

December 4, 2023

PROJECT PLAN AMENDMENT

City of Sheboygan, Wisconsin

Tax Incremental District No. 18



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting	November 14, 2023
Held:	
Public Hearing Held:	November 14, 2023
Approval by Plan Commission:	November 14, 2023
Adoption by Common Council:	Scheduled for Dec. 4, 2023
Approval by the Joint Review Board:	Scheduled for Dec. 19, 2023

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SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 18 (“District”) is a 290.65 - acre Industrial District created on December 18, 2017. The District was created to:

- Provide the financing tool necessary to pay public infrastructure and development incentives to promote industrial development.

Purpose of Amendment

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

- Add territory to the District as permitted under Wis. Stat. § 66.1105(4)(h)2. This is the first of four permitted territory amendments available to the District.
- Amend the categories, locations or costs of project costs to be made as permitted under Wis. Stat. § 66.1105(4)(h)1. (“Project”).

Estimated Total Project Cost Expenditures

The City anticipates making total expenditures of approximately \$36M (“Project Costs”) of which \$5.4M are being added as part of this amendment, to undertake the projects listed in this Project Plan (“Plan”). New Project Costs include an estimated \$3.4M for Taylor Drive, \$1.2M for Storm Water, and \$800K for fill and compaction.

Incremental Valuation

The City projects that new land and improvements value of approximately \$130M will result from existing and new Project Costs. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumption 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 won’t generate sufficient tax increment to pay all Project Costs within its allowable 20 years. As such, it is possible that the City may seek to extend the TID life in the future.

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 substantial investment 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:**

The expectation that the Project will create employment opportunities once the development has occurred. In addition, 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, as amended, is suitable for industrial sites as defined by Wis. Stat. § 66.1101 and has been zoned for industrial use. Any real property within the District that was found suitable for industrial sites and was zoned for industrial use at the time of creation of the District or at the time of this Plan Amendment will remain zoned for industrial use for the life of the District.
5. Based on the foregoing finding, the District remains designated as an industrial district.

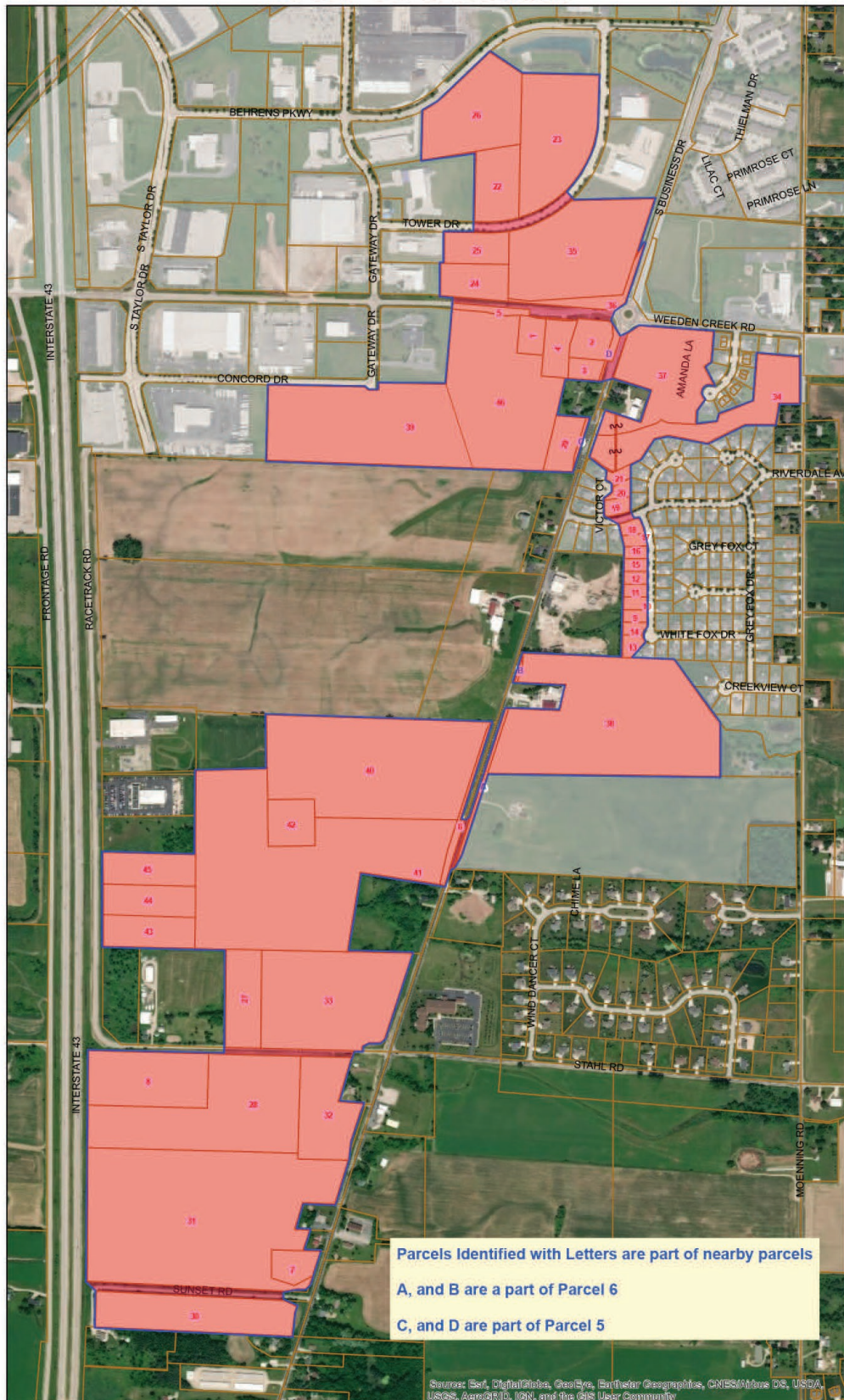
6. That Project Costs relate directly to promoting industrial development in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property within the territory to be added to 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 Plan for the District is feasible and is in conformity with the Master Plan of the City.
10. The City estimates that no 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).
11. That for those parcels to be included within the District that were annexed by the City within the three-year period preceding adoption of this Resolution, the City pledges to pay the Town of Wilson an amount equal to the property taxes the town last levied on the territory for each of the next five years.

SECTION 2:

Preliminary Map of Original District Boundary and Territory to be Added

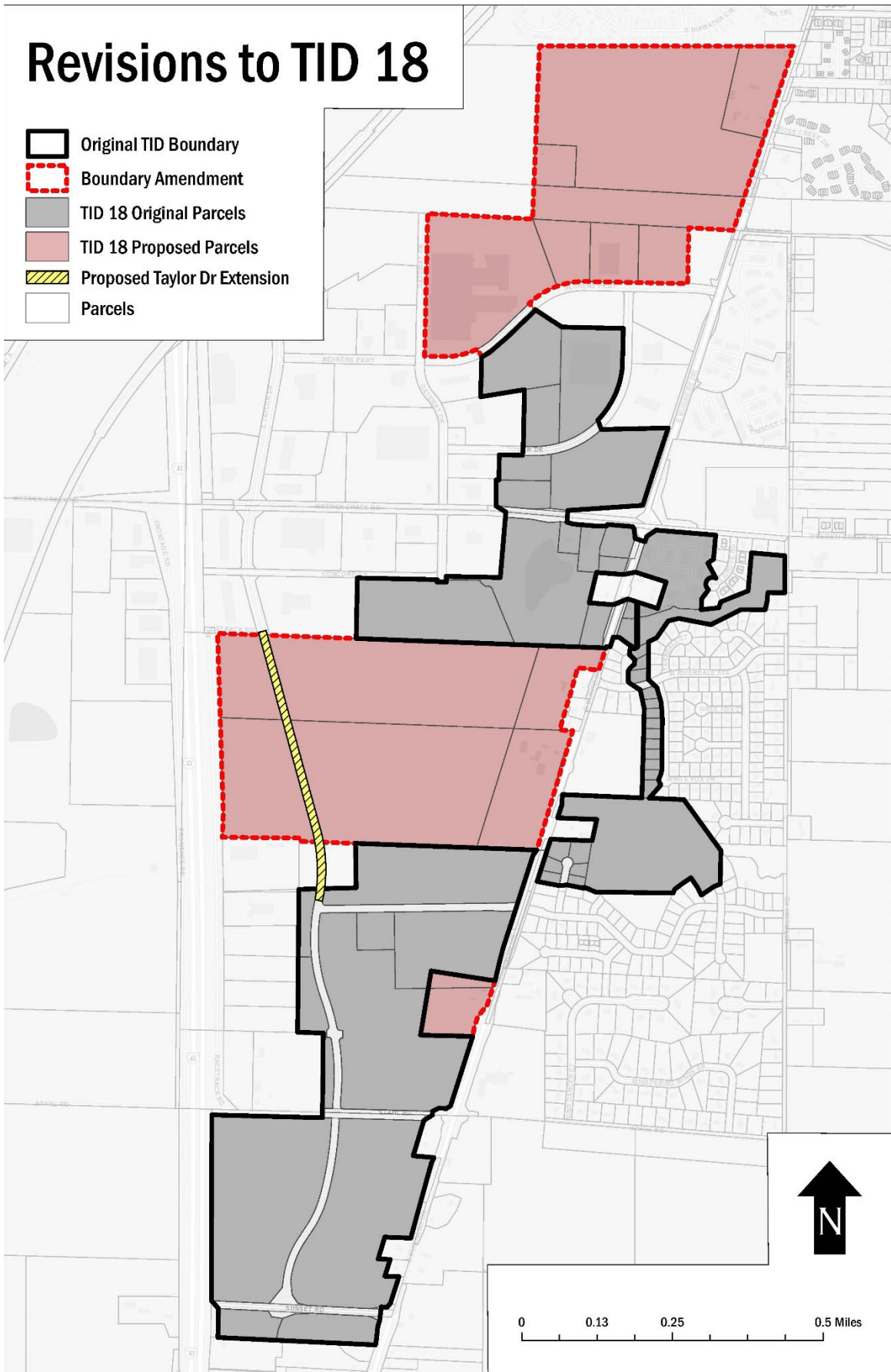
Maps Found on Following Page.

TID 18 Parcels



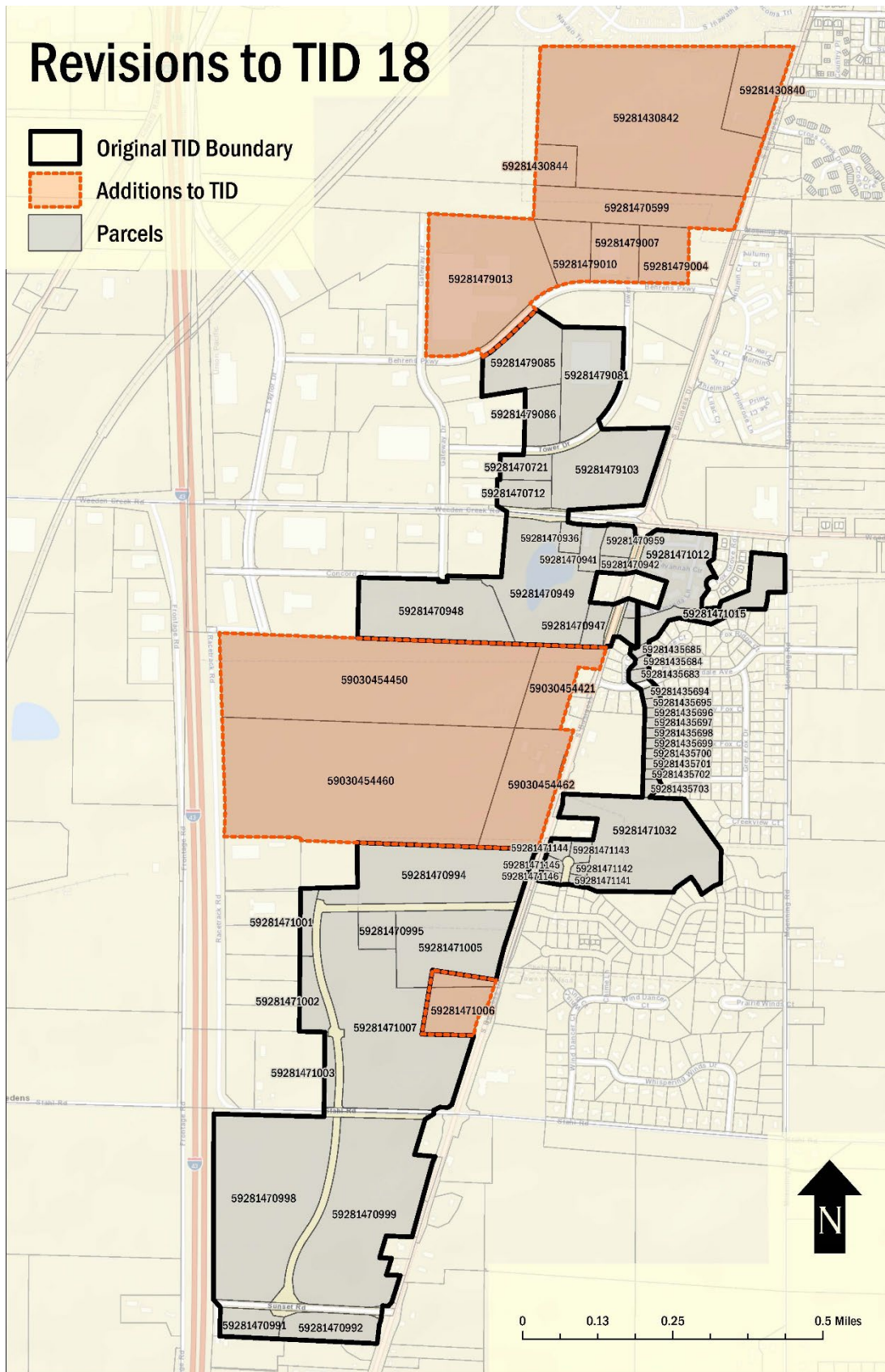
Revisions to TID 18

- Original TID Boundary
- Boundary Amendment
- TID 18 Original Parcels
- TID 18 Proposed Parcels
- Proposed Taylor Dr Extension
- Parcels



Revisions to TID 18

-  Original TID Boundary
-  Additions to TID
-  Parcels



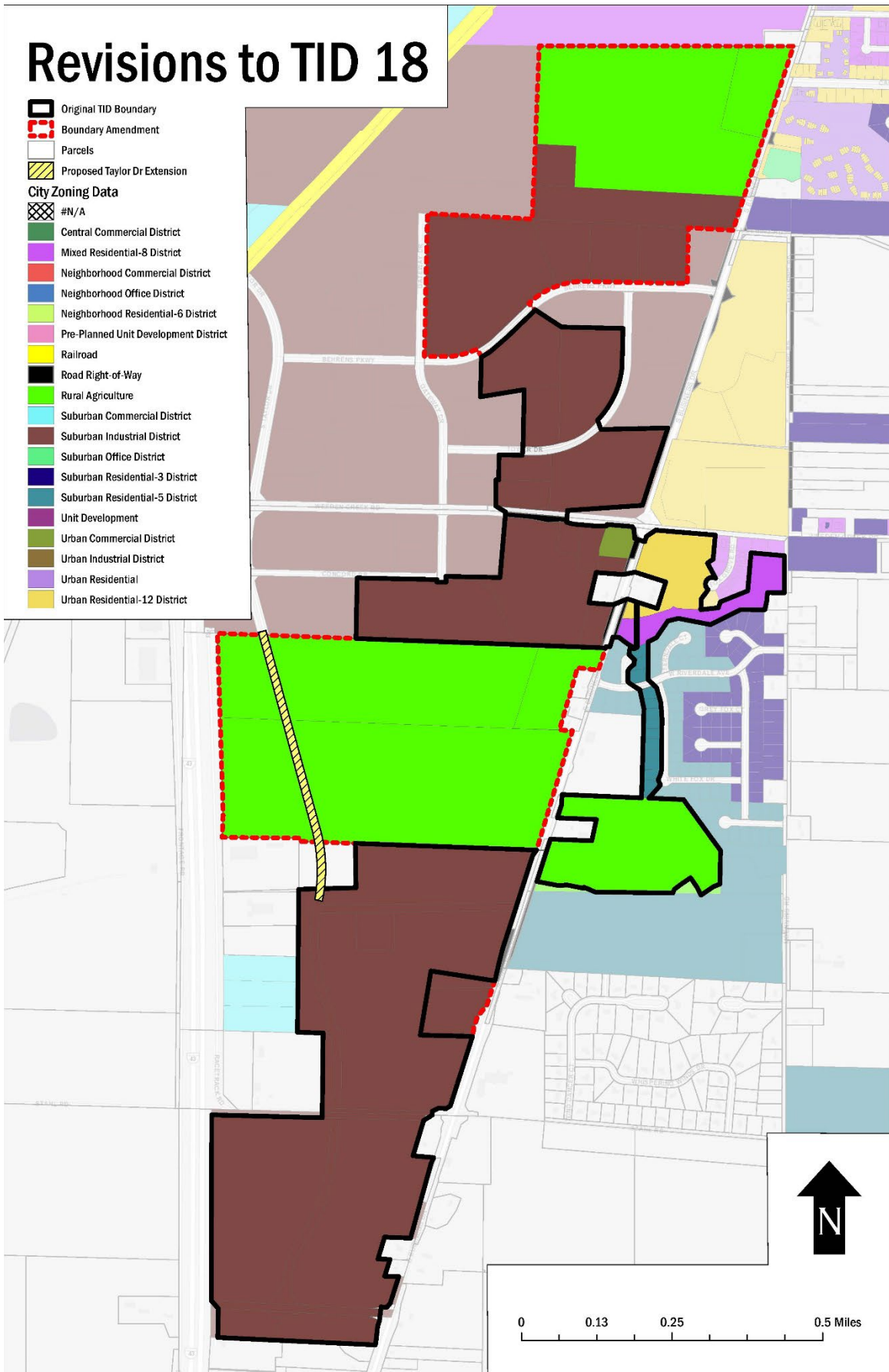
SECTION 3:

Map Showing Existing Uses and Conditions Within the Territory to be Added

Map Found on Following Page.

Revisions to TID 18

-  Original TID Boundary
-  Boundary Amendment
-  Parcels
-  Proposed Taylor Dr Extension
- City Zoning Data**
-  #N/A
-  Central Commercial District
-  Mixed Residential-8 District
-  Neighborhood Commercial District
-  Neighborhood Office District
-  Neighborhood Residential-6 District
-  Pre-Planned Unit Development District
-  Railroad
-  Road Right-of-Way
-  Rural Agriculture
-  Suburban Commercial District
-  Suburban Industrial District
-  Suburban Office District
-  Suburban Residential-3 District
-  Suburban Residential-5 District
-  Unit Development
-  Urban Commercial District
-  Urban Industrial District
-  Urban Residential
-  Urban Residential-12 District



SECTION 4:

Preliminary Identification of Parcels to be Added

City of Sheboygan

Tax Incremental District No. 18

Base Property Information

Property Information								Assessment Information 1				Equalized Value				
					Annexed Post 1/1/04?	Part of Existing TID?										
Map Ref #	Parcel Number	Street Address	Owner	Acreage	Wetland Acreage	...Indicate date	...Indicate TID #	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total
NA	ROW Areas															
	59281430842	S Business Dr	City of Sheboygan	48.96		N		0	0		0	100.00%	0	0	0	0
	59281430840	S Business Dr	City of Sheboygan	7.54		N		0	0		0	100.00%	0	0	0	0
	59281430844		WI Power & Light Co	3.00		N		0	0		0	100.00%	0	0	0	0
	59281470599		WIS Power & Light Co	12.37		N		0	0		0	100.00%	0	0	0	0
	59281479004		Partners for Communit	5.00		N		112,200	0		112,200	100.00%	112,200	0	0	112,200
	59281479007	2932 Behrens Parkway	Sheboygan WVP LLC	5.00		N		222,500	1,807,300		2,029,800	100.00%	222,500	1,807,300	0	2,029,800
	59281479010		Sheboygan WVP LLC	5.00		N		243,900			243,900	100.00%	243,900	0	0	243,900
	59281479013	4243 Gateway Dr	JL French LLC	25.00		N		643,700	9,557,700		10,201,400	100.00%	643,700	9,557,700	0	10,201,400
	59030454421	S Business Dr	The Boerke Company LI	9.82		N		4,900	3,900		8,800					
	59030454460		The Boerke Company LI	59.48		N		68,500	0		68,500					
	59030454462	5030 S Business Dr	The Boerke Company LI	11.97		N		42,000	187,200		229,200					
	59281471006	S Business Dr	City of Sheboygan	4.89		N		0	0		0					
	59030454450		The Boerke Company LI	42.90		N		67,000	0		67,000	100.00%	67,000	0	0	67,000
								0				100.00%	0	0	0	0
								1,404,700	11,556,100	0	12,960,800		1,289,300	11,365,000	0	
												Estimated Base Value				12,654,300

Notes:

1Assessed valuations as of 1-1-2022. Actual base value will be determined using 1-1-2023 assessed values.

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 proposed to be added to the 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 value of the territory proposed to be added to the District, totals \$120,726,300. This value is less than the maximum of \$504,527,280 in equalized value that is permitted for the City.

City of Sheboygan, Wisconsin	
Tax Increment District #18	
Valuation Test Compliance Calculation	
District Creation Date	12/18/2017
	Valuation Data Currently Available 2023
Total EV (TID In)	4,204,394,000
12% Test	504,527,280
Increment of Existing TIDs	
TID #16	25,672,800
TID #17	21,033,000
TID #18	20,452,500
TID #19	6,509,300
TID #20	34,404,400
Total Existing Increment	108,072,000
Projected Base of New or Amended District	12,654,300
Total Value Subject to 12% Test	120,726,300
Compliance	PASS

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 ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

The “Statement of Kind, Number and Location of Proposed Public Works and Other Projects” set forth in the original District Project Plan approved on December 18, 2017, is amended to add the following Project Costs that the City has made, expects to make, or may need to make, in conjunction with the implementation of the District’s Plan or this Plan Amendment.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

To promote and facilitate development the 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.

Miscellaneous

Rail Spur

To allow for development, the City 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 Wilson 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 City 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 City's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to make the following project cost expenditures 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 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 7:

Map Showing Proposed Improvements and Uses Within the Territory to be Added

Map Found on Following Page.

INSERT MAP FROM CLIENT

SECTION 8:

Detailed List of Estimated Project Costs

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

City of Sheboygan, Wisconsin

Tax Increment District # 18

Estimated Project List

Project ID	Project Name/Type	Phase I 2018	Phase II 2018	Ongoing with Cash Flow	2023 TID Amendment	Total (Note 1)
1	Grading		4,100,610			4,100,610
2	Street Construction		2,525,798			2,525,798
3	Storm Sewer		2,600,825			2,600,825
4	Sanitary Sewer		2,436,350			2,436,350
5	Water Main		2,700,900			2,700,900
6	Stormwater management		100,000			100,000
7	Street Lighting		244,283			244,283
8	Pump Station Capacity Upgrades		1,344,500			1,344,500
9	Allowance for Downstream Sanitary Sewer Capacity Improvements		3,000,000			3,000,000
10	Wetland Mitigation		150,000			150,000
11	Entrance Monuments		300,000			300,000
12	Landscaping		172,000			172,000
13	Legal, Engineering, Contingencies		2,951,290			2,951,290
14	Land Acquisition	2,588,968				2,588,968
15	Developer Incentives (PAGO not forecasted in cash flow)/Revolving loan fund	0		3,425,000		3,425,000
16	TID creation and Administration	30,000				30,000
17	Ongoing Administration			652,000		652,000
18	Town Taxes	200				200
19	Financing Costs			1,347,830		1,347,830
20	Taylor Drive Extension				3,400,000	3,400,000
21	Stormwater Pond ²				1,200,000	1,200,000
22	Engineered Fill & Compaction				825,000	825,000
Total Projects		2,619,168	22,626,556	5,424,830	5,425,000	36,095,554

Notes:

Note 1 Project costs are estimates and are subject to modification

Note 2 The Stormwater pond will be required only if the annexed land is developed. As such, while a TID eligible expense, it's not included in the overall cashflow.

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

Key Assumptions

The Project Costs the City plans to make are expected to create \$130 million in incremental value by 2030. 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 \$17.07 per thousand of equalized value, and a 1% economic appreciation, the Project would generate \$44.4 million in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

Table 1 - Development Assumptions

City of Sheboygan, Wisconsin													
Tax Increment District # 18													
Development Assumptions													
Construction Year		Actual	FedX	Torginol Development	Consolidated Construction - Spec Bldg	Nemak	Project Ice Box	Industrial Development	Acres	Annual Total	Construction Year		
1	2018	3,995,700	Part of the Actual Amounts							3,995,700	2018	1	
2	2019	8,532,100								8,532,100	2019	2	
3	2020	1,079,600								1,079,600	2020	3	
4	2021	4,732,400								4,732,400	2021	4	
5	2022	2,112,700								2,112,700	2022	5	
6	2023				6,750,000					6,750,000	2023	6	
7	2024					10,000,000	30,000,000			40,000,000	2024	7	
8	2025					8,000,000	30,000,000	13,000,000	20	51,000,000	2025	8	
9	2026							13,000,000	20	13,000,000	2026	9	
10	2027							13,000,000	20	13,000,000	2027	10	
11	2028							9,750,000	15	9,750,000	2028	11	
12	2029							9,750,000	15	9,750,000	2029	12	
13	2030							9,750,000	15	9,750,000	2030	13	
14	2031							9,750,000	15	9,750,000	2031	14	
15	2032							6,500,000	10	6,500,000	2032	15	
16	2033							6,500,000	10	6,500,000	2033	16	
17	2034							6,500,000	10	6,500,000	2034	17	
18	2035							6,500,000	10	6,500,000	2035	18	
19	2036									0	2036	19	
20	2037									0	2037	20	
Totals		20,452,500	0	0	6,750,000	18,000,000	60,000,000	104,000,000		209,202,500			
Notes:													
Assumed value per acre based discounted value of Southeastern WI developed business park					Developable Acres Assumed value per acre		230.5 650,000		160 Remaining After Known Development				

Table 2 – Tax Increment Projection Worksheet

City of Sheboygan, Wisconsin

Tax Increment District # 18

Tax Increment Projection Worksheet

Type of District	Industrial	Base Value	10,895,280	Apply to Base Value
District Creation Date	January 1, 2018	Appreciation Factor	1.00%	
Valuation Date	Jan 1, 2018	Base Tax Rate	\$24.46	
Max Life (Years)	20	Rate Adjustment Factor		
Expenditure Period/Termination	15 1/1/2033			
Revenue Periods/Final Year	20 2039			
Extension Eligibility/Years	Yes 3	Tax Exempt Discount Rate	4.50%	
Recipient District	No	Taxable Discount Rate	5.50%	

Construction			Valuation	Inflation	Revenue		Tax	Tax Exempt		
	Year	Value Added	Year	Increment	Total Increment	Year	Tax Rate	Increment	NPV	Taxable NPV
									Calculation	Calculation
1	2018	3,995,700	2019	0	3,995,700	2020	\$24.46	97,738	85,647	83,235
2	2019	8,532,100	2020	0	12,527,800	2021	\$22.87	286,453	325,855	314,464
3	2020	1,079,600	2021	0	13,607,400	2022	\$21.86	297,470	564,560	542,068
4	2021	4,732,400	2022	0	18,339,800	2023	\$19.19	352,023	834,877	797,372
5	2022	2,112,700	2023	0	20,452,500	2024	\$17.07	349,088	1,091,397	1,037,348
6	2023	6,750,000	2024	204,525	27,202,500	2025	\$17.07	464,299	1,417,885	1,339,884
7	2024	40,000,000	2025	272,025	67,474,525	2026	\$17.07	1,151,671	2,192,850	2,051,190
8	2025	51,000,000	2026	674,745	119,149,270	2027	\$17.07	2,033,668	3,502,385	3,241,762
9	2026	13,000,000	2027	1,191,493	133,340,763	2028	\$17.07	2,275,892	4,904,787	4,504,678
10	2027	13,000,000	2028	1,333,408	147,674,171	2029	\$17.07	2,520,538	6,391,057	5,830,435
11	2028	9,750,000	2029	1,476,742	158,900,912	2030	\$17.07	2,712,159	7,921,452	7,182,611
12	2029	9,750,000	2030	1,589,009	170,239,921	2031	\$17.07	2,905,696	9,490,449	8,555,753
13	2030	9,750,000	2031	1,702,399	181,692,321	2032	\$17.07	3,101,168	11,092,886	9,944,869
14	2031	9,750,000	2032	1,816,923	193,259,244	2033	\$17.07	3,298,595	12,723,940	11,345,390
15	2032	6,500,000	2033	1,932,592	201,691,836	2034	\$17.07	3,442,525	14,352,861	12,730,822
16	2033	6,500,000	2034	2,016,918	210,208,755	2035	\$17.07	3,587,893	15,977,461	14,099,481
17	2034	6,500,000	2035	2,102,088	218,810,842	2036	\$17.07	3,734,716	17,595,720	15,449,877
18	2035	6,500,000	2036	2,188,108	227,498,951	2037	\$17.07	3,883,007	19,205,781	16,780,695
19	2036	0	2037	2,274,990	229,773,940	2038	\$17.07	3,921,837	20,761,916	18,054,749
20	2037	0	2038	2,297,739	232,071,680	2039	\$17.07	3,961,055	22,265,932	19,274,460
Totals		209,202,500	23,073,705		Future Value of Increment			44,377,491		

Notes:

Actual results will vary depending on development, inflation of overall tax rates.

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

Financing and Implementation

Table 3 provides a summary of the District's financing plan.

Based on the Project Cost expenditures as included within the cash flow exhibit (Table 4), the District isn't projected to accumulate sufficient funds by the end of the TID life. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 3 – Financing Plan

City of Sheboygan, Wisconsin		
Tax Increment District # 18		
Estimated Financing Plan - Amended Area		
	G.O. Bond 2024	Totals
Projects		
Taylor Drive Extension	3,400,000	3,400,000
Stormwater Pond2	0	0
Engineered Fill & Compaction	825,000	825,000
Total Project Funds	4,225,000	4,225,000
Estimated Finance Related Expenses		
Municipal Advisor	43,500	
Bond Counsel	22,500	
Rating Agency Fee	20,000	
Paying Agent	850	
Underwriter Discount	12.00 52,200	
Contingency/ Disclosure counsel	13,500	
Total Financing Required	4,377,550	
Estimated Interest	4.00% (28,167)	
Assumed spend down (months)	2	
Rounding	617	
Net Issue Size	4,350,000	4,350,000
Notes:		

Table 4 - Cash Flow

City of Sheboygan, Wisconsin

Tax Increment District # 18

Cash Flow Projection

Year	Projected Revenues				Expenditures							Balances		Year	
	Tax Increments	Interest Earnings/ (Cost)	Land Sale	Total Revenues	Debt Service	Development Incentives	G.O. Bond Dated Date 4/1/24 \$ 4,350,000			Payments on Advances from City	Admin. & Prof. Services	Total Expenditures	Annual		Cumulative
							Principal	Est. Rate	Interest						
2022													0	(863,839)	2022
2023	352,023	(12,958)		339,066	539,633						80,000	1,159,265	(820,199)	(1,684,038)	2023
2024	349,088	(25,261)	400,000	723,828	579,105	367,500	0	4.50%	97,875		80,000	1,703,585	(979,757)	(2,663,796)	2024
2025	464,299	(39,957)	400,000	824,342	692,640	343,223	0	4.50%	195,750		80,000	2,004,253	(1,179,911)	(3,843,707)	2025
2026	1,151,671	(57,656)	400,000	1,494,016	809,943	335,223	0	4.50%	195,750		80,000	2,230,858	(736,842)	(4,580,549)	2026
2027	2,033,668	(68,708)	300,000	2,264,960	920,570	343,223	100,000	4.50%	195,750		80,000	2,560,113	(295,153)	(4,875,702)	2027
2028	2,275,892	(73,136)	300,000	2,502,757	1,034,345	343,223	100,000	4.50%	191,250		80,000	2,783,163	(280,406)	(5,156,109)	2028
2029	2,520,538	(77,342)	300,000	2,743,197	1,140,855	343,223	100,000	4.50%	186,750		30,000	2,941,683	(198,486)	(5,354,595)	2029
2030	2,712,159	(80,319)	300,000	2,931,840	1,264,610	343,223	100,000	4.50%	182,250		30,000	3,184,693	(252,853)	(5,607,448)	2030
2031	2,905,696	(84,112)	200,000	3,021,584	1,375,065	343,223	100,000	4.50%	177,750		30,000	3,401,103	(379,519)	(5,986,967)	2031
2032	3,101,168	(89,805)	200,000	3,211,364	1,397,118		100,000	4.50%	173,250		30,000	3,097,485	113,879	(5,873,088)	2032
2033	3,298,595	(88,096)	200,000	3,410,499	1,401,805		350,000	4.50%	168,750		30,000	3,352,360	58,139	(5,814,950)	2033
2034	3,442,525	(87,224)	200,000	3,555,300	1,399,740		500,000	4.50%	153,000		30,000	3,482,480	72,820	(5,742,129)	2034
2035	3,587,893	(86,132)		3,501,762	1,400,850		500,000	4.50%	130,500		1,000	3,433,200	68,561	(5,673,568)	2035
2036	3,734,716	(85,104)		3,649,612	1,399,980		550,000	4.50%	108,000		1,000	3,458,960	190,652	(5,482,915)	2036
2037	3,883,007	(82,244)		3,800,763	1,402,380		600,000	4.50%	83,250		1,000	3,489,010	311,753	(5,171,162)	2037
2038	3,921,837	(77,567)		3,844,269	1,398,080		600,000	4.50%	56,250		1,000	3,453,410	390,859	(4,780,303)	2038
2039	3,961,055	(71,705)		3,889,351	1,032,268		650,000	4.50%	29,250		1,000	2,744,785	1,144,566	(3,635,738)	2039
2040	3,961,055	(54,536)		3,906,519	1,029,120						1,000	2,059,240	1,847,279	(1,788,459)	2040
2041	3,961,055	(26,827)		3,934,228						1,400,000	1,000	1,401,000	2,533,228	744,770	2041
2042	3,961,055	11,172		3,972,227						396,000	15,000	411,000	3,561,227	4,305,996	2042
Total	55,578,996	(1,257,514)	3,200,000	57,521,482	20,218,105	2,762,061	4,350,000		2,325,375	1,796,000	682,000	52,351,647			Total

Notes: Land sales based upon sale v \$ 20,000
Average based upon higher values along interstate and lower values inland.
Land sale assumed one year prior to construction of new development

Projected TID Closure

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 territory proposed to be added to the District has been annexed within the past three years, the City pledges to pay the Town of Wilson for each of the next five years an amount equal to the property taxes levied on that 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 City estimates that no 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 Amendment is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development. Land within the District zoned industrial at the time of District creation will remain in a zoning classification suitable for industrial sites for the life of the District.

Master (Comprehensive) Plan and Map

The proposed Plan Amendment is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for industrial 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 Amendment 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 the continued implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14:

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

This Plan Amendment promotes the orderly development of the City by creating new industrial site providing necessary public infrastructure improvements and 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 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.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

SECTION 16:

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

INSERT SIGNED LEGAL OPINION

SAMPLE

Mayor
City of Sheboygan
828 Center Ave
Sheboygan, Wisconsin 53081

RE: Project Plan Amendment for Tax Incremental District No. 18

Dear Mayor:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105. As City Attorney for the City of Sheboygan, I have been asked to review the above-referenced project plan amendment for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the amended Project Plan for the City of Sheboygan Tax Incremental District No. 18 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

City Attorney

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.

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.						
Statement of Taxes Data Year:				2022	Percentage	
Sheboygan County				15,129,924	21.12%	
City of Sheboygan				31,920,100	44.56%	
School District of Sheboygan Area				22,283,436	31.11%	
Lakeshore Technical College				2,303,112	3.21%	
Total				71,636,572		
Revenue Year	Sheboygan County	City of Sheboygan	School District of Sheboygan Area	Lakeshore Technical College	Total	Revenue Year
2020	20,643	43,550	30,403	3,142	97,738	2020
2021	60,500	127,639	89,105	9,209	286,453	2021
2022	62,827	132,548	92,532	9,564	297,470	2022
2023	74,349	156,856	109,501	11,318	352,023	2023
2024	73,729	155,548	108,588	11,223	349,088	2024
2025	98,062	206,884	144,426	14,927	464,299	2025
2026	243,237	513,166	358,241	37,026	1,151,671	2026
2027	429,519	906,170	632,597	65,382	2,033,668	2027
2028	480,677	1,014,101	707,944	73,170	2,275,892	2028
2029	532,347	1,123,111	784,044	81,035	2,520,538	2029
2030	572,819	1,208,494	843,650	87,196	2,712,159	2030
2031	613,694	1,294,731	903,852	93,418	2,905,696	2031
2032	654,979	1,381,830	964,656	99,702	3,101,168	2032
2033	696,676	1,469,801	1,026,069	106,050	3,298,595	2033
2034	727,075	1,533,934	1,070,840	110,677	3,442,525	2034
2035	757,777	1,598,707	1,116,058	115,351	3,587,893	2035
2036	788,787	1,664,129	1,161,729	120,071	3,734,716	2036
2037	820,106	1,730,205	1,207,857	124,838	3,883,007	2037
2038	828,307	1,747,507	1,219,936	126,087	3,921,837	2038
2039	836,590	1,764,982	1,232,135	127,348	3,961,055	2039
9,372,699	19,773,894	13,804,164	1,426,734	44,377,491		