1,000	38,660			1,500	1,500	37,180	111,229
2025	2026	2027			3,052,800	12.34	37,660	1,000	38,660		54,500	1,500	56,000	(17,320)	93,909
2026	2027	2028	500,000		3,552,800	12.34	43,851	1,000	44,851		55,015	1,500	56,515	(11,664)	82,245
2027	2028	2029			3,552,800	12.34	43,851	1,000	44,851		54,420	1,500	55,920	(11,069)	71,176
2028	2029	2030			3,552,800	12.34	43,851	1,000	44,851		54,770	1,500	56,270	(11,419)	59,756
2029	2030	2031			4,052,800	12.34	50,023	1,000	51,023		55,010	1,500	56,510	(5,487)	54,270
2030	2031	2032	500,000		4,052,800	12.34	50,023	1,000	51,023		55,140	1,500	56,640	(5,617)	48,653
2031	2032	2033			4,052,800	12.34	50,023	1,000	51,023		55,160	1,500	56,660	(5,637)	43,016
2032	2033	2034			4,052,800	12.34	50,023	1,000	51,023		55,070	1,500	56,570	(5,547)	37,468
2033	2034	2035			4,052,800	12.34	50,023	1,000	51,023		54,870	1,500	56,370	(5,347)	32,121
2034	2035	2036			4,052,800	12.34	50,023	1,000	51,023		54,560	1,500	56,060	(5,037)	27,084
2035	2036	2037			4,052,800	12.34	50,023	1,000	51,023		55,140	1,500	56,640	(5,617)	21,466
2036	2037	2038			4,052,800	12.34	50,023	1,000	51,023		54,555	1,500	56,055	(5,032)	16,434
2037	2038	2039			4,052,800	12.34	50,023	1,000	51,023		54,860	1,500	56,360	(5,337)	11,097

DRAFT - June 10, 2025

PROJECT PLAN AMENDMENT

Village of Birchwood, Wisconsin

Tax Incremental District No. 1



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, MN 55113

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	June 10, 2025
Public Hearing Held:	June 10, 2025
Approval by Plan Commission:	June 10, 2025
Adoption by Village Board:	June 10, 2025
Approval by the Joint Review Board:	To Be Determined

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SECTION 1: Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 1 (“District”) is a In Need of Rehabilitation or Conservation District created on September 7, 2004. The District was created to expand its economic base through business development and to upgrade its infrastructure in the downtown area. The District was amended for the first time on March 16, 2005 to add new property and projects to the District.

Purpose of Amendment

The purpose of this amendment, referred to hereafter as the Plan, the Amendment, or the Plan Amendment, is to:

- Amend the categories, locations or costs of project costs to be made as permitted under Wis. Stat. § 66.1105(4)(h)1. (“Project”).

Estimated Total Project Cost Expenditures

The Village anticipates making total expenditures of approximately \$750,000 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”).

Incremental Valuation

The Village projects that new land and improvements value of approximately \$1,000,000 will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

Expected Termination of District

Based on the Economic Feasibility Study located within Section 9 of this Plan, the Village anticipates that the District will generate sufficient tax increment to pay all Project Costs within its 27 years.

Summary of Findings

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

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

The substantial investment needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax

incremental financing, the Village is unable to fully fund this program of infrastructure improvements.

2. **The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the Village has considered the following information:**

As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.

3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the Village finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.**
4. The boundaries of the District are not being amended.
5. The Project Costs relate directly to the rehabilitation and conservation of property and improvements in the District, consistent with the purpose for which the District is created.
6. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
7. The Plan for the District is feasible and is in conformity with the Master Plan of the Village.
8. The Village estimates that 40% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).

SECTION 2:
Map of Current District Boundary

A map identifying the current boundaries of the District is found on the following page. The District's boundaries are not being amended.



SECTION 3:
Map Showing Existing Uses and Conditions

The District's boundaries are not being amended. The "Map Showing Existing Uses and Conditions" included within the District's Project Plan dated September 7, 2004 remains unchanged and is incorporated by reference as part of this Plan Amendment.

SECTION 4:
Equalized Value Test

No territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Plan Amendment.

SECTION 5:

Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

The "Statement of Kind, Number and Location of Proposed Public Works and Other Projects" set forth in the original District Project Plan approved on September 7, 2004 is amended to add the following Project Costs that the Village has made, expects to make, or may need to make, in conjunction with the implementation of the District's Plan or this Plan Amendment.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

To promote and facilitate development the Village may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the Village from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the Village to acquire property and make it suitable for development exceed the revenues or other consideration received from the

sale or lease of that property, the net amount shall be considered “real property assembly costs” as defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

To promote the objectives of this Plan, the Village may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The Village may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The Village may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

Site Preparation Activities

Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the Village related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the Village may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The Village may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the Village for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

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

Water System Improvements

To allow development to occur, the Village may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the

implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the Village may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Electric Service

To create sites suitable for development, the Village may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the Village to undertake this work are eligible Project Costs.

Gas Service

To create sites suitable for development, the Village may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the Village to undertake this work are eligible Project Costs.

Communications Infrastructure

To create sites suitable for development, the Village may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the Village to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

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

Streetscaping and Landscaping

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

Community Development

Cash Grants (Development Incentives)

The Village may enter into agreements with property owners, lessees, or developers of land located within the District for sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the Village executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the Village are eligible Project Costs.

Contribution to Community Development Authority (CDA) or Redevelopment Authority (RDA)

As provided for in Wis. Stat. § 66.1105(2)(f)1.h and Wis. Stat. § 66.1333(13), the Village may provide funds to its CDA (RDA) to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA (RDA) for this purpose are eligible Project Costs.

Revolving Loan/Grant Program (Development Incentives)

To encourage private development consistent with the objectives of this Plan, the Village, through its CDA (RDA), may provide loans or grants to eligible property owners in the District. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA (RDA) in the program manual. Any funds returned to the CDA (RDA) from the repayment of loans made are not considered revenues to the District and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA (RDA) for purposes of implementing this program are considered eligible Project Costs.

Miscellaneous

Projects Outside the Tax Increment District

Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the Village may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the Village's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District. The Village intends to make the following project cost expenditures outside the District:

- Street Reconstruction - \$395,000
- Tennis Court Reconstruction - \$100,000

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural;

environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

The Village may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by Village employees relating to the implementation of the Plan.

Financing Costs

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


SECTION 6: **Map Showing Proposed Improvements and Uses**

The District's boundaries are not being amended. The showing the existing land use included within the District's original Project Plan dated September 7, 2024 remains unchanged and is incorporated by reference as part of this Plan Amendment.

A map identifying the proposed improvements is found on the following page.



Washburn County
Land Information Department
Shell Lake, Wisconsin
Printout Date: 5/15/2005



- TID #1 Parcels
- Village Boundary
- TID1 Boundary
- 1/2 Mile Buffer
- Parcel

Village of Birchwood TID #1 Half Mile Map

0 0.25 0.5 Miles

N
This map is the property of Washburn County and is provided for informational purposes only. It is not intended to be used for legal or financial purposes. The County is not responsible for any errors or omissions on this map. The County is not responsible for any damages or losses resulting from the use of this map.

**SECTION 7:
Detailed List of Estimated Project Costs**

The following list identifies the Project Costs that the Village has made, expects to make, or may need to make in conjunction with the implementation of the District's Plan or this Plan Amendment. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan Amendment. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

Village of Birchwood, Wisconsin Tax Incremental District No. 1 Detailed List of Estimated Project Costs							
Project ID	Project Name/Type	Est. Cost		Less: Non-Project Costs	Totals	1/2 Mile	Est. Timing
		Phase I	Ongoing				
1	Streets Reconstruction	395,000			395,000	395,000	2026
2	Tennis Court Reconstruction	100,000			100,000	100,000	2026
3	Tennis Court Reconstruction Grants	100,000		(100,000)	-		
4	Interest on Long-term Debt		213,070		213,070		
5	Financing Costs		5,000		5,000		
6	Ongoing Planning & Administrative Costs		37,500		37,500		
Total Projects		<u>\$595,000</u>	<u>\$255,570</u>	<u>(\$100,000)</u>	<u>\$750,570</u>	<u>\$495,000</u>	

Note: Street Reconstruction projects may include acquisition of rights-of-way

SECTION 8:

Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes an updated forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how remaining Project Costs would be financed, and a projected cash flow demonstrating that the District remains economically feasible.

Key Assumptions

The Project Costs the Village plans to make are expected to create \$1,000,000 in incremental value by 2029. Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming the Village's current equalized TID Interim tax rate of \$12.34 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$687,505 in incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

Table 1 - Development Assumptions

Village of Birchwood, Wisconsin Tax Increment District No. 1 Development Assumptions				
Construction Year	Actual	TID 1 New Development	Annual Total	Construction Year
1 2023	2,461,900		2,461,900	2023 1
2 2024	590,900		590,900	2024 2
3 2025			-	2025 3
4 2026		500,000	500,000	2026 4
5 2027			-	2027 5
6 2028			-	2028 6
7 2029		500,000	500,000	2029 7
8 2030			-	2030 8
9 2031			-	2031 9
10 2032			-	2032 10
11 2033			-	2033 11
12 2034			-	2034 12
13 2035			-	2035 13
14 2036			-	2036 14
15 2037			-	2037 15
Totals	<u><u>\$3,052,800</u></u>	<u><u>\$1,000,000</u></u>	<u><u>\$4,052,800</u></u>	

Table 2 - Tax Increment Projection Worksheet

Village of Birchwood, Wisconsin							
Tax Increment District No. 1							
Tax Increment Projection Worksheet							
Type of District	Rehabilitation				Base Value	1,766,800	
District Creation Date	September 7, 2004				Economic Change Factor	0.00%	
Valuation Date	Jan 1,	2004			Apply to Base Value		
Max Life (Years)	27				Base Tax Rate	\$12.34	
End of Expenditure Period	22	9/7/2026			Rate Adjustment Factor	0.00%	
Revenue Periods/Final Year	27	2032					
Extension Eligibility/Years	Yes	7					
Eligible Recipient District	Yes						

Construction	Year	Value Added	Valuation Year	Economic Change	Total Increment	Revenue Year	Tax Rate ¹	Tax Increment
1	2023	2,461,900	2024	-	2,461,900	2025	\$12.34	30,387
2	2024	590,900	2025	-	3,052,800	2026	\$12.34	37,680
3	2025	0	2026	-	3,052,800	2027	\$12.34	37,680
4	2026	500,000	2027	-	3,552,800	2028	\$12.34	43,851
5	2027	0	2028	-	3,552,800	2029	\$12.34	43,851
6	2028	0	2029	-	3,552,800	2030	\$12.34	43,851
7	2029	500,000	2030	-	4,052,800	2031	\$12.34	50,023
8	2030	0	2031	-	4,052,800	2032	\$12.34	50,023
9	2031	0	2032	-	4,052,800	2033	\$12.34	50,023
10	2032	0	2033	-	4,052,800	2034	\$12.34	50,023
11	2033	0	2034	-	4,052,800	2035	\$12.34	50,023
12	2034	0	2035	-	4,052,800	2036	\$12.34	50,023
13	2035	0	2036	-	4,052,800	2037	\$12.34	50,023
14	2036	0	2037	-	4,052,800	2038	\$12.34	50,023
15	2037	0	2038	-	4,052,800	2039	\$12.34	50,023
Totals		\$1,000,000		-		Future Value of Increment		\$687,505

Notes:
 1) Tax rates shown through the 2025 revenue year are actual per DOR Form PC-202 (Tax Increment Collection Worksheet).

Financing and Implementation

Street Reconstruction and Tennis Court Reconstruction projects are anticipated to be financed with a General Obligation Promissory Note (\$500,000) in 2026. Table 3 provides a summary of the District's financing plan. Based on the Project Cost expenditures as included within the cash flow exhibit (Table 4), the District is projected to accumulate sufficient funds by the year 2039 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 3 - Financing Plan

Village of Birchwood, Wisconsin Tax Increment District No. 1 Estimated Financing Plan	
	G.O. Debt Bank Note 2026
Projects	
Phase I	495,000
Total Project Funds	\$495,000
Estimated Finance Related Expenses	5,000
Net Issue Size	\$500,000

Table 4 - Cash Flow

Village of Birchwood, Wisconsin Tax Increment District No. 1 Cash Flow Projection												
Year	Projected Revenues			Projected Expenditures			Balances			Year		
	Tax Increments	Other Revenue	Total Revenues	2019 G.O. Note	2026 G.O. Note	Ongoing Planning & Administration	Total Expenditures	Annual	Cumulative		Liabilities Outstanding	
2024				\$176,148	\$500,000							
2025	30,387	1,000	31,387	59,756	-	16,500	76,256	(44,869)	118,918		2025	
2026	37,680	1,000	38,680			1,500	1,500	37,180	111,229	500,000	2026	
2027	37,680	1,000	38,680		54,500	1,500	56,000	(17,320)	93,908	473,000	2027	
2028	43,851	1,000	44,851		55,015	1,500	56,515	(11,664)	82,245	444,000	2028	
2029	43,851	1,000	44,851		54,420	1,500	55,920	(11,069)	71,176	414,000	2029	
2030	43,851	1,000	44,851		54,770	1,500	56,270	(11,419)	59,757	382,000	2030	
2031	50,023	1,000	51,023		55,010	1,500	56,510	(5,487)	54,270	348,000	2031	
2032	50,023	1,000	51,023		55,140	1,500	56,640	(5,617)	48,653	312,000	2032	
2033	50,023	1,000	51,023		55,160	1,500	56,660	(5,637)	43,015	274,000	2033	
2034	50,023	1,000	51,023		55,070	1,500	56,570	(5,547)	37,468	234,000	2034	
2035	50,023	1,000	51,023		54,870	1,500	56,370	(5,347)	32,121	192,000	2035	
2036	50,023	1,000	51,023		54,560	1,500	56,060	(5,037)	27,083	148,000	2036	
2037	50,023	1,000	51,023		55,140	1,500	56,640	(5,617)	21,466	101,000	2037	
2038	50,023	1,000	51,023		54,555	1,500	56,055	(5,032)	16,434	52,000	2038	
2039	50,023	1,000	51,023		54,860	1,500	56,360	(5,337)	11,097	-	2039	
(2023 - 2025)	\$687,505	\$15,000	\$702,505	\$59,756	\$713,070	\$37,500	\$810,326				(2025 - 2039)	

Notes: ----- END OF EXP. PERIOD

PROJECTED CLOSURE YEAR

SECTION 9:
Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. No territory is being added to the District as part of this Plan Amendment.

SECTION 10:
Estimate of Property to be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the Village estimates that 40% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 11:

Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and Village Ordinances

Zoning Ordinances

The proposed Plan Amendment is in general conformance with the Village's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan Amendment is in general conformance with the Village's Comprehensive Plan identifying the area as appropriate for commercial development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the Village's permitting and inspection procedures. The proposed Plan Amendment conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 12:
**Statement of the Proposed Method for the Relocation of
any Persons to be Displaced**

Should the continued implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 13:

How Amendment of the Tax Incremental District Promotes the Orderly Development of the Village

This Plan Amendment promotes the orderly development of the Village by rehabilitating and conserving property and providing necessary public infrastructure improvements. Through use of tax increment financing, the Village can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as increased employment opportunities and commercial development.

SECTION 14:

List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

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

Tennis Court reconstruction will be partially funded by grants estimated at \$100,000.

SECTION 15:

Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)

NEED WET SIGNATURE & DATED LEGAL OPINION ON ATTORNEY LETTERHEAD

SAMPLE

Village President
Village of Birchwood
101 N Main St
Birchwood, Wisconsin 54817

RE: Project Plan Amendment for Tax Incremental District No. 1

Dear Village President:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the Village Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105. As Village Attorney for the Village of Birchwood, I have been asked to review the above-referenced project plan amendment for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the amended Project Plan for the Village of Birchwood Tax Incremental District No. 1 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

Village Attorney

SECTION 16:

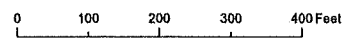
**Calculation of the Share of Projected Tax Increments
Estimated to be Paid by the Owners of Property in the
Overlying Taxing Jurisdictions**

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

<p style="text-align: center;">Village of Birchwood, Wisconsin Tax Increment District No. 1 Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.</p>						
Revenue Year	Washburn County	Village of Birchwood	School District of Birchwood	Northwood Technical College	Total	Revenue Year
2025	7,503	12,253	10,040	590	30,387	2025
2026	9,304	15,194	12,450	732	37,680	2026
2027	9,304	15,194	12,450	732	37,680	2027
2028	10,827	17,683	14,489	852	43,851	2028
2029	10,827	17,683	14,489	852	43,851	2029
2030	10,827	17,683	14,489	852	43,851	2030
2031	12,351	20,171	16,529	971	50,023	2031
2032	12,351	20,171	16,529	971	50,023	2032
2033	12,351	20,171	16,529	971	50,023	2033
2034	12,351	20,171	16,529	971	50,023	2034
2035	12,351	20,171	16,529	971	50,023	2035
2036	12,351	20,171	16,529	971	50,023	2036
2037	12,351	20,171	16,529	971	50,023	2037
2038	12,351	20,171	16,529	971	50,023	2038
2039	12,351	20,171	16,529	971	50,023	2039
Totals	\$169,754	\$277,233	\$227,166	\$13,351	\$687,505	



MapID	PIN
1	65-106-2-37-10-25-5 15-576-749500
2	65-106-2-37-10-25-5 15-576-751000
3	65-106-2-37-10-25-5 15-576-754000
4	65-106-2-37-10-25-5 15-576-753500
5	65-106-2-37-10-25-5 15-574-732000
6	65-106-2-37-10-25-5 15-577-764500
7	65-106-2-37-10-25-5 15-577-774500
8	65-106-2-37-10-25-5 15-577-766000
9	65-106-2-37-10-25-5 15-577-769500
10	65-106-2-37-10-25-5 15-577-767250
11	65-106-2-37-10-25-5 15-577-761500
12	65-106-2-37-10-25-3 02-000-011000
13	65-106-2-37-10-25-3 02-000-001555
14	65-106-2-37-10-25-3 02-000-003000
15	65-106-2-37-10-25-5 15-526-542500
16	65-106-2-37-10-25-5 15-526-544000
17	65-106-2-37-10-25-5 15-526-545000
18	65-106-2-37-10-25-5 15-526-546500
19	65-106-2-37-10-25-5 15-526-547500
20	65-106-2-37-10-25-5 15-526-548000
21	65-106-2-37-10-25-5 15-526-554500
22	65-106-2-37-10-25-5 15-526-555000
23	65-106-2-37-10-25-5 15-526-555500
24	65-106-2-37-10-25-5 15-526-556000
25	65-106-2-37-10-25-5 15-526-560250
26	65-106-2-37-10-25-5 15-526-595500
27	65-106-2-37-10-25-5 15-526-595000
28	65-106-2-37-10-25-5 15-526-593500
29	65-106-2-37-10-25-5 15-526-592000
30	65-106-2-37-10-25-5 15-526-591000
31	65-106-2-37-10-25-5 15-526-586500
32	65-106-2-37-10-25-5 15-526-584100
33	65-106-2-37-10-25-5 15-526-583000
34	65-106-2-37-10-25-5 15-526-582000
35	65-106-2-37-10-25-5 15-526-580000
36	65-106-2-37-10-25-3 01-000-005000
37	65-106-2-37-10-25-3 01-000-004000
38	65-106-2-37-10-25-5 15-574-776000



Village of Birchwood TID #1 Boundary Map

- TID #1 Parcels
- Parcels
- TID1 Boundary



This map is for informational purposes only and does not
 constitute a warranty of any kind. Accuracy is
 based on the most current data available. Washburn County
 will not be responsible for any errors or omissions.