

# Tax Increment Financing Application

Village of Winneconne TIF Application



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## Village of Winneconne TIF Application

Legal Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Primary Contact #: \_\_\_\_\_ Cell #: \_\_\_\_\_

E-mail: \_\_\_\_\_ FAX #: \_\_\_\_\_

Attorney: \_\_\_\_\_

Legal Entity: Individual(s) \_\_\_\_\_ Joint Tenants \_\_\_\_\_ Tenants in Common \_\_\_\_\_ Corporation \_\_\_\_\_

LLC \_\_\_\_\_ Partnership \_\_\_\_\_ Other \_\_\_\_\_

If not a Wisconsin corporation/partnership/LLC, state where organized: \_\_\_\_\_

Will a new entity be created for ownership? Yes \_\_\_\_\_ No \_\_\_\_\_

Principals of existing or proposed corporation/partnership/LLC and extent of ownership interest.

Name:	Address:	Title:	Interest:
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Is any owner, member, stockholder, partner, officer or director of any previously identified entities, or any member of the immediate family of any such person, an employee of the Village of Winneconne?

Yes \_\_\_ No \_\_\_ If yes, give the name and relationship of the employee: \_\_\_\_\_

Have any of the applicants (including the principals of the corporation/partnership/LLC) ever been charged or convicted of a misdemeanor or felony? Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please furnish details: \_\_\_\_\_  
\_\_\_\_\_

Overall Project Summary and Objectives:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Current and Proposed Uses:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Description of End Users:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe any zoning changes that will be needed:

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Identify any other approvals, permits or licenses (i.e. Liquor License, Health Department, etc):

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Describe briefly what the project will do for the property and neighborhood:

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**Project Timetable**

**Date**

Final Plan/Specification Preparation: \_\_\_\_\_

Bidding and Contracting: \_\_\_\_\_

Firm Financing Approval: \_\_\_\_\_

Construction/Rehabilitation: \_\_\_\_\_

Landscaping/Site Work: \_\_\_\_\_

Occupancy/Lease Up: \_\_\_\_\_

**Development Team**

**Name**

**Phone**

**Email**

Developer: \_\_\_\_\_

Architect: \_\_\_\_\_

Surveyor: \_\_\_\_\_

Contractor: \_\_\_\_\_

Other Members: \_\_\_\_\_

Describe Team expertise and experience in developing similar projects:

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Other current Team projects in development:

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Financial ability of the applicant to complete the project:

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Full and part-time jobs to be created by the proposed project at completion including estimated salary:

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## Professional Studies

**Market Studies:** Applications for commercial and residential projects may be required to provide a comprehensive market study. The market study must identify target markets, analysis of competition, demographics, market rents, letters of intent/interest from prospective tenants, or for housing developments, sale prices or rental rates of comparable properties.

**Appraisal:** All projects that involve the transfer of land must include a recent appraisal. Projects that include land as a form of equity or collateral must also submit a recent appraisal. The appraisal must value the property “as is”, and the impact on value must be considered for such items as demolition, environmental remediation, relocation of utilities, lease buy-outs, and other work necessary to make the site developable. The property must be valued if the highest and best use is the proposed use.

## Sources and Uses of Funds

Identify the sources of funds used to finance the project. Typical sources include equity, lender financing, mezzanine financing, government financing, other anticipated types of public assistance, and any other types or methods of financing.

Uses of Funds	Amount (\$)	\$ per SF of Building Area
Land Acquisition:	_____	_____
Demolition:	_____	_____
Environmental Remediation:	_____	_____
Site Clearance and Preparation:	_____	_____
Soft Costs/ Fees:	_____	_____
Soft Cost Contingency:	_____	_____
Hard Construction Costs:	_____	_____
Total Project Costs:	_____	_____

Sources of Funds	% of total project costs	
<b>Equity</b>		
Developer Equity:	\$ _____	_____ %
Other Equity:(_____)	\$ _____	_____ %
Total Equity:	\$ _____	_____ %
<b>Loans</b>		
Construction Financing:	\$ _____	_____ % _____ mos.
Permanent Financing:	\$ _____	_____ % _____ yrs. _____ %
<b>TIF Assistance:</b>	\$ _____	_____ %
Other: (_____)	\$ _____	_____ %
<b>Total Sources of Funds</b>	\$ _____	100%

### Financing

Source Amount	Terms: Years/Interest	Contact Information
Equity: _____		
Loans	1: _____	_____
	2: _____	_____
	3: _____	_____
	4: _____	_____

**Detailed Pro Forma** *(must correspond to line items for Uses of Funds on previous page)*

**Land Acquisition** \$ \_\_\_\_\_

**Demolition** \$ \_\_\_\_\_

**Site Clearance and Preparation**

Infrastructure \$ \_\_\_\_\_

Utilities/removal \$ \_\_\_\_\_

Utilities/relocation \$ \_\_\_\_\_

Utilities/installation \$ \_\_\_\_\_

Hazardous Materials Removal \$ \_\_\_\_\_

Other(\_\_\_\_\_) \$ \_\_\_\_\_

**Total Site Clearance and Preparation**

**Soft Costs/Fees**

Project Management (\_\_\_\_\_% ) \$ \_\_\_\_\_

General Contractor (\_\_\_\_\_% ) \$ \_\_\_\_\_

Architect/Engineer (\_\_\_\_\_% ) \$ \_\_\_\_\_

Developer Fee (\_\_\_\_\_% ) \$ \_\_\_\_\_

Appraisal \$ \_\_\_\_\_

Soil Testing \$ \_\_\_\_\_

Market Study \$ \_\_\_\_\_

Legal/Accounting \$ \_\_\_\_\_

Insurance \$ \_\_\_\_\_

Title/Recording/Transfer \$ \_\_\_\_\_

Building Permit \$ \_\_\_\_\_

Mortgage Fees \$ \_\_\_\_\_

Construction Interest \$ \_\_\_\_\_

Marketing \$ \_\_\_\_\_

Real Estate Taxes \$ \_\_\_\_\_

Other Taxes \$ \_\_\_\_\_

Other (\_\_\_\_\_) \$ \_\_\_\_\_

**Sub-total Soft Costs/Fees** \$ \_\_\_\_\_

Soft Cost Contingency \$ \_\_\_\_\_

## Pro Forma Income and Expense Schedule

Applicants whose projects involve the rental of commercial, retail, industrial, or living units must submit project pro formas that identify income and expense projections on an annual basis for a minimum five-year to a maximum eleven-year period. Please check with village staff to determine the time period needed for the pro forma. Identify all assumptions (such as absorption, vacancies, debt service, operational costs, etc.) that serve as the basis for the pro formas. **Two sets of pro formas are to be submitted. The first set should show the project without TIF assistance and the second set with TIF assistance.**

For owner-occupied industrial and commercial projects, detailed financial information must be presented that supports the need for financial assistance (see below).

### Analysis of Financial Need (Revenue Projection)

Each application must include financial analyses that demonstrate the need for TIF assistance. **Two analyses must be submitted: one WITHOUT TIF assistance and one WITH TIF assistance.** The applicant must indicate the minimum return or profit the applicant needs to proceed with the project and rationale for this minimum return or profit. The analyses will necessarily differ according to the type of project that is being developed.

**Rental Property:** For projects involving rental of space by the developer to tenants (tenants include offices, retail stores, industrial companies, and households), an internal rate of return on equity must be computed with and without TIF assistance based on the pro forma of income and expense prepared for the **Income and Expense Schedule** below. The reversion at the end of the ten-year holding period must be based on the capitalized 11th year net operating income. The reversionary value is then added to the 10th year cash flow before discounting to present value. State all assumptions to the analyses.

**For Sale Residential:** Show profit as a percent of project cost (minus developer fee and overhead and minus sales commissions and closing costs, which should be subtracted from gross sales revenue). Other measure of profitability may be submitted, such as profit as a percent of sales revenue.

**Mixed Use Commercial / For-Sale Residential:** Provide either separate analyses for each component of the project or include in the revenue sources for the for-sale portion, the sale value of the commercial component based on the net operating income of the commercial space at stabilization. Indicate how the sale value was derived.

**Owner-Occupied Commercial:** For projects, such as “big-box” retail projects, provide copies of the analyses that the company needs to meet or exceed the company’s minimum investment threshold(s) for proceeding with the project.

**Competitive Projects:** In instances where the Village is competing with other jurisdictions for the project (e.g., corporate headquarters, new manufacturing plant), present detailed analyses that demonstrate the capital and operating cost differential between the proposed location(s) in Winneconne and locations that are seriously being considered by the applicant.

## Revenue Projections – Rental Project

	Year 1	Year 2	>>Year 11
Income rent per sf (or avg.)	\$ _____	\$ _____	\$ _____
Commercial Rent	\$ _____	\$ _____	\$ _____
Commercial Expense Recoveries	\$ _____	\$ _____	\$ _____
Residential Rent	\$ _____	\$ _____	\$ _____
Other Revenue ( _____ )	\$ _____	\$ _____	\$ _____
<b>Gross Potential Income</b>	\$ _____	\$ _____	\$ _____
Commercial Vacancy _____%	\$ _____	\$ _____	\$ _____
Residential Vacancy _____%	\$ _____	\$ _____	\$ _____
<b>Effective Gross Income (EGI)</b>	\$ _____	\$ _____	\$ _____
<b>Expenses</b>			
Maintenance & Repairs	\$ _____	\$ _____	\$ _____
Real Estate Taxes	\$ _____	\$ _____	\$ _____
Insurance	\$ _____	\$ _____	\$ _____
Management Fee	\$ _____	\$ _____	\$ _____
Professional Fees	\$ _____	\$ _____	\$ _____
Other Expense ( _____ )	\$ _____	\$ _____	\$ _____
Other Expense ( _____ )	\$ _____	\$ _____	\$ _____
<b>Total Expenses</b>	\$ _____	\$ _____	\$ _____
<b>Net Operating Income (NOI)</b>	\$ _____	\$ _____	\$ _____
<b>Capital Expenses</b> ( <i>reserves, tenant improvements, commissions</i> )	\$ _____	\$ _____	\$ _____
<b>Debt Service</b>	\$ _____	\$ _____	\$ _____
<b>Net Cash Flow (before depreciation)</b>	\$ _____	\$ _____	\$ _____
<b>Reversion in Year 10</b>			
<b>Year 11 NOI before Debt &amp; Capital Expenses</b>	\$ _____		
<b>Capitalization Rate</b>	_____%		
<b>Gross Reversion</b>	\$ _____		

# Revenue Projects – For-Sale Project

## Gross Sales Revenue

Housing Units	Unit Type*	Number	Price/Unit	
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____

**Total Housing Sales:** \$ \_\_\_\_\_

*\*affordable units if any*

**Housing Unit Upgrades:** \$ \_\_\_\_\_

Commercial Space	Unit Type	Size-sf	Price per sf	
			_____	\$ _____
			_____	\$ _____
			_____	\$ _____

**Total Commercial Sales:** \$ \_\_\_\_\_

**Total Gross Sales Revenue** \$ \_\_\_\_\_

## Cost of Sales

**Commissions** \_\_\_\_\_%

\$ \_\_\_\_\_

**Marketing** \_\_\_\_\_%

\$ \_\_\_\_\_

**Closing** \_\_\_\_\_%

\$ \_\_\_\_\_

**Other Costs (\_\_\_\_\_)** \_\_\_\_\_%

\$ \_\_\_\_\_

**Total Costs of Sales** \_\_\_\_\_%

\$ \_\_\_\_\_

**Net Sales Revenue** \$ \_\_\_\_\_



## Summary Letter

Provide a summary of the project in the form of a letter addressed to the Village Administrator. The letter should not exceed two (2) pages in length and should include the following essential information about the project:

- Description of site or building;
- Current and proposed uses;
- Description of end users;
- Project start and end date;
- Profitability;
- Description of Public Benefits
- Overview of private-sector financing;
- Amount of TIF assistance requested;
- Summary of increment projects;
- Name of developer and owner;
- Total development costs;
- Statement regarding why TIF is essential and why the “but for” provision will be met.

Note: In the “but for” discussion you must clearly describe why TIF is needed to help this project and why the project will not/cannot proceed without such support. Failure to clearly provide the “but for” explanation will delay action on your application.

## Project Narrative

Provide an in-depth overview of the project in narrative format. The narrative must include a description of the following aspects of the project:

- Current condition of the site and historical overview that includes the size and conditions of any existing structures, environmental conditions, and past uses of the site.
- Proposed use(s) of project (e.g. industrial, commercial, retail, office, residential for sale or rental, etc.)
- If in an existing TID or redevelopment area, confirm that this project is consistent with the goals and objectives in the Project or Redevelopment Plan.

## Filing Requirements

You must provide all of the following items with your signed application:

1. Site Maps: Provide a map that shows the location of the site. Also provide a map that focuses on the project and its immediate surroundings. Both maps should be no larger than 11x17 inches. Larger maps will be required for projects presented to the Plan Commission, Community Development Authority, or Village Board.
2. Project Renderings: Provide preliminary architectural drawings, plans and renderings for the project. These drawings should be no larger than 11x17 inches. Larger maps will be required for projects presented to the Plan Commission, Community Development Authority, or Village Board.

If the project requires planning and zoning approvals, you must make these applications concurrent with this request.

Agreement I, by signing this application, agree to the following:

1. I have read and will abide by all the requirements of the Village for Tax Incremental Financing.
2. The information submitted is correct.
3. I agree to pay all costs involved in the legal and fiscal review of this project. These costs may include, but not be limited to, bond counsel, outside legal assistance, and outside financial assistance, and all costs involved in the issuance of the bonds or loans to finance the project.
4. I understand that the Village reserves the right to deny final approval, regardless of preliminary approval or the degree of construction completed before application for final approval.
5. The undersigned authorizes the Village of Winneconne to check credit references and verify financial and other information.
6. The undersigned also agrees to provide any additional information as may be requested by the Village after filing of this application.

Applicant Name \_\_\_\_\_ Date \_\_\_\_\_