

Report to the Manitowoc Plan Commission

Meeting Date: August 22, 2018

Report Print Date: 8/20/2018 9:50 AM

Request: PC 22-2018: Discussion and action on the Creation of Tax Increment District No. 22.

Report: Attached is a copy of the draft TIF No. 22 project plan. Daniel Lindstrom from Vierbicher has prepared the project plan on behalf of the City. Daniel will be at the Plan Commission meeting to present the proposal.

In very general terms; TID 22 is the area northwest and southwest of the S. Rapids Road and Calumet Avenue intersection. TID 22 does not currently exist. The proposed area would include the proposed Meijer, Panera, and adjacent outlots. It would also include the vacant lots west of the AMC movie theatre; Holiday Inn and Investors Community Bank are included because TIF districts need to be contiguous. See map 1 near the back of the project plan.

The creation of TID 22 is needed to help with various infrastructure and development costs such as: road and utility construction, utility relocations, storm water development, grading and other site preparation, land acquisition and assembly, development incentives, professional services, administrative and organizational costs.

The project plan describes the process and timeline, summary of the plan, statement of purpose, location public works and other projects, list of project costs, non-project costs, economic feasibility, impact to overlying taxing districts, and district boundary maps.

Existing Zoning / Land Use for Subject Property: Northwest and Southwest of the Calumet Avenue and S. Rapids Road intersection. The area is zoned a mix of B-3 General Business, B-1 Office-Residential, C-1 Commercial and I-1 Light Industrial.

Timeline

- After the Plan Commission action the request will be referred to the Common Council for their action at the September 17, 2018 Council meeting.
- The TIF Joint Review Board (JRB) has the final determination to approve the project plan. The 5 member JRB is made up of a representative from each of the four taxing entities plus a citizen member. The JRB will vote on September 27, 2018, their decision is final.

Recommendation: The Community Development Department recommends that the Plan Commission authorize staff to proceed with the TID 22 project plan and boundary creation.

Tax Increment District No. 22

Manitowoc, Wisconsin

Prepared For:



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City Council Approval

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Milestones

Public Hearing

August 22, 2018

Plan Commission Approval Recommendation

City Council Approval

Joint Review Board Approval

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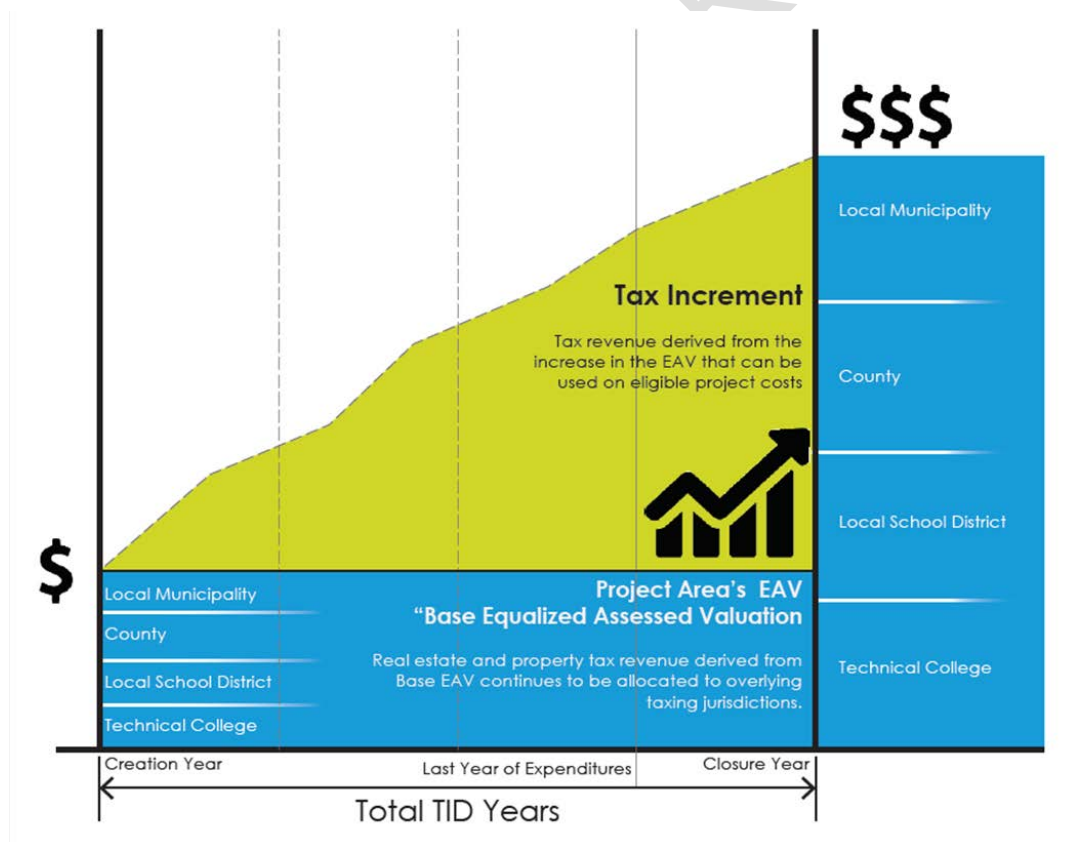
- #1: Timetable
- #2: Opinion Letter from City Attorney Regarding Compliance with Statutes
- #3: Letter Chief Official of Overlying Taxing Entities and Notice
- #4: JRB Meeting Notices – Affidavit of Publication
- #5: JRB No. 1 Meeting Agenda and Minutes
- #6: JRB No. 2 Meeting Agenda and Minutes
- #7: JRB Resolution Approving TID No. 22
- #8: Public Hearing/Public Hearing Notice – Affidavit of Publication
- #9: Plan Commission/Public Hearing Meeting Agenda, Minutes
- #10: Plan Commission Resolution Approving TID No. 22
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I. Introduction to Tax Increment Financing

Tax Increment Financing (TIF) is a method of public finance often used by municipalities across the United States to subsidize redevelopment, infrastructure, and other community growth projects. The Wisconsin legislature passed the first TIF law in 1975, and municipalities across the state have used the mechanism to make improvements to specified Tax Increment Districts (TIDs). TIF helps to promote local tax base expansion by using property tax revenues to fund site improvements to attract new development, industry, rehabilitation/conservation projects, mixed-use development, blight elimination, and environmental remediation.

During the development period, tax bases for the entities in question remain static at pre-development levels, while property taxes continue to be paid. The taxes derived from increases in property value within the TIDs (the tax increment) are diverted into a special fund at the City, Village or Town to pay for the costs of this redevelopment. Generally, municipalities borrow funds to pay for initial redevelopment costs and use tax increments to retire this debt. The State of Wisconsin classifies village Tax Increment Districts into several categories: rehabilitation, blight removal, industrial, mixed-use, and environmental remediation districts. Tax Increment Districts terminate once either all costs are paid through increment financing or the mandated termination date passes. Upon termination, the taxing jurisdictions within the TID share in the post-TIF tax revenue generated through improvements during the TID's lifetime.

Figure 1 Example Tax Increment District Process



II. Process and Timeline

The Project Plan for Tax Increment District No. 22 (TID No. 22) in the City of Manitowoc has been prepared in compliance with Wisconsin Statutes Chapters 66.1105. The plan establishes a need for the TID, the proposed improvements within the TID, an estimated time schedule, and an estimated budget. The plan also includes a detailed description of the Tax Increment District (TID) and boundaries. TID No. 22 is being created as a rehabilitation/conservation district as identified in Wisconsin Statutes Chapter 66.1105(4)(gm)4.a.

As authorized in Wisconsin Statutes Chapter 66.1105, the creation of TID No. 22 intends to promote orderly development within the City of Manitowoc by promoting the rehabilitation of parcels located at the northeast and southeast corners of the intersection of US Interstate 43 and US Highway 151 by making infrastructure improvements, providing cash grants to owners and developers of land within the TID, and making other enhancements within the TID and the one-half mile radius of the TID boundary. The City intends to promote orderly development by encouraging the development of recently vacated parcels, rehabilitation of private property within the TID, and improving infrastructure to enhance the redevelopment area. These efforts will improve the economic vitality of the area, increase the availability of employment and services to residents, and broaden the tax base of the City.

The City of Manitowoc is not mandated to make public expenditures described in this Plan; however, the City is limited to implementing only those projects identified in the original Plan and any future amendments.

A. Planning and Approval Process Timeline of TID 22

The Manitowoc Common Council met on June 18, 2018, and directed the Plan Commission to proceed with the creation of TID No. 22.

A notice for the first Joint Review Board meeting was published on July 11, 2018. The Joint Review Board held their organizational meeting on July 19, 2018.

A draft TID No. 22 Project Plan and district boundary were reviewed by the Plan Commission at a public hearing also held on August 22, 2018. Notice of the TID No. 22 Public Hearing was sent to the overlying taxing jurisdictions with their Joint Review Boarding invitation letters dated July 3, 2018.

The notice of the public hearing was published on August 7, 2018, and August 14, 2018. Following the public hearing, the Plan Commission recommended _____ of the TID No. 22 Project Plan and Boundary, and recommended approval of the Project Plan and Boundary to the Common Council.

The TID No. 22 Project Plan and Boundary was adopted by resolution of the Common Council on September __, 2018.

A notice for the final Joint Review Board meeting was published on _____, 2018 and the Joint Review Board met on _____, 2018 to approve the Common Council resolution approving TID No. 22.

Documentation of all resolutions, notices, and minutes can be found in Appendix C of this Project Plan. As required by Wisconsin Statutes Chapter 66.1105(5)(b), a copy of the Project Plan



will be submitted to the Wisconsin Department of Revenue and used as the basis for the certification of creation TID No. 22.

III. Summary Plan of Rehabilitation with TID No. 22

A. Inventory of Area

The subject area of this plan is in the City of Manitowoc, located in Manitowoc County, WI. TID No. 22 is a rehabilitation and conservation TID that includes a variety of uses, including vacant, retail, and agricultural sites. See Map No. 1 In Appendix A for details of the TID boundaries. The TID encompasses approximately 62.3 acres, of which 51.6 acres is real property. The majority of the vacant property was previously occupied and was converted to the vacant property through demolition and site clearing within recent years.

The Common Council passed a resolution declaring TID No. 22 as in need of rehabilitation or conservation on August __, 2018. The area contained within the TID No. 22 boundary (as shown in Appendix A) meets the standards for a rehabilitation or conservation area as defined in Wisconsin TIF and redevelopment Statutes 66.1105(4)(gm)6 and 66.1337(2m)(a).

B. Economic Development Impacts

As a result of the economic development efforts of the TID, the City projects a tax increment value increase of \$18,000,000 to be created from new development, redevelopment, and improvements to properties within the TID. The additional value will ensure any physical and infrastructure improvements undertaken by the City will be paid prior to closing the TID.

C. Estimated Project Costs

The City anticipates making a total expenditure of approximately \$6,363,900 to undertake the projects listed in this Project Plan. The expenditure period is 22 years from the date of the adoption/creation resolution approved by the City. Projects are expected to be funded through a variety of sources. A detailed analysis of the financing is included in Section 7 of this Project Plan.

IV. Statement of Purpose and Summary of Finding

A. Statement of Purpose

The TID is being created by the City of Manitowoc under the authority granted to the City by Chapter 66.1005 of the Wisconsin Statutes. The designation as a "Rehabilitation or Conservation" district is based on the finding that more than 50% of the TID, by area of real property, is in need of rehabilitation or conservation work. Map 7 in Appendix A identifies the properties within the TID that meet the criteria to conduct rehabilitation and conservation as defined by Section 66.1337(2m)(a), Wis. Stats:



1. Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements.
2. Acquisition of real property and demolition, removal or rehabilitation of buildings and improvements on the property where necessary to eliminate unhealthful, unsanitary or unsafe conditions, lessen density, reduce traffic hazards, eliminate obsolete or other uses detrimental to the public welfare, to otherwise remove or prevent the spread of blight or deterioration or to provide land for needed public facilities.
3. Installation, construction or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the objectives of the urban renewal project.
4. The disposition, for uses in accordance with the objectives of the urban renewal project, of any property acquired in the area of the project. The disposition shall be in the manner prescribed in this section for the disposition of property in a redevelopment project area.

As shown in the chart below, it has been determined that 68.5% of the real property within the TID No. 22 boundary is in need of rehabilitation or conservation of the lands and removal of dated infrastructure to spur additional development.

Figure 2

TID Parcel Condition		
	Acres	%
Property in Need of Rehabilitation	35.372	68.59%
Other Property	16.201	31.41%
Total Real Property	51.573	100.00%
Total Real Property	51.573	82.79%
Total ROW and Waterways	10.722	17.21%
Total TID Boundary	62.295	100.00%

A summary of the general site conditions that are present throughout the TID include:

- Deteriorating and outdated office building visible from both the public street and adjoining properties.
- Several of the properties recently vacant and the dated access road now exists as a hindrance to redevelopment.
- Underutilization of property, including vacant properties near US Interstate 43 and City arterial roads, which create gaps in the development pattern of the City and threaten the economic viability and impair the sound growth of the community. TID parcel one (1) through nine (9) were previously occupied by various uses, including a former fairgrounds and accessory buildings, former single-family homes, and a former motel. These uses have been demolished and land cleared within the past few years, resulting in vacant existing land uses. One parcel, number twelve (12), has been continuously vacant and is comprised of 5.8 acres, or 9.32% of the total District.
- Overgrown and weed-filled area lacking maintenance and upkeep.



It is vitally important to note that the presence of significant vacant lots, a lack of property maintenance, outdated utilities requiring relocations, and building upkeep for functionally outdated structures can contribute to a continuous downward spiral of disinvestment. Parcels which used to host operating businesses and homes and are now cleared do not contribute to the City's local economy. The creation of a TID will promote rehabilitation and investment from property owners, both within and outside of the TID. The TID enables the City to provide needed improvements and incentives to encourage investment and development adjacent to the current businesses in the area.

Therefore, the City recognizes that without the creation of the TID, the employment generators and positive construction increment would not occur if the proper or improved infrastructure are not in place to attract and support the development. Therefore, the creation of the TID creates a path for developers and landowners to redevelop their land. The creation of the TID also enables the City to have greater control over the redevelopment process to ensure subsequent development is compatible with the adjacent commercial and retail center.

Rehabilitation and Redevelopment Plan

The Common Council and Plan Commission intend to encourage rehabilitation and redevelopment of properties near the Interstate. The City intends to use the powers granted under Wisconsin Statutes 66.1105 and 66.1105(2)(f)1 to implement transportation and utility infrastructure improvements, and potentially improve other areas within one half-mile of the subject area if the projects support District.

Existing and Future Land Use

Map 2 in Appendix A shows existing land uses in the area. The City intends to encourage the continuation of high-quality commercial and mixed-use development throughout the area, in conjunction with the proposed land uses in the City of Manitowoc Comprehensive Plan (Map 3 of Appendix A).

B. Summary of Findings

As required by Wisconsin Statutes Chapter 66.1105, and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. The Project Plan is in conformity with the Comprehensive Plan and other guiding documents.
2. Based on the findings within this Project Plan, the TID is declared a rehabilitation or conservation district, where not less than 50% of the TID by real property area, is in need of rehabilitation or conservation work within the definitions described in the Wisconsin Statutes. Furthermore, not more than 25% of the area has remained vacant for the entire seven years preceding the adoption of the creation resolution.



3. The creation of TID No. 22 will encourage the redevelopment of properties in need of rehabilitation and/or conservation in highly visible locations in the City. It will help to promote higher density redevelopment in the City, rather than have development occur on “greenfield” sites elsewhere. Creation of the TID will also promote redevelopment of the tax base of the City and, in general, promote public health, safety, and welfare. Successful implementation of the projects planned in TID No. 22 will grow the tax base for the City and overlying taxing jurisdictions.
4. The project costs directly relate to Project Plan implementation and the rehabilitation and conservation of properties within the TID consistent with the purpose for which the TID was created.
5. The Project Plan is economically feasible and will enable the TID to close prior to the required closure date. Several of the redevelopment projects expected to occur within the TID will enable new businesses to be established and existing properties within the TID area to be fully utilized and possibly expanded, thereby increasing employment opportunities and the supporting tax base.
6. As detailed in the economic feasibility section of the Project Plan, the total tax increment and resulting revenues in the TID are sufficient to pay for the proposed public works and incentives included within the Project Plan.
7. “But For Test.” But for the creation of this TID, the City and developers would not be able to use the Project Plan tools (infrastructure, demolition, land assemblage, and development incentives—“cash grants”) to facilitate the redevelopment of the TID. Furthermore, the City specifically considered the following information.
 - a) Many sites and properties within the TID would remain vacant, underutilized and underdeveloped due to a lack of on-site infrastructure, environmental issues, and obsolete platting. The use of Tax Increment Financing will be required to overcome these obstacles to development.
 - b) The redevelopment projects would not have occurred without the development incentives and infrastructure investments made by the City. The City must conduct independent and thorough reviews of developer incentives to ensure developers receive a fair and reasonable rate of return on their investment.
8. The City still does not exceed the 12% maximum threshold for the total equalized increment value in the TID as a ratio of the total equalized value of the property in the City. The total increment value of all the existing tax increment districts within the City equals 6.47 percent.
9. The total territory devoted to retail businesses at the maximum expenditure period will be over 35%.
10. Finally, the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.



V. Statement of Kind, Number, and Location of Public Works & Other Projects

The Common Council is not mandated to make expenditures described in this Project Plan; however, they are limited to implementing only projects identified in the Project Plan and any subsequent amendments.

A. Infrastructure

Infrastructure projects include the portion of costs related to the construction or alteration of storm or sanitary sewer lines, stormwater management facilities, water systems, utility service systems (electric, gas, communication, etc.), street amenities, bridge enhancements or the rebuilding, alteration or expansion of streets as necessitated by the Project Plan for areas within the geographic boundaries of the TID. Infrastructure can also be installed outside the TID if required to carry out Project Plans, but only the portion which directly benefits the TID is an eligible cost. Infrastructure costs are typically associated with costs of improvements located within the right-of-way.

The City anticipates conducting repaving or other street and utility improvements to the following streets over the life of the TID:

- Frontage Road reconstruct
- Dewey Street extension
- Meijer Lane construction
- S. Rapids Road reconstruct
- Other TID projects and within 1/2 mile

The timing and development of any prescribed street improvements will be reviewed and analyzed with respect to guiding City documents prior to construction. The City will also report any planned infrastructure improvements to the JRB at the required annual meetings. The Project Plan allocates \$2,695,000 for the TID share of infrastructure costs.

B. Capital Improvement Costs

Capital improvement costs include, but are not limited to, the actual costs of the construction of public works or improvements (i.e., sewerage treatment plants, water treatment plants or other environmental protection devices), new buildings, structures, and fixtures; the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures, and fixtures other than the demolition of listed historic properties and the acquisition of equipment to service the TID. Capital improvement costs are typically associated with costs of improvements located outside the right-of-way on private or municipal property.

The Project Plan allocates \$200,000 in sidewalks and other capital improvement costs for the TID share of capital improvement costs.

C. Site Development Costs

Site development activities required to make sites suitable for development include, but are not limited to, environmental studies and remediation, stripping topsoil, grading, adding compacted granular fill, topsoil replacement, access drives, parking areas, landscaping, stormwater detention areas, demolition of



existing structures, relocating utility lines and other infrastructure, utilities, signs, fencing, and other related activities.

The Project Plan allocates \$650,000 for the TID share of site development costs.

D. Land Acquisition & Assembly

This may include, but is not limited to, fee title, easements, appraisals, environmental evaluations, consultant and broker fees, closing costs, surveying and mapping, lease and/or the sale of property at below market price to encourage or make feasible an economic development project. Furthermore, land acquisition costs could include the costs associated with the following activities:

1. Private property acquisition;
2. Right-of-way acquisition; and
3. Easement acquisition.

This could also include the cost to relocate existing businesses or residents to allow for redevelopment subject to the payment of relocation benefits as required by Wisconsin Statutes.

The Project Plan does not allocate land acquisition and assembly costs.

E. Development Incentives

The City may use District funds to provide incentives to developers and businesses to promote and stimulate new development. The City may enter into agreements with property owners, businesses, developers or nonprofit organizations for sharing costs to encourage the desired kinds of improvements. In such cases, the City will execute development agreements with the developers and/or businesses, which will identify the type and amount of assistance to be provided.

The City may provide funds either directly or through an organization authorized by Wisconsin Statutes (such as a Community Development Authority, Public Housing Authority, development organizations or other appropriate organizations) for the purpose of making capital available to businesses and/or developers to stimulate or enable economic development and housing development projects within the TID. Funds may be provided in the form of a cash grant, forgivable loan, direct loan, loan guarantee or "Pay-as-You-Go" (PAY-GO) note. Such funds may be provided in terms appropriate to and as demonstrated to be required by the proposed economic development and/or housing project and shall be set forth in a development agreement. Development Incentives could also be granted through the establishments and funding from locally fund revolving loan fund

The Project Plan allocates \$200,000 for the TID share of development incentives costs.

F. Professional Services

Eligible Professional services include, but are not limited to, those costs incurred for architectural, planning, engineering, and legal advice related to

implementing the Project Plan, negotiating with property owners and developers, and planning for the redevelopment of the area.

The Project Plan allocates \$50,000 for the TID share of professional services.

G. Discretionary Payments

Discretionary Payments are payments made at the discretion of the local legislative body, which are found to be necessary or convenient to the creation of tax increment districts or the implementation of the Project Plans. This could include expenditures to fund programs to eliminate blight, improve housing stock, remove social obstacles to development, provide labor force training, day care services or neighborhood improvements to improve the quality of life or safety of the residents, workers or visitors; marketing of properties within the TID; and other payments, which are necessary or convenient to the implementation of this Project Plan.

The Project Plan allocates \$125,000 for the TID share of discretionary payments.

H. Administration Costs

Eligible administrative costs include, but are not limited to, a reasonable portion of the salaries of the City staff, consultants or others directly involved in planning and administering the projects and overall TID, including any annual payments required to be paid to the Wisconsin Department of Revenue (DOR) by state law.

The Project Plan allocates \$30,000 for the TID share of administration costs to cover staff costs, audits, and DOR fees.

I. TID Organizational Costs

Eligible organization costs including, but are not limited to, the fees of the financial consultant, attorney, engineers, planners, community development consultants, surveyors, map makers, environmental consultants, appraisers, and other contracted services related to the planning and creation or amendment of the TID. This shall include the preparation of feasibility studies; Project Plans; engineering to determine project costs; and prepare plans, maps, legal services, environmental investigations, grant applications, regulatory approvals, and other payments that are necessary or convenient to the creation of this tax increment district. The \$1,000 certification fee charged by the Wisconsin Department of Revenue is also included as an eligible administrative cost.

The Project Plan allocates \$11,000 for the TID share of organizational costs.

J. Inflation

Eligible project costs were calculated at the time of the Project Plan creation and therefore The Project Plan allocates \$241,000 for the TID share of inflation.

K. Financing Costs



Eligible financing costs include, but are not limited to, all interest paid to holders of evidence of indebtedness issued to pay for project costs and any premium paid over the principal amount of the obligations due to redemption of obligations prior to maturity.

The Project Plan allocates \$2,325,000 for the TID share of financing costs.

VI. Detailed List of Project Costs

Figure 3 describes the detailed project costs for project categories anticipated to be implemented during the expenditure period of the TID. This format follows Department of Revenue guidelines on detailed project costs, which state, "This list should show estimated expenditures expected for each major category of public improvements." The Project Plan costs summarized below were based on the estimated costs at the time of the creation. The City reserves the right to revise these cost estimates to reflect changes in project scope, inflation, and other unforeseen circumstances over the remaining life of the TID. The City could pursue grant programs to share project costs included in this Project Plan as appropriate. Planned project costs are listed in the table below. A more detailed list of planned project costs are included as part of the Financial Attachments in Appendix B.

The City may fund specific project cost items in Figure 3 in significantly greater or lesser amounts in response to opportunities that will help the City accomplish the purposes and goals of the TID. The City will use the overall benefit to the City and economic feasibility (i.e., the availability of future revenue to support additional project costs) in determining the actual budget for project cost items over the course of the TID expenditure period. The TID No. 22 Project Plan includes a potential transfer of surplus funds to TID No. 19 for TID eligible expenses included in the TID No. 19 Project Plan.

Figure 3

Planned Project Costs Summary			
City of Manitowoc			
TID No. 22			
Category	Project Plan Costs	Other's Share	TID Share
A. Infrastructure	\$2,500,000	\$250,000	\$2,250,000
B. Capital Costs	\$200,000	\$0	\$200,000
C. Site Development Costs	\$750,000	\$100,000	\$650,000
D. Land Acquisition & Assembly	\$0	\$0	\$0
E. Development Incentives	\$200,000	\$0	\$200,000
F. Professional Services	\$50,000	\$0	\$50,000
G. Discretionary Payments	\$125,000	\$0	\$125,000
H. Administration Costs	\$30,000	\$0	\$30,000
I. Organizational Costs	\$11,000	\$0	\$11,000
J. Inflation	\$275,000	\$0	\$275,000
Subtotal	\$4,141,000	\$350,000	\$3,791,000
K. Financing Costs (less Capitalized Interest)			\$1,796,456
Capitalized Interest			\$385,000
Total TID Expenditure			\$5,972,456



VII. Non-Project Costs & Ineligible Costs

Non-project costs are public works projects that only partly benefit the TID or are not eligible to be paid with tax increments. Examples of non-project costs include projects undertaken within the TID as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, or special assessments. Other examples include public works projects that only partly benefit the TID, such as new water or sewer services which serve properties both inside and outside the TID and the one-half-mile boundary.

The aforementioned projects under this Project Plan are for projects in the TID or within one half-mile of the TID boundary that directly benefit the TID. The City expects to incur non-project costs in the forms of GO Debt, grants, and other sources to share in the cost of implementing the prescribed elements within this TID Project Plan. The non-project costs are illustrated in Figure 3.

VIII. Economic Feasibility, Financing & Timetable

In order to evaluate the economic feasibility of the TID, it is necessary to project the amount of tax increment revenue that can reasonably be generated from the TID. The ability of the municipality to finance proposed projects must also be determined. The TID is economically feasible if the tax increment revenue projected to be generated over the life of the TID is sufficient to pay all project and financing costs incurred during the TID's expenditure period. The components of such an analysis include:

- A. The expected increase in property valuation due to inflation and the impact of general economic conditions on the TID.
- B. The expected increase in property valuation due to new development encouraged by the TID.
- C. Any change that may take place in the full value tax rate.
- D. The expected TID revenues.
- E. The expected TID cash flow (the *timing* of the revenue).

Economic Feasibility Assumptions

The economic feasibility assumptions are as follows:

A. New Construction and Inflation

For the purpose of projecting assessed values, the City estimated an annual average of \$575,000 in new construction increment over the life of the TID. The City also targeted several specific properties for their anticipated redevelopment. These assumptions are included in Appendix B attached to this Project Plan.

B. Increase in Property Value

For the purposes of projecting assessed values for the remainder of the TID's life, the Project Plan used a 0.25% property appreciation rate per year. This estimate is below the recent national, state, and reported local average. Using a conservative inflation rate for property assessment values will provide a conservative estimate.

C. Effective Tax Rate

The third variable to consider in projecting TID revenues is the effective tax rate. The effective tax rate is adjusted annually based on property valuation and the amount of funds required by all taxing jurisdictions to support their adopted annual budgets. For the purposes of projecting the mill rate for the remainder of the TID's life, the Project Plan used the reported effective mill rate from the City of 0.02061. A review of the previous annual changes revealed an annual fluctuation between -2.5% and 5% and an annual average around 1.5% since 2007. For the purpose of a conservative estimate, no projected increase in the mill rate is used. Any increases in the tax rate would result in a positive increase in tax increment revenue for the TID.

D. TIF Revenues

The projected increment is approximately \$7,000,000 over the anticipated life of the TID. The projected revenue is sufficient to pay all TID-related costs for the projects.

E. Cash Flow

Another consideration regarding the adequacy of TID revenues toward paying TID project costs is the relative timing of revenue and expenditures or cash flow. There are sufficient TID revenues over the life of the TID to pay for all costs. The Tax Increment Cash Flow Worksheet shown below summarizes the assumed cash flow. The numbers presented in Table 4 are estimates and are subject to change based upon the actual development and construction activity.

Figure 4

Tax Increment Cash Flow											
City of Manitowoc											
TID No. 22											
Year	Beginning Balance	Revenues			Expenses					Annual Surplus (Deficit)	Balance After Surplus to Principal
		Capital Interest & Debt Reserve	Tax Increment Revenue	Interest Income	Phase 1 Debt Service Payments	Phase 2 Debt Service Payments	Phase 3 Debt Service Payments	PAYGO Development Incentives	Annual Admin		
2018		0	0	0	0	0	0	0	0	0	
2019	0	100,000	0	0	82,075	0	0	0	0	17,925	17,925
2020	17,925	100,000	10,084	0	164,997	0	0	0	0	(54,913)	(36,988)
2021	(36,988)	50,000	86,164	0	162,094	16,450	0	0	1,000	(43,380)	(80,368)
2022	(80,368)	50,000	166,756	0	162,094	33,070	0	0	1,000	20,592	(59,776)
2023	(59,776)	0	211,026	0	162,094	33,070	0	0	1,000	14,862	(44,914)
2024	(44,914)	0	222,659	0	162,094	33,070	0	0	1,000	26,495	(18,419)
2025	(18,419)	0	228,272	0	162,094	33,070	0	0	1,000	32,108	13,688
2026	13,688	42,500	238,850	0	162,094	33,070	40,075	0	1,000	45,111	58,800
2027	58,800	42,500	259,335	0	162,094	33,070	86,810	10,000	1,000	8,861	67,661
2028	67,661	0	281,751	0	162,094	33,070	86,810	10,000	1,000	(11,223)	56,437
2029	56,437	0	282,366	0	162,094	33,070	86,810	15,000	1,000	(15,608)	40,829
2030	40,829	0	284,951	0	162,094	33,070	86,810	15,000	1,000	(13,023)	27,806
2031	27,806	0	287,530	0	162,094	33,070	86,810	15,000	1,000	(10,444)	17,361
2032	17,361	0	290,103	0	162,094	33,070	86,810	15,000	1,000	(7,872)	9,490
2033	9,490	0	290,711	0	162,094	33,070	86,810	15,000	1,000	(7,263)	2,227
2034	2,227	0	291,319	0	162,094	33,070	86,810	15,000	1,000	(6,656)	(4,429)
2035	(4,429)	0	293,872	0	162,094	33,070	86,810	15,000	1,000	(4,103)	(8,532)
2036	(8,532)	0	294,476	0	162,094	33,070	86,810	15,000	1,000	(3,498)	(12,030)
2037	(12,030)	0	295,079	0	162,094	33,070	86,810	15,000	1,000	(2,896)	(14,926)
2038	(14,926)	0	295,680	0	162,094	33,070	86,810	15,000	1,000	(2,294)	(17,220)
2039	(17,220)	0	296,280	0	162,094	33,070	86,810	15,000	1,000	(1,695)	(18,915)
2040	(18,915)	0	296,878	0	162,094	33,070	86,810	15,000	6,000	(6,096)	(25,011)
2041	(25,011)	0	297,475	0	0	33,070	86,810	0	0	177,595	152,584
2042	152,584	0	298,070	0	0	0	86,810	0	0	211,260	363,843
2043	363,843	0	298,664	0	0	0	86,810	0	0	211,853	575,697
2044	575,697	0	299,256	0	0	0	86,810	0	0	212,446	788,142
2045	788,142	0	299,847	0	0	0	0	0	0	299,847	1,087,989
2046	1,087,989	0	300,436	0	0	0	0	0	0	300,436	1,388,425
Total	1,388,425	385,000	6,997,890	0	2,678,489	677,844	1,602,660	200,000	25,000		

Other Expenses include: Site Development Costs, Professional Services, Discretionary Spending, Administration Costs, and Organizational
 0.00% = Assumed Investment Rate For Interest Income

F. Financing Methods

Under Wisconsin law, there are a variety of methods that a municipality could use to fund projects. Several methods influence the municipal borrowing limits while others do not. The City could most likely utilize additional borrowing to implement any additional projects in the TID, provided the debt could be paid off prior to the target closure date. State law limits general obligations of the City to five percent of the equalized property value. The City had an estimated total debt capacity of \$93,683,160 and \$50,110,106 in existing estimated General Obligation debt. Using this data, the current remaining debt capacity of the City is \$43,573,054.

Figure 4 assumes the City will incur new debt in support of the TID on three separate occasions. The City is not obligated to follow the illustrated debt



schedule, and the schedule should not be construed as a commitment by the City to finance any particular project. The City may also issue debt in greater or lesser amounts or on greater or lesser occasions.

In addition, it is assumed that any annual cash flow deficits in the TID will be made whole by advances from the City's General Fund, or other utility fund. Figure 4 assumes the City funds any annual advances to cover any annual shortfalls. The principal on any annual advances would be paid back by the TID prior to termination.

Over the life of the TID, the projected total amount of debt service is estimated at approximately \$6,000,000. This includes principal costs and interest on debt.

Not all anticipated project costs will need to be borrowed. For example, TID administration costs can be paid out of City operating funds and reimbursed from the TID when funds are available. Other expenses can be paid out of TID cash flow as projects are constructed, assessed, and begin paying property taxes.

G. Financing Timetable

The maximum life of the TID is 27 years; a three-year extension may be requested. The City of Manitowoc has a maximum of 22 years, until 2039 to incur TIF expenses for the projects outlined in this plan. The City of Manitowoc is not mandated to make the improvements defined in this plan; each project will require a case-by-case review and approval. The decision to proceed with a particular project will be based on the economic conditions and budgetary constraints at the time a project is scheduled for consideration. Actual implementation of the projects may be accelerated or deferred, depending on conditions existing at the time.

Additionally, current state statutes allow a municipality to collect revenue from a TID that is about to close for one additional year to benefit affordable housing and improve the housing stock. Timing for each of the planned redevelopment projects is shown in the TID Pro Forma.



IX. Equalized Value Test

The Wisconsin TIF statute states that the equalized value of taxable property of the new TID plus the value increments of all existing districts cannot exceed 12% of the total equalized value of the taxable property within the municipality. The charts below use values contained in the Wisconsin Department of Revenue's 2016 TIF Value Limitation Report.

The equalized value of increment in the existing City of Manitowoc TIDs is \$108,772,600, where a negative TID increment is treated as zero increment or approximately 5.81% of the total equalized value of the City. The City closed TIDs No. 11 and No. 13 in 2018, thus reducing the percent of the total equalized value from previous years. The addition of TID No. 22 increases the City's equalized value test to 6.47%. Therefore, this value is lower than the maximum allowable value contained within a TID, and the City complies with the statutory equalized value test. The concurrent TID No. 19 Amendment, TID No. 20, and TID No. 21 creation are separate TIDs, and each should be looked at individually under the equalized value test.

Figure 5

Valuation Compliance Test		
TID No. 22		
City of Manitowoc		
Description	Current Increment	Proposed Value
Report Year	2017	2018
Recent Annual Reported Total Municipal Equalized Value	\$ 1,873,663,200	\$ 1,873,663,200
12% Test	\$ 224,839,584	\$ 224,839,584
Tax Increment District No. 009	\$ 9,853,000	\$ 9,853,000
Tax Increment District No. 010	\$ 4,526,400	\$ 4,526,400
Tax Increment District No. 012	\$ 7,941,700	\$ 7,941,700
Tax Increment District No. 014	\$ -	\$ -
Tax Increment District No. 015	\$ 63,710,400	\$ 63,710,400
Tax Increment District No. 016	\$ 12,827,100	\$ 12,827,100
Tax Increment District No. 017	\$ 8,914,000	\$ 8,914,000
Tax Increment District No. 018	\$ -	\$ -
Tax Increment District No. 19 (Assumption)	\$ 1,000,000	\$ 1,000,000
Tax Increment District No. 19 Amendment	\$ -	\$ -
Tax Increment District No. 020	\$ -	\$ -
Tax Increment District No. 021	\$ -	\$ -
Tax Increment District No. 022	\$ -	\$ 12,481,352
Total (* A negative increment is treated as zero increment)	\$ 108,772,600	\$ 121,253,952
Percent of City's Equalized Value in Existing TIDs	5.81%	6.47%
Remaining Available TID Value	\$ 116,066,984	\$ 103,585,632
Compliance	OK	OK

X. Statement of Impact to Overlying Taxing Jurisdictions

All overlapping taxing jurisdictions will benefit from increased property values, job creation, redevelopment or development of properties, and other economic activities. Therefore, upon closure of the TID, the projected increments should be dispersed between all of the overlying taxing jurisdictions. Figure 6 provides a summary of the impact on the overlying taxing jurisdictions throughout the life of the TID.

Figure 6

Analysis of Impact on Overlying Jurisdictions				
City of Manitowoc TID No. 22				
Taxing Jurisdiction	% of Mill Rate by Jurisdiction	Annual Taxes Collected on Base Value Distributed to Taxing Jurisdictions	Annual Taxes Collected After TID	Increase in Annual Tax Collections After TID
School District	34.65%	\$87,210	\$198,022	\$110,812
Tech. College	3.55%	\$8,927	\$20,270	\$11,343
County	24.18%	\$60,862	\$138,194	\$77,332
Local	37.63%	\$94,717	\$215,067	\$120,350
Total	100.00%	\$251,716	\$571,553	\$319,837

XI. Statement of Proposed Changes to Municipal Maps, Plans, and Ordinances

This plan does not propose changes in the Comprehensive Plan, City maps, City Ordinances, or Building Codes as part of this Plan. The Project Plan presented here complies with the City's adopted Comprehensive Plan. Modifications or Amendments to the City's Zoning Code, Comprehensive Plan or Future Land Use Map, and other City ordinances may be necessary in the future if deemed appropriate for redevelopment. Map 4 in Appendix A illustrates the existing zoning districts guiding development of the TID. Redevelopment proposals could have to go through the appropriate procedure to receive the proper zoning for a proposed project.

XII. Relocation

No persons are expected to be displaced or relocated because of proposed projects in this TID Plan. However, if relocation were to become necessary in the future, the following methods are proposed by the City for displacement or relocation. Before negotiations begin for the acquisition of property or easements, all property owners will be contacted to determine if there will be displaced persons as defined by Wisconsin Statutes and administrative rules. If it appears there will be displaced persons, all property owners, and prospective displaced persons will be provided an informational pamphlet prepared by the State of Wisconsin. If any person is to be displaced because of the acquisition, they will be given a pamphlet on "Relocation Benefits" as prepared by the State. The City will file a relocation plan with the State of Wisconsin and shall keep records as required in Wisconsin Statutes Chapter 32.27. The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project, and a list of neighboring landowners to whom offers are being made as required by law.



XIII. TID No. 22 District Boundary and Description

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Appendix A: Parcel List and Maps

Parcel List

Map 1: Proposed TID No. 22 Boundary

Map 2: Existing Land Use

Map 3: Future Land Use

Map 4: Zoning

Map 5: Proposed Public Works and Utility Improvements

Map 6: One-Half-Mile Radius of TID Boundary

Map 7: Property Condition

DRAFT for Review

Project Plan

Tax Increment District No. 22
City of Manitowoc, WI

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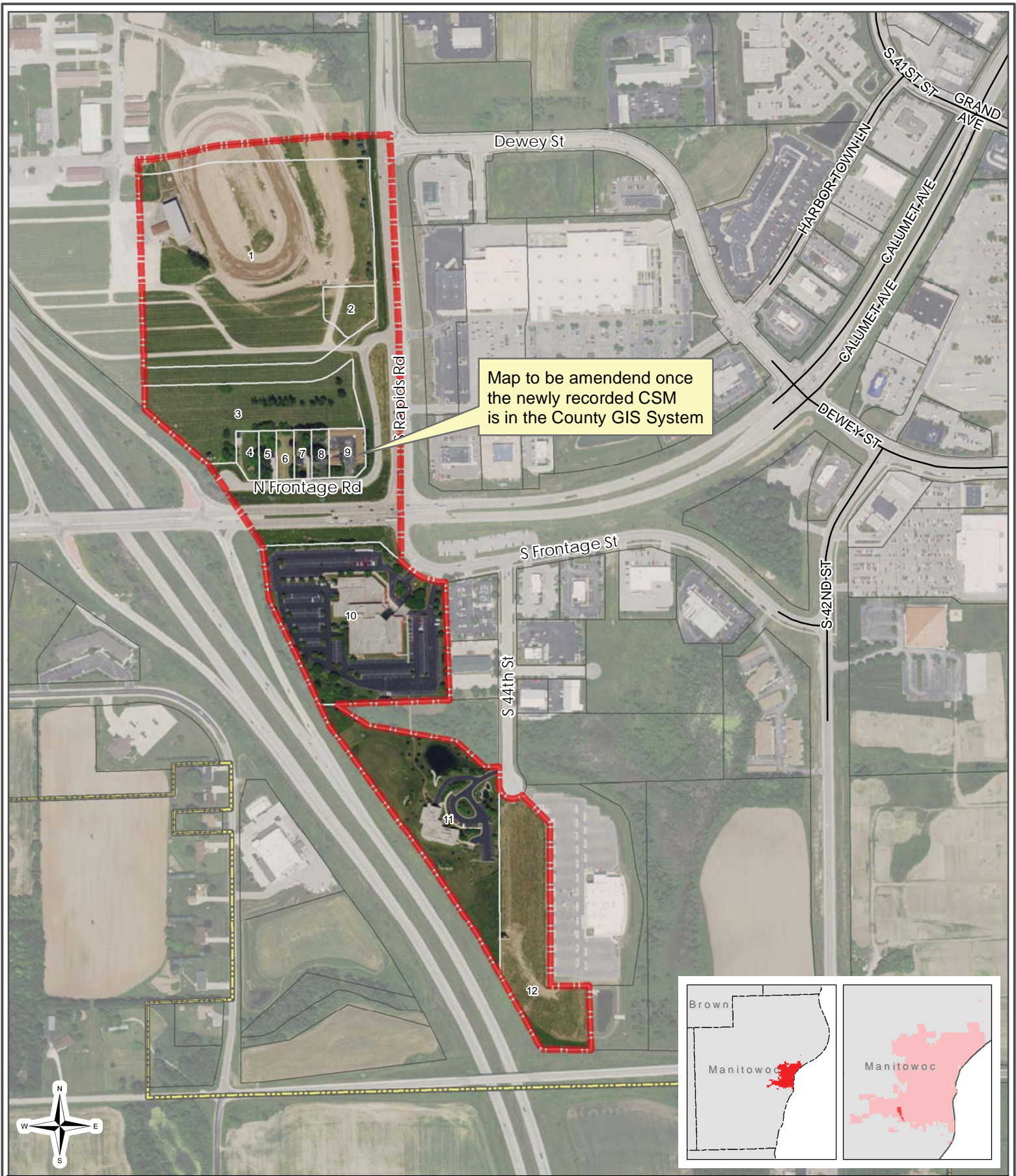


TID Parcel Information List

TID No. 22

City of Manitowoc

Map ID	Basic Parcel Information			Supplemental Parcel Information (Place "X" In Column)							Current Assessment Information					Equalized DOR Full Value Assessment Information				
	Parcel Number	Existing TID (s)	Owner	Lot GIS Acres	Rehab/Conservation Status	Vacant (by assessment date)	Other Tax Exempt	Municipal Owned	Retail	Commercial/ Mixed Use	Zoned/Suitable	Industrial	Residential (Current)	Residential (New Pattern)	Manufacturing (DOR Use)	107.23% Value				
1	835201020		MELER STORES LIMITED PARTNERSHIP	18.702	X	X				X	X	-	-	-	-	\$ -	\$ -	\$ -	\$ -	-
2	835102060		MELER STORES LIMITED PARTNERSHIP	5.003	X	X				X	X	-	-	-	-	\$ -	\$ -	\$ -	\$ -	-
3	835102050		MELER STORES LIMITED PARTNERSHIP	0.931	X	X				X	X	-	-	-	-	\$ -	\$ -	\$ -	\$ -	-
4	835103020		CALUMET AVE MANITOWOC LLC	0.447	X	X				X	X	6,200.00	-	-	-	\$ 33,100.00	\$ 39,300.00	\$ -	\$ -	-
5	835103030		CALUMET AVE MANITOWOC LLC	0.374	X	X				X	X	82,000.00	-	-	-	\$ 30,600.00	\$ 112,600.00	\$ 5,781.90	\$ -	36,649.79
6	835103040		CALUMET AVE MANITOWOC LLC	0.374	X	X				X	X	73,600.00	-	-	-	\$ 30,600.00	\$ 28,536.48	\$ 76,470.30	\$ -	105,006.78
7	835103050		CALUMET AVE MANITOWOC LLC	0.376	X	X				X	X	-	-	-	-	\$ 30,600.00	\$ 104,200.00	\$ 68,636.76	\$ -	28,536.48
8	835103060		CALUMET AVE MANITOWOC LLC	0.374	X	X				X	X	-	-	-	-	\$ 30,600.00	\$ 30,600.00	\$ -	\$ -	28,536.48
9	835103070		BIRCH CREEK INN / GRAUNKLE DEAN W	0.750	X	X				X	X	80,000.00	-	-	-	\$ 98,500.00	\$ 178,500.00	\$ 74,605.17	\$ -	166,462.79
10	835402020		ZETLEY REAL ESTATE CO LLC	10.429	X					X	X	5,210,400.00	715,000.00	-	-	\$ 1,089,300.00	\$ 7,014,700.00	\$ 4,859,034.92	\$ 666,783.73	6,541,661.35
11	835402010		INVESTORS COMMUNITY BANK	8.040	X	X				X	X	3,931,600.00	493,400.00	-	-	\$ 737,100.00	\$ 5,162,100.00	\$ 3,666,471.23	\$ 460,127.41	4,813,992.05
12	835401022		MC OUTLOTS LLC	5.772		X				X	X	-	-	-	-	\$ 711,300.00	\$ 711,300.00	\$ -	\$ -	663,333.25
Total Real Property				51.573	38.37	5.77	0.00	0.00	0.00	51.57	0.00	-	-	-	-	\$ -	\$ -	\$ -	\$ -	12,481,352.20
Total ROW and Waterways				10.722	69%	11%	0%	0%	0%	100%	0%	-	-	-	-	\$ -	\$ -	\$ -	\$ -	-
Total TID Boundary				62.295	Total Assessed Value					Total DOR Equalized Value					Total DOR Equalized Value \$ 12,481,352.20					
					Removal of Overlapping TID Values															
					\$ 13,383,900					\$ 13,383,900					\$ -					



Map 1: TID No. 22 District Boundary Map City of Manitowoc

0 0.05 0.1 0.2
Miles

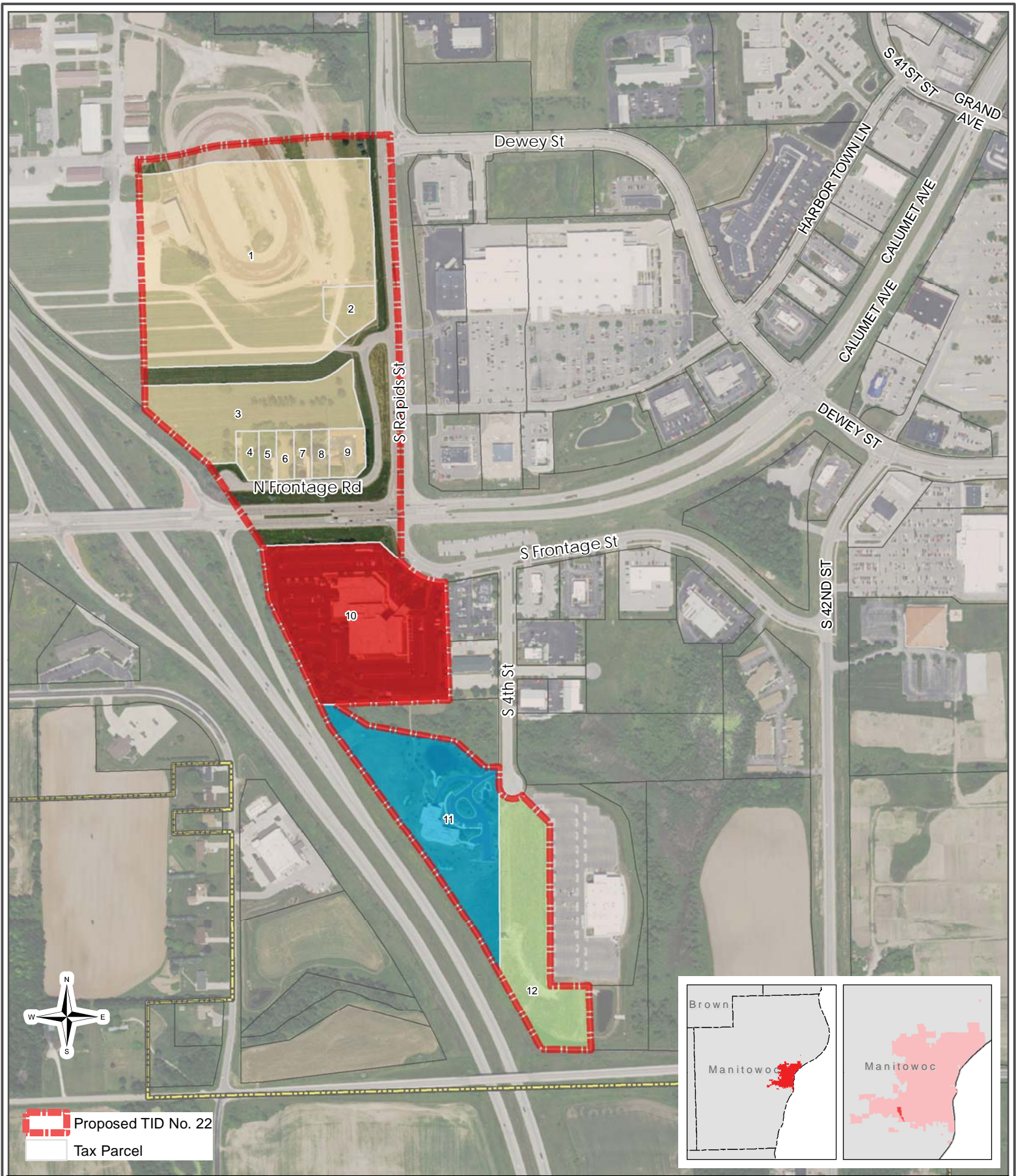


Proposed TID No. 22
Tax Parcel

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REEDSBURG - MADISON - PRAIRIE DU CHIEN - MILWAUKEE METRO
N27 W23957 Paul Road, Suite 105, Pewaukee, WI 53072
Phone: (262) 875-5000 Fax: (608) 826-0530

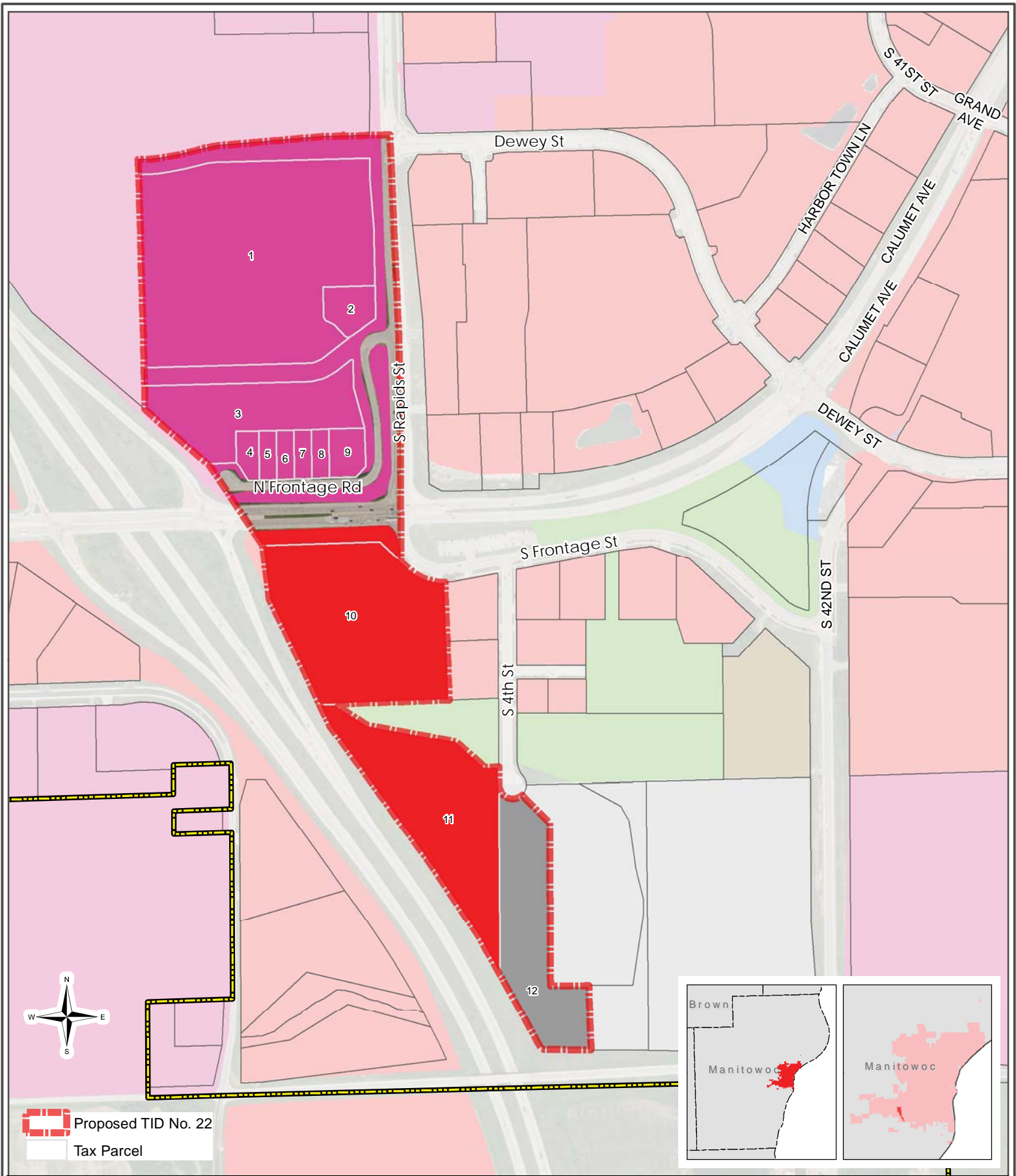


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 N27 W23957 Paul Road, Suite 105, Pewaukee, WI 53072
 Phone: (262) 875-5000 Fax: (608) 826-0530

Data Sources:



Map 3: TID No. 22 Future Land Use Map

City of Manitowoc

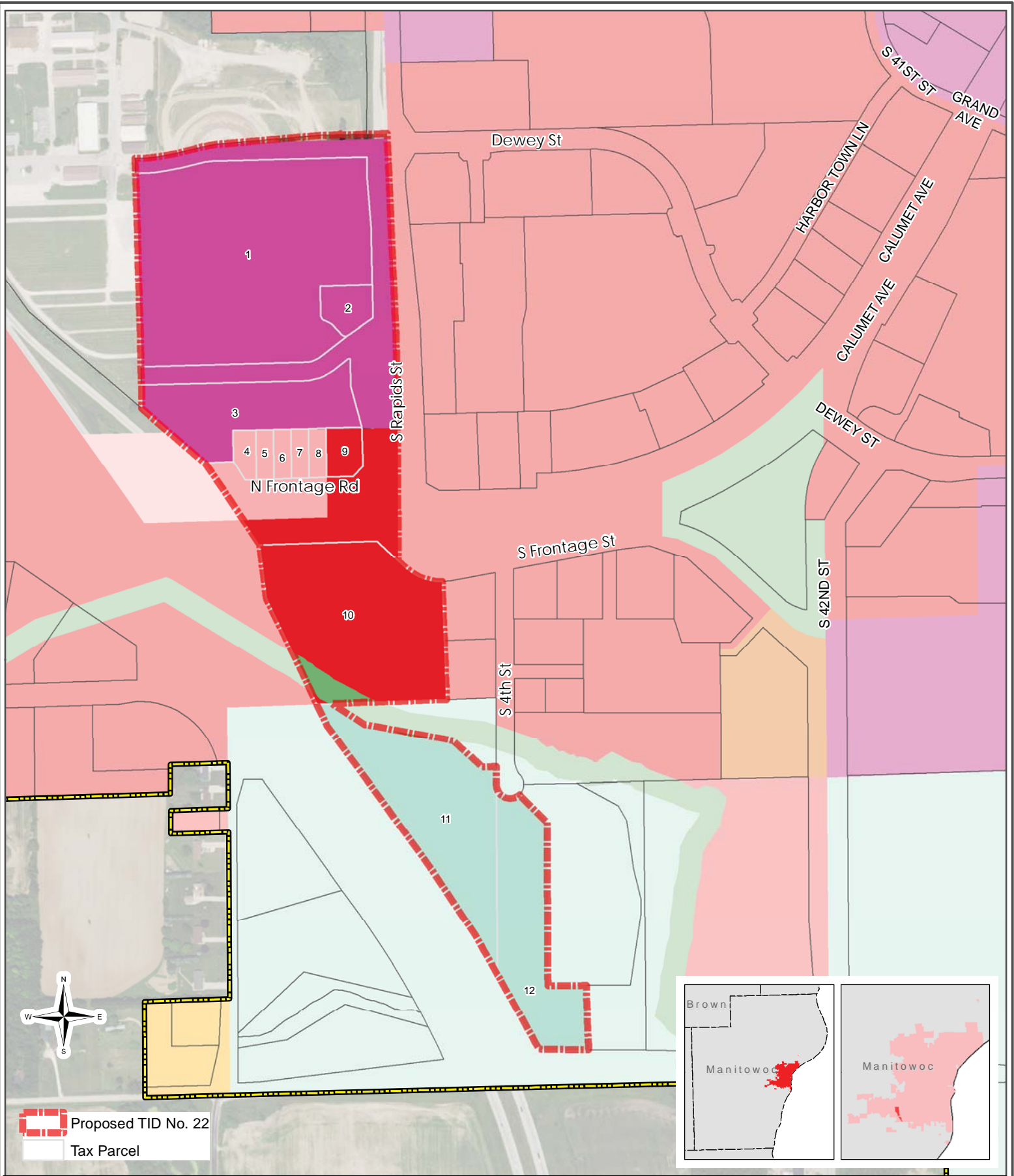
- Planned Mixed Use
- General Business
- Office/Industrial

0 0.05 0.1 0.2 Miles

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Phone: (262) 875-5000 Fax: (608) 826-0530



Map 4: TID No. 22 Zoning Map

City of Manitowoc

0 0.05 0.1 0.2 Miles

B-1 Office - Residential

B-3 General Business

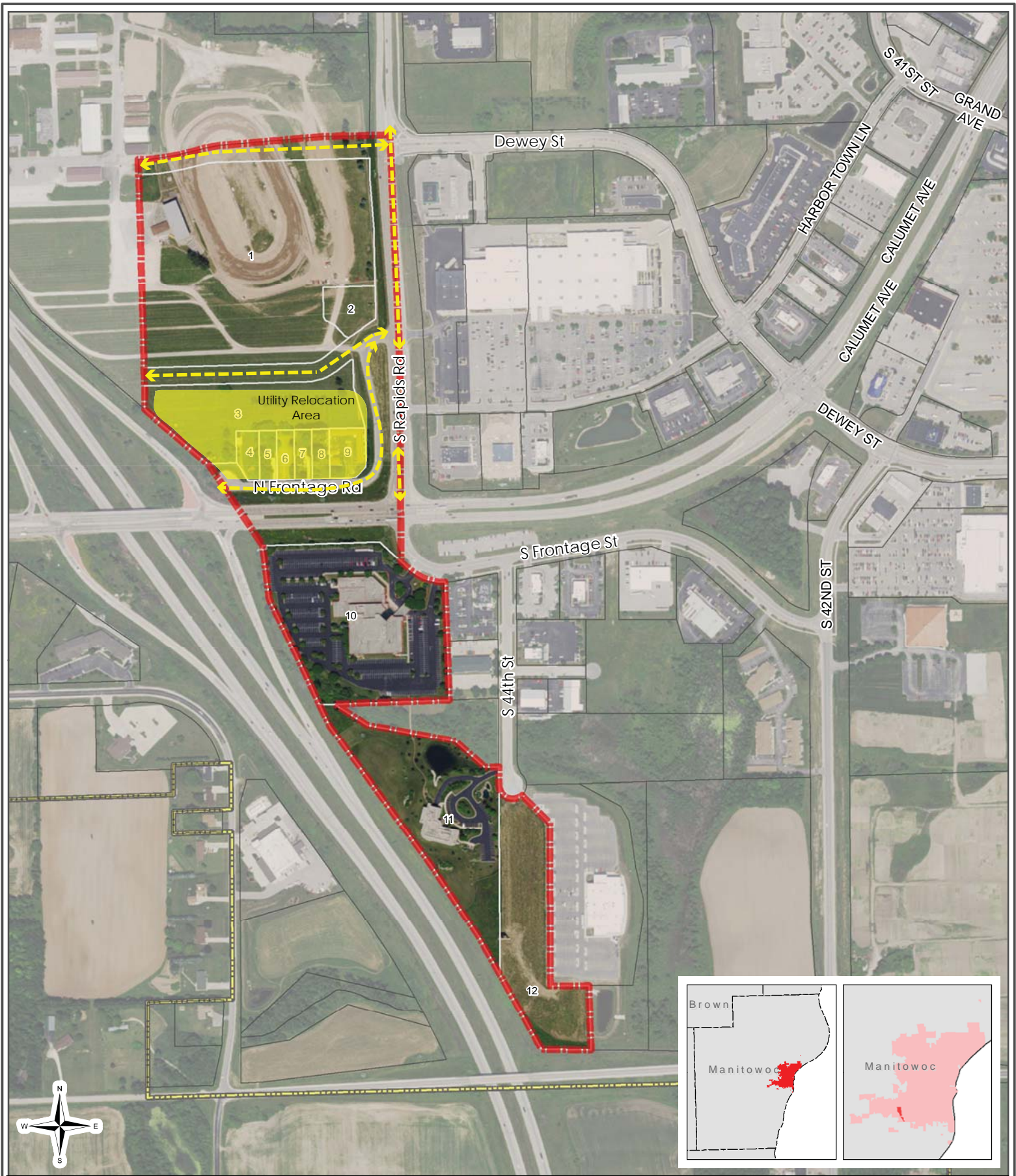
C-1 Commercial

I-1 Light Industrial

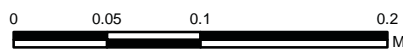
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Map 5: Proposed Improvements City of Manitowoc



- Other Improvements:
- Development Incentives
 - Sidewalk construction/installation
 - Signs & wayfinding



Reconstruction/Construction



Proposed TID No. 22

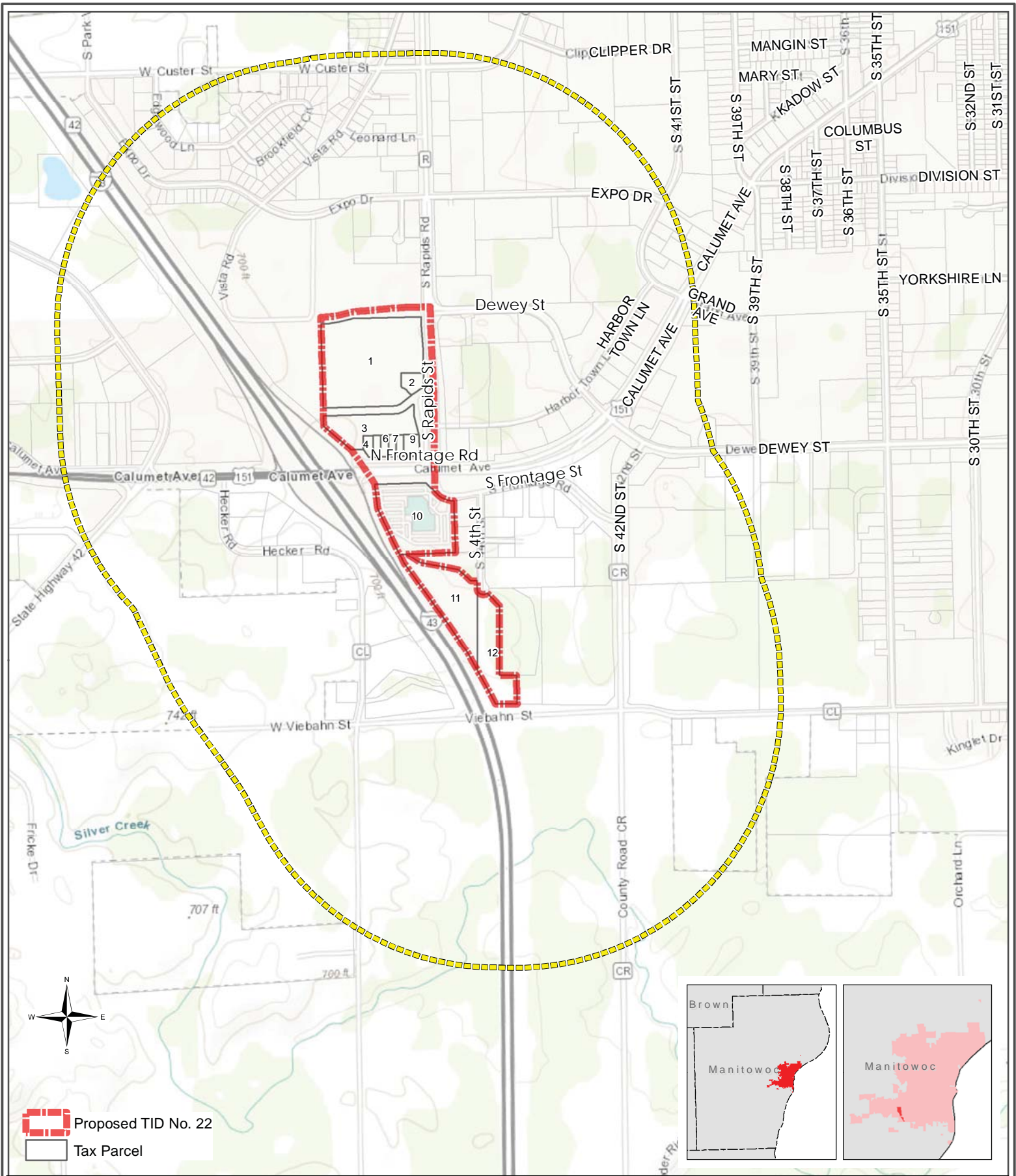


Tax Parcel

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Map 6: TID No. 22 One Half-Mile Radius from TID Map
City of Manitowoc

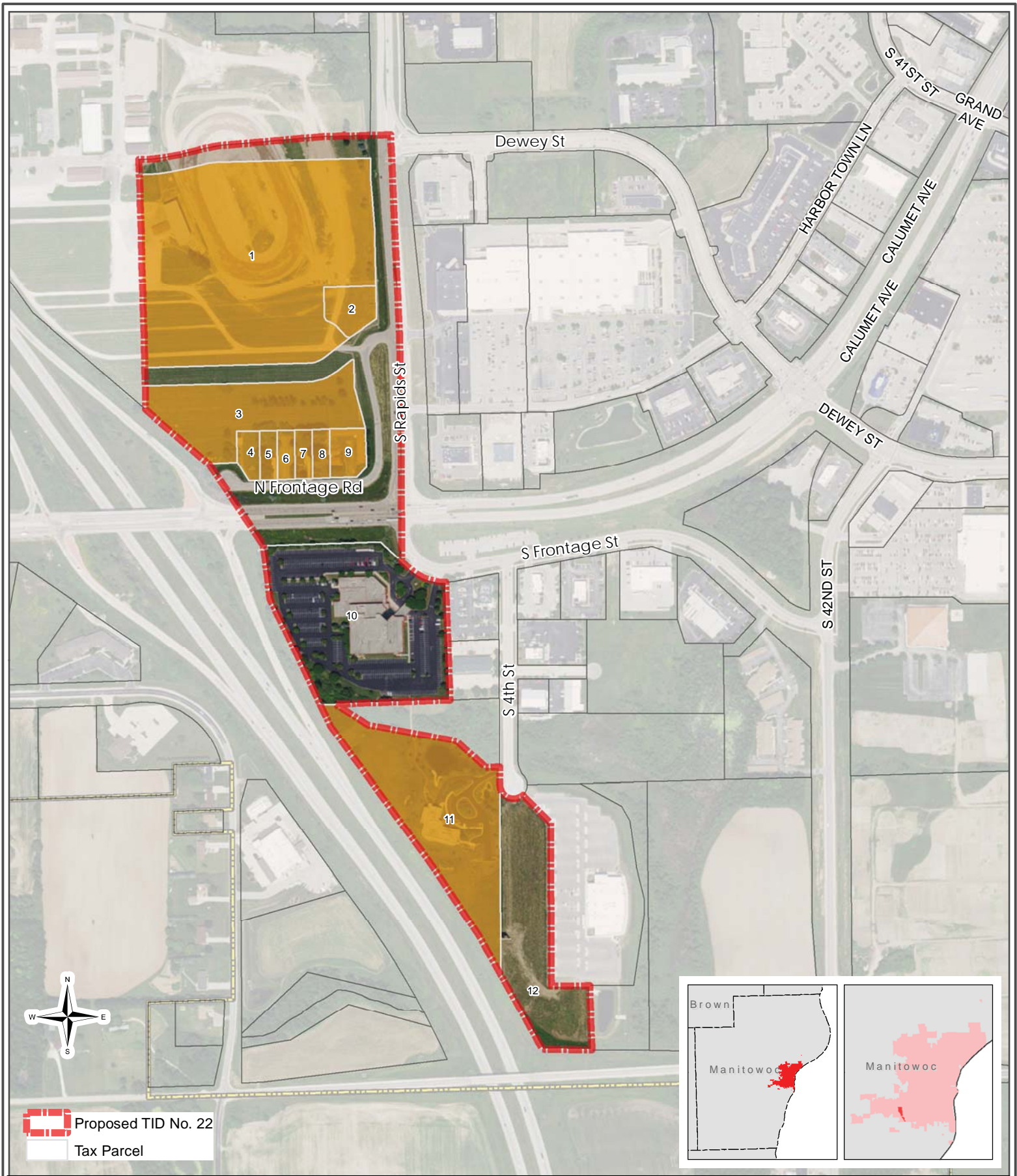
 One Half-Mile Radius from TID

0 0.125 0.25 0.5
 Miles

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Map 7: TID No. 22 Property Condition Map

City of Manitowoc

0 0.05 0.1 0.2 Miles

Property for Rehabilitation

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Appendix B: Financial Attachments

Table 1: Planned Project Costs

Table 2: Tax Increment ProForma

Table 3: Increment Cash Flow

Table 4: Financing Summary

Table 5a-c: Debt Service Plans (Phase 1-3)

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Project Plan

Tax Increment District No. 22
City of Manitowoc, WI

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Table 1: Planned Project Costs				
City of Manitowoc				
TID No. 22				
Type of Expenditure	Creation Amount	% Paid By		TID Costs Allocated to Project
		Project	Other	
A. Infrastructure				
Infrastructure: Frontage Road reconstruct	\$200,000	100%	0%	\$200,000
Infrastructure: Dewey Street extension	\$700,000	100%	0%	\$700,000
Infrastructure: Meijer Lane construction	\$600,000	100%	0%	\$600,000
Infrastructure: S. Rapids Road reconstruct	\$500,000	100%	0%	\$500,000
Infrastructure: Other TID projects and within 1/2 mile	\$500,000	50%	50%	\$250,000
Total Capital Costs	\$2,500,000			\$2,250,000
B. Capital Improvement Cost				
Capital Improvement Cost: Infrastructure: Sidewalks	\$200,000	100%	0%	\$200,000
Capital Improvement Cost - Phase 2	\$0	100%	0%	\$0
Capital Improvement Cost - Phase 3	\$0	100%	0%	\$0
Total TID Infrastructure	\$200,000			\$200,000
C. Site Development Costs				
Site Development Costs - Stormwater	\$200,000	100%	0%	\$200,000
Site Development Costs - Meijer ultiy relocates	\$350,000	100%	0%	\$350,000
Site Development Costs - Other ultiy relocates	\$200,000	50%	50%	\$100,000
Total TID Site Development Costs	\$750,000			\$650,000
D. Land Acquisition & Assembly				
Land Acquisition & Assembly - Phase 1	\$0	100%	0%	\$0
Land Acquisition & Assembly - Phase 2	\$0	100%	0%	\$0
Land Acquisition & Assembly - Phase 3	\$0	100%	0%	\$0
Total TID Land Acquisition & Assembly	\$0			\$0
E. Development Incentives				
Development Incentives 1	\$75,000	100%	0%	\$75,000
Development Incentives 2	\$75,000	100%	0%	\$75,000
Development Incentives 3	\$50,000	100%	0%	\$50,000
Total TID Development Incentives	\$200,000			\$200,000
F. Professional Services				
Professional Services - Phase 1	\$50,000	100%	0%	\$50,000
Professional Services - Phase 2	\$0	100%	0%	\$0
Professional Services - Phase 3	\$0	100%	0%	\$0
Total TID Professional Services	\$50,000			\$50,000
G. Discretionary Payments				
Street trees, TIA studies, wayfinding and other signage	\$125,000	100%	0%	\$125,000
Discretionary Payments - Phase 2	\$0	100%	0%	\$0
Discretionary Payments - Phase 3	\$0	100%	0%	\$0
Total TID Discretionary Payments	\$125,000			\$125,000
H. Administration Costs				
City Staff	\$10,000	100%	0%	\$10,000
DOR Fees	\$10,000	100%	0%	\$10,000
Audits	\$10,000	100%	0%	\$10,000
Total TID Administration Costs	\$30,000			\$30,000
I. Organizational Costs				
Department of Revenue Submittal Fee	\$10,000	100%	0%	\$10,000
Professional Fees	\$500	100%	0%	\$500
City Staff & Publishing	\$500	100%	0%	\$500
Total TID Organization Costs	\$11,000			\$11,000
J. Inflation				
	\$275,000			\$275,000
Total TID Project Costs	\$4,141,000			\$3,791,000
K. Financing Costs				
Total Interest, Fin. Fees, Less Cap. Interest (2019)	\$1,103,064			\$1,103,064
Total Interest, Fin. Fees, Less Cap. Interest (2024)	\$215,019			\$215,019
Total Interest, Fin. Fees, Less Cap. Interest (2029)	\$478,373			\$478,373
Plus Capitalized Interest	\$385,000			\$385,000
Total Financing Costs				\$2,181,456
TOTAL TID EXPENDITURE				\$5,972,456

Table 2: Tax Increment ProForma

City of Manitowoc

TID No. 22

7/23/2018

Assumptions													
TID Creation Date		9/17/18	Projected Equalized Base Value		\$ 12,481,352								
Valuation Date		1/1/18	Projected Tax Rate		0.020167		For County, City, Technical College, and School District						
Last Expenditure Year		2039	Annual Change in Tax Rate		-0.25%								
Termination Year		2044	Property Appreciation Rate		0.25%		For Existing Construction						
TID Category		Rehab/Con	Construction Inflation Rate		0%		For New Construction After Creation Year						
Construction Year	Valuation Year	TID Revenue Year	Previous Valuation	Inflation Increment	TIF Increment		Total Valuation	Cumulative Increment	TIF Tax Rate*	TIF Revenue	TID Revenue Year		
					Construction	Land							
2018	2019	2020	12,481,352	\$0	500,000	\$0	12,981,352	500,000	0.020167	\$10,084	2020		
2019	2020	2021	12,981,352	32,453	3,740,000	0	16,753,806	4,272,453	0.020167	\$86,164	2021		
2020	2021	2022	16,753,806	41,885	3,975,000	0	20,770,690	8,289,338	0.020117	\$166,756	2022		
2021	2022	2023	20,770,690	51,927	2,175,000	0	22,997,617	10,516,265	0.020067	\$211,026	2023		
2022	2023	2024	22,997,617	57,494	550,000	0	23,605,111	11,123,759	0.020017	\$222,659	2024		
2023	2024	2025	23,605,111	59,013	250,000	0	23,914,124	11,432,771	0.019966	\$228,272	2025		
2024	2025	2026	23,914,124	59,785	500,000	0	24,473,909	11,992,557	0.019917	\$238,850	2026		
2025	2026	2027	24,473,909	61,185	1,000,000	0	25,535,094	13,053,742	0.019867	\$259,335	2027		
2026	2027	2028	25,535,094	63,838	1,100,000	0	26,698,931	14,217,579	0.019817	\$281,751	2028		
2027	2028	2029	26,698,931	66,747	0	0	26,765,679	14,284,327	0.019768	\$282,366	2029		
2028	2029	2030	26,765,679	66,914	100,000	0	26,932,593	14,451,241	0.019718	\$284,951	2030		
2029	2030	2031	26,932,593	67,331	100,000	0	27,099,924	14,618,572	0.019669	\$287,530	2031		
2030	2031	2032	27,099,924	67,750	100,000	0	27,267,674	14,786,322	0.019620	\$290,103	2032		
2031	2032	2033	27,267,674	68,169	0	0	27,335,843	14,854,491	0.019571	\$290,711	2033		
2032	2033	2034	27,335,843	68,340	0	0	27,404,183	14,922,831	0.019522	\$291,319	2034		
2033	2034	2035	27,404,183	68,510	100,000	0	27,572,694	15,091,341	0.019473	\$293,872	2035		
2034	2035	2036	27,572,694	68,932	0	0	27,641,625	15,160,273	0.019424	\$294,476	2036		
2035	2036	2037	27,641,625	69,104	0	0	27,710,729	15,229,377	0.019376	\$295,079	2037		
2036	2037	2038	27,710,729	69,277	0	0	27,780,006	15,298,654	0.019327	\$295,680	2038		
2037	2038	2039	27,780,006	69,450	0	0	27,849,456	15,368,104	0.019279	\$296,280	2039		
2038	2039	2040	27,849,456	69,624	0	0	27,919,080	15,437,728	0.019231	\$296,878	2040		
2039	2040	2041	27,919,080	69,798	0	0	27,988,878	15,507,525	0.019183	\$297,475	2041		
2040	2041	2042	27,988,878	69,972	0	0	28,058,850	15,577,497	0.019135	\$298,070	2042		
2041	2042	2043	28,058,850	70,147	0	0	28,128,997	15,647,645	0.019087	\$298,664	2043		
2042	2043	2044	28,128,997	70,322	0	0	28,199,319	15,717,967	0.019039	\$299,256	2044		
2043	2044	2045	28,199,319	70,498	0	0	28,269,818	15,788,465	0.018991	\$299,847	2045		
2044	2045	2046	28,269,818	70,675	\$0	\$0	\$28,340,492	15,859,140	0.018944	\$300,436	2046		
Total			\$1,669,140		\$14,190,000		\$0		\$6,997,890				

Notes:

Table 3:

Tax Increment Cash Flow

City of Manitowoc

TID No. 22

Year	Beginning Balance	Revenues			Expenses					Annual Surplus (Deficit)	Balance After Surplus to Principal
		Capital Interest & Debt Reserve	Tax Increment Revenue	Interest Income	Phase 1 Debt Service Payments	Phase 2 Debt Service Payments	Phase 3 Debt Service Payments	PAYGO Development Incentives	Annual Admin		
2018		0	0	0	0	0	0	0	0	0	
2019	0	100,000	0	0	82,075	0	0	0	0	17,925	17,925
2020	17,925	100,000	10,084	0	164,997	0	0	0	0	(54,913)	(36,988)
2021	(36,988)	50,000	86,164	0	162,094	16,450	0	0	1,000	(43,380)	(80,368)
2022	(80,368)	50,000	166,756	0	162,094	33,070	0	0	1,000	20,592	(59,776)
2023	(59,776)	0	211,026	0	162,094	33,070	0	0	1,000	14,862	(44,914)
2024	(44,914)	0	222,659	0	162,094	33,070	0	0	1,000	26,495	(18,419)
2025	(18,419)	0	228,272	0	162,094	33,070	0	0	1,000	32,108	13,688
2026	13,688	42,500	238,850	0	162,094	33,070	40,075	0	1,000	45,111	58,800
2027	58,800	42,500	259,335	0	162,094	33,070	86,810	10,000	1,000	8,861	67,661
2028	67,661	0	281,751	0	162,094	33,070	86,810	10,000	1,000	(11,223)	56,437
2029	56,437	0	282,366	0	162,094	33,070	86,810	15,000	1,000	(15,608)	40,829
2030	40,829	0	284,951	0	162,094	33,070	86,810	15,000	1,000	(13,023)	27,806
2031	27,806	0	287,530	0	162,094	33,070	86,810	15,000	1,000	(10,444)	17,361
2032	17,361	0	290,103	0	162,094	33,070	86,810	15,000	1,000	(7,872)	9,490
2033	9,490	0	290,711	0	162,094	33,070	86,810	15,000	1,000	(7,263)	2,227
2034	2,227	0	291,319	0	162,094	33,070	86,810	15,000	1,000	(6,656)	(4,429)
2035	(4,429)	0	293,872	0	162,094	33,070	86,810	15,000	1,000	(4,103)	(8,532)
2036	(8,532)	0	294,476	0	162,094	33,070	86,810	15,000	1,000	(3,498)	(12,030)
2037	(12,030)	0	295,079	0	162,094	33,070	86,810	15,000	1,000	(2,896)	(14,926)
2038	(14,926)	0	295,680	0	162,094	33,070	86,810	15,000	1,000	(2,294)	(17,220)
2039	(17,220)	0	296,280	0	162,094	33,070	86,810	15,000	1,000	(1,695)	(18,915)
2040	(18,915)	0	296,878	0	162,094	33,070	86,810	15,000	6,000	(6,096)	(25,011)
2041	(25,011)	0	297,475	0	0	33,070	86,810	0	0	177,595	152,584
2042	152,584	0	298,070	0	0	0	86,810	0	0	211,260	363,843
2043	363,843	0	298,664	0	0	0	86,810	0	0	211,853	575,697
2044	575,697	0	299,256	0	0	0	86,810	0	0	212,446	788,142
2045	788,142	0	299,847	0	0	0	0	0	0	299,847	1,087,989
2046	1,087,989	0	300,436	0	0	0	0	0	0	300,436	1,388,425
Total	1,388,425	385,000	6,997,890	0	2,678,489	677,844	1,602,660	200,000	25,000		

Other Expenses include: Site Development Costs, Professional Services, Discretionary Spending, Administration Costs, and Organizational Costs.

0.00% = Assumed Investment Rate For Interest Income

Table 4: Financing Summary					
City of Manitowoc					
TID No. 22					
TID Activities	Phase/Loan #1 5/1/2019	Phase/Loan #2 5/1/2022	Phase/Loan #3 5/1/2025	Paid with TID Revenue	Total
A. Infrastructure	\$1,500,000	\$0	\$750,000	\$0	\$2,250,000
B. Capital Costs	\$0	\$200,000	\$0	\$0	\$200,000
C. Site Development Costs	\$550,000	\$0	\$100,000	\$0	\$650,000
D. Land Acquisition & Assembly	\$0	\$0	\$0	\$0	\$0
E. Development Incentives	\$0	\$0	\$0	\$200,000	\$200,000
F. Professional Services	\$0	\$0	\$0	\$50,000	\$50,000
G. Discretionary Payments	\$0	\$125,000	\$0	\$0	\$125,000
H. Administration Costs	\$0	\$0	\$0	\$10,000	\$10,000
I. Organizational Costs	\$0	\$0	\$0	\$10,000	\$10,000
Subtotal	\$2,050,000	\$325,000	\$850,000	\$270,000	\$3,495,000
J. Inflation Factor Cost Adj. @ 2.5% per year	\$51,250	\$33,739	\$185,642		\$270,632
Grants	\$0	\$0	\$0		\$0
Reduction for Land Sale Revenue	\$0	\$0	\$0		\$0
Total Cost For Borrowing	\$2,101,250	\$358,739	\$1,035,642		\$3,765,632
Capitalized Interest	\$200,000	\$100,000	\$85,000		\$385,000
Financing Fees (2%)	\$42,025	\$7,175	\$20,713		\$69,913
Debt Reserve	\$0	\$0	\$0		\$0
Subtotal	\$2,343,275	\$465,914	\$1,141,355		\$3,950,544
Less Interest Earned	\$0	\$0	\$0		\$0
BORROWING REQUIRED	\$2,343,275	\$465,914	\$1,141,355		\$3,950,544
BORROWING AMOUNT	\$2,345,000	\$470,000	\$1,145,000		\$3,960,000

Table 5A: Debt Service Plan - Phase 1						
City of Manitowoc						
TID No. 22						
Bond Issue						
1/0/1900						
Principal: (rounded to \$5,000)		\$2,345,000	Project Cost:		\$2,101,250	
Interest Rate:		3.50%	Finance Fees:		\$42,025	
# of Principal Payments:		20	Capitalized Interest:		\$200,000	
Date of Issue:		5/1/2019	Total TID Cost of Loan:		\$3,288,961	
Year	Principal Payment #	Unpaid Principal	Principal Payment	Interest Payment	Total Payment	to Principal
2018	0	\$2,345,000	\$0	\$0	\$0	\$0
2019	0	\$2,345,000	\$0	\$82,075	\$82,075	\$0
2020	1	\$2,345,000	\$82,922	\$82,075	\$164,997	\$0
2021	1	\$2,262,078	\$82,922	\$79,173	\$162,094	\$0
2022	2	\$2,179,157	\$85,824	\$76,270	\$162,094	\$0
2023	3	\$2,093,333	\$88,828	\$73,267	\$162,094	\$0
2024	4	\$2,004,505	\$91,937	\$70,158	\$162,094	\$0
2025	5	\$1,912,568	\$95,155	\$66,940	\$162,094	\$0
2026	6	\$1,817,413	\$98,485	\$63,609	\$162,094	\$0
2027	7	\$1,718,928	\$101,932	\$60,162	\$162,094	\$0
2028	8	\$1,616,996	\$105,500	\$56,595	\$162,094	\$0
2029	9	\$1,511,497	\$109,192	\$52,902	\$162,094	\$0
2030	10	\$1,402,305	\$113,014	\$49,081	\$162,094	\$0
2031	11	\$1,289,291	\$116,969	\$45,125	\$162,094	\$0
2032	12	\$1,172,322	\$121,063	\$41,031	\$162,094	\$0
2033	13	\$1,051,258	\$125,300	\$36,794	\$162,094	\$0
2034	14	\$925,958	\$129,686	\$32,409	\$162,094	\$0
2035	15	\$796,272	\$134,225	\$27,870	\$162,094	\$0
2036	16	\$662,047	\$138,923	\$23,172	\$162,094	\$0
2037	17	\$523,124	\$143,785	\$18,309	\$162,094	\$0
2038	18	\$379,339	\$148,818	\$13,277	\$162,094	\$0
2039	19	\$230,522	\$154,026	\$8,068	\$162,094	\$0
2040	20	\$76,495	\$159,417	\$2,677	\$162,094	\$0
2041	21	\$0	\$0	\$0	\$0	\$0
2042	22	\$0	\$0	\$0	\$0	\$0
2043	23	\$0	\$0	\$0	\$0	\$0
2044	24	\$0	\$0	\$0	\$0	\$0
2045	25	\$0	\$0	\$0	\$0	\$0
Total			\$2,427,922	\$1,061,039	\$3,488,961	\$0

Table 5B: Debt Service Plan - Phase 2						
City of Manitowoc						
TID No. 22						
Bond Issue						
1/0/1900						
Principal: (rounded to \$5,000)		\$470,000		Project Cost:		\$358,739
Interest Rate*:		3.50%		Finance Fees:		\$7,175
# of Principal Payments:		20		Capitalized Interest:		\$100,000
Date of Issue:		5/1/2022		Total TID Cost of Loan:		\$577,844
Year	Principal Payment #	Unpaid Principal	Principal Payment	Interest Payment	Total Payment	to Principal
2018	0	\$0	\$0	\$0	\$0	\$0
2019	0	\$0	\$0	\$0	\$0	\$0
2020	0	\$470,000	\$0	\$0	\$0	\$0
2021	0	\$470,000	\$0	\$16,450	\$16,450	\$0
2022	1	\$470,000	\$16,620	\$16,450	\$33,070	\$0
2023	2	\$453,380	\$17,201	\$15,868	\$33,070	\$0
2024	3	\$436,179	\$17,803	\$15,266	\$33,070	\$0
2025	4	\$418,375	\$18,427	\$14,643	\$33,070	\$0
2026	5	\$399,949	\$19,071	\$13,998	\$33,070	\$0
2027	6	\$380,877	\$19,739	\$13,331	\$33,070	\$0
2028	7	\$361,138	\$20,430	\$12,640	\$33,070	\$0
2029	8	\$340,709	\$21,145	\$11,925	\$33,070	\$0
2030	9	\$319,564	\$21,885	\$11,185	\$33,070	\$0
2031	10	\$297,679	\$22,651	\$10,419	\$33,070	\$0
2032	11	\$275,028	\$23,444	\$9,626	\$33,070	\$0
2033	12	\$251,584	\$24,264	\$8,805	\$33,070	\$0
2034	13	\$227,320	\$25,114	\$7,956	\$33,070	\$0
2035	14	\$202,206	\$25,992	\$7,077	\$33,070	\$0
2036	15	\$176,214	\$26,902	\$6,167	\$33,070	\$0
2037	16	\$149,311	\$27,844	\$5,226	\$33,070	\$0
2038	17	\$121,468	\$28,818	\$4,251	\$33,070	\$0
2039	18	\$92,649	\$29,827	\$3,243	\$33,070	\$0
2040	19	\$62,822	\$30,871	\$2,199	\$33,070	\$0
2041	20	\$31,951	\$31,951	\$1,118	\$33,070	\$0
2042	21	\$0	\$0	\$0	\$0	\$0
2043	22	\$0	\$0	\$0	\$0	\$0
2044	23	\$0	\$0	\$0	\$0	\$0
2045		\$0	\$0	\$0	\$0	\$0
Total			\$470,000	\$207,844	\$677,844	\$0

Table 5C: Debt Service Plan - Phase 3						
City of Manitowoc						
TID No. 22						
Bond Issue						
1/0/1900						
Principal: (rounded to \$5,000)		\$1,145,000	Project Cost:		\$1,035,642	
Interest Rate*:		3.50%	Finance Fees:		\$20,713	
# of Principal Payments:		18	Capitalized Interest:		\$85,000	
Date of Issue:		5/1/2025	Total TID Cost of Loan:		\$1,517,660	
Year	Principal Payment #	Unpaid Principal	Principal Payment	Interest Payment	Total Payment	to Principal
2018	0	\$0	\$0	\$0	\$0	\$0
2019	0	\$0	\$0	\$0	\$0	\$0
2020	0	\$0	\$0	\$0	\$0	\$0
2021	0	\$0	\$0	\$0	\$0	\$0
2022	0	\$0	\$0	\$0	\$0	\$0
2023	0	\$0	\$0	\$0	\$0	\$0
2024	0	\$0	\$0	\$0	\$0	\$0
2025	0	\$1,145,000	\$0	\$0	\$0	\$0
2026	0	\$1,145,000	\$0	\$40,075	\$40,075	\$0
2027	1	\$1,145,000	\$46,735	\$40,075	\$86,810	\$0
2028	2	\$1,098,265	\$48,371	\$38,439	\$86,810	\$0
2029	3	\$1,049,894	\$50,064	\$36,746	\$86,810	\$0
2030	4	\$999,830	\$51,816	\$34,994	\$86,810	\$0
2031	5	\$948,013	\$53,630	\$33,180	\$86,810	\$0
2032	6	\$894,384	\$55,507	\$31,303	\$86,810	\$0
2033	7	\$838,877	\$57,450	\$29,361	\$86,810	\$0
2034	8	\$781,427	\$59,460	\$27,350	\$86,810	\$0
2035	9	\$721,967	\$61,541	\$25,269	\$86,810	\$0
2036	10	\$660,425	\$63,695	\$23,115	\$86,810	\$0
2037	11	\$596,730	\$65,925	\$20,886	\$86,810	\$0
2038	12	\$530,805	\$68,232	\$18,578	\$86,810	\$0
2039	13	\$462,573	\$70,620	\$16,190	\$86,810	\$0
2040	14	\$391,953	\$73,092	\$13,718	\$86,810	\$0
2041	15	\$318,861	\$75,650	\$11,160	\$86,810	\$0
2042	16	\$243,211	\$78,298	\$8,512	\$86,810	\$0
2043	17	\$164,913	\$81,038	\$5,772	\$86,810	\$0
2044	18	\$83,875	\$83,875	\$2,936	\$86,810	\$0
2045	19	\$0	\$0	\$0	\$0	\$0
Total			\$1,145,000	\$457,660	\$1,602,660	\$0

Appendix C: Resolutions, Notices, Minutes, and Other Attachments

- #1: Timetable
- #2: Opinion Letter from City Attorney Regarding Compliance with Statutes
- #3: Letter Chief Official of Overlying Taxing Entities and Notice
- #4: JRB Meeting Notices – Affidavit of Publication
- #5: JRB No. 1 Meeting Agenda and Minutes
- #6: JRB No. 2 Meeting Agenda and Minutes
- #7: JRB Resolution Approving TID No. 22
- #8: Public Hearing/Public Hearing Notice – Affidavit of Publication
- #9: Plan Commission/Public Hearing Meeting Agenda, Minutes
- #10: Plan Commission Resolution Approving TID No. 22
- #11: Finance Committee Meeting Agenda, Minutes
- #12: Common Council Meeting Agenda
- #13: Common Council Resolution Approving TID No. 22
- #14: Common Council Meeting Minutes
- #15: Letters to Property Owners within the TID No. 22

