

April 15, 2022

PROJECT PLAN

City of Manitowoc, Wisconsin

Tax Incremental District No. 23



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	March 23, 2022
Public Hearing Held:	March 23, 2022
Approval by Plan Commission:	March 23, 2022
Adoption by Common Council:	Scheduled for April 18, 2022
Approval by the Joint Review Board:	Scheduled for May 17, 2022

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SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 23 (“District”) is a proposed Industrial District comprising approximately 184.03 acres located approximately on the south-central border of the City. The District will be created to pay the costs of infrastructure and improvements needed (“Project”) to develop a new industrial park (“Project”). In addition to the incremental property value that will be created, the City expects the Project will result in the creation of jobs within the new industrial park, as well as the potential for future residential development.

AUTHORITY

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

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The City anticipates making total expenditures of approximately \$11,225,500 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$6.425 million for infrastructure related to new industrial park areas, \$3 million in public improvements within the district and the ½ mile radius, and \$1.8 million in potential development incentives and administrative costs.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$49.3 million 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 19 of its allowable 20 years.

SUMMARY OF FINDINGS

As required by Wis. Stat. § 66.1105, and as documented in this Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in

the manner, at the values, or within the timeframe desired by the 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:

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.

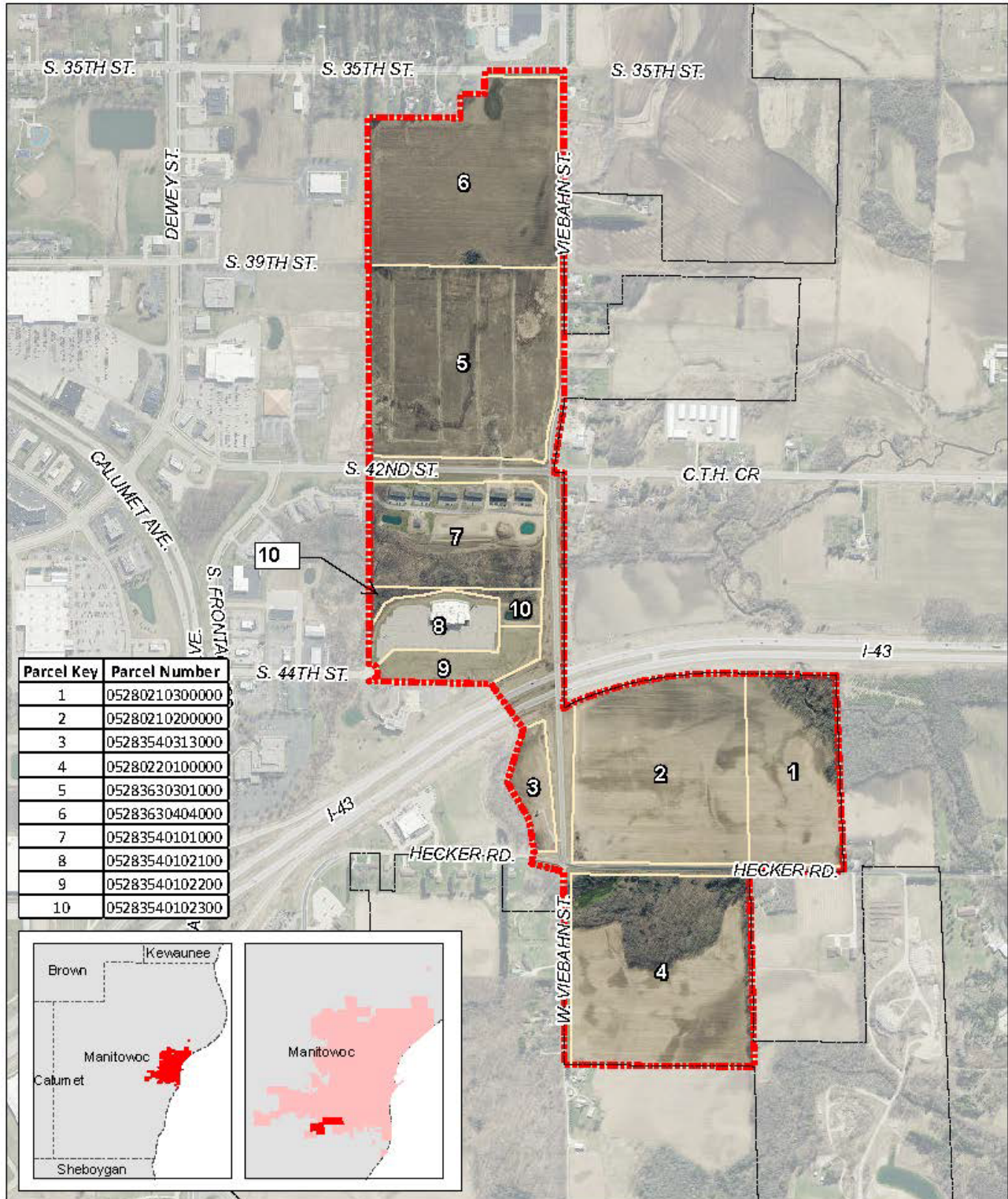
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the 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 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 is found suitable for industrial sites and is zoned for industrial use at the time of creation of the District will remain zoned for industrial use for the life of the District.
5. Based on the foregoing finding, the District is designated as an industrial district.
6. The 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 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 less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. That for those parcels to be included within the District that were annexed by the City within the three-year period preceding adoption of this Resolution, the City pledges to pay the Town of Newton an amount equal to the property taxes the town last levied on the territory for each of the next five years.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2: Preliminary Map of Proposed District Boundary

Map Found on Following Page.

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



Parcel Key	Parcel Number
1	05280210300000
2	05280210200000
3	05283540313000
4	05280220100000
5	05283630301000
6	05283630404000
7	05283540101000
8	05283540102100
9	05283540102200
10	05283540102300

TID No. 23 District Boundary Map

City of Manitowoc

Prepared by City of Manitowoc
Community Development Department
Map No. 23-2022

Proposed TID No. 23
 Tax Parcel

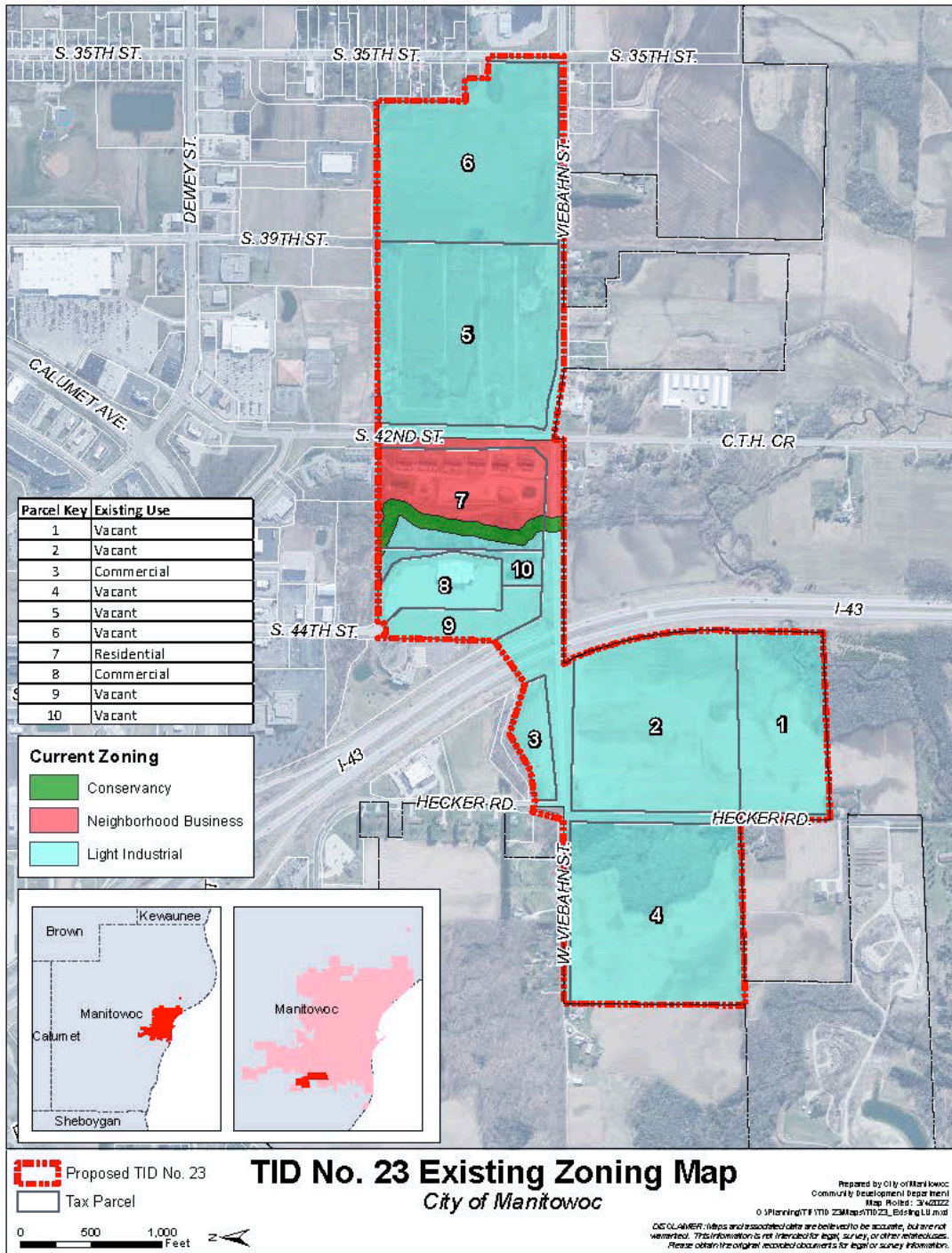


DISCLAIMER: Maps and associated data are believed to be accurate, but are not warranted. This information is not intended for legal, survey, or other related uses. Please obtain the original recorded documents for legal or survey information.

SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.



SECTION 4: Preliminary Parcel List and Analysis

City of Manitowoc														Assessment Roll Classification? (Residential = Class 1, Commercial = Class 2, Manufacturing = Class 3, Ag = Class 4, Undeveloped = Class 5, Ag Forest = Class 5M, Forest = Class 6, Other = Class 7 & Exempt = X)												
TID No. 23																										
Base Property Information																										
Property Information						Assessment Information ¹			Equalized Value				District Classification				District Classification			Comments						
Map Ref #	Parcel Number	Street Address	Owner	Acreage	Annexed Post 1/1/04?	Part of Existing TID?	Land	Imp	Total	Equalized Value Ratio	Land	Imp	PP	Total	Industrial (Zoned and Suitable)	Commercial/ Business	Existing Residential	Newly Platted Residential	Suitable for Mixed Use	Rehab/ Blighted	Conservation	Vacant				
1	05280210300000	HECKER RD	CITY OF MANITOWOC	18.38	6/23/20	No	0	0	0	100.72%	0	0	0	0	18.38									Exempt Other (Other)	X	
2	05280210200000	HECKER RD	CITY OF MANITOWOC	32.87	6/23/20	No	0	0	0	100.72%	0	0	0	0	32.87									Exempt Other (Other)	X	
3	05283540313000	4770 VIEBAHN ST	COON, JAMES G; COON, JESSICA M	4.04	No	No	105,600	0	105,600	100.72%	104,843	0	0	104,843	4.04							4.04		Commercial	Class 2	
4	05280220100000	HECKER RD	CITY OF MANITOWOC	35.95	6/23/20	No	0	0	0	100.72%	0	0	0	0	35.95									Exempt Other (Other)	X	
5	05283630301000	VIEBAHN ST	MANITOWOC CO INC	38.50	No	No	19,300	0	19,300	100.72%	19,162	0	0	19,162	38.5								38.50		Undeveloped	Class 5
6	05283630404000	VIEBAHN ST	MANITOWOC CO INC	33.34	No	No	16,700	0	16,700	100.72%	16,580	0	0	16,580	33.34								33.34		Undeveloped	Class 5
7	05283540101000	2240 S 42ND ST	FOREST CREEK LLC	4.80	No	No	91,000	3,523,800	3,614,800	100.72%	90,348	3,498,534	0	3,588,881				4.8					0.00		Commercial	Class 2
8	05283540102100	2555 S 44TH ST	AGREE LIMITED PARTNERSHIP	7.40	No	No	902,600	3,448,800	4,351,400	100.72%	896,128	3,424,071	0	4,320,199		7.4							0.00		Commercial	Class 2
9	05283540102200	S 44TH ST	MC OUTLOTS LLC	5.83	No	No	711,300	0	711,300	100.72%	706,200	0	0	706,200			5.83						5.83		Commercial	Class 2
10	05283540102300	S 44TH ST	CINEMA SQUARE OWNERS ASSOCIATION INC	2.92	No	No	1,900	0	1,900	100.72%	1,886	0	0	1,886		2.92							2.92		Commercial	Class 2
Total Acreage							1,848,400	6,972,600	8,821,000		1,835,147	6,922,605	0		163.08	16.15	4.8	0	184.03	0	0	84.63				
															88.62%	8.78%	2.61%	0.00%	100.00%	0.00%	0.00%	45.99%				
															Estimated Base Value		8,757,751									

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 \$97,148,451. This value is less than the maximum of \$271,324,656 in equalized value that is permitted for the City.

City of Manitowoc, Wisconsin	
Tax Increment District #23	
Valuation Test Compliance Calculation	
District Creation Date	1/1/2022
	Valuation Data Currently Available 2021
Total EV (TID In)	2,261,038,800
12% Test	271,324,656
Increment of Existing TIDs	
TID #16	18,112,500
TID #17	10,803,800
TID #18	9,196,400
TID #19	14,130,400
TID #20	26,773,000
TID #21	9,374,600
TID #22	0
Total Existing Increment	88,390,700
Projected Base of New or Amended District	8,757,751
Total Value Subject to 12% Test	97,148,451
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 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.

Revolving Loan/Grant Program (Development Incentives)

To encourage private development consistent with the objectives of this Plan, the City, 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 City in the program manual. Any funds returned to the City 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 City for purposes of implementing this program are considered eligible Project Costs.

Miscellaneous

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:

- 1) Water Main to Gravel Pit Area (\$1,500,000)

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.

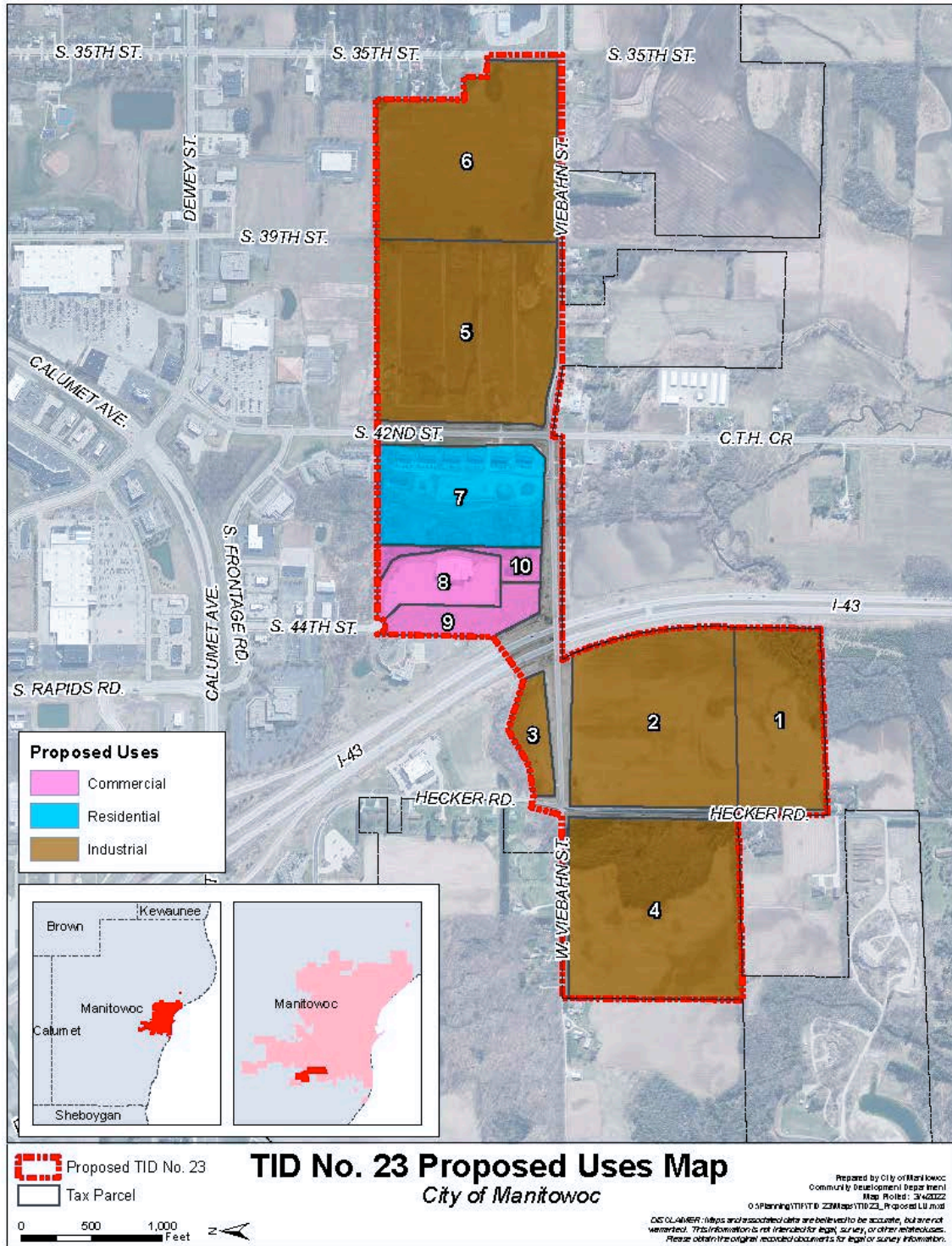
Financing Costs

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

Map Found on Following Page.



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 Manitowoc, Wisconsin						
Tax Increment District #23						
Estimated Project List						
Project ID	Project Name/Type	Phase I 2022	Phase II 2023	Phase III 2024	Phase IV 2025	Total (Note 1)
1	Infrastructure Related to 39th Street Extension	2,425,500				2,425,500
2	Infrastructure Related to new Industrial Park - West of I-43		2,500,000			2,500,000
3	Infrastructure Related to new Industrial area - Viebahn and 35th Street			1,500,000		1,500,000
4	Street Improvements - Hecker and Viebahn				1,500,000	1,500,000
5	Water Main to Gravel Pit Area - 1/2 Mile Improvement			1,500,000		1,500,000
6	Development Incentives ²	500,000	500,000	500,000	250,000	1,750,000
7	Professional Services and Administrative Costs	50,000				50,000
Total Projects		2,975,500	3,000,000	3,500,000	1,750,000	11,225,500

Notes:

Note 1 Project costs are estimates and are subject to modification

Note 2 Development Incentive are eligible TID cost but not tied to any development at this time. They are not included in the TID's 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 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 \$49.4 million in incremental value by 2034. 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 \$21.19 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$16.4 million in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

Table 1 - Development Assumptions

City of Manitowoc, Wisconsin									
Tax Increment District #23									
Development Assumptions									
Construction Year		Area A	Area B	Area C	Area D	Area E	Annual Total	Construction Year	
1	2022	2,455,819				600,000	3,055,819	2022	1
2	2023	7,367,456			6,521,250	600,000	14,488,706	2023	2
3	2024		1,800,000			600,000	2,400,000	2024	3
4	2025		1,800,000	750,000			2,550,000	2025	4
5	2026		1,800,000	750,000	5,746,500		8,296,500	2026	5
6	2027		1,800,000	750,000			2,550,000	2027	6
7	2028		1,800,000	750,000			2,550,000	2028	7
8	2029		1,800,000	750,000			2,550,000	2029	8
9	2030		1,800,000	750,000			2,550,000	2030	9
10	2031		1,800,000	750,000			2,550,000	2031	10
11	2032		1,800,000	750,000			2,550,000	2032	11
12	2033		1,800,000	750,000			2,550,000	2033	12
13	2034			750,000			750,000	2034	13
14	2035						0	2035	14
15	2036						0	2036	15
Totals		<u>9,823,275</u>	<u>18,000,000</u>	<u>7,500,000</u>	<u>12,267,750</u>	<u>1,800,000</u>	<u>49,391,025</u>		

Notes:

- Area A = Fed Ex Building of 218,295 square feet @\$45 per SF.
- Area B = 60 acres of a new industrial park west of I-43. Built out over 10 years with a minimum value of \$300K per acre.
- Area C = 25 acres of a new industrial land on 35th Street and Viebahn Street. Built out of 10 years at a minimum value of \$300K per acre.
- Area D = Two new hotels. The first is projected to be 17,390 @\$375 per square foot and the second is projected to be 15,324 @\$375 per square foot.
- Area E = Forest Creek Apartments with 3-8 unit buildings built out of three years at \$600K per building.

Table 2 – Tax Increment Projection Worksheet

City of Manitowoc, Wisconsin
Tax Increment District #23
Tax Increment Projection Worksheet

Type of District	Industrial	Base Value	8,757,751	Apply to Base Value
District Creation Date	January 1, 2022	Appreciation Factor	0.00%	
Valuation Date	Jan 1, 2022	Base Tax Rate	\$21.19	
Max Life (Years)	20	Rate Adjustment Factor		
Expenditure Period/Termination	15 1/1/2037			
Revenue Periods/Final Year	20 2043			
Extension Eligibility/Years	Yes 3	Tax Exempt Discount Rate	3.00%	
Eligible Recipient District	No	Taxable Discount Rate	4.00%	

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation	
1	2022	3,055,819	2023	0	3,055,819	2024	\$21.19	64,748	59,254	57,561
2	2023	14,488,706	2024	0	17,544,525	2025	\$21.19	371,742	389,542	375,327
3	2024	2,400,000	2025	0	19,944,525	2026	\$21.19	422,594	754,075	722,669
4	2025	2,550,000	2026	0	22,494,525	2027	\$21.19	476,625	1,153,241	1,099,352
5	2026	8,296,500	2027	0	30,791,025	2028	\$21.19	652,415	1,683,714	1,595,134
6	2027	2,550,000	2028	0	33,341,025	2029	\$21.19	706,446	2,241,389	2,111,327
7	2028	2,550,000	2029	0	35,891,025	2030	\$21.19	760,476	2,824,230	2,645,628
8	2029	2,550,000	2030	0	38,441,025	2031	\$21.19	814,507	3,430,300	3,195,879
9	2030	2,550,000	2031	0	40,991,025	2032	\$21.19	868,538	4,057,750	3,760,065
10	2031	2,550,000	2032	0	43,541,025	2033	\$21.19	922,568	4,704,821	4,336,298
11	2032	2,550,000	2033	0	46,091,025	2034	\$21.19	976,599	5,369,837	4,922,818
12	2033	2,550,000	2034	0	48,641,025	2035	\$21.19	1,030,629	6,051,204	5,517,981
13	2034	750,000	2035	0	49,391,025	2036	\$21.19	1,046,521	6,722,926	6,099,077
14	2035	0	2036	0	49,391,025	2037	\$21.19	1,046,521	7,375,083	6,657,823
15	2036	0	2037	0	49,391,025	2038	\$21.19	1,046,521	8,008,246	7,195,078
16	2037	0	2038	0	49,391,025	2039	\$21.19	1,046,521	8,622,966	7,711,670
17	2038	0	2039	0	49,391,025	2040	\$21.19	1,046,521	9,219,782	8,208,394
18	2039	0	2040	0	49,391,025	2041	\$21.19	1,046,521	9,799,215	8,686,012
19	2040	0	2041	0	49,391,025	2042	\$21.19	1,046,521	10,361,772	9,145,260
20	2041	0	2042	0	49,391,025	2043	\$21.19	1,046,521	10,907,943	9,586,845
Totals		49,391,025		0		Future Value of Increment	16,440,053			

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

The City will finance infrastructure improvements and public improvements through the issuance of General Obligation debt. The following finance plan shows the borrowings tentatively scheduled for 2022 and 2024. **Table 3.** provides a summary of the District’s financing plan.

Table 3 - Financing Plan

City of Manitowoc, Wisconsin			
Tax Increment District #23			
Estimated Financing Plan			
	G.O. Bond 2022	G.O. Bond 2024	Totals
Projects			
Infrastructure Related to 39th Street Extension	2,425,500		2,425,500
Infrastructure Related to new Industrial Park - West of I-43	2,500,000		2,500,000
Infrastructure Related to new Industrial area - Viebahn and 35th Street		1,500,000	1,500,000
Street Improvements - Hecker and Viebahn		1,500,000	1,500,000
Water Main to Gravel Pit Area - 1/2 Mile Improvement		1,500,000	1,500,000
Total Project Funds	4,925,500	4,500,000	9,425,500
Estimated Finance Related Expenses	132,780	120,440	
Capitalized Interest	380,800		
Total Financing Required	5,439,080	4,620,440	
Estimated Interest	0.20%	(3,284)	0.25%
Assumed spend down (months)	4	4	(3,750)
Rounding	4,204	3,310	
Net Issue Size	5,440,000	4,620,000	10,060,000
Notes:			

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 2042 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 Manitowoc, Wisconsin

Tax Increment District #23

Cash Flow Projection

Year	Projected Revenues				Expenditures							Balances			Year	
	Tax Increments	Interest Earnings/ (Cost)	Cap. Interest	Total Revenues	G.O. Bond 5,440,000 Dated Date: 09/01/22			G.O. Bond 4,620,000 Dated Date: 08/01/24			Admin. + 3%	Total Expenditures	Annual	Cumulative		Principal Outstanding
2022				0								0	0	0	5,440,000	2022
2023			190,400	190,400		3.50%	190,400					190,400	0	0	5,440,000	2023
2024	64,748		190,400	255,148		3.50%	190,400				5,000	195,400	59,748	59,748	10,060,000	2024
2025	371,742	149		371,891		3.50%	190,400	0	4.00%	184,800	5,150	380,350	(8,459)	51,289	10,060,000	2025
2026	422,594	128		422,722		3.50%	190,400	0	4.00%	184,800	5,305	380,505	42,218	93,507	10,060,000	2026
2027	476,625	234		476,859	50,000	3.50%	190,400	50,000	4.00%	184,800	5,464	480,664	(3,805)	89,702	9,960,000	2027
2028	652,415	224		652,639	150,000	3.50%	188,650	100,000	4.00%	182,800	5,628	627,078	25,562	115,264	9,710,000	2028
2029	706,446	288		706,734	150,000	3.50%	183,400	180,000	4.00%	178,800	5,796	697,996	8,737	124,001	9,380,000	2029
2030	760,476	310		760,786	175,000	3.50%	178,150	200,000	4.00%	171,600	5,970	730,720	30,066	154,067	9,005,000	2030
2031	814,507	385		814,892	200,000	3.50%	172,025	250,000	4.00%	163,600	6,149	791,774	23,118	177,185	8,555,000	2031
2032	868,538	443		868,980	275,000	3.50%	165,025	250,000	4.00%	153,600	6,334	849,959	19,022	196,207	8,030,000	2032
2033	922,568	491		923,059	325,000	3.50%	155,400	250,000	4.00%	143,600	6,524	880,524	42,535	238,741	7,455,000	2033
2034	976,599	597		977,196	325,000	3.50%	144,025	250,000	4.00%	133,600	6,720	859,345	117,851	356,592	6,880,000	2034
2035	1,030,629	891		1,031,521	325,000	3.50%	132,650	300,000	4.00%	123,600	6,921	888,171	143,350	499,942	6,255,000	2035
2036	1,046,521	1,250		1,047,771	350,000	3.50%	121,275	300,000	4.00%	111,600	7,129	890,004	157,767	657,709	5,605,000	2036
2037	1,046,521	1,644		1,048,165	375,000	3.50%	109,025	350,000	4.00%	99,600	7,343	940,968	107,197	764,906	4,880,000	2037
2038	1,046,521	1,912		1,048,433	400,000	3.50%	95,900	350,000	4.00%	85,600	7,563	939,063	109,370	874,276	4,130,000	2038
2039	1,046,521	2,186		1,048,706	425,000	3.50%	81,900	350,000	4.00%	71,600	7,790	936,290	112,417	986,693	3,355,000	2039
2040	1,046,521	2,467		1,048,987	450,000	3.50%	67,025	350,000	4.00%	57,600	8,024	932,649	116,339	1,103,032	2,555,000	2040
2041	1,046,521	2,758		1,049,278	465,000	3.50%	51,275	350,000	4.00%	43,600	8,264	918,139	131,139	1,234,171	1,740,000	2041
2042	1,046,521	3,085		1,049,606	500,000	3.50%	35,000	365,000	4.00%	29,600	8,512	938,112	111,494	1,345,665	875,000	2042
2043	1,046,521	3,364		1,049,885	500,000	3.50%	17,500	375,000	4.00%	15,000	8,768	916,268	133,617	1,479,282	0	2043
Total	16,440,053	22,807	380,800	16,843,659	5,440,000		2,850,225	4,620,000		2,319,800	134,352	15,364,377				Total

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

SECTION 11:

Estimate of Property to Be Devoted to Retail Business

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

SECTION 12: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and 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. 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 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 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 by creating new industrial sites, creating opportunities for mixed use development, providing necessary public infrastructure improvements, and if necessary, 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 opportunities and provide for the creation of an economic corridor on the south side of the City.

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)**

Legal Opinion Found on Following Page.



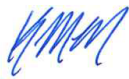
CITY OF MANITOWOC

WISCONSIN, USA

www.manitowoc.org

April 13, 2022

TO: Paul Braun, City Planner

FROM: Kathleen M. McDaniel, City Attorney 

RE: Certification of Tax Incremental Financing District No. 23

This opinion relates to the compliance of the Project Plan for the creation of Tax Incremental Financing District No. 23, City of Manitowoc, Manitowoc County, Wisconsin (hereinafter "District") with the requirements of state law, specifically Wis. Stat. §66.1105(4)(f).

The Community Development Department collaborated with Ehlers to prepare this Project Plan. I have examined the project plan and find it to comply with the statutory requirements of Wis. Stat. §66.1105(4), and in particular, it contains the following:

1. A statement listing the kind, number, and location of all proposed public works or improvements within the District. Including improvements to infrastructure, site development, land acquisition, and other costs.
2. An economic feasibility study, which details TIF performance above and beyond the statutory requirements.
3. A statement of orderly development and compliance with the City's Comprehensive Plan.
4. A detailed list of estimated project costs.
5. A description of the methods of financing all project costs and the time when the related costs and monetary obligations are to be incurred.

It is my legal opinion that this plan is both complete and in compliance with State law, as well as an appropriate use of tax incremental financing. I look forward to seeing our industrial park improve over the life of the district. Thank you for your attention to detail on this project.

CITY ATTORNEY KATHLEEN M. MCDANIEL
CITY HALL, ▪ 900 QUAY STREET ▪ MANITOWOC, WI 54220
PHONE: (920) 686-6990 ▪ EMAIL: CITYATTORNEY@MANITOWOC.ORG

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.

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.						
Statement of Taxes Data Year:		2020			Percentage	
Manitowoc County		10,487,234			22.62%	
City of Manitowoc		18,234,065			39.33%	
School District of Manitowoc		16,049,504			34.62%	
Lakeshore Technical College		1,594,821			3.44%	
Total		46,365,624				
Revenue Year	Manitowoc County	City of Manitowoc	School District of Manitowoc	Lakeshore Technical College	Total	Revenue Year
2024	14,645	25,463	22,413	2,227	64,748	2024
2025	84,083	146,194	128,679	12,787	371,742	2025
2026	95,585	166,192	146,281	14,536	422,594	2026
2027	107,806	187,441	164,984	16,394	476,625	2027
2028	147,567	256,573	225,834	22,441	652,415	2028
2029	159,788	277,822	244,537	24,299	706,446	2029
2030	172,009	299,070	263,240	26,158	760,476	2030
2031	184,230	320,319	281,942	28,016	814,507	2031
2032	196,451	341,567	300,645	29,875	868,538	2032
2033	208,672	362,816	319,348	31,733	922,568	2033
2034	220,893	384,064	338,051	33,592	976,599	2034
2035	233,113	405,312	356,753	35,450	1,030,629	2035
2036	236,708	411,562	362,254	35,997	1,046,521	2036
2037	236,708	411,562	362,254	35,997	1,046,521	2037
2038	236,708	411,562	362,254	35,997	1,046,521	2038
2039	236,708	411,562	362,254	35,997	1,046,521	2039
2040	236,708	411,562	362,254	35,997	1,046,521	2040
2041	236,708	411,562	362,254	35,997	1,046,521	2041
2042	236,708	411,562	362,254	35,997	1,046,521	2042
2043	236,708	411,562	362,254	35,997	1,046,521	2043
		3,718,502	6,465,329	5,690,740	565,482	16,440,053

Notes:
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.