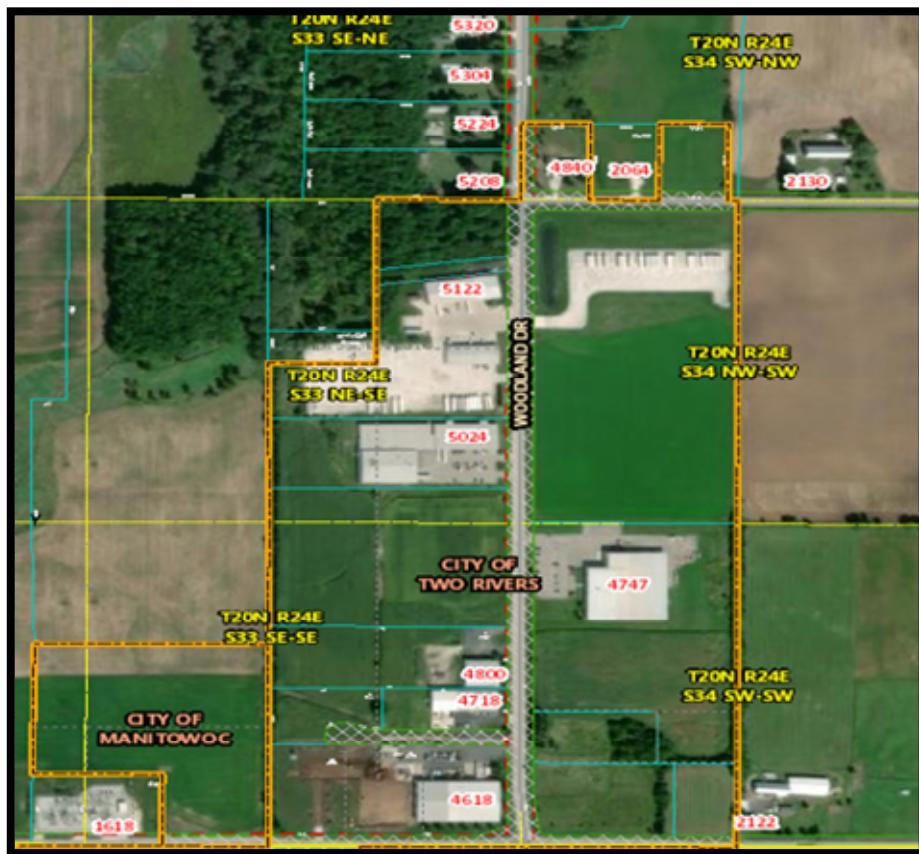




TWO RIVERS WISCONSIN

PROJECT PLAN AMENDMENT NO.1 to
TAX INCREMENTAL DISTRICT NO. 14
WOODLAND INDUSTRIAL PARK



OCTOBER 2023

**Proposed Schedule for
Amendment Number 1 Project Plan TID 14
Combined Hearing Method**

<u>Date</u>	<u>Activity or Action</u>
August 21, 2023	City Council Comfort Resolution
August 22 to September 25, 2023	Project Plan Work
October 11, 2023	Project Plan Overview Presentation to Plan Commission
September 25, 2023	Joint Review Board Meeting
October 9, 2023	Public Hearing Plan Commission Reviews Project Plan Adopts Resolution
October 16, 2023	City Council approves Project Plan Adopts Resolutions
October 24, 2023	Joint Review Board Meeting Adopts Resolutions

CITY COUNCIL

Scott Steckmesser	
Jeff Dahlke	Tracey Koach
Bill LeClair	Darla LeClair
Bonnie Shimulunas	Tim Petri
Adam Wachowski	

PLAN COMMISSION

Gregory Buckley	Rick Inman
Kay Koach	Matt Heckenlaible
Eric Pangburn	Adam Wachowski

JOINT REVIEW BOARD

Vacant, Public Member
Dave Buss, City Representative
J.J. Gutman, Manitowoc County Representative
John Lukas, Lakeshore Technical College Representative
May Kay Slattery, Two Rivers Public Schools Representative

COMMUNITY DEVELOPMENT AUTHORITY(CDA)

AND

BUSINESS AND INDUSTRIAL DEVELOPMENT COMMITTEE (BIDC)

Elizabeth Bittner	Gregory Coenen
Tracey Koach	Scott Steckmesser
Keith Lyons	Dick Klinkner
Bill LeClair	Keith Lyons
Daniel Wettstein	

CITY OFFICIALS

Gregory Buckley, City Manager
Matt Heckenlaible, Public Works Director/City Engineer
Elizabeth Runge, Community Development Director/City Planner

FINANCIAL CONSULTANT

Robert W. Baird & Co., Inc.

LEGAL REVIEW PROVIDED BY

Quarles & Brady



Re: Proposed Project Plan Amendment No. 1 to Tax Incremental District No. 14

The City of Two Rivers recognizes the need to support industrial growth and economic development within the Woodland Industrial Park. In May 2021, Tax Incremental District (TID) No. 14 was created for this purpose. This proposed Project Plan Amendment No. 1 to TID No. 14 will expand financial support within the industrial park.

The proposed Project Plan Amendment No. 1 to TID 14 includes economic development expenditures in the Woodland Industrial Park. The amendment provides a possible TIF grant of \$450,000, in the form of pay-as-you-go, to a business owner who will be constructing a new building on the east side of Browns Drive, south of STH 310, to expand his business in Two Rivers. Additionally, the City has offered a loan in the amount of \$500,000 to further support this business growth. The estimated construction cost of this proposed project is \$2,000,000.

The proposed Project Plan Amendment No. 1 includes expenditures for additional cash grants, on a "pay-as-you-go" basis, to leverage future investment in the Woodland Industrial Park. The expenditure for these is \$500,000.

The proposed Project Plan Amendment No. 1 also identifies public infrastructure improvements to better serve existing and future development in the amount of \$500,000.

These proposed expenditures are based on financial feasibility and are subject to City Council approval.

I would like to thank the members of the Council, Plan Commission, Joint Review Board and Community Development Authority/BIDC who have supported this effort. Collectively, their support puts Two Rivers in a position to substantially increase our economic development potential in the coming years.

Respectfully submitted,

Gregory E. Buckley
City Manager

TABLE OF CONTENTS

BACKGROUND ON TAX INCREMENT FINANCING.....	6
GOALS AND PURPOSE FOR AMENDING TID NO. 14	7
PROJECT PLAN PROCEDURES	7
DESCRIPTION OF DISTRICT AND STATEMENT OF FINDINGS RELATIVE TO LEGAL REQUIREMENTS OF WISCONSIN STATUTES	8
EQUALIZED VALUE TEST	8
STATEMENT OF PROPOSED IMPROVEMENTS AND ESTIMATED PROJECT COSTS.....	9
LOCATION OF PROPOSED IMPROVEMENTS	11
DESCRIPTION OF FINANCING METHOD AND TIMING	11
ECONOMIC FEASIBILITY ANALYSIS.....	11
DEBT SERVICE PLANNING	11
EXISTING ZONING AND LAND USES	13
COMPREHENSIVE PLAN, OFFICIAL MAP , BUILDING CODE, ZONING CODE AND OTHER CITY ORDINANCES	13
STATEMENT INDICATING THE TID PROMOTES ORDERLY DEVELOPMENT	13
STATEMENT OF NO RELOCATION REQUIRED	13
NON-PROJECT COSTS.....	13
ADDITIONAL PROJECT COSTS.....	13
CONCLUSIONS AND RECOMMENDATIONS.....	14

TABLES

<u>Table</u>		<u>Page</u>
1	TID Area Suitable for and Permanently Zoned Industrial	8
2	2023 Equalized Value Test	8
3	Cash Flow Proforma Analysis	Follows <u>Page</u> 11

MAPS

<u>Map</u>		<u>Follows</u> <u>Page</u>
1	Boundaries and Zoning	14
2	Project Plan Expenditures	14
3	Existing Land Uses	14
4	Future Land Uses	14

APPENDIX

Appendix

- A Boundary Description of TID No. 14
- B List of Parcels included in TID No. 14 and Map of Tax Key Numbers
- C Notice of Public Hearing
- D List of Governmental Entities Levying Taxes in TID No. 14 and Membership of the Joint Review Board
- E Official Minutes of Joint Review Board
- F Attorney's Opinion
- G Resolutions approving the Project Plan and Amendment No.1 to TID No. 14

BACKGROUND ON TAX INCREMENT FINANCING

The Wisconsin Legislature found that an inequitable situation existed when the cost of certain public works improvements within a municipality were paid for by the municipality, while the benefits from the expanded tax base which was stimulated by such improvements extended beyond the municipality and benefited all entities which shared such tax base. The Legislature found that municipal expenditures to promote economic and industrial development could be considered inequitable because the majority of the cost to promote such growth fell on the municipality, while the benefit was enjoyed by all other taxing entities who did not directly participate in financing these costs. The Legislature created Tax Incremental Financing (TIF) to establish a viable procedure whereby a municipality, through its own initiative and efforts, could finance improvements which would promote industrial and economic development. The Legislature declared that establishing a tax increment system was, in all respects, for the benefit of all people of Wisconsin to serve a public purpose in improving and promoting their welfare and prosperity.

When a Tax Incremental District (TID) is created, a base value is established. This base value is the aggregate value of all taxable property in the District as of the date of creation (equalized by the Department of Revenue). Any subsequent property value increase in the TID is considered "**increment**" and tax levies on this growth represent positive dollar increments used to pay for the initial development costs. These tax increments are generated not only from municipal taxes, but also from the tax levies of the overlying taxing jurisdictions.

The Tax Increment Law has been developed to encourage development by allowing the municipality to recover the up-front project costs before the other taxing jurisdictions benefit from the additional taxable value created in the TID. After the project costs are paid off, the TID is dissolved and all taxing jurisdictions share the added value. The effect of the Tax Increment Law is to delay the shift in valuation due to the TID until the initial cost of establishing the District and generating the development are paid for.

It is important to note that one of the underlying assumptions of the Tax Increment Law is that without the tax incremental financing as a vehicle for development, no development would take place. The effect of this would be no increase in property values in the TID area, other than normal inflationary increase on the base value of properties in the District.

PROJECT PLAN AMENDMENT PROCEDURES

Section 66.1105(4)(h)1 establishes procedures and requirements to amend a Project Plan. Those procedures and requirements will guide the preparation of this amendment.

The original Project Plan for TID No. 14 was adopted on May 18, 2021. This revised Project Plan is referred to as Amendment No. 1, which is being proposed for the reasons stated in the following sections.

Following a public hearing, the Plan Commission may adopt and recommend the Amendment No. 1 Project Plan to the City Council for adoption. The Amended Project Plan, if adopted by the City Council, will then be forwarded to the Joint Review Board (JRB) for its action; if approved by the Joint Review Board, the Amendment No. 1 Project Plan will be filed with the Wisconsin Department of Revenue.

This Amendment No. 1 Project Plan for TID No. 14 has been developed in accordance with Wisconsin Statutes. Topical headings of this Project Plan relate to specific requirements of Section 66.1105(4)(f).

GENERAL DESCRIPTION OF DISTRICT

This document is the first amendment to the Project Plan for TID No. 14. TID No. 14 was adopted by the Two Rivers City Council on May 18, 2021.

As outlined in the Project Plan, TID No. 14 is to support industrial development in the Woodland Industrial Park an area approximately 230 acres in size. TID No. 14 is comprised only of industrial businesses and is zoned industrial.

AMENDMENT NO. 1: PURPOSE AND SUMMARY

The purpose of this first amendment is to continue the support of industrial development.

The proposed Project Plan Amendment No. 1 to TID 14 includes economic development expenditures in the Woodland Industrial Park. The amendment provides a possible TIF grant of \$450,000, in the form of pay-as-you-go, to a business owner who will be constructing a new building on the east side of Browns Drive, south of STH 310, to expand his business in Two Rivers. Additionally, the City has offered a loan in the amount of \$500,000 to further support this business growth. The estimated construction cost of this proposed project is \$2,000,000.

The proposed Project Plan Amendment No. 1 includes expenditures for additional cash grants, on a "pay-as-you-go" basis, to leverage future investment in the Woodland Industrial Park. The expenditure amount for this investment is \$500,000.

The proposed Project Plan Amendment No. 1 also identifies public infrastructure improvements to better serve existing and future development in the amount of \$500,000.

Map 1 identifies the boundaries of TID 14 which surrounds the Woodland Industrial Park and is not changing. A detailed description of the boundary is included in Appendix A.

Appendix B includes a listing of all parcels identified for the Amendment No. 1 to TID No. 14 with a map of tax key numbers.

PROJECT PLAN PROCEDURES

Public infrastructure improvements to serve Project Plan Amendment No.1 to TID 14 would be financed with tax incremental revenues. Section 66.1105(4)(f) of the Wisconsin Statutes requires that a Project Plan be adopted for each TID. This Project Plan has been created with input from the Plan Commission and the City Council.

Following a public hearing, the Plan Commission may recommend the Amendment No.1 to TID 14 to the City Council for adoption. The Amendment No.1 to TID 14, if adopted, would then be forwarded to the Joint Review Board (JRB) for their action, and if approved, the Project Plan will be filed with the Wisconsin Department of Revenue.

Amendment No. 1 to the Project Plan for TID No. 14 has been developed in accordance with Wisconsin Statutes. Topical headings of this Project Plan relate to specific requirements of Section 66.1105(4)(f).

DESCRIPTION OF DISTRICT AND STATEMENT OF FINDINGS RELATIVE TO LEGAL REQUIREMENTS OF WISCONSIN STATUTES

Map 1 confirms that TID 14 will not be changing as this is a project plan amendment. A detailed description of the boundary is included in Appendix A.

Table 1 shows the statutory required information about TID No. 14:

Table 1. TID Area suitable for and Permanently Zoned Industrial

Total Area of TID 14	Total Area Zoned Industrial	Percent of TID 14 Zoned Industrial
229.05 acres	229.05 acres	100%

Statutory requirement:

Minimum 50% of TID area is suitable for and permanently zoned industrial. Table 1 shows that 100% of TID No. 14 is zoned Industrial. This percentage meets the statutory 50% minimum requirement for industrial TIDs.

Appendix C of this report contains proof of publication for a Class 1 notice, under Chapter 985. Also included in Appendix D is a list of all local government entities having the power to levy taxes on property located within the proposed TID, including the school districts with taxing authority within the TID. These entities were notified prior to publication of the Class 1 notice. The documents provided in the appendix meet the statutory requirements of Section 66.1105(4)(f).

A list of the Joint Review Board members is included in the Appendix D. Minutes of the Joint Review Board meeting are included in Appendix E.

The Appendix F includes an opinion from the City Attorney advising that the Project Plan is complete and complies with Section 66.1105(4)(f). This opinion satisfies the requirement as specified in Section 66.1105(4).

STATEMENT OF PROPOSED IMPROVEMENTS AND ESTIMATED PROJECT COSTS

The City of Two Rivers proposes Amendment No. 1 to the Project Plan for TID No. 14 to provide funding for the projects listed with estimated costs that are based on the best available information at this time. The actual payments of project costs will be based on true costs incurred and will be made depending on the financial feasibility of making such payments.

1. Cash Grant to Developer

Total Cost: \$450,000

The City proposes to provide Tax Incremental Financing to business owner that is building a new building in the industrial park. The business owner is proposing the construction of a new 20,000 square foot building located on the east side of Browns Drive, south of State Trunk Highway 310. The business owner has requested funding assistance in the amount of a \$450,000 cash grant to be provided on a "pay-as-you-go" basis to assist with the construction costs.

Additionally, the City's economic development loan committee has approved a loan in the amount of \$500,000. The estimated construction cost of this project is projected to be \$2,000,000. A development agreement would be entered into between the City and the Developer. The agreement would specify detailed terms, conditions, and obligations to be met before any funds or loans are paid to the business. The Agreement must be approved by the City Council.

2. Additional Cash Grants within Woodland Industrial Park

Total Cost: \$500,000

The City may offer additional cash grants on a "pay-as-you-go" basis to incentivize investment in the industrial park, this expenditure is to provide assistance for expansions and capital investments. Each project will be evaluated and reviewed for investment and financial feasibility. A development agreement would be entered into between the City and the Developer. The agreement would specify detailed terms, conditions, and obligations to be met before any funds or loans are paid to the business. The Agreement(s) must be approved by the City Council.

Total cash grants Amendment 1 from TID 14: \$950,000 (Offered on a "pay-as-you-go" basis)

3. Public Project Expenditures

Total Cost: \$500,000

Infrastructure improvements for the industrial park will be necessary to accommodate future growth. These investments in infrastructure will include but are not limited to storm water management, utility installation, roadway improvements and additions, and other essential services. These improvements will be needed for the new building within the industrial park and other areas where capital investment may be made in the future and additional infrastructure is needed to serve this growth.

Total Public Infrastructure Improvements: \$500,000 (Estimated)

<i>Administrative, Legal, Financial and Marketing</i>	<i>\$3,000</i>
These include the cost of activities to support the TID such as, but not limited to, city staff labor, public financing costs, certified public accountant fees, legal fees, audit services, real property appraisals and costs to amend the Project Plan. These costs are estimated to be approximately 10% of estimated project costs; however, actual costs may be less.	

Total Expenditures: Cash Grants + Public Infrastructure + Administrative = \$1,453,000

LOCATION OF PROPOSED IMPROVEMENTS

The general location of the proposed projects are described for the industrial park, and are shown on Map 2.

DESCRIPTION OF TIMING AND METHODS OF FINANCING

To accomplish the expenditures identified in the Project Plan, the \$450,000 cash grant will be provided on a "pay-as-you-go" basis, meaning that the property tax revenues paid by the owner(s) of the subject property would be the City's revenue source to pay a developer to meet the City's payment obligations. Payments to a developer would be made only after annual tax revenues are received. City administrative, legal and financial costs would also be recouped from such TIF revenues.

The City reserves the right to issue tax incremental bonds, notes or general obligation bonds or notes during the life of TID No. 14 to pay project costs. The timing and use of financing method are demonstrated in scenarios shown in the pro forma included within this document as potential investments are made within TID 14. Additional project costs for public project expenditures and cash grants to developers to assist with development projects as described herein may be considered if financially feasible. A resolution to extend the life of the TID 14 will also be proposed to the Joint Review Board to maximize this district.

ECONOMIC FEASIBILITY ANALYSIS

The economic feasibility of the project costs depends on the ability of the district to perform. The cash grants will be on a pay-as-you-go generally. Such financing appears economically feasible based on the tax increment projections provided in Table 3 Pro Forma.

Additional tax base growth within the District is not assumed for the purposes of this analysis.

DEBT SERVICE PLANNING

The cash flow proforma analysis shown in Table 1 in this Project Plan proposes funding a cash grant to a developer and possible funding of infrastructure projects. The Value Increment Inflation is assumed to be \$0 over the life of the District. The Full Value Tax Rate is assumed to be \$20.00 per thousand and remain constant through 2041.

City of Two Rivers

Example Tax Increment District No. 14 - Athens Development

Hypothetical Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID.....	2.00%
2022 Gross Tax Rate (per \$1000 Equalized Value).....	\$19.78
Annual Adjustment to tax rate.....	0.00%
Investment rate.....	1.00%
Data above dashed line are actual	

Example Developer Grant	
\$450,000	
Developer Outlay / Repayment	
Beginning January 1, 2026	
Developer Outlay.....	\$450,000
Total Int. Due to Developer.....	\$0
Total Payments to Developer..	\$450,000
Shortfall to Developer.....	\$0

Year	Background Data					Revenues			Expenditures					TID Status		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Investment Proceeds	Total Revenues	Developer Outlay	Interest Due to Developer	Annual (Shortfall)/ Surplus	Balance Due to Developer	Payment to Developer	Annual Balance	Year End Cumulative Balance	Cost Recovery
(January 1)				(1)	(1)											
Base Value																
\$0																
2021	\$0				\$23.35	\$0								\$0	\$0	2021
2022	\$0				\$19.78	\$0								\$0	\$0	2022
2023	\$0				\$19.78	\$0								\$0	\$0	2023
2024	\$0			\$1,200,000	\$19.78	\$0								\$0	\$0	2024
2025	\$1,200,000	\$24,000		\$1,224,000	\$19.78	\$0								\$0	\$0	2025
2026	\$1,224,000	\$24,480		\$1,248,480	\$19.78	\$23,734	\$0	\$23,734	\$450,000	\$0	\$0	\$0	\$0	(\$0)	(\$0)	2026
2027	\$1,248,480	\$24,970		\$1,273,450	\$19.78	\$24,209	\$0	\$24,209		\$0	\$0	\$0	\$0	\$0	(\$0)	2027
2028	\$1,273,450	\$25,469		\$1,298,919	\$19.78	\$24,693	\$0	\$24,693		\$0	\$0	\$0	\$0	\$0	(\$0)	2028
2029	\$1,298,919	\$25,978		\$1,324,897	\$19.78	\$25,187	\$0	\$25,187		\$0	\$0	\$0	\$0	\$0	(\$0)	2029
2030	\$1,324,897	\$26,498		\$1,351,395	\$19.78	\$25,691	\$0	\$25,691		\$0	\$0	\$0	\$0	\$0	(\$0)	2030
2031	\$1,351,395	\$27,028		\$1,378,423	\$19.78	\$26,204	\$0	\$26,204		\$0	\$0	\$0	\$0	\$0	(\$0)	2031
2032	\$1,378,423	\$27,568		\$1,405,991	\$19.78	\$26,728	\$0	\$26,728		\$0	\$0	\$0	\$0	\$0	(\$0)	2032
2033	\$1,405,991	\$28,120		\$1,434,111	\$19.78	\$27,263	\$0	\$27,263		\$0	\$0	\$0	\$0	\$0	(\$0)	2033
2034	\$1,434,111	\$28,682		\$1,462,793	\$19.78	\$27,808	\$0	\$27,808		\$0	\$0	\$0	\$0	\$0	(\$0)	2034
2035	\$1,462,793	\$29,256		\$1,492,049	\$19.78	\$28,364	\$0	\$28,364		\$0	\$0	\$0	\$0	\$0	(\$0)	2035
2036	\$1,492,049	\$29,841		\$1,521,890	\$19.78	\$28,932	\$0	\$28,932		\$0	\$0	\$0	\$0	\$0	(\$0)	2036
2037	\$1,521,890	\$30,438		\$1,552,328	\$19.78	\$29,510	\$0	\$29,510		\$0	\$0	\$0	\$0	\$0	(\$0)	2037
2038	\$1,552,328	\$31,047		\$1,583,375	\$19.78	\$30,101	\$0	\$30,101		\$0	\$0	\$0	\$0	\$0	(\$0)	2038
2039	\$1,583,375	\$31,667		\$1,615,042	\$19.78	\$30,703	\$0	\$30,703		\$0	\$0	\$0	\$0	\$0	(\$0)	2039
2040	\$1,615,042	\$32,301		\$1,647,343	\$19.78	\$31,317	\$0	\$31,317		\$0	\$0	\$0	\$0	\$0	(\$0)	2040
2041	\$1,647,343	\$32,947		\$1,680,290	\$19.78	\$31,943	\$0	\$31,943		\$0	\$0	\$0	\$0	\$0	(\$0)	2041
2042	\$1,680,290	\$33,606		\$1,713,895	\$19.78	\$32,582	\$0	\$32,582		\$0	\$0	\$0	\$0	\$24,969	\$24,969	Expenditures Recovered
2043	\$1,713,895	\$34,278		\$1,748,173	\$19.78	\$33,234	\$250	\$33,483		\$0	\$0	\$0	\$0	\$33,483	\$58,452	Expenditures Recovered
2044	\$1,748,173	\$34,963		\$1,783,137	\$19.78	\$33,898	\$585	\$34,483		\$0	\$0	\$0	\$0	\$34,483	\$92,935	Expenditures Recovered
2045						\$34,576	\$929	\$35,505						\$35,505	\$128,441	Expenditures Recovered
						\$583,137	\$1,200,000		\$576,677	\$1,764	\$578,441					
									\$450,000	\$0	\$0			\$450,000		

Type of TID: Industrial

2021 TID Inception

2036 Final Year to Incur TIF Related Costs

2041 Maximum Legal Life of TID (20 Years)

2042 Final Tax Collection Year

2045 Proposed 3 Year Extension

(1) Per City.

Robert W. Baird & Co. Incorporated is providing this information to you for discussion purposes. The materials do not contemplate or relate to a future issuance of municipal securities. Baird is not recommending that you take any action, and this information is not intended to be regarded as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 or the rules thereunder.

City of Two Rivers
Example Tax Increment District No. 14
Hypothetical Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID	2.00%
2022 Gross Tax Rate (per \$1000 Equalized Value)	\$19.78
Annual Adjustment to tax rate	0.00%
Investment rate	1.00%
Data above dashed line are actual	

Example New Issue		
\$250,000		
State Trust Fund Loan		
Dated March 15, 2026		

Year	Background Data					Revenues			Expenditures					TID Status			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Investment Proceeds	Total Revenues	Payment to Developer Sieger	Payment to Developer Athens	Principal	Interest	Debt Service	Combined Expenditures	Annual Balance	Year End Cumulative Balance	Cost Recovery
(January 1)				(1)	(1)						(3/15)						
Base Value				\$7,570,200							<i>(AVG=</i>						
2021	\$7,570,200			\$495,400	\$23.35	\$0	\$0	\$0						\$0			2021
2022	\$8,065,600			\$1,699,100	\$19.78	\$0	\$0	\$0						\$0			2022
2023	\$9,269,300	\$185,386		\$1,884,486	\$19.78	\$9,798	\$0	\$9,798						\$0			2023
2024	\$9,454,686	\$189,094	\$1,200,000	\$3,273,580	\$19.78	\$33,606	\$71	\$33,677	\$18,790					\$18,790			2024
2025	\$10,843,780	\$216,876		\$3,490,455	\$19.78	\$37,272	\$220	\$37,492	\$19,165					\$19,165			2025
2026	\$11,060,655	\$221,213	\$1,000,000	\$4,711,668	\$19.78	\$64,746	\$403	\$65,150	\$19,549	\$23,734				\$43,283			2026
2027	\$12,281,868	\$245,637		\$4,957,306	\$19.78	\$69,036	\$622	\$69,658	\$19,940	\$24,209	\$10,748	\$15,000	\$25,748	\$69,897			2027
2028	\$12,527,506	\$250,550	\$1,000,000	\$6,207,856	\$19.78	\$93,189	\$620	\$93,809	\$20,338	\$24,693	\$11,354	\$14,394	\$25,748	\$70,779			2028
2029	\$13,778,056	\$275,561		\$6,483,417	\$19.78	\$98,048	\$850	\$98,898	\$20,745	\$25,187	\$12,074	\$13,674	\$25,748	\$71,680			2029
2030	\$14,053,617	\$281,072	\$1,000,000	\$7,764,489	\$19.78	\$122,782	\$1,122	\$123,904	\$21,160	\$25,691	\$12,799	\$12,949	\$25,748	\$72,599			2030
2031	\$15,334,689	\$306,694		\$8,071,183	\$19.78	\$128,232	\$1,635	\$129,867	\$21,583	\$26,204	\$13,567	\$12,182	\$25,748	\$73,536			2031
2032	\$15,641,383	\$312,828	\$1,000,000	\$9,384,011	\$19.78	\$153,570	\$2,198	\$155,768	\$22,015	\$26,728	\$14,349	\$11,399	\$25,748	\$74,492			2032
2033	\$16,954,211	\$339,084		\$9,723,095	\$19.78	\$159,635	\$3,011	\$162,647	\$22,455	\$27,263	\$15,242	\$10,507	\$25,748	\$75,466			2033
2034	\$17,293,295	\$345,866	\$1,000,000	\$11,068,961	\$19.78	\$185,601	\$3,883	\$189,484	\$22,904	\$27,808	\$16,156	\$9,592	\$25,748	\$76,461			2034
2035	\$18,639,161	\$372,783		\$11,441,744	\$19.78	\$192,308	\$5,013	\$197,321	\$23,362	\$28,364	\$17,125	\$8,623	\$25,748	\$77,475			2035
2036	\$19,011,944	\$380,239	\$1,000,000	\$12,821,983	\$19.78	\$218,927	\$6,212	\$225,138	\$23,830	\$28,932	\$18,132	\$7,616	\$25,748	\$78,510			2036
2037	\$20,392,183	\$407,844		\$13,229,827	\$19.78	\$226,300	\$7,678	\$233,978	\$27,862	\$29,510	\$19,241	\$6,507	\$25,748	\$128,120			2037
2038	\$20,800,027	\$416,001		\$13,645,827	\$19.78	\$253,599	\$8,737	\$262,335	\$0	\$30,101	\$20,395	\$5,353	\$25,748	\$55,849			2038
2039	\$21,216,027	\$424,321		\$14,070,148	\$19.78	\$261,665	\$10,801	\$272,467	\$0	\$30,703	\$21,619	\$4,129	\$25,748	\$56,451			2039
2040	\$21,640,348	\$432,807		\$14,502,955	\$19.78	\$269,893	\$12,962	\$282,855	\$0	\$31,317	\$22,908	\$2,840	\$25,748	\$57,065			2040
2041	\$22,073,155	\$441,463		\$14,944,418	\$19.78	\$278,286	\$15,219	\$293,505	\$0	\$31,943	\$24,291	\$1,457	\$25,748	\$57,691			2041
2042	\$22,514,618	\$450,292		\$15,394,710	\$19.78	\$286,846	\$17,578	\$304,423	\$0	\$7,613				\$7,613			2042
2043	\$22,964,910	\$459,298		\$15,854,008	\$19.78	\$295,577	\$20,546	\$316,123	\$0				\$0			2043	
2044	\$23,424,208	\$468,484		\$16,322,493	\$19.78	\$304,483	\$23,707	\$328,190	\$0				\$0			2044	
2045						\$313,568	\$26,989	\$340,556	\$0				\$0			2045	
						\$4,056,966	\$170,077	\$4,227,043	\$348,698	\$450,000	\$250,000	\$136,222	\$386,222	\$1,184,920			
						\$7,423,393	\$7,200,000										

Type of TID: Industrial

2021 TID Inception

2036 Final Year to Incur TIF Related Costs

2041 Maximum Legal Life of TID (20 Years)

2042 Final Tax Collection Year

2045 Proposed 3 Year Extension

(1) Per City.

Robert W. Baird & Co. Incorporated is providing this information to you for discussion purposes. The materials do not contemplate or relate to a future issuance of municipal securities. Baird is not recommending that you take any action, and this information is not intended to be regarded as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 or the rules thereunder.

EXISTING ZONING AND LAND USES

The City does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Project Plan. Map 3 identifies existing land uses in TID No. 14.

COMPREHENSIVE PLAN, OFFICIAL MAP, BUILDING CODE, ZONING CODE AND OTHER CITY ORDINANCES

At this time, no identifiable changes in the City's Comprehensive Plan, Official Map, Building Code, or other ordinances are required to accommodate the development or construction activities proposed in TID No. 14.

The City of Two Rivers reserves the right to make any necessary changes as circumstances may require. All City ordinances and code documents are readily available for inspection and are incorporated by reference.

STATEMENT INDICATING HOW THE TID PROMOTES ORDERLY DEVELOPMENT

The proposed Project Plan Amendment No. 1 to TID No. 14 promotes orderly development in the City of Two Rivers by marketing and supporting economic development in the Woodland Industrial Park. This provides greater control for the City to implement orderly development with adjoining land uses and enhance the welfare of the community overall.

STATEMENT OF NO RELOCATION REQUIRED

No relocation of families, individuals or business operations are necessary because of activities in the proposed Project Plan Amendment No. 1 for TID No. 14.

NON-PROJECT COSTS

This Project Plan Amendment does not include any non-project costs.

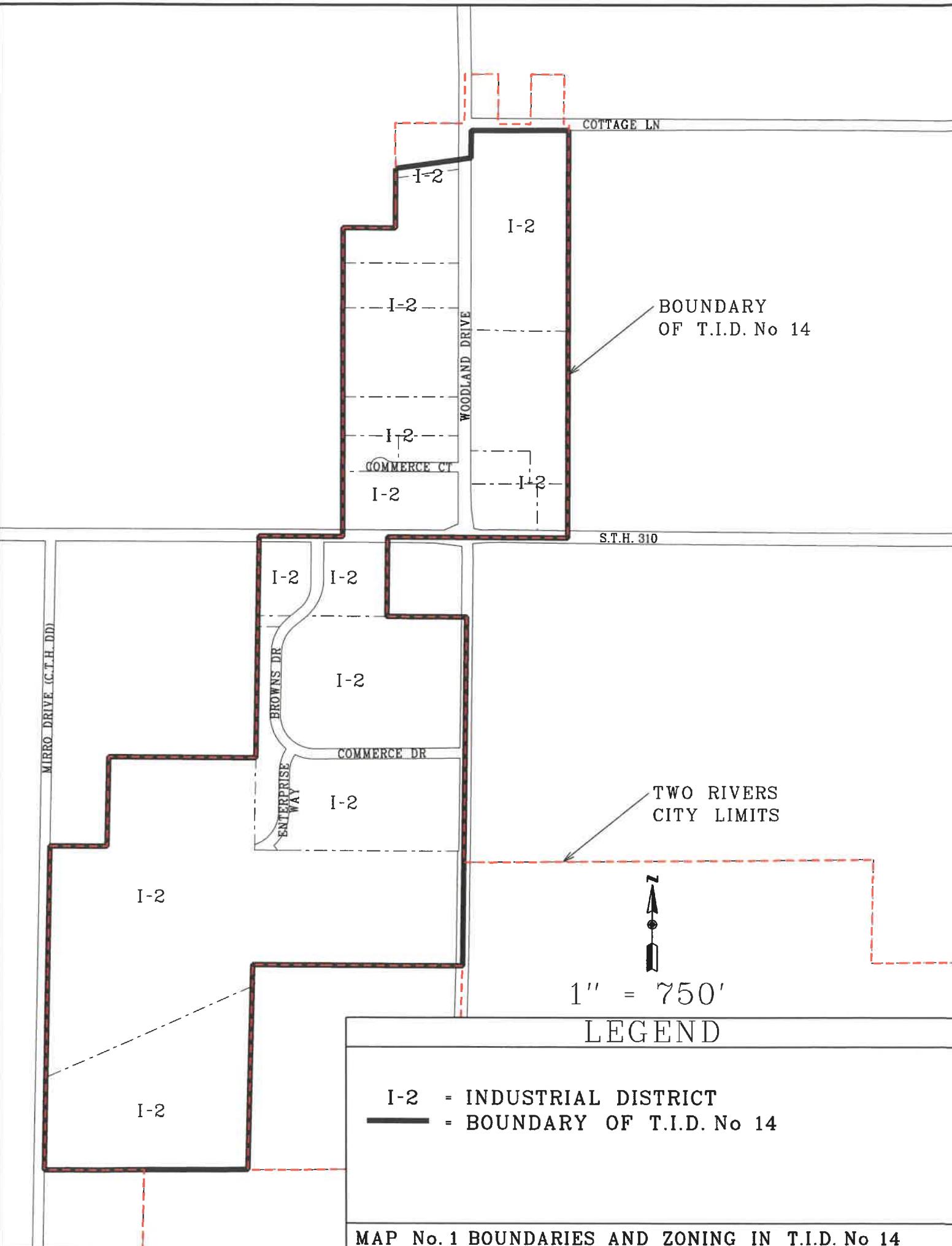
ADDITIONAL PROJECT COSTS

The City of Two Rivers reserves the right, in accordance with Section 66.1105(4)(h) and 66.1105(5)(c) to amend this Project Plan to include additional projects and project costs which are not anticipated at this time.

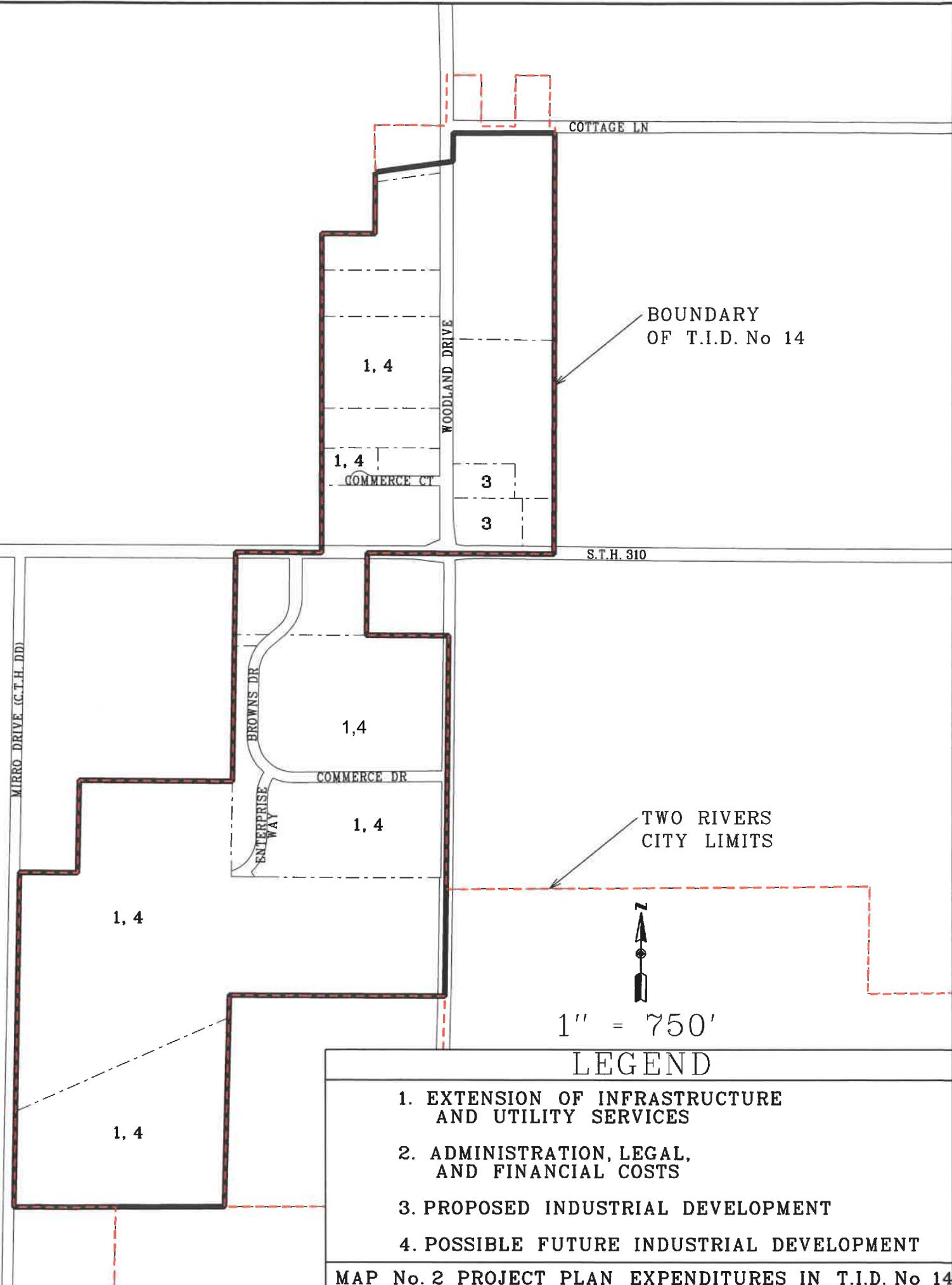
CONCLUSIONS AND RECOMMENDATIONS

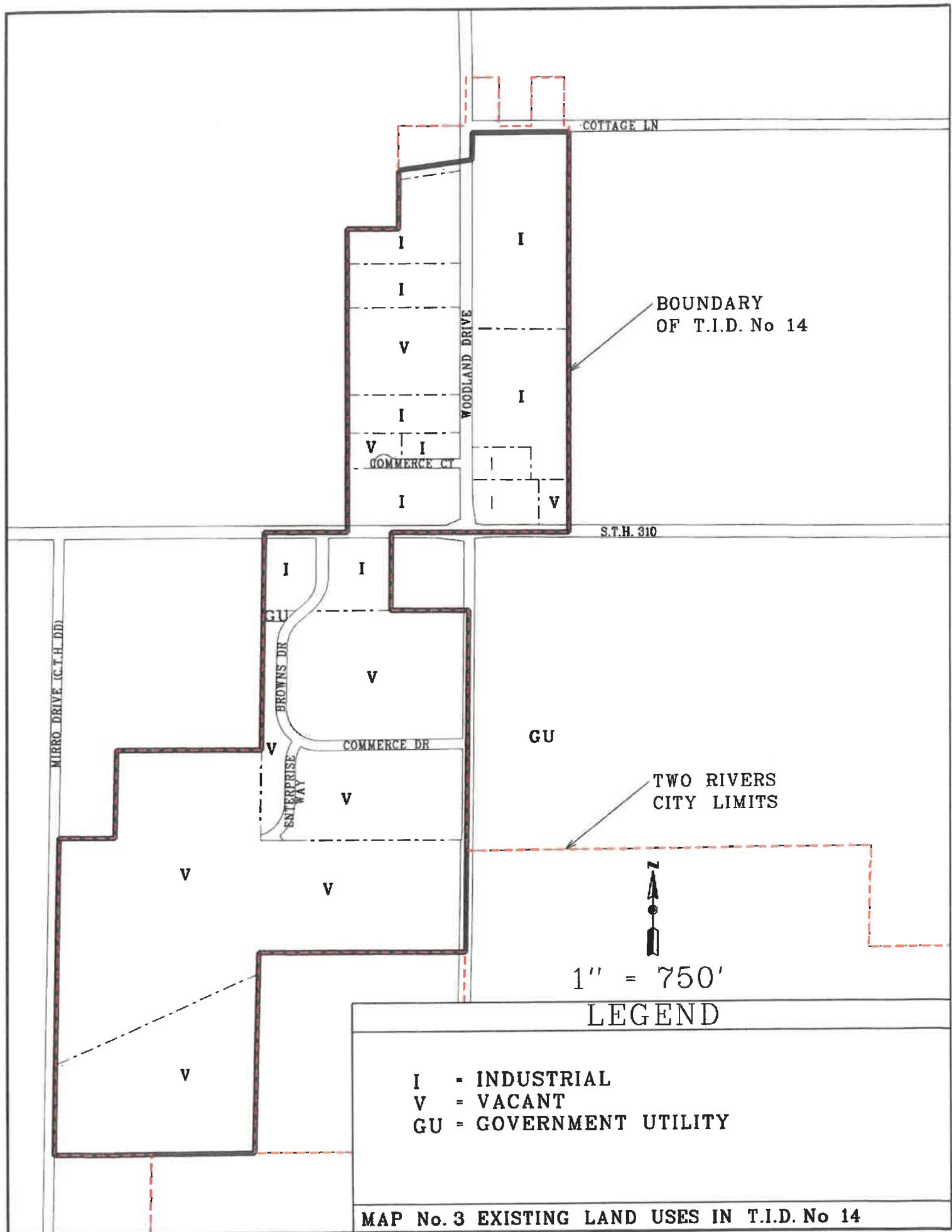
Based upon the evaluation and facts included in Project Plan Amendment No. 1 to TID No. 14, the following findings, conclusions and recommendations are made:

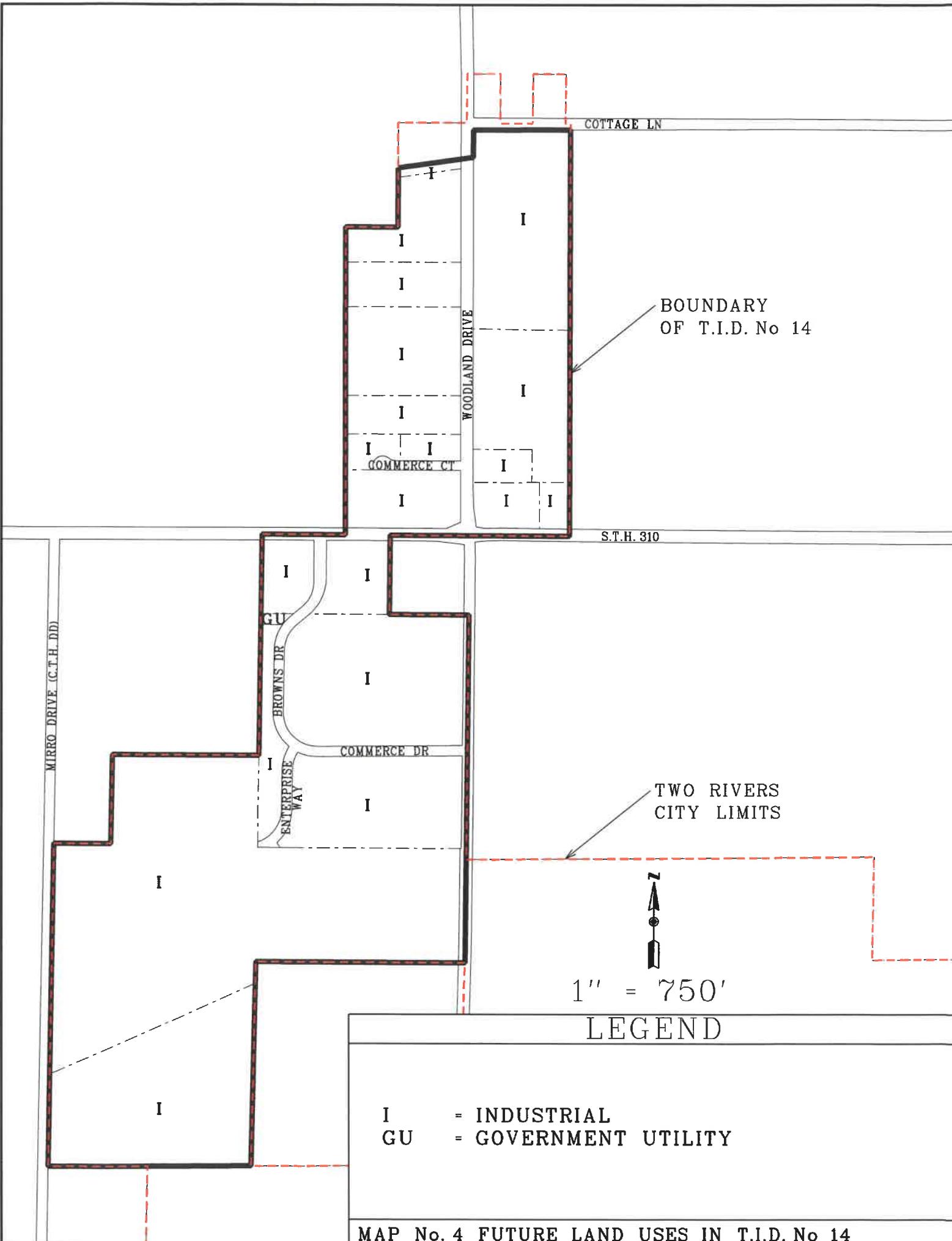
- Project Plan Amendment No. 1 will assist with the construction of a new business and support additional jobs in Two Rivers.
- Improvements and upgrades to the Woodland Industrial Park will continue, which is foundational to the creation of TID 14. TIF is intended to assist local governments with capital expenditures for industrial and economic development.
- Amendment No. 1 to TID No. 14 facilitates additional industrial development and private investment.
- In addition to providing capital necessary for industrial growth and development, Project Plan Amendment No. 1 to TID No. 14 also provides the secondary benefits of economic growth and employment opportunities that contribute to a stronger tax base for all other taxing entities.
- The City has not budgeted for the proposed improvements identified in this Amended Project Plan. Therefore this amendment is necessary to have funding available to assist the development included herein.
- Project Plan Amendment No. 1 facilitates the orderly development of future industrial growth in the City of Two Rivers. All property in the TID is zoned industrial and the development will be enhanced by the proposed improvements identified in this Amended Project Plan.
- Based upon the above conclusions, it is recommended that this proposed Project Plan Amendment No. 1 to TID No. 14 be adopted in accordance with the applicable statutes by formal resolution of the City of Two Rivers Plan Commission and City Council.



MAP No. 1 BOUNDARIES AND ZONING IN T.I.D. No 14







MAP No. 4 FUTURE LAND USES IN T.I.D. No 14