

May 5, 2025

PROJECT PLAN

City of Sheboygan, Wisconsin

Tax Incremental District No. 25



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	Held on April 7, 2025
Public Hearing Held:	Held on April 7, 2025
Approval by Plan Commission:	April 7, 2025
Action by Common Council:	Scheduled for May 5, 2025
Action by the Joint Review Board:	Scheduled for May 8, 2025

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SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 25 (“District”) is proposed to be created to provide rehabilitation and conservation in an area approximately 6.992 acres and located at the former Aurora Hospital site. When created, the District will pay the costs of new public infrastructure, land acquisition, development incentives and other project costs, all of which are required to rehabilitate and conserve the area within the District needed to facilitate the construction of twenty-one (21) single family homes (the “Project”).

AUTHORITY

The City is creating the District under the provisions of Chapter 66 of the Wisconsin Statutes, particularly, Wis. Stat. §§ 66.1105 and 66.1337.

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The City anticipates making total expenditures of approximately \$3,421,063 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$163,000 in property acquisition costs, \$600,000 in public infrastructure costs, \$483,000 in ongoing planning and administration costs, repayment of advances, and financing costs, and \$1,600,000 in development incentives.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$8M 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 City anticipates that the District will generate sufficient tax increment to pay all Project Costs within 27 of its allowable 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 City. In reaching this determination, the City has considered:

The Developer's representation that the Project is not economically viable without public participation based on extraordinary costs associated with demolition of structures and redevelopment of existing sites.

Substantial investment is needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax incremental financing, the City 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 City has considered the following information:

That the Developer is likely to purchase goods and services from local suppliers in construction of the Project, and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.

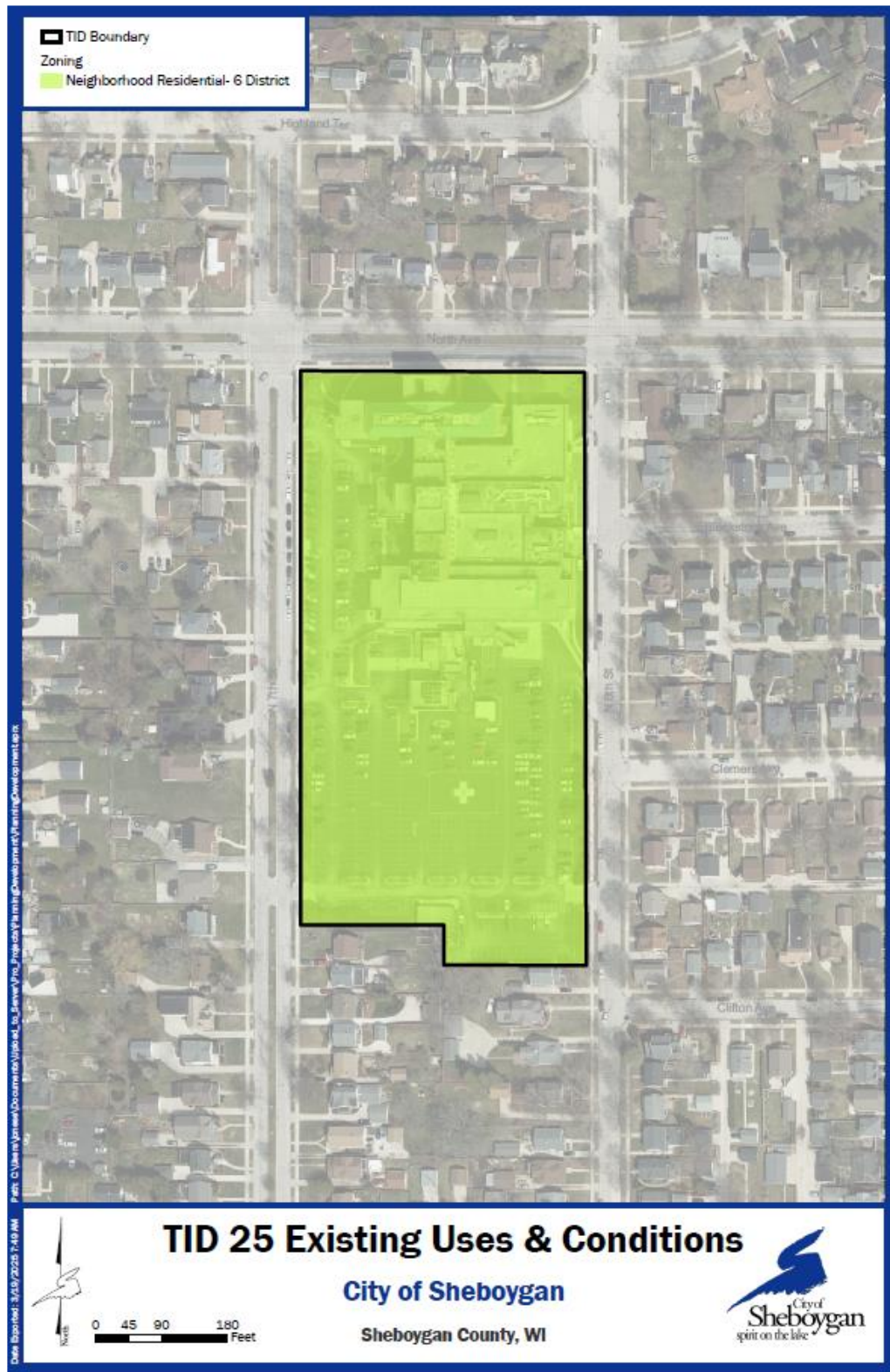
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the 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 City 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 in need of rehabilitation or conservation work as defined by Wis. Stat. § 66.1337(2m)(a).
5. Based on the foregoing finding, the District is designated as a district in need of rehabilitation or conservation.
6. The Project Costs relate directly to the rehabilitation or conservation of property and improvements 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 City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that none 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 there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.



SECTION 3:

Map Showing Existing Uses and Conditions



SECTION 4: Preliminary Parcel List and Analysis

Parcel Data

Map Reference Number	Parcel Number	Owner	Acres	Acres
				Rehab/ Conservation
N/A	ROW Areas		0.00	
1	59281007701	SHEBOYGAN MEMORIAL HOSPITAL INC	6.992	6.992
TOTALS			6.992	6.992

Percentage of TID Area Designated as in Need of Rehabilitation or Conservation (at least)

Percentage of TID Area Not Designated as in Need of Rehabilitation or Conservation

Total Area

SECTION 5:

Equalized Value Test

The following calculations demonstrate that the City 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 City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$153,075,800. This value is less than the maximum of \$565,963,260 in equalized value that is permitted for the City.

City of Sheboygan, Wisconsin		
Tax Increment District No. 25		
Valuation Test Compliance Calculation		
<u>Calculation of City Equalized Value Limit</u>		
City TID IN Equalized Value (Jan. 1, 2024)	\$	4,716,360,500
TID Valuation Limit @ 12% of Above Value	\$	565,963,260
<u>Calculation of Value Subject to Limit</u>		
Estimated Base Value of Territory to be Included in District	\$	1,421,300
Plus: Assumed change for Jan. 1, 2025 assessment	\$	-
Incremental Value of Existing Districts (Jan. 1, 2024)	\$	151,654,500
Less: Value of Parcels Removed from District	\$	-
Less: Value of Underlying TID Parcels	\$	-
Total Value Subject to 12% Valuation Limit	\$	153,075,800
Total Percentage of TID IN Equalized Value		3.25%
Residual Value Capacity of TID IN Equalized Value	\$	412,887,460

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 City 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 City 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 City 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 City 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 City 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 City 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 City 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 City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City 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 City 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 City related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the City 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 City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

To allow development to occur, the City 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 City 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 City 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 City 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 City 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 City 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 City 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 City 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 City 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 City 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 City to undertake this work are eligible Project Costs.

Gas Service

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

Communications Infrastructure

To create sites suitable for development, the City 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 City to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

To allow development to occur, the City 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 City 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 City are eligible Project Costs.

Community Development

Cash Grants (Development Incentives)

The City 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 City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

Contribution to Redevelopment Authority (RDA)

As provided for in Wis. Stat. § 66.1105(2)(f)1.h and Wis. Stat. § 66.1333(13), the City may provide funds to its 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 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 City, through its 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 RDA in the program manual. Any funds returned to the 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 RDA for purposes of implementing this program are considered eligible Project Costs.

Municipal Revenue Obligations (MRO's) (Development Incentives)

The City 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 a guaranteed increment value through a Municipal Revenue Obligation (MRO). Terms of an MRO may be negotiated specifically with each developer and approved by the City Council. No MRO payments will be provided until the City executes a developer agreement with the recipient and the agreed upon increment is generated. Any payments related to an MRO executed by the City are eligible Project Costs.

Miscellaneous

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 City 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 City 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 8:

Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City 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.

City of Sheboygan, Wisconsin

Tax Incremental District No. 25

Detailed List of Estimated Project Costs

Project Name/Type	Est. Cost		Less: Non-Project Costs	Totals
	2025	Ongoing		
Site Acquisition Reimbursement to City	163,000			
Public Infrastructure	1,350,000		750,000	600,000
Development Incentives		1,600,000		1,600,000
Repayment of Advances		203,000		203,000
Interest on Long Term Debt		375,063		375,063
Financing Costs	10,000			10,000
Ongoing Planning & Administrative Costs		470,000		470,000
	<u>1,523,000</u>	<u>2,648,063</u>	<u>750,000</u>	<u>3,258,063</u>

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 City plans to make are expected to create \$8 million in incremental value by 2028. Estimated valuations and timing for construction of the Project are included in Table 1. Assuming the City's current equalized TID Interim tax rate of \$15.878316 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$3,284,543 in incremental tax revenue over the 27-year term of the District as shown in Table 2.

Table 1 – Development Assumptions

City of Sheboygan, Wisconsin									
Tax Increment District No. 25									
Development Assumptions									
Construction Year		Single Family Homes			Annual Total	Construction Year			
1	2025	5	1,904,762		1,904,762	2025	1		
2	2026	8	3,047,619		3,047,619	2026	2		
3	2027	8	3,047,619		3,047,619	2027	3		
4	2028				0	2028	4		
5	2029				0	2029	5		
Totals		21	8,000,000		8,000,000				

Table 2 – Tax Increment Projection Worksheet

City of Sheboygan, Wisconsin

Tax Increment District No. 25

Tax Increment Projection Worksheet

Type of District	Rehabilitation	Base Value	1,421,300
District Creation Date	April 21, 2025	Economic Change Factor	0.00%
Valuation Date	Jan 1, 2025	Apply to Base Value	
Max Life (Years)	27	Base Tax Rate	\$15.88
End of Expenditure Period	22 4/21/2047	Rate Adjustment Factor	0.00%
Revenue Periods/Final Year	27 2053		
Extension Eligibility/Years	Yes 3		
Eligible Recipient District	Yes		

	Construction Year	Value Added	Valuation Year	Economic Change	Total Increment	Revenue Year	Tax Rate ¹	Tax Increment
1	2025	1,904,762	2026	0	1,904,762	2027	\$15.88	30,244
2	2026	3,047,619	2027	0	4,952,381	2028	\$15.88	78,635
3	2027	3,047,619	2028	0	8,000,000	2029	\$15.88	127,027
4	2028	0	2029	0	8,000,000	2030	\$15.88	127,027
5	2029	0	2030	0	8,000,000	2031	\$15.88	127,027
6	2030	0	2031	0	8,000,000	2032	\$15.88	127,027
7	2031	0	2032	0	8,000,000	2033	\$15.88	127,027
8	2032	0	2033	0	8,000,000	2034	\$15.88	127,027
9	2033	0	2034	0	8,000,000	2035	\$15.88	127,027
10	2034	0	2035	0	8,000,000	2036	\$15.88	127,027
11	2035	0	2036	0	8,000,000	2037	\$15.88	127,027
12	2036	0	2037	0	8,000,000	2038	\$15.88	127,027
13	2037	0	2038	0	8,000,000	2039	\$15.88	127,027
14	2038	0	2039	0	8,000,000	2040	\$15.88	127,027
15	2039	0	2040	0	8,000,000	2041	\$15.88	127,027
16	2040	0	2041	0	8,000,000	2042	\$15.88	127,027
17	2041	0	2042	0	8,000,000	2043	\$15.88	127,027
18	2042	0	2043	0	8,000,000	2044	\$15.88	127,027
19	2043	0	2044	0	8,000,000	2045	\$15.88	127,027
20	2044	0	2045	0	8,000,000	2046	\$15.88	127,027
21	2045	0	2046	0	8,000,000	2047	\$15.88	127,027
22	2046	0	2047	0	8,000,000	2048	\$15.88	127,027
23	2047	0	2048	0	8,000,000	2049	\$15.88	127,027
24	2048	0	2049	0	8,000,000	2050	\$15.88	127,027
25	2049	0	2050	0	8,000,000	2051	\$15.88	127,027
26	2050	0	2051	0	8,000,000	2052	\$15.88	127,027
27	2051	0	2052	0	8,000,000	2053	\$15.88	127,027
Totals		8,000,000		0	Future Value of Increment			3,284,543

Notes:

1) Tax rate shown is actual 2024/2025 rate per DOR Form PC-202 (Tax Increment Collection Worksheet).

Financing and Implementation

Major project costs will be financed through advances from other funds, General Obligation Promissory Notes or Municipal Revenue Obligations to pay development incentives on a Pay-As-You-GO basis. **Table 3.** provides a summary of the District's financing plan.

Table 3 – Financing Plan

City of Sheboygan, Wisconsin Tax Increment District No. 25 Estimated Financing Plan			
	DEBT ISSUES G.O. Promissory Note 2025	M REVENUE OB Municipal Revenue Obligation (MRO) 2025	Totals
Projects			
Phase I	600,000	1,600,000	2,200,000
Total Project Funds	600,000	1,600,000	2,200,000
Other Funds			
Debt Service Reserve			
Capitalized Interest	58,560		
Estimated Finance Related Expenses	10,000		
Total Financing Required	668,560		
Rounding	1,440		
Net Issue Size	670,000	1,600,000	2,270,000

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 2053 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 – Cash Flow

City of Sheboygan, Wisconsin

Tax Increment District No. 25

Cash Flow Projection

Year	Projected Revenues				Projected Expenditures											Balances			Year	
	Tax Increments	Advances from Other Funds	Debt Proceeds	Total Revenues	2025 G.O. Promissory Note \$670,000 Dated Date: 06/01/25			2025 G.O. Promissory Note \$670,000 Issue Total	Total Debt Service	Aurora Site Incentive 68%	Property Acquisition	Public Infrastructure	Repayment of Advances	Financing Costs	Ongoing Planning & Administration	Total Expenditures	Annual	Cumulative		Liabilities Outstanding
					Principal	Est. Rate	Interest													
2025		203,000	670,000	873,000				0	0		163,000	600,000		10,000	40,000	813,000	60,000	60,000	2,270,000	2025
2026				0		4.25%	28,475	28,475	28,475						15,000	43,475	(43,475)	16,525	2,270,000	2026
2027	30,244			30,244		4.25%	28,475	28,475	28,475						15,000	43,475	(13,231)	3,294	2,270,000	2027
2028	78,635			78,635	5,000	4.25%	28,475	33,475	33,475	9,997					15,000	58,472	20,163	23,458	2,265,000	2028
2029	127,027			127,027	20,000	4.25%	28,263	48,263	48,263	43,116					15,000	106,378	20,648	44,106	2,235,003	2029
2030	127,027			127,027	25,000	4.25%	27,413	52,413	52,413	43,966					15,000	111,378	15,648	59,755	2,166,887	2030
2031	127,027			127,027	30,000	4.25%	26,350	56,350	56,350	45,028					15,000	116,378	10,648	70,403	2,092,922	2031
2032	127,027			127,027	30,000	4.25%	25,075	55,075	55,075	46,303					15,000	116,378	10,648	81,052	2,017,894	2032
2033	127,027			127,027	35,000	4.25%	23,800	58,800	58,800	47,578					15,000	121,378	5,648	86,700	1,936,591	2033
2034	127,027			127,027	35,000	4.25%	22,313	57,313	57,313	49,066					15,000	121,378	5,648	92,349	1,854,013	2034
2035	127,027			127,027	35,000	4.25%	20,825	55,825	55,825	50,553					15,000	121,378	5,648	97,997	1,769,947	2035
2036	127,027			127,027	35,000	4.25%	19,338	54,338	54,338	52,041					15,000	121,378	5,648	103,646	1,684,394	2036
2037	127,027			127,027	40,000	4.25%	17,850	57,850	57,850	53,528					15,000	126,378	648	104,294	1,592,354	2037
2038	127,027			127,027	40,000	4.25%	16,150	56,150	56,150	55,228					15,000	126,378	648	104,943	1,498,826	2038
2039	127,027			127,027	40,000	4.25%	14,450	54,450	54,450	56,928					15,000	126,378	648	105,591	1,403,597	2039
2040	127,027			127,027	40,000	4.25%	12,750	52,750	52,750	58,628					15,000	126,378	648	106,240	1,306,669	2040
2041	127,027			127,027	40,000	4.25%	11,050	51,050	51,050	60,328					15,000	126,378	648	106,888	1,208,041	2041
2042	127,027			127,027	50,000	4.25%	9,350	59,350	59,350	62,028					15,000	136,378	(9,352)	97,537	1,097,713	2042
2043	127,027			127,027	55,000	4.25%	7,225	62,225	62,225	64,153					15,000	141,378	(14,352)	83,185	980,685	2043
2044	127,027			127,027	55,000	4.25%	4,888	59,888	59,888	66,491					15,000	141,378	(14,352)	68,834	861,532	2044
2045	127,027			127,027	60,000	4.25%	2,550	62,550	62,550	68,828					15,000	146,378	(19,352)	49,482	735,042	2045
2046	127,027			127,027				0	0	71,378					15,000	86,378	40,648	90,131	666,214	2046
2047	127,027			127,027				0	0	71,378					15,000	86,378	40,648	130,779	594,836	2047
2048	127,027			127,027				0	0	71,378					15,000	86,378	40,648	171,428	523,458	2048
2049	127,027			127,027				0	0	71,378					15,000	86,378	40,648	212,076	452,080	2049
2050	127,027			127,027				0	0	71,378					15,000	86,378	40,648	252,725	380,702	2050
2051	127,027			127,027				0	0	71,378			203,000		15,000	289,378	(162,352)	90,373	309,324	2051
2052	127,027			127,027				0	0	71,378					15,000	86,378	40,648	131,021	237,945	2052
2053	127,027			127,027				0	0	166,567					25,000	191,567	(64,541)	66,481	166,567	2053
(2025 - 2053)	3,284,543	203,000	670,000	4,157,543	670,000		375,063	1,045,063	1,045,063	1,600,000	163,000	600,000		10,000	470,000	4,091,063				(2025 - 2053)

Notes:

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. None of the property within the proposed District boundary was annexed during the past three years.

SECTION 11:

Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that none 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 City Ordinances

Zoning Ordinances

The proposed Plan is in general conformance with the City'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 City's Comprehensive Plan identifying the area as appropriate for residential development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City'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 City

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City rehabilitating and conserving property, public infrastructure improvements and providing appropriate financial incentives for private development projects. Through use of tax increment financing, the City 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 and housing opportunities.

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 6th and 7th Street road and utility infrastructure projects are directly adjacent to the District and only partially benefit the District. The cost of the project is approximately \$1,350,000 of which \$750,000 is a non-project cost.

SECTION 16:

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



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As of May 5, 2025

Mayor
City of Sheboygan
828 Center Avenue
Sheboygan, Wisconsin 53081

RE: Project Plan for City of Sheboygan Tax Incremental District No. 25

Dear Mayor:

Wisconsin Statute §66.1105(4)(f) requires that a project plan for a tax incremental district includes an opinion provided by counsel advising as to whether the project plan is complete and complies with Wisconsin Statute §66.1105.

We have acted as counsel for the City of Sheboygan in connection with the proposed creation of Tax Incremental District No. 25 of the City of Sheboygan (the “**District**”) and the review of the project plan for the District dated May 5, 2025 (the “**Project Plan**”) for compliance with applicable statutory requirements.

Based upon our review, relying upon the accuracy of the statements set forth in the Project Plan, it is our opinion that the Project Plan is complete and complies with the provisions of Wisconsin Statute §66.1105.

Very truly yours,

von BRIESEN & ROPER, s.c.

A handwritten signature in black ink, appearing to read "Brion T. Winters", is written over a horizontal line.

Brion T. Winters

#42491288v3

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.

City of Sheboygan, Wisconsin						
Tax Increment District No. 25						
Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.						
Revenue Year	Sheboygan County	City of Sheboygan	Sheboygan School District	Lakeshore Technical College	Total	Revenue Year
2027	6,652	12,598	9,979	1,016	30,244	2027
2028	17,294	32,754	25,946	2,641	78,635	2028
2029	27,937	52,910	41,913	4,267	127,027	2029
2030	27,937	52,910	41,913	4,267	127,027	2030
2031	27,937	52,910	41,913	4,267	127,027	2031
2032	27,937	52,910	41,913	4,267	127,027	2032
2033	27,937	52,910	41,913	4,267	127,027	2033
2034	27,937	52,910	41,913	4,267	127,027	2034
2035	27,937	52,910	41,913	4,267	127,027	2035
2036	27,937	52,910	41,913	4,267	127,027	2036
2037	27,937	52,910	41,913	4,267	127,027	2037
2038	27,937	52,910	41,913	4,267	127,027	2038
2039	27,937	52,910	41,913	4,267	127,027	2039
2040	27,937	52,910	41,913	4,267	127,027	2040
2041	27,937	52,910	41,913	4,267	127,027	2041
2042	27,937	52,910	41,913	4,267	127,027	2042
2043	27,937	52,910	41,913	4,267	127,027	2043
2044	27,937	52,910	41,913	4,267	127,027	2044
2045	27,937	52,910	41,913	4,267	127,027	2045
2046	27,937	52,910	41,913	4,267	127,027	2046
2047	27,937	52,910	41,913	4,267	127,027	2047
2048	27,937	52,910	41,913	4,267	127,027	2048
2049	27,937	52,910	41,913	4,267	127,027	2049
2050	27,937	52,910	41,913	4,267	127,027	2050
2051	27,937	52,910	41,913	4,267	127,027	2051
2052	27,937	52,910	41,913	4,267	127,027	2052
2053	27,937	52,910	41,913	4,267	127,027	2053
Totals	722,364	1,368,114	1,083,743	110,322	3,284,543	