Minutes from the Village of Somerset
TID Joint Review Board Meeting
December 2, 2025
Village Hall, 110 Spring Street Somerset, WI 54025

Dave Wolner called the Joint Review Board meeting to order at 5:03 p.m.

Present: Donnie Kern (Village Representative/President), via zoom
Caleb Garn (Village Representative)
Dave Wolner (Resident at large)
Neil Kline (Northwood Tech College)
Josh Low (Ehlers & Associates)
David Grambow (Somerset School District)
Rodney Hawkins (Somerset School District)

Absent: Bob Feidler (St Croix County)
Ken Witt (St Croix County)
Christine Hines (St Croix County)

Review Annual PE-300 Reports and the performance and status of the Village's active Tax Incremental Districts
Low reviewed TID #3, TID #5, and TID #6.

<u>TID #3</u>
- Created in 2005
- Includes a blight elimination district
- New developments have been completed, and revenue is expected in 2027

<u>TID #5</u>
- Created in 2020
- Mixed-Use district
- New revenue this year due to Growing Wings

<u>TID #6</u>
- Created in 2023
- Developments include Pine Vale which includes 135 new homes built by 2027

Resolution Acknowledging Filing of Annual Reports and Compliance with Annual Meeting Requirement
Motion by Kern, second by Garn to approve Joint Review Board Resolution approving an amended project plan and boundaries for Tax Incremental District #7. Motion carried.

Review and discuss draft Project Plan.
TID #7 is expected to be created and finalized in 2026. The Dennis & Dawn Neumann property will be included.

Set next meeting date to consider approval of the TID
The next meeting will be on January 13, 2026 at 5:00pm and will be held via zoom only.

Adjournment
Motion by Kern, second by Garn to adjourn and motion carried. Adjourned at 5:57pm.

Jessica Lehman, Village Clerk

VILLAGE OF SOMERSET, WISCONSIN

RESOLUTION NO. 2025-13

RESOLUTION ESTABLISHING THE BOUNDARIES OF AND APPROVING THE PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 7

WHEREAS, the Village of Somerset (the "Village") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the Village; and

WHEREAS, Tax Incremental District No. 7 (the "District") is proposed to be created by the Village in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
b. An economic feasibility study;
c. A detailed list of estimated project costs;
d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
e. A map showing existing uses and conditions of real property in the District;
f. A map showing proposed improvements and uses in the District;
g. Proposed changes of zoning ordinances, master plan, map, building codes and Village ordinances;
h. A list of estimated non-project costs;
i. A statement of the proposed plan for relocation of any persons to be displaced;
j. A statement indicating how the District promotes the orderly development of the Village;
k. An opinion of the Village Attorney or of an attorney retained by the Village advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f); and

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to the chief executive officers of St. Croix County, the School District of Somerset, and the Northwood Technical College, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on December 2, 2025 held a public hearing concerning the proposed creation of the District, its proposed boundaries and its proposed Project Plan, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the Village of Somerset that:

1. It recommends to the Village Board that Tax Incremental District No. 7 be created with boundaries as designated in Exhibit A of this Resolution.

2. It approves and adopts the Project Plan for the District, attached as Exhibit B, and recommends its approval to the Village Board.

3. Creation of the District promotes orderly development in the Village.

Adopted this 2nd day of December 2025.

Plan Commission Chair

Jessica Lehman

Village Clerk

EXHIBIT A -

TAX INCREMENTAL DISTRICT NO. 7

BOUNDARY MAP

[INCLUDED IN PROJECT PLAN]

EXHIBIT B -

PROJECT PLAN

[DISTRIBUTED SEPARATELY]

VILLAGE OF SOMERSET, WISCONSIN

RESOLUTION NO. 2026-01

RESOLUTION CREATING TAX INCREMENTAL DISTRICT NO. 7, APPROVING ITS PROJECT PLAN AND ESTABLISHING ITS BOUNDARIES

WHEREAS, the Village of Somerset (the "Village") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the Village; and

WHEREAS, Tax Incremental District No. 7 (the "District") is proposed to be created by the Village as a mixed-use district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
b. An economic feasibility study;
c. A detailed list of estimated project costs;
d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
e. A map showing existing uses and conditions of real property in the District;
f. A map showing proposed improvements and uses in the District;
g. Proposed changes of zoning ordinances, master plan, map, building codes and Village ordinances;
h. A list of estimated non-project costs;
i. A statement of the proposed plan for relocation of any persons to be displaced;
j. A statement indicating how the District promotes the orderly development of the Village;
k. An opinion of the Village Attorney or of an attorney retained by the Village advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).; and

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to the chief executive officers of St. Croix County, the School District of Somerset, and the Northwood Technical College, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on December 2, 2025 held a public hearing concerning the project plan and boundaries and proposed creation of the District, providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, after said public hearing, the Plan Commission designated the boundaries of the District, adopted the Project Plan, and recommended to the Village Board that it create such District and approve the Project Plan.

NOW, THEREFORE, BE IT RESOLVED by the Village Board of the Village of Somerset that:

1. The boundaries of the District that shall be named "Tax Incremental District No. 7, Village of Somerset", are hereby established as specified in Exhibit A of this Resolution.
2. The District is created effective as of January 1, 2026.
3. The Village Board finds and declares that:
   (a) Not less than 50% by area of the real property within the District is suitable for mixed-use development as defined by Wisconsin Statutes Section 66.1105(2)(cm).

   (b) Based upon the finding stated in 3.a. above, the District is declared to be a mixed-use district based on the identification and classification of the property included within the District.

   (c) The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.

   (d) The equalized value of the taxable property in the District plus the value increment of all other existing tax incremental districts within the Village, does not exceed 12% of the total equalized value of taxable property within the Village.

   (e) That for those parcels to be included within the District that were annexed by the Village within the three-year period preceding adoption of this Resolution, the Village pledges to pay the Town of Somerset an amount equal to the property taxes the town last levied on the territory for each of the next five years.

   (f) The Village estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b).

   (g) The project costs relate directly to promoting mixed-use development in the District consistent with the purpose for which the District is created.

   (h) Lands proposed for newly-platted residential development comprise no more than 35% of the real property area within the District.

   (i) Costs related to newly-platted residential development may be incurred based on the proposed development having a density of at least three (3) units per acre as defined in Wisconsin Statutes Section 66.1105(2)(f)3.a.
4. The Project Plan for "Tax Incremental District No. 7, Village of Somerset" (see Exhibit B) is approved, and the Village further finds the Plan is feasible and in conformity with the master plan of the Village.

BE IT FURTHER RESOLVED THAT the Village Clerk is hereby authorized and directed to apply to the Wisconsin Department of Revenue, in such form as may be prescribed, for a "Determination of Tax Incremental Base", as of January 1, 2026, pursuant to the provisions of Wisconsin Statutes Section 66.1105(5)(b).

BE IT FURTHER RESOLVED THAT pursuant to Section 66.1105(5)(f) of the Wisconsin Statutes that the Village Assessor is hereby authorized and directed to identify upon the assessment roll returned and examined under Wisconsin Statutes Section 70.45, those parcels of property which are within the District, specifying thereon the name of the said District, and the Village Clerk is hereby authorized and directed to make similar notations on the tax roll made under Section 70.65 of the Wisconsin Statutes.

Adopted this 17th day of March 2026.

Donald Kern, Village President

Jessica Lehman, Village Clerk

EXHIBIT A -

LEGAL BOUNDARY DESCRIPTION
OR
MAP OF
TAX INCREMENTAL DISTRICT NO. 7
VILLAGE OF SOMERSET

[INCLUDED WITHIN PROJECT PLAN]

EXHIBIT B -

PROJECT PLAN

[DISTRIBUTED SEPARATELY]

March 17, 2026

PROJECT PLAN

Village of Somerset, Wisconsin

Tax Incremental District No. 7

Prepared by:

Ehlers
3001 Broadway Street, NE Suite 320
Minneapolis, MN 55413

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	December 2, 2025
Public Hearing Held:	December 2, 2025
Action by Plan Commission:	December 2, 2025
Action by Village Board:	March 17, 2026
Action by the Joint Review Board:	March 26, 2026

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SECTION 1:
Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District ("TID") No. 7 ("District") is a proposed mixed-use District comprising approximately 250 acres located in northern Somerset, bounded by Highway 35 to the West and 80th Street to the East. The District will be created to pay the costs of developing this area for a mixed-use neighborhood in Somerset. The area is anticipated to feature industrial, residential, and commercial uses, and also a new athletic complex to enhance the Village's recreational amenities. In addition to the incremental property value that will be created, the Village expects the Project to be the forefront of development to attract families and businesses seeking quality of life in Somerset.

AUTHORITY

The Village is creating the District under the provisions of Wis. Stat. § 66.1105.

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The Village anticipates making total expenditures of approximately $26.1 million ("Project Costs") to undertake the projects listed in this Project Plan ("Plan"). Project Costs include Property Acquisition, Public Infrastructure, Development Incentives, Athletic Complex Development, Interest on Long-Term Debt, Financing Costs, and Ongoing Planning & Administrative Costs.

INCREMENTAL VALUATION

The Village projects that new land and improvements value of approximately $107,500,000 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 20 of its allowable 20 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. 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. Not less than 50% by area of the real property within the District is suitable for mixed-use development as defined by Wis. Stat. § 66.1105(2)(cm). Lands proposed for newly-platted residential development comprise no more than 35% of the real property area within the District. Costs related to newly-platted residential development may be incurred based on the proposed development having a density of at least three (3) units per acre as defined in Wis. Stat. § 66.1105(2)(f)3.a.

5. Based on the foregoing finding, the District is designated as a mixed-use district.

6. The Project Costs relate directly to promoting mixed-use development in the District, consistent with the purpose for which the District is created.

7. 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.

8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the Village does not

exceed 12% of the total equalized value of taxable property within the Village.

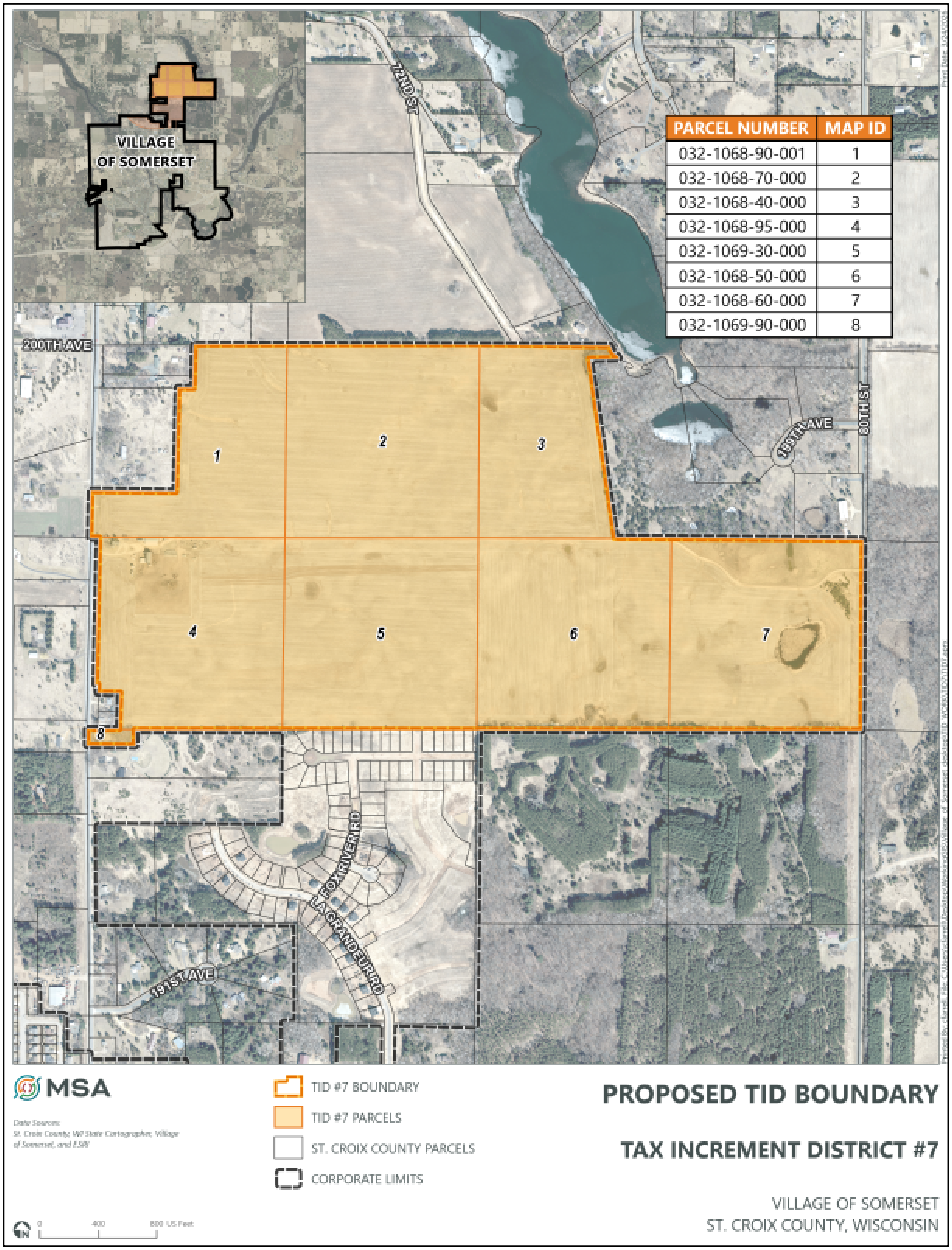
9. The Village estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).

10. That for those parcels to be included within the District that were annexed by the Village within the three-year period preceding adoption of this Resolution, the Village pledges to pay the Town of Somerset an amount equal to the property taxes the town last levied on the territory for each of the next five years.

11. The Plan for the District is feasible and is in conformity with the Master Plan of the Village.

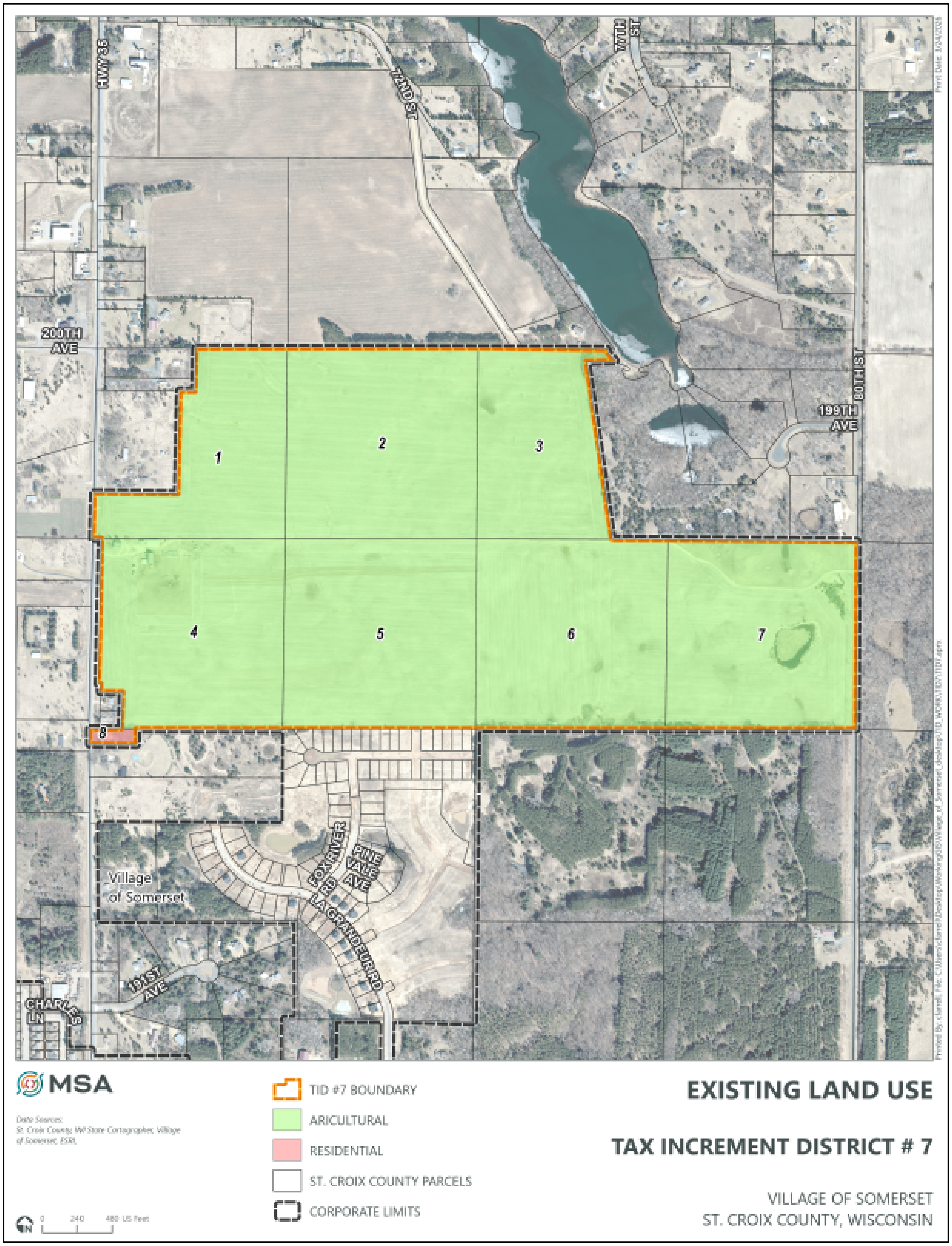
SECTION 2:
Preliminary Map of Proposed District Boundary

To the extent District boundaries include wetlands identified on a map prepared under Wis. Stat. § 23.32, the wetlands are excluded from the District.


VILLAGE OF SOMERSET
PARCEL NUMBER | MAP ID
032-1068-90-001 | 1
032-1068-70-000 | 2
032-1068-40-000 | 3
032-1068-95-000 | 4
032-1069-30-000 | 5
032-1068-50-000 | 6
032-1068-60-000 | 7
032-1069-90-000 | 8
72ND ST
200TH AVE
80TH ST
193TH AVE
FOX RIVER RD
LAGRANDEUR RD
191ST AVE
1
2
3
4
5
6
7
8
MSA
Data Sources: St. Croix County, WI State Cartographer, Village of Somerset, and ESRI
TID #7 BOUNDARY
TID #7 PARCELS
ST. CROIX COUNTY PARCELS
CORPORATE LIMITS
0
400
800 US Feet
PROPOSED TID BOUNDARY
TAX INCREMENT DISTRICT #7
VILLAGE OF SOMERSET
ST. CROIX COUNTY, WISCONSIN

SECTION 3:
Map Showing Existing Uses and Conditions

Map Found on Following Page.


HWY 35
72ND ST
77TH ST
200TH AVE
199TH AVE
80TH ST
1
2
3
4
5
6
7
8
Village of Somerset
FOX RIVER RD
PINE VALE AVE
191ST AVE
CHARLES LN
MSA
Data Sources: St. Croix County, WI State Cartographer, Village of Somerset, ESRI.
0 240 480 US Feet
TID #7 BOUNDARY
ARICULTURAL
RESIDENTIAL
ST. CROIX COUNTY PARCELS
CORPORATE LIMITS
EXISTING LAND USE
TAX INCREMENT DISTRICT # 7
VILLAGE OF SOMERSET
ST. CROIX COUNTY, WISCONSIN

SECTION 4:
Preliminary Parcel List and Analysis

Parcel Data

Map Reference Number	Parcel Number	Acres	Suitable Acres		
			Industrial	Commercial/ Business	Newly-Platted Residential
1	032-1068-90-001	26.00	6.51	-	-
2	032-1068-70-000	40.22	34.57	-	-
3	032-1068-40-000	25.80	-	-	4.81
4	032-1068-95-000	37.76	18.98	15.33	-
5	032-1069-30-000	38.39	20.53	-	1.22
6	032-1068-50-000	40.07	-	-	25.71
7	032-1068-60-000	39.63	-	-	37.58
8	032-1069-90-000	0.76	-	0.76	-
TOTALS		248.63	80.59	16.09	69.32

Percentage of TID Area Suitable for Mixed-Use Development (at least 50%)	67%
Percentage of TID Area Not Suitable for Development	33%
Total Area	100%
Percentage of TID Area Suitable for Newly-Platted Residential Development (no more than 35%)	28%
Wetland Acreage Removed from District Boundaries	(2.02)

Calculation of Estimated Base Value[1]

Parcel	Assessed Value			Equalized Value[2]		
	Land	Improvement	Total	Land	Improvement	Total
032-1068-90-001	5,500	0	5,500	7,900	0	7,900
032-1068-70-000	7,600	0	7,600	10,900	0	10,900
032-1068-40-000	4,600	0	4,600	6,600	0	6,600
032-1068-95-000	96,100	144,500	240,600	138,000	207,500	345,500
032-1069-30-000	7,800	0	7,800	11,200	0	11,200
032-1068-50-000	7,500	0	7,500	10,800	0	10,800
032-1068-60-000	6,200	0	6,200	8,900	0	8,900
032-1069-90-000	4,600	0	4,600	6,600	0	6,600
TOTALS	$139,900	$144,500	$284,400	$200,900	$207,500	$408,400

1) Estimated based on values as of January 1, 2025. Actual base value will be as of January 1, 2026.

2) Calculation based on aggregate assessment ratio of 69.65%.

SECTION 5:
Equalized Value Test

The following calculations demonstrate that the Village expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the Village.

The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the proposed District, totals $10,294,700. This value is less than the maximum of $59,407,080 in equalized value that is permitted for the Village.

Village of Somerset, Wisconsin Tax Increment District No. 7 Valuation Test Compliance Calculation	
Calculation of Village Equalized Value Limit	
Village TID IN Equalized Value (Jan. 1, 2025)	$495,059,000
TID Valuation Limit @ 12% of Above Value	**$59,407,080**
Calculation of Value Subject to Limit	
Estimated Base Value of Territory to be Included in District	$408,400
Incremental Value of Existing Districts (Jan. 1, 2025)	$9,886,300
Total Value Subject to 12% Valuation Limit	**$10,294,700**
Total Percentage of TID IN Equalized Value	2.08%
Residual Value Capacity of TID IN Equalized Value	$49,112,380

SECTION 6: 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 Village ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

The following is a list of public works and other tax incremental financing eligible Project Costs that the Village expects to make, or may need to make, in conjunction with the implementation of the District's Plan. 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.

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.

<u>Property Acquisition for Conservancy</u>

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.

<u>Acquisition of Rights-of-Way</u>

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.

<u>Acquisition of Easements</u>

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.

<u>Relocation Costs</u>

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

<u>Environmental Audits and Remediation</u>

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.

<u>Stormwater Management System Improvements</u>

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.

<u>Electric Service</u>

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.

<u>Gas Service</u>

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

Rail Spur

To allow for development, the Village may incur costs for installation of a rail spur or other railway improvements to serve development sites located within the District.

Property Tax Payments to Town

Property tax payments due to the Town of Somerset under Wis. Stat. § 66.1105(4)(gm)1. because of the inclusion of lands annexed after January 1, 2004 within the boundaries of the District are an eligible Project Cost.

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. No projects are anticipated to occur outside the District.

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

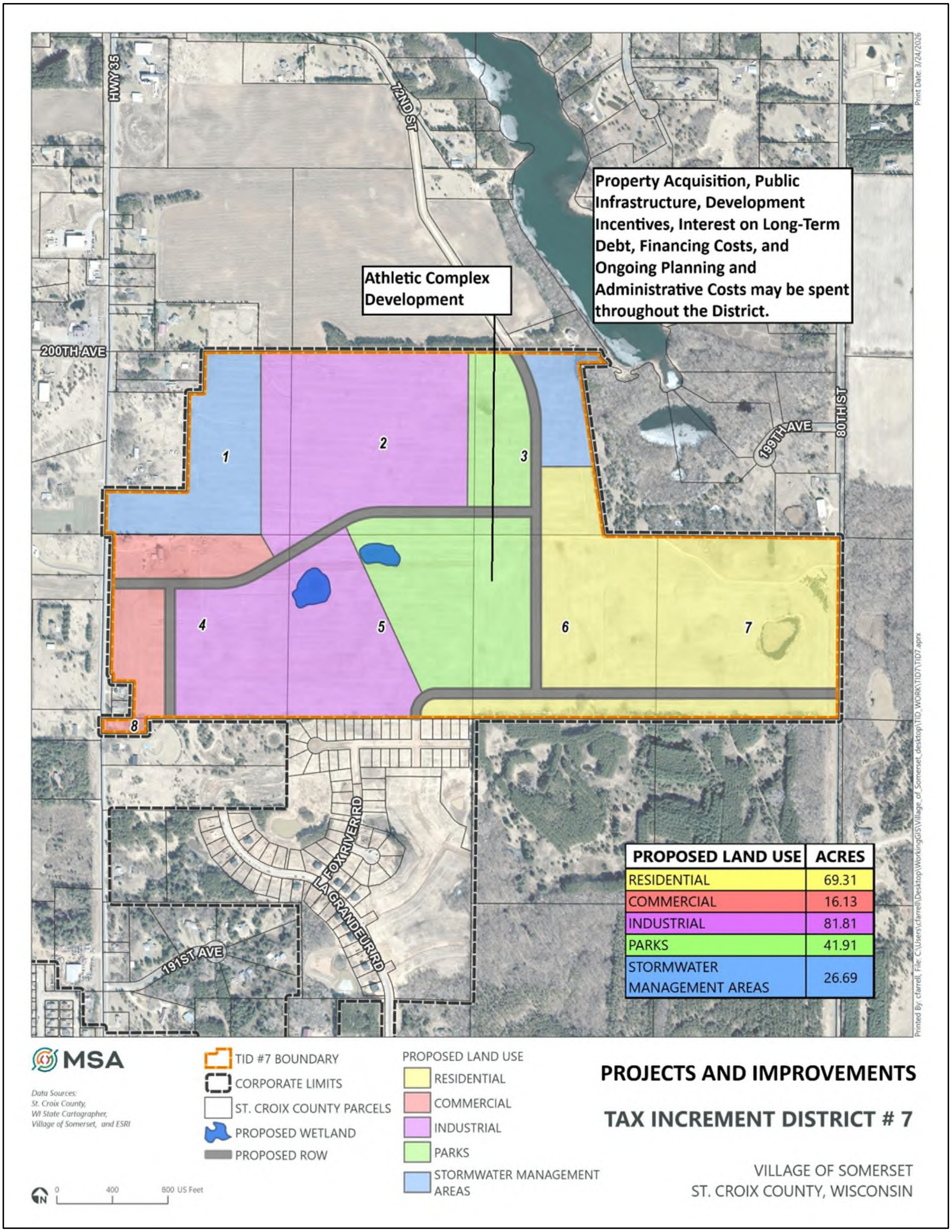
The Village may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by Village employees relating to the implementation of the Plan.

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 7:
Map Showing Proposed Improvements and Uses

Map Found on Following Page.


Property Acquisition, Public Infrastructure, Development Incentives, Interest on Long-Term Debt, Financing Costs, and Ongoing Planning and Administrative Costs may be spent throughout the District.
Athletic Complex Development
HWY 35
72ND ST
200TH AVE
199TH AVE
80TH ST
LA FOX RIVER RD
LA GRANDEUR RD
191ST AVE
1
2
3
4
5
6
7
8
PROPOSED LAND USE | ACRES
RESIDENTIAL | 69.31
COMMERCIAL | 16.13
INDUSTRIAL | 81.81
PARKS | 41.91
STORMWATER MANAGEMENT AREAS | 26.69
MSA
Data Sources: St. Croix County, WI State Cartographer, Village of Somerset, and ESRI
TID #7 BOUNDARY
CORPORATE LIMITS
ST. CROIX COUNTY PARCELS
PROPOSED WETLAND
PROPOSED ROW
PROPOSED LAND USE
RESIDENTIAL
COMMERCIAL
INDUSTRIAL
PARKS
STORMWATER MANAGEMENT AREAS
0
400
800 US Feet
PROJECTS AND IMPROVEMENTS
TAX INCREMENT DISTRICT # 7
VILLAGE OF SOMERSET
ST. CROIX COUNTY, WISCONSIN

SECTION 8:
Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the Village currently expects to incur in implementing the District's Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. 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 Somerset, Wisconsin
Tax Increment District No. 7
Detailed List of Estimated Project Costs

Project ID	Project Name/Type	Est. Cost Phase I	Est. Cost Phase II	Est. Cost Phase III	Est. Cost Phase IV	Est. Cost Phase V	Est. Cost Ongoing	Totals
1	Property Acquisition	1,500,000	1,500,000	1,500,000	1,500,000			**$6,000,000**
2	Public Infrastructure	3,000,000	3,000,000			3,000,000		**$9,000,000**
3	Development Incentives			1,000,000	1,000,000			**$2,000,000**
4	Athletic Complex Development			2,000,000				**$2,000,000**
5	Interest on Long-Term Debt						6,550,937	**$6,550,937**
6	Financing Costs						435,950	**$435,950**
7	Ongoing Planning & Administrative Costs						120,000	**$120,000**
Total Projects		**$4,500,000**	**$4,500,000**	**$4,500,000**	**$2,500,000**	**$3,000,000**	**$7,106,887**	**$26,106,887**

Notes: Public Infrastructure may include, but is not limited to, street construction, water, sewer, or electrical utility extensions.

SECTION 9:
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 a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

Key Assumptions

The Project Costs the Village plans to make are expected to create $107,500,000 in incremental value by 2041. 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 $14.56 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate $19,669,163 in incremental tax revenue over the 20-year term of the District as shown in Table 2.

Table 1 – Development Assumptions

Village of Somerset, Wisconsin
Tax Increment District No. 7
Development Assumptions

Construction Year		Actual	Residential Area A	Residential Area B	Industrial Area A	Industrial Area B	Annual Total	Construction Year	
1	2026						-	2026	1
2	2027		8,000,000		3,000,000		**11,000,000**	2027	2
3	2028			2,500,000			**2,500,000**	2028	3
4	2029		10,000,000			2,000,000	**12,000,000**	2029	4
5	2030			2,500,000	5,000,000		**7,500,000**	2030	5
6	2031		8,000,000				**8,000,000**	2031	6
7	2032			2,500,000		4,000,000	**6,500,000**	2032	7
8	2033		10,000,000				**10,000,000**	2033	8
9	2034			2,500,000	3,000,000		**5,500,000**	2034	9
10	2035		8,000,000			2,000,000	**10,000,000**	2035	10
11	2036			2,500,000			**2,500,000**	2036	11
12	2037		10,000,000		3,000,000		**13,000,000**	2037	12
13	2038						-	2038	13
14	2039		8,000,000				**8,000,000**	2039	14
15	2040					3,000,000	**3,000,000**	2040	15
16	2041		8,000,000				**8,000,000**	2041	16
17	2042						-	2042	17
18	2043						-	2043	18
19	2044						-	2044	19
20	2045						-	2045	20
	Totals	**$0**	**$70,000,000**	**$12,500,000**	**$14,000,000**	**$11,000,000**	**$107,500,000**		

Table 2 – Tax Increment Projection Worksheet

Village of Somerset, Wisconsin

Tax Increment District No. 7

Tax Increment Projection Worksheet

Type of District	Mixed Use	Base Value	401,800
District Creation Date	3/17/2026	Economic Change Factor	0.00%
Valuation Date	1-Jan-26	Apply to Base Value	
Max Life (Years)	20	Base Tax Rate	$14.56
End of Expenditure Period	15	Rate Adjustment Factor	0.00%
Revenue Periods/Final Year	20		
Extension Eligibility/Years	Yes		
Eligible Recipient District	No		

	Construction Year	Value Added	Valuation Year	Total Increment	Revenue Year	Tax Rate[1]	Tax Increment
1	2026	-	2027	-	2028	$14.56	-
2	2027	11,000,000	2028	11,000,000	2029	$14.56	**160,149**
3	2028	2,500,000	2029	13,500,000	2030	$14.56	**196,546**
4	2029	12,000,000	2030	25,500,000	2031	$14.56	**371,254**
5	2030	7,500,000	2031	33,000,000	2032	$14.56	**480,446**
6	2031	8,000,000	2032	41,000,000	2033	$14.56	**596,918**
7	2032	6,500,000	2033	47,500,000	2034	$14.56	**691,551**
8	2033	10,000,000	2034	57,500,000	2035	$14.56	**837,141**
9	2034	5,500,000	2035	63,000,000	2036	$14.56	**917,215**
10	2035	10,000,000	2036	73,000,000	2037	$14.56	**1,062,805**
11	2036	2,500,000	2037	75,500,000	2038	$14.56	**1,099,202**
12	2037	13,000,000	2038	88,500,000	2039	$14.56	**1,288,468**
13	2038	-	2039	88,500,000	2040	$14.56	**1,288,468**
14	2039	8,000,000	2040	96,500,000	2041	$14.56	**1,404,940**
15	2040	3,000,000	2041	99,500,000	2042	$14.56	**1,448,617**
16	2041	8,000,000	2042	107,500,000	2043	$14.56	**1,565,089**
17	2042	-	2043	107,500,000	2044	$14.56	**1,565,089**
18	2043	-	2044	107,500,000	2045	$14.56	**1,565,089**
19	2044	-	2045	107,500,000	2046	$14.56	**1,565,089**
20	2045	-	2046	107,500,000	2047	$14.56	**1,565,089**
	Totals	**$107,500,000**					**$19,669,163**

Notes:
1) Tax rate shown is actual 2025/2026 rate per DOR Form PC-202 (Tax Increment Collection Worksheet).

Financing and Implementation

The first phase of Property Acquisition is anticipated to occur in 2026 so that the Village can control the site for development activity. The remaining phases of Property Acquisition are expected to occur in 2029, 2033, and 2035 as additional development interest is generated. All Property Acquisitions are anticipated to be financed with State Trust Fund Loans.

Public Infrastructure costs are anticipated to occur in 2027, 2029, and 2039 as required by new development. Public Infrastructure is likely to be financed with General Obligation Promissory Notes. The Athletic Complex is likely to be financed with General Obligation Promissory Notes in 2031. Development Incentives are envisioned to be financed on a pay-as-you-go basis as new development generates increment revenue. Table 3 on the following page provides a summary of the District's financing plan.

Table 3 – Financing Plan

Village of Somerset, Wisconsin
Tax Increment District No. 7
Estimated Financing Plan

	DEBT ISSUES								MUNICIPAL REVENUE OBLIGATIONS		
	State Trust Fund Loan 2025	G.O. Promissory Note 2027	State Trust Fund Loan 2029	G.O. Promissory Note 2029	G.O. Promissory Note 2031	State Trust Fund Loan 2032	State Trust Fund Loan 2035	G.O. Promissory Note 2039	Municipal Revenue Obligation (MRO) 2032	Municipal Revenue Obligation (MRO) 2034	Totals
Projects											
Phase I	1,500,000	3,000,000									$4,500,000
Phase II			1,500,000	3,000,000							$4,500,000
Phase III					2,000,000	1,500,000			1,000,000		$4,500,000
Phase IV							1,500,000			1,000,000	$2,500,000
Phase VI								3,000,000			$3,000,000
Total Project Funds	$1,500,000	$3,000,000	$1,500,000	$3,000,000	$2,000,000	$1,500,000	$1,500,000	$3,000,000	$1,000,000	$1,000,000	$19,000,000
Estimated Finance Related Expenses											
Costs of Issuance	7,500	65,350	7,500	65,350	62,050	7,500	7,500	78,350			
Underwriter Discount		12.50 38,813		12.50 38,813	12.50 26,125			10.00 31,100			
Total Financing Required	1,507,500	3,104,163	1,507,500	3,104,163	2,088,175	1,507,500	1,507,500	3,109,450			
Rounding		838		838	1,825			550			
Net Issue Size	$1,507,500	$3,105,000	$1,507,500	$3,105,000	$2,090,000	$1,507,500	$1,507,500	$3,110,000	$1,000,000	$1,000,000	$19,440,000

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 2047 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 4 is shown on the following page.

Table 4 – Cash Flow

Village of Somerset, Wisconsin
Tax Increment District No. 7
Cash Flow Projection

	Projected Revenues			Projected Expenditures													Balances			
Year	Tax Increments	Property Acquisition Revenue	**Total Revenues**	2025 State Trust Fund Loan $1,507,500 Issue Total	2027 G.O. Promissory Note $3,105,000 Issue Total	2029 State Trust Fund Loan $1,507,500 Issue Total	2029 G.O. Promissory Note $3,105,000 Issue Total	2031 G.O. Promissory Note $2,090,000 Issue Total	2032 State Trust Fund Loan $1,507,500 Issue Total	2035 State Trust Fund Loan $1,507,500 Issue Total	2039 G.O. Promissory Note $3,110,000 Issue Total	Total Debt Service	MRO #1 2032 Phase 3 $1,000,000	MRO #2 2034 Phase 4 $1,000,000	Ongoing Planning & Administration	**Total Expenditures**	Annual	Cumulative	Liabilities Outstanding	Year
2026		1,500,000	**1,500,000**												15,000	**15,000**	1,485,000	1,485,000	1,500,000	2026
2027				1,617,451								1,617,451			5,000	**1,622,451**	(1,622,451)	(137,451)	3,655,000	2027
2028					Capitalized										5,000	**5,000**	(5,000)	(142,451)	3,655,000	2028
2029	160,149	1,500,000	**1,660,149**		Interest										5,000	**5,000**	1,655,149	1,512,698	8,625,000	2029
2030	196,546		**196,546**			1,574,084	Capitalized					1,574,084			5,000	**1,579,084**	(1,382,538)	130,160	7,125,000	2030
2031	371,254		**371,254**		252,118		Interest					252,118			5,000	**257,118**	114,136	244,296	9,115,000	2031
2032	480,446	1,500,000	**1,980,446**		341,881		142,385	127,035				611,301	62,500		5,000	**678,801**	1,301,645	1,545,940	11,357,500	2032
2033	596,918		**596,918**		143,420		142,385	84,690	1,574,084			370,495	62,500		5,000	**2,012,079**	(1,415,162)	130,779	9,795,000	2033
2034	691,551		**691,551**		143,420		142,385	84,690				370,495	62,500	70,000	5,000	**507,995**	183,556	314,334	10,662,500	2034
2035	837,141	1,500,000	**2,337,141**		339,720		353,515	84,690				777,925	62,500	70,000	5,000	**915,425**	1,421,716	1,736,050	11,615,000	2035
2036	917,215		**917,215**		342,083		281,908	84,690		1,619,892		708,680	62,500	70,000	5,000	**2,466,072**	(1,548,857)	187,193	9,622,500	2036
2037	1,062,805		**1,062,805**		339,006		354,915	84,690				778,611	62,500	70,000	5,000	**916,111**	146,693	333,886	9,045,000	2037
2038	1,099,202		**1,099,202**		340,424		356,160	84,690				781,274	62,500	70,000	5,000	**918,774**	180,428	514,315	8,447,500	2038
2039	1,288,468		**1,288,468**		341,280		351,944	276,083				969,306	62,500	70,000	5,000	**1,106,806**	181,662	695,977	10,750,000	2039
2040	1,288,468		**1,288,468**		341,558		352,191	278,631			456,505	972,380	62,500	70,000	5,000	**1,566,385**	(277,917)	418,060	9,617,500	2040
2041	1,404,940		**1,404,940**		341,180		356,755	280,649			454,675	978,584	62,500	70,000	5,000	**1,570,759**	(165,819)	252,242	8,385,000	2041
2042	1,448,617		**1,448,617**		340,128		355,615	277,165			456,809	972,908	62,500	70,000	5,000	**1,567,216**	(118,599)	133,643	7,112,500	2042
2043	1,565,089		**1,565,089**		338,380		353,785	278,220			453,319	970,385	62,500	70,000	5,000	**1,561,204**	3,885	137,528	5,800,000	2043
2044	1,565,089		**1,565,089**		340,805		356,138	278,700			454,385	975,643	62,500	75,000	5,000	**1,572,528**	(7,439)	130,089	4,427,500	2044
2045	1,565,089		**1,565,089**		337,380		352,650	278,530			454,815	968,560	62,500	75,000	5,000	**1,565,875**	(786)	129,303	3,010,000	2045
2046	1,565,089		**1,565,089**		338,078		353,295	277,690			454,498	969,063	62,500	75,000	5,000	**1,566,060**	(971)	128,332	1,537,500	2046
2047	1,565,089		**1,565,089**		337,838		352,935	281,050			458,325	971,823	62,500	75,000	5,000	**1,572,648**	**(7,559)**	**120,773**	**0**	**2047**
(2026-2047)	**$19,669,163**	**$6,000,000**	**$25,669,163**	**$1,617,451**	**$5,298,696**	**$1,574,084**	**$4,958,960**	**$3,141,893**	**$1,574,084**	**$1,619,892**	**$3,643,330**	**$16,591,084**	**$1,000,000**	**$1,000,000**	**$120,000**	**$25,548,390**				(2026 - 2047)

Notes: - - - - - - - End of Expenditure Period

PROJECTED CLOSURE YEAR

SECTION 10:
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. Since property within the proposed District boundary has been annexed within the past three years, the Village pledges to pay the Town of Somerset for each of the next five years an amount equal to the property taxes levied on the territory by the town at the time of the annexation. Such payments allow for inclusion of the annexed lands as a permitted exception under Wis. Stat. § 66.1105(4)(gm)1.

SECTION 11:
Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the Village estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12:
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and Village Ordinances

Zoning Ordinances

The proposed Plan 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 is in general conformance with the Village's Comprehensive Plan identifying the area as appropriate for mixed-use 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 conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13:
Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should 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 14:
How Creation of the Tax Incremental District Promotes the Orderly Development of the Village

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the Village by creating new industrial sites, creating opportunities for mixed-use development, providing necessary public infrastructure improvements, and providing appropriate financial incentives for private development projects. 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 homeownership.

SECTION 15:
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.

The Plan includes the following non-project costs:

1. Athletic Complex Development – $5,000,000 other Village sources may include Levy and Impact Fees

SECTION 16:
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)

Legal Opinion Found on Following Page.

BAKKE NORMAN
ATTORNEYS AT LAW

PAUL H. MAHLER
ATTORNEY

Direct: (715) 888-1012
Facsimile: (715) 318-0142
pmahler@bakkenorman.com

Bakke Norman, S.C.
1200 Heritage Drive
P.O. Box 308
New Richmond, WI 54017

March 11, 2026

Donnie Kern, Village President
Village of Somerset
110 Spring Street
Somerset WI 54025

Re: Project Plan for Tax Incremental District No. 7

Dear President Kern:

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 Somerset, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan for the Village of Somerset Tax Incremental District No. 7 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

BAKKE NORMAN, S.C.

Paul H. Mahler

PHM/ac

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SECTION 17:
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.

Village of Somerset, Wisconsin

Tax Increment District No. 7

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.

Revenue Year	St. Croix County	Village of Somerset	School District of Somerset	Northwood Technical College	Total	Revenue Year
2028	-	-	-	-	-	2028
2029	29,528	51,076	76,799	2,746	160,149	2029
2030	36,239	62,684	94,253	3,370	196,546	2030
2031	68,452	118,404	178,034	6,365	371,254	2031
2032	88,584	153,228	230,396	8,237	480,446	2032
2033	110,059	190,375	286,250	10,234	596,918	2033
2034	127,508	220,556	331,631	11,856	691,551	2034
2035	154,352	266,989	401,448	14,352	837,141	2035
2036	169,116	292,527	439,848	15,725	917,215	2036
2037	195,959	338,960	509,665	18,221	1,062,805	2037
2038	202,670	350,568	527,119	18,845	1,099,202	2038
2039	237,567	410,930	617,881	22,089	1,288,468	2039
2040	237,567	410,930	617,881	22,089	1,288,468	2040
2041	259,042	448,077	673,735	24,086	1,404,940	2041
2042	267,095	462,006	694,680	24,835	1,448,617	2042
2043	288,570	499,153	750,534	26,832	1,565,089	2043
2044	288,570	499,153	750,534	26,832	1,565,089	2044
2045	288,570	499,153	750,534	26,832	1,565,089	2045
2046	288,570	499,153	750,534	26,832	1,565,089	2046
2047	288,570	499,153	750,534	26,832	1,565,089	2047
Totals	**$3,626,590**	**$6,273,072**	**$9,432,293**	**$337,208**	**$19,669,163**	

JOINT REVIEW BOARD
RESOLUTION APPROVING THE CREATION OF
TAX INCREMENTAL DISTRICT NO. 7,
VILLAGE OF SOMERSET

WHEREAS, the Village of Somerset (the "Village") seeks to create Tax Incremental District No. 7 (the "District"); and

WHEREAS, Wisconsin Statutes Section 66.1105(4m)(a) requires that a Joint Review Board (the "JRB") convene to consider such proposal; and

WHEREAS, the JRB consists of one representative chosen by the School District; one representative chosen by the Technical College District; and one representative chosen by the County, all of whom have the power to levy taxes on property within the District; and one representative chosen by the Village and one public member; and

WHEREAS, the public member and JRB's chairperson were selected by a majority vote of the other JRB members before the public hearing required under Wisconsin Statutes Sections 66.1105 (4)(a) and (e) was held; and

WHEREAS, all JRB members were appointed and the first JRB meeting was held within 14 days after the notice was published under Wisconsin Statutes Sections 66.1105 (4)(a) and (e); and

WHEREAS, as required by Wisconsin Statutes Section 66.1105(4m)(b)1. the JRB has reviewed the public record, planning documents, resolution passed by the Plan Commission, and the resolution passed by the Village Board; and

WHEREAS, the JRB has considered whether, and concluded that, the District meets the following criteria as required by Wisconsin Statutes Section 66.1105(4m)(c):

1. The development expected in the District would not occur without the use of tax increment financing.

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.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

NOW, THEREFORE, BE IT RESOLVED that the JRB approves the resolution passed by the Village Board creating the District, approving its Project Plan, and establishing its boundaries.

BE IT FURTHER RESOLVED that in the judgment of the JRB the development described in the Project Plan would not occur but for creation of the District, that 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, and that the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

BE IT FURTHER RESOLVED that the JRB approves those Project Costs identified in the Project Plan that will be made for projects located outside of, but within a one-half mile radius of the District, pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n.

BE IT FURTHER RESOLVED that the JRB, as required by Wisconsin Statutes Section 66.1105(4m)(b)2m. has determined that the expected year of termination for purposes of Wisconsin Statutes Section 66.0602(3)(dq)1.b. is 2047, with final collection of tax increment to be the 2046 levy for the 2047 budget year.

Passed and adopted this _____ day of ______________________, 2026.

Resolution introduced and adoption moved by JRB member: _______________________

Motion for adoption seconded by JRB member: __________________________________

On roll call motion passed by a vote of _____ ayes to _____ nays

ATTEST:

__________________________________ __________________________________

JRB Chairperson Signature Clerk Signature