

**City of Whitewater Project Worksheet**  
**TID 11**  
**Prospect Drive, LLC**

Project Description	Development of eight 16-unit market rate multifamily buildings
Location	Morraine View Parkway and Jakes Way, parcel WPB 00044
Size	10.175 acres
Number of Buildings	8
Timeline	Fall 2024-Fall 2025
Request	\$ 5,093,127 Development Incentive To be paid out annually, as 85% of tax increment through year 10 of the project, then 60% on increment through the life of the TID
Construction Costs	Total construction costs estimated at \$31,962,178
But For	This project would not be financially feasible for the developer without the TIF incentive and contribution of land. Cash flow from rents on projects like this are not enough to support the debt. Therefore without the contribution of the incentive, this project would not occur in this location at this time.

**Sources/Uses**

Uses/Sources	Total	Owner	Bank	City/TIF
Land	\$ 500,000	\$ 500,000		\$ -
Hard Costs	\$ 28,206,176	\$ 1,200,442	\$ 21,912,607	\$ 5,093,127
Soft Costs	\$ 3,256,002	\$ 3,256,002	\$ -	
Totals	\$ 31,962,178	\$ 4,956,444	\$ 21,912,607	\$ 5,093,127

Guarantee	Developer will guarantee an assessed value of \$24,600,000
Clawback	Developer will commence construction by October 1, 2024 and complete construction by November 30 2025. Incentive payments will not begin until the first payment of property taxes by the developer. Should the development fall short of the minimum assessed value once constructed, the developer will pay a payment in lieu of taxes (PILOT) for the difference.

# Single Project Projection Worksheet

## TID 11

### Walworth County

Type of District	Mixed Use	
District Creation Date	8/3/2021	
Valuation Date	Jan 1,	2021
Max life (Years)	20	
Expenditure Period/Termination	15	8/3/2036
Revenue Period/Final year	20 2042	
Extension Eligibility/Years	Yes	3
Eligible Recipient District	No	

Base Value	
Appreciation Factor	0.50%
Base Tax Rate	\$ 17.52
Rate Adjustment Factor (3 years)	-1.00%
Tax Exempt Discount Rate	4.25%
Taxable Discount Rate	5.50%

Construction Cost, Unit One	#####
Construction Cost, Unit Two	-
Construction Cost, Unit Three	-
Assessment as % of Construction cost	80%
Land Value Contributed	
Land included in IRR?	No

Construction year	Assessed Increment Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue / Budget Year	Tax Rate	Requested Project Support	Tax Increment	Annual Cash Flow	Cumulative Cash Flow	Tax Exempt NPV Calculation	Taxable NPV Calculation	
1	2022	2023	-	-	2024	\$ 19.22	-	-	-	-	-	-	
2	2023	-	2024	-	-	2025	\$ 19.03	-	-	-	-	-	
3	2024	-	2025	-	-	2026	\$ 17.70	-	-	-	-	-	
4	2025	12,300,000	2026	-	12,300,000	2027	\$ 17.52	(183,203)	215,533	32,330	32,330	25,185	23,447
5	2026	-	2027	61,500	12,361,500	2028	\$ 17.52	(184,119)	216,611	32,492	64,822	49,465	45,783
6	2027	-	2028	61,808	12,423,308	2029	\$ 17.52	(185,040)	217,694	32,654	97,476	72,871	67,060
7	2028	12,300,000	2029	62,117	24,785,424	2030	\$ 17.52	(369,168)	434,315	65,147	162,623	117,664	107,297
8	2029	-	2030	123,927	24,909,351	2031	\$ 17.52	(371,014)	436,487	65,473	228,096	160,846	145,627
9	2030	-	2031	124,547	25,033,898	2032	\$ 17.52	(372,869)	438,669	65,800	293,896	202,474	182,140
10	2031	-	2032	125,169	25,159,067	2033	\$ 17.52	(374,733)	440,862	66,129	360,025	242,606	216,923
11	2032	-	2033	125,795	25,284,863	2034	\$ 17.52	(376,607)	443,067	66,460	426,485	281,293	250,058
12	2033	-	2034	126,424	25,411,287	2035	\$ 17.52	(378,490)	445,282	66,792	493,278	318,589	281,622
13	2034	-	2035	127,056	25,538,343	2036	\$ 17.52	(380,382)	447,508	67,126	560,404	354,543	311,690
14	2035	-	2036	127,692	25,666,035	2037	\$ 17.52	(269,848)	449,746	179,898	740,302	446,973	388,071
15	2036	-	2037	128,330	25,794,365	2038	\$ 17.52	(271,197)	451,995	180,798	921,100	536,077	460,833
16	2037	-	2038	128,972	25,923,337	2039	\$ 17.52	(272,553)	454,255	181,702	1,102,802	621,977	530,146
17	2038	-	2039	129,617	26,052,954	2040	\$ 17.52	(273,916)	456,526	182,610	1,285,413	704,786	596,174
18	2039	-	2040	130,265	26,183,219	2041	\$ 17.52	(275,285)	458,809	183,523	1,468,936	784,617	659,073
19	2040	-	2041	130,916	26,314,135	2042	\$ 17.52	(276,662)	461,103	184,441	1,653,377	861,576	718,990
20	2041	-	2042	131,571	26,445,705	2043	\$ 17.52	(278,045)	463,408	185,363	1,838,740	935,767	776,068
		<u>24,600,000</u>	<u>1,845,705</u>					<u>(5,093,127)</u>	<u>6,931,867</u>	<u>1,838,740</u>			

**Request Assumptions**

Chris Slater will create eight 16-unit apartment buildings  
 Mixed Use TID, with 20-year projection, originally created in 2021.  
 Total request is \$5,093,127 to be paid out annually as taxes are paid until the TID is retired at the end of its life.

**Conclusions**

Project should cash flow from the beginning. NPV is positive in year 1.

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).