

May 7, 2024 (Draft)

PROJECT PLAN

City of Manitowoc, Wisconsin

Tax Incremental District No. 24 Lakeshore Mall Redevelopment



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	May 22, 2024
Public Hearing Held:	May 22, 2024
Approval by Plan Commission:	May 22, 2024
Adoption by Common Council:	June 17, 2024
Approval by the Joint Review Board:	June 27, 2024

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SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 24 (“District”) is a proposed Blighted Area District comprising approximately 36.07 acres, located in the northeast section of Manitowoc. The site was formerly known as Lakeshore Mall. The District will be created to pay the costs of acquisition and demolition of property, to pay for infrastructure needed to support new development, and to pay for developer incentives associated with the redevelopment of the site (“Project”). The City continues to evaluate proposals to redevelopment the site (“Developer”). In addition to the incremental property value that will be created, the City expects the Project will result in the development of a variety of housing opportunities, along with ancillary commercial 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 \$18.5M (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$5.3M for property acquisition, \$925K for demolition of property, \$4M for infrastructure, \$1.4M in developer incentives, \$220K for professional services and ongoing administrative costs, an anticipated \$6.5M in interest cost and \$200K for financing costs.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$50.4M 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 assumption as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

EXPECTED TERMINATION OF DISTRICT

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs within 22 of its allowable 27 years.

SUMMARY OF FINDINGS

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

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:

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

Additionally, the substantial investment needed to provide the public infrastructure necessary to allow for redevelopment within the District. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements.

2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:

The expectation that the Project will provide additional employment and housing opportunities once completed.

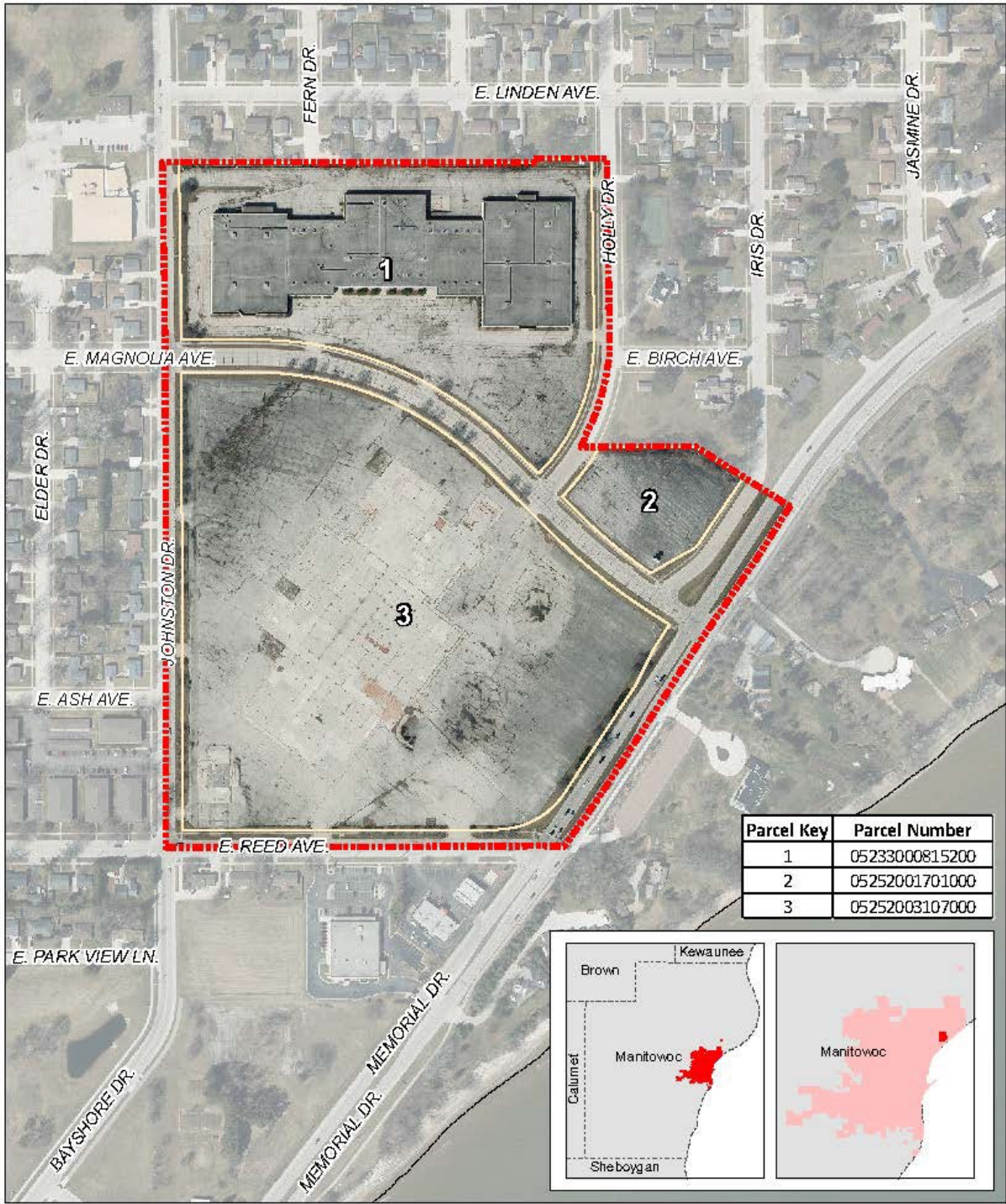
That the Developer will purchase goods and services from local suppliers in construction of the Project, and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.

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 a blighted area as defined by Wis. Stat. § 66.1105(2)(ae)1.
5. Based on the foregoing finding, the District is designated as a blighted area district.

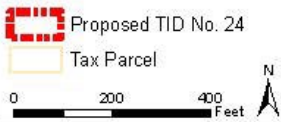
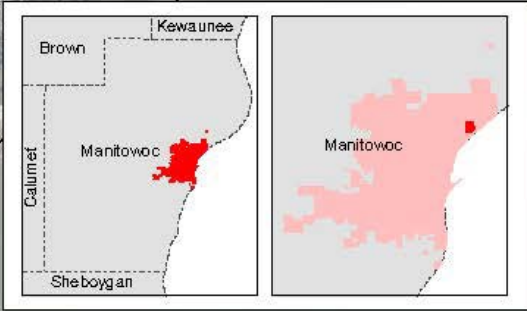
6. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that approximately 15% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2: **Preliminary Map of Proposed District Boundary**

Map Found on Following Page.



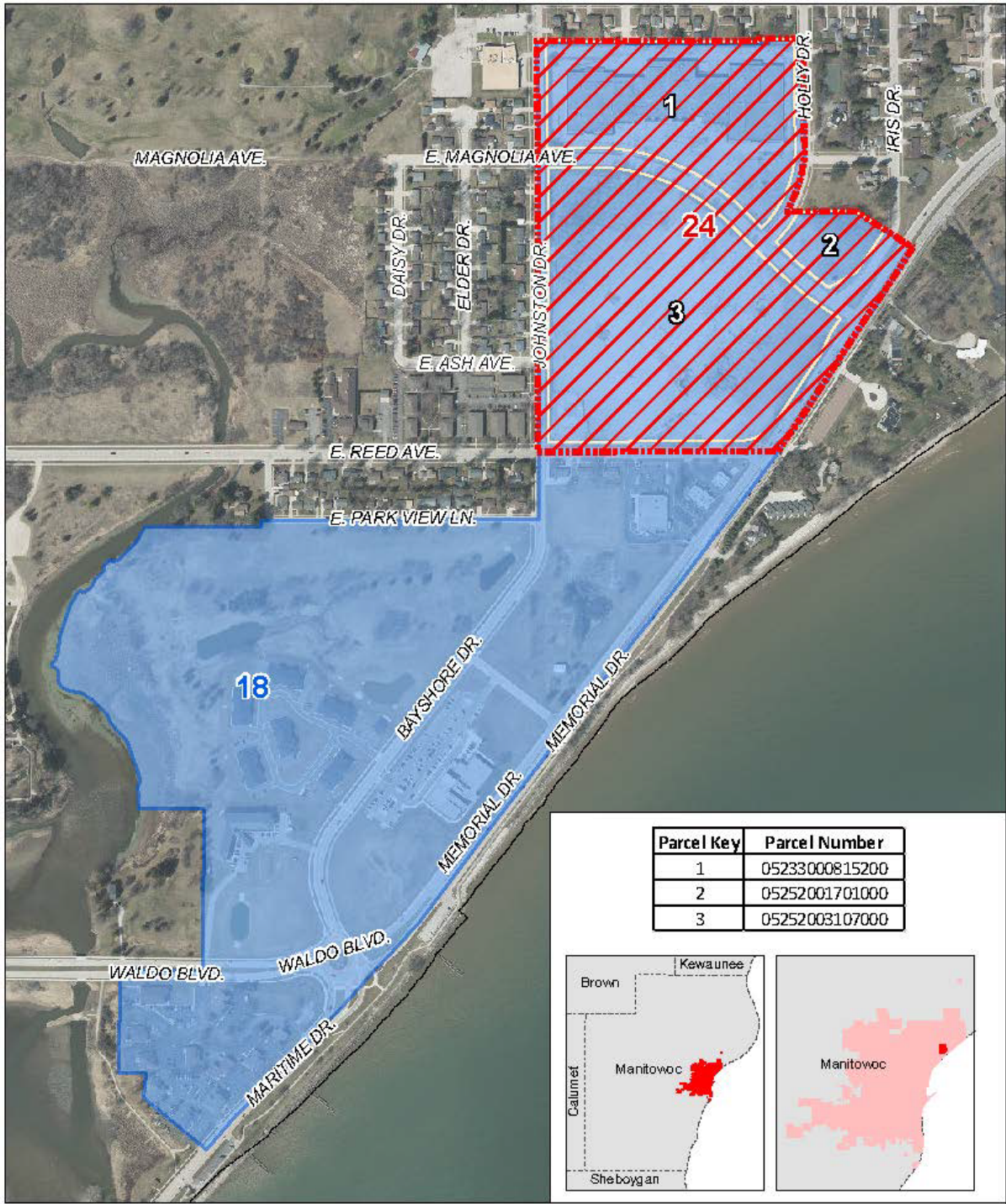
Parcel Key	Parcel Number
1	05233000815200
2	05252001701000
3	05252003107000



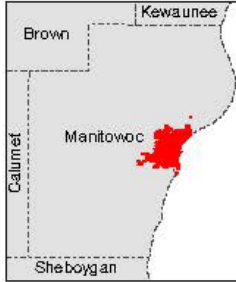
TID No. 24 District Boundary Map



City of Manitowoc

Prepared by City of Manitowoc
Community Development Department
Map Plotted: 1/25/2024
© Economic Development/TID 24/Map 511624_01a.tif boundary.mxd
DISCLAIMER: Maps and associated data are believed to be accurate, but are not warranted. This information is not intended for legal, survey, or other professional uses. Please obtain the original records/documents for legal or survey information.



Parcel Key	Parcel Number
1	05233000815200
2	05252001701000
3	05252003107000



 Proposed TID No. 24
 TID No. 18
 0 250 500 Feet

Proposed TID No. 24 District

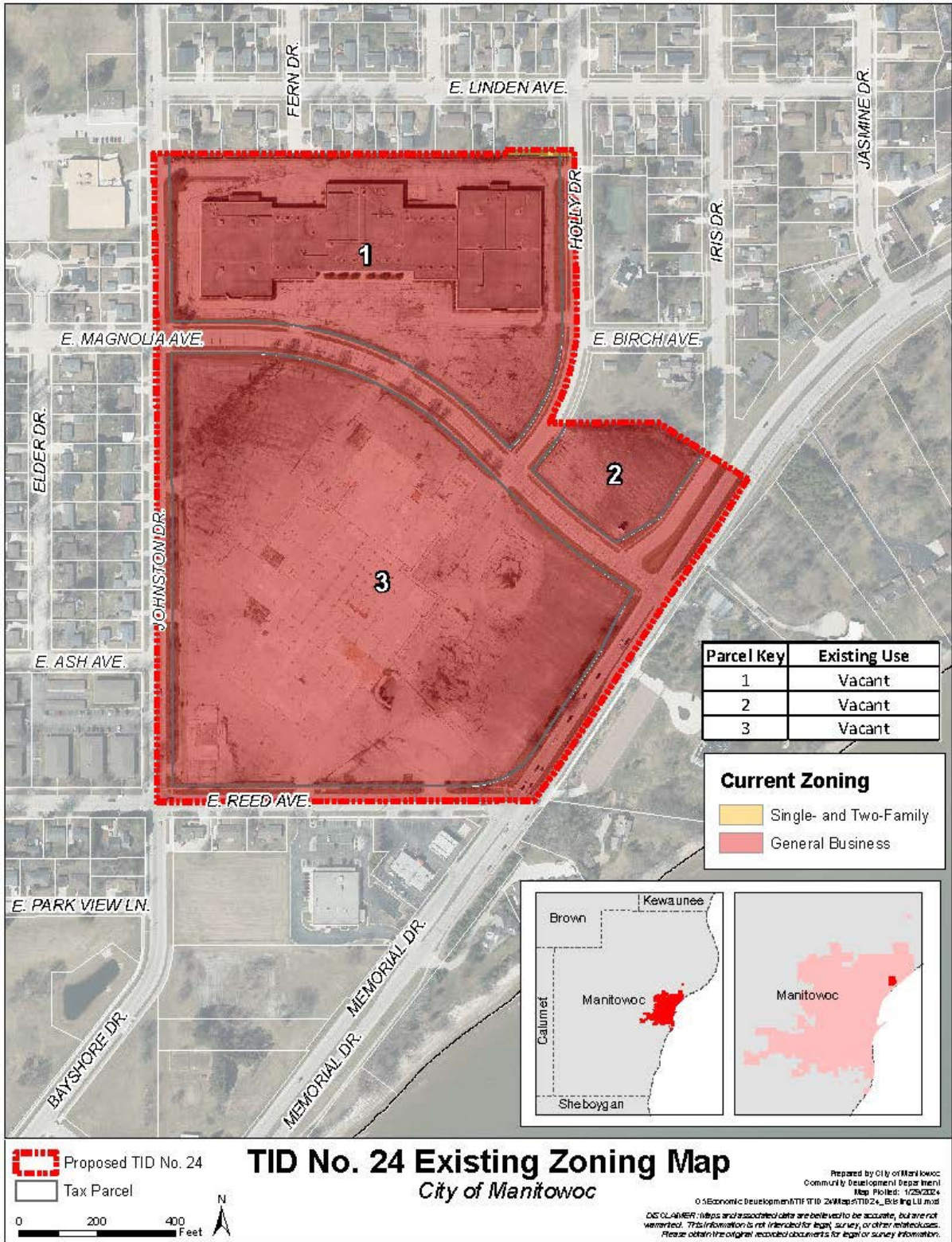
City of Manitowoc

Prepared by City of Manitowoc
 Community Development Department
 Map Plotted: 1/30/2024
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DISCLAIMER: Maps and associated data are believed to be accurate, but are not
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SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.



SECTION 4: Preliminary Parcel List and Analysis

City of Manitowoc, Wisconsin															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)										
Tax Increment District No. 24																									
Base Property Information										Assessment Information			Equalized Value				Purpose Test		Comments						
Parcel Number	Street Address	Owner	Total Acreage	Wetland Acreage	School District(s)	Special District(s)	Annexed Within Prior 3 Years ...Indicate date	Part of Existing TID? ...Indicate TID #	Land	Imp	Total	Assessment Ratio	Land	Imp	Total	Blight									
																Blighted									
ROW Areas																									
052-330-008-152	700 East Magnolia Avenue	Lakeshore Mall LLC	12.12	0.00	3290-MPSD	N/A	N/A	TID #18	517,300	930,700	1,448,000	100.00%	517,300	930,700	1,448,000	12.12		Historically Commercial Use but has been blighted by the City	2						
052-520-017-010	East Magnolia Avenue	Lakeshore Mall LLC	1.96	0.00	3290-MPSD	N/A	N/A	TID #18	104,400	14,700	119,100	100.00%	104,400	14,700	119,100	1.96		Historically Commercial Use but has been blighted by the City	2						
052-520-031-107	828 Memorial Drive	Improvement LLC	21.99	0.00	3290-MPSD	N/A	N/A	TID #18	435,700	70,200	505,900	100.00%	435,700	70,200	505,900	21.99		Historically Commercial Use but has been blighted by the City	2						
Less Wetland Acreage			0.00																						
			Total Acreage 36.07							1,057,400	1,015,600	2,073,000		1,057,400	1,015,600		36.07			The Assessment Roll Class, for each parcel, is required for the DOR filing					
															100.00%										

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 value of those parcels located within Tax Incremental District No. 24 that will be overlapped are not included in the base value of the District as that value is reflected within the total of existing incremental value.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$214,315,252. This value is less than the maximum of \$370,108,152 in equalized value that is permitted for the City.

<u>Calculation of City Equalized Value Limit</u>	
City TID IN Equalized Value (Jan. 1, 2023)	\$ 3,084,234,600
TID Valuation Limit @ 12% of Above Value	\$ 370,108,152
<u>Calculation of Value Subject to Limit</u>	
Estimated Base Value of Territory to be Included in District	\$ 2,073,000
Plus: Assumed change for Jan. 1, 2024 assessment	\$ -
Incremental Value of Existing Districts (Jan. 1, 2023)	\$ 156,436,300
Less: Value of Parcels Removed from District	\$ -
Less: Value of Underlying TID Parcels	\$ (2,716,400)
Total Value Subject to 12% Valuation Limit	\$ 155,792,900
Total Percentage of TID IN Equalized Value	5.05%
Residual Value Capacity of TID IN Equalized Value	\$ 214,315,252

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.

Miscellaneous

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural; environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees relating to the implementation of the Plan.

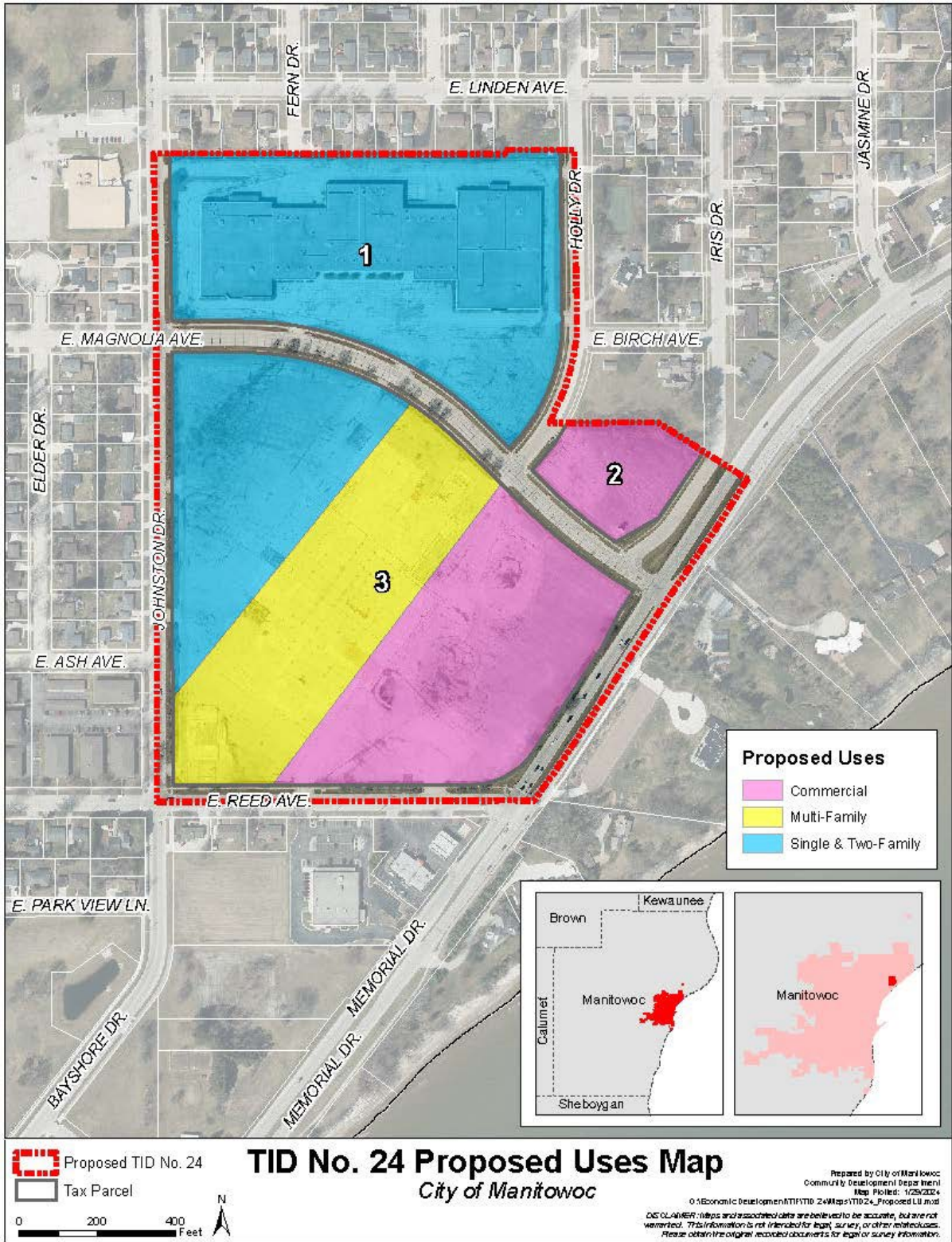
Financing Costs

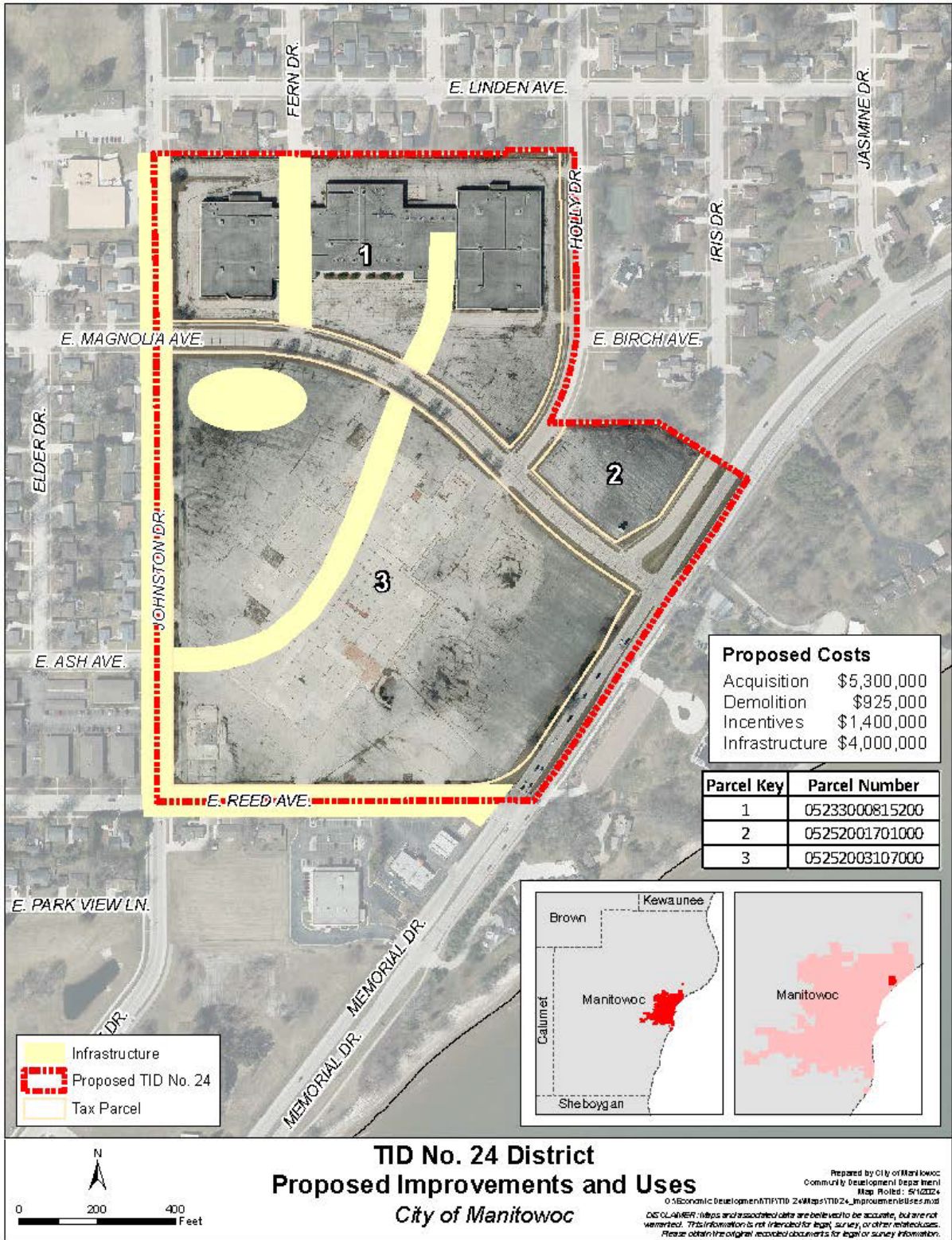
Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

SECTION 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.

Project List Found on Following Page

Project ID	Project Name/Type	Est. Cost				Totals	Est. Timing
		Phase I	Phase II	Phase III ¹	Ongoing		
1	Acquisition of Property	5,300,000				5,300,000	2024
2	Demolition of Property	925,000				925,000	2024
3	Infrastructure Costs	2,000,000				2,000,000	2024
4	Professional Services Fees (TID Setup)	40,000				40,000	2024
5	Reed Avenue & Johnson Drive		2,000,000			2,000,000	
6	Developer Incentive (MRO)			1,400,000		1,400,000	2025
7	Interest on Long Term Debt				6,452,625	6,452,625	
8	Financing Costs				200,625	200,625	
9	Ongoing Planning & Administrative Costs				180,701	180,701	
Total Projects		8,265,000	2,000,000	1,400,000	6,833,951	18,498,951	

Notes:
¹The MRO is an estimate and will only be paid out of available increment.

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 \$50.4M in incremental value by 2031. 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 \$16.59 per thousand of equalized value and declining annually by $\frac{1}{4}$ of 1%, and a 2% annual economic appreciation, the Project would generate \$23.6M in incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

Table 1 - Development Assumptions

Construction Year	Decrement	Apartment Buildings		Residential Homes		Commercial Development		Annual Total	Construction Year
		Units	\$ 17,500,000	Units	\$ 23,950,000	Units	\$ 10,000,000		
Estimated Value per			\$2,916,667		\$380,159		\$3,333,333		
1	2024							(1,015,600)	2024 1
2	2025							0	2025 2
3	2026	2	5,833,333	13	4,942,063	1	3,333,333	14,108,730	2026 3
4	2027	2	5,833,333	13	4,942,063			10,775,397	2027 4
5	2028	2	5,833,333	13	4,942,063	1	3,333,333	14,108,730	2028 5
6	2029			13	4,942,063	1	3,333,333	8,275,397	2029 6
7	2030			11	4,181,746			4,181,746	2030 7
8	2031							0	2031 8
9	2032							0	2032 9
10	2033							0	2033 10
Totals			<u>6</u>	<u>17,500,000</u>	<u>63</u>	<u>23,950,000</u>	<u>3</u>	<u>10,000,000</u>	<u>50,434,400</u>
Notes:									

Table 2 – Tax Increment Projection Worksheet

Type of District	Blighted Area			Base Value	2,073,000
District Creation Date	April 15, 2024			Economic Change Factor	2.00%
Valuation Date	Jan 1,	2024		Apply to Base Value	
Max Life (Years)	27			Base Tax Rate	\$16.59
Expenditure Period/Termination	22	4/15/2046		Rate Adjustment Factor	-0.25%
Revenue Periods/Final Year	27	2052			
Extension Eligibility/Years	Yes	3			
Eligible Recipient District	Yes				

	Construction		Valuation Year	Economic Change	Total Increment	Revenue		Tax Increment
	Year	Value Added				Year	Tax Rate ¹	
1	2024	-1,015,600	2025	0	-1,015,600	2026	\$16.55	0
2	2025	0	2026	0	-1,015,600	2027	\$16.51	0
3	2026	14,108,730	2027	0	13,093,130	2028	\$16.47	215,590
4	2027	10,775,397	2028	261,863	24,130,390	2029	\$16.42	396,335
5	2028	14,108,730	2029	482,608	38,721,728	2030	\$16.38	634,404
6	2029	8,275,397	2030	774,435	47,771,559	2031	\$16.34	780,716
7	2030	4,181,746	2031	955,431	52,908,736	2032	\$16.30	862,510
8	2031	0	2032	1,058,175	53,966,911	2033	\$16.26	877,561
9	2032	0	2033	1,079,338	55,046,249	2034	\$16.22	892,874
10	2033	0	2034	1,100,925	56,147,174	2035	\$16.18	908,455
11	2034	0	2035	1,122,943	57,270,118	2036	\$16.14	924,307
12	2035	0	2036	1,145,402	58,415,520	2037	\$16.10	940,437
13	2036	0	2037	1,168,310	59,583,830	2038	\$16.06	956,847
14	2037	0	2038	1,191,677	60,775,507	2039	\$16.02	973,544
15	2038	0	2039	1,215,510	61,991,017	2040	\$15.98	990,532
16	2039	0	2040	1,239,820	63,230,837	2041	\$15.94	1,007,817
17	2040	0	2041	1,264,617	64,495,454	2042	\$15.90	1,025,404
18	2041	0	2042	1,289,909	65,785,363	2043	\$15.86	1,043,297
19	2042	0	2043	1,315,707	67,101,070	2044	\$15.82	1,061,502
20	2043	0	2044	1,342,021	68,443,092	2045	\$15.78	1,080,026
21	2044	0	2045	1,368,862	69,811,954	2046	\$15.74	1,098,872
22	2045	0	2046	1,396,239	71,208,193	2047	\$15.70	1,118,047
23	2046	0	2047	1,424,164	72,632,357	2048	\$15.66	1,137,557
24	2047	0	2048	1,452,647	74,085,004	2049	\$15.62	1,157,408
25	2048	0	2049	1,481,700	75,566,704	2050	\$15.58	1,177,605
26	2049	0	2050	1,511,334	77,078,038	2051	\$15.54	1,198,154
27	2050	0	2051	1,541,561	78,619,599	2052	\$15.51	1,219,062
Totals		50,434,400		28,185,199		Future Value of Increment		23,678,863

Notes:
 1) Tax rate shown is actual 2023/2024 rate per DOR Form PC-202 (Tax Increment Collection Worksheet).

Financing and Implementation

Table 3. The City plans to issue GO Notes and a developer MRO to financing the projects outlined in this Project Plan.

Table 3 - Financing Plan

	DEBT ISSUES		Totals
	G.O. Bond 2025	G.O. Bond 2027	
Projects			
Phase I	8,265,000		8,265,000
Phase II		2,000,000	2,000,000
Total Project Funds	<u>8,265,000</u>	<u>2,000,000</u>	<u>10,265,000</u>
Other Funds			
Capitalized Interest	1,063,938	164,625	
Estimated Finance Related Expenses	45,000	30,000	
Underwriter Discount	11.00 103,675	10.00 21,950	
Total Financing Required	9,555,613	2,216,575	
Estimated Interest	4.75% (130,863)	4.75% (23,750)	
Assumed spend down (months)	4	3	
Rounding	250	2,175	
Net Issue Size	9,425,000	2,195,000	11,620,000
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 2047 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

Year	Projected Revenues				Projected Expenditures											Balances			Year			
	Tax Increments	Debt Proceeds	Cap. Interest	Total Revenues	2025 G.O. Bond \$9,425,000			2027 \$2,195,000			2027 \$2,195,000	Total Debt Service	Financing Costs	Interest on Advance ¹	Ongoing Planning & Administration	Total Expenditures	Annual	Cumulative		Liabilities Outstanding		
					Dated Date: 07/01/25	Est. Rate	Interest	Dated Date: 07/01/27	Est. Rate	Interest												
2024		8,265,000		8,265,000																2024		
2025		0		0																2025		
2026	0	353,438		353,438		3.75%	353,438													2026		
2027	0	353,438		353,438		3.75%	353,438													2027		
2028	215,590		435,750	651,340		3.75%	353,438		0	3.75%	82,313		82,313	435,750		6,000		441,750	209,590	(132,785)	11,620,000	2028
2029	396,335		82,313	478,647		3.75%	353,438		0	3.75%	82,313		82,313	435,750		6,180		441,930	36,717	(96,068)	11,620,000	2029
2030	634,404			634,404	125,000	3.75%	353,438		0	3.75%	82,313		82,313	560,750		6,365		567,115	67,288	(28,779)	11,495,000	2030
2031	780,716			780,716	335,000	3.75%	348,750		0	3.75%	82,313		82,313	766,063		6,556		772,619	8,097	(20,682)	11,160,000	2031
2032	862,510			862,510	430,000	3.75%	336,188		0	3.75%	82,313		82,313	848,500		6,753		855,253	7,257	(13,425)	10,730,000	2032
2033	877,561			877,561	460,000	3.75%	320,063		0	3.75%	82,313		82,313	862,375		6,956		869,331	8,230	(5,195)	10,270,000	2033
2034	892,874			892,874	490,000	3.75%	302,813		0	3.75%	82,313		82,313	875,125		7,164		882,289	10,585	5,390	9,780,000	2034
2035	908,455			908,455	525,000	3.75%	284,438		0	3.75%	82,313		82,313	891,750		7,379		899,129	9,326	14,715	9,255,000	2035
2036	924,307			924,307	540,000	3.75%	264,750		25,000	3.75%	82,313		107,313	912,063		7,601		919,663	4,644	19,960	8,690,000	2036
2037	940,437			940,437	570,000	3.75%	244,500		814,500	3.75%	81,375		111,375	925,875		7,829		933,704	6,733	26,092	8,090,000	2037
2038	956,847			956,847	610,000	3.75%	223,125		833,125	3.75%	80,250		110,250	943,375		8,063		951,438	5,409	31,501	7,450,000	2038
2039	973,544			973,544	625,000	3.75%	200,250		825,250	3.75%	79,125		134,125	959,375		8,305		967,680	5,864	37,365	6,770,000	2039
2040	990,532			990,532	670,000	3.75%	176,813		846,813	3.75%	77,063		132,063	978,875		8,555		987,430	3,103	40,468	6,045,000	2040
2041	1,007,817			1,007,817	715,000	3.75%	151,688		866,688	3.75%	75,000		130,000	996,688		8,811		1,005,499	2,319	42,786	5,275,000	2041
2042	1,025,404			1,025,404	760,000	3.75%	128,875		884,875	3.75%	72,938		127,938	1,012,813		9,076		1,021,888	3,516	46,302	4,460,000	2042
2043	1,043,297			1,043,297	805,000	3.75%	96,375		901,375	3.75%	70,875		125,875	1,027,250		9,348		1,036,598	6,699	53,001	3,600,000	2043
2044	1,061,502			1,061,502	855,000	3.75%	66,188		921,188	3.75%	68,813		123,813	1,045,000		9,628		1,054,628	6,874	59,875	2,690,000	2044
2045	1,080,026			1,080,026	910,000	3.75%	34,125		944,125	3.75%	66,750		121,750	1,065,875		9,917		1,075,792	4,234	64,109	1,725,000	2045
2046	1,098,872			1,098,872					950,000	3.75%	64,688		914,688	1,080,000		10,215		1,090,215	173,970	238,079	875,000	2046
2047	1,118,047			1,118,047					875,000	3.75%	32,813		907,813	1,097,813		30,000		1,127,813	180,235	418,314	0	2047
2048	1,137,557			1,137,557														0	1,137,557	1,555,871	0	2048
2049	1,157,408			1,157,408														0	1,157,408	2,713,279	0	2049
2050	1,177,605			1,177,605														0	1,177,605	3,890,884	0	2050
2051	1,198,154			1,198,154														0	1,198,154	5,089,037	0	2051
2052	1,219,062			1,219,062														0	1,219,062	6,308,099	0	2052
Totals	23,678,863	8,265,000	1,224,938	33,168,800	9,425,000		4,942,125		14,367,125	2,195,000		1,510,500	3,705,500	18,072,625	8,265,000	342,375	180,701	26,860,701				Totals

Notes:
¹Advance on the purchase of land and demolition for 1 Year @5.50%. The advance will be paid off in 2025 with the proposed debt issue.

PROJECTED CLOSURE YEAR

LEGEND:

SECTION 10:

Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the property within the proposed District boundary was annexed during the past three years.

SECTION 11:

Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that approximately 15% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for a mixed-use 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 eliminating blighted areas and providing necessary public infrastructure improvements and appropriate financial incentives for private development projects. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as increased employment and housing opportunities.

SECTION 15:

List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The City anticipates that a portion of the public improvements will benefit property outside the District. The amount is estimated to be \$1.5M.

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

Mayor Justin Nickels
City of Manitowoc
900 Quay St.
Manitowoc, WI 54220

May 30, 2024

Re: Project Plan for Tax Incremental District No. 24


Dear Mayor Nickels,

Wis. Stat. §66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wis. Stat. §66.1105. I have examined the Project Plan for the creation of Tax Incremental Financing District No. 24, City of Manitowoc, Manitowoc County, Wisconsin (hereinafter "District") and find it to comply with the statutory requirements of Wis. Stat. §66.1105, 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.
6. A map showing proposed improvements and uses in the district and proposed zoning changes.

Therefore, based upon my review, in my opinion, the Project Plan for the District is complete and complies with the provisions of Wis. Stat. §66.1105.

Sincerely,


Eric G. Nycz
City Attorney

CITY ATTORNEY ERIC G. NYCZ
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.

Revenue Year	Manitowoc County	City of Manitowoc	School District of Manitowoc	Lakeshore Technical	Total	Revenue Year
2026	0	0	0	0	0	2026
2027	0	0	0	0	0	2027
2028	50,449	93,404	64,232	7,505	215,590	2028
2029	92,743	171,711	118,083	13,797	396,335	2029
2030	148,452	274,854	189,013	22,085	634,404	2030
2031	182,689	338,244	232,605	27,178	780,716	2031
2032	201,829	373,681	256,974	30,026	862,510	2032
2033	205,351	380,201	261,458	30,550	877,561	2033
2034	208,935	386,836	266,021	31,083	892,874	2034
2035	212,581	393,586	270,663	31,625	908,455	2035
2036	216,290	400,454	275,386	32,177	924,307	2036
2037	220,064	407,442	280,191	32,739	940,437	2037
2038	223,904	414,552	285,081	33,310	956,847	2038
2039	227,812	421,786	290,055	33,891	973,544	2039
2040	231,787	429,146	295,117	34,482	990,532	2040
2041	235,832	436,635	300,267	35,084	1,007,817	2041
2042	239,947	444,254	305,506	35,696	1,025,404	2042
2043	244,134	452,006	310,837	36,319	1,043,297	2043
2044	248,394	459,894	316,262	36,953	1,061,502	2044
2045	252,729	467,919	321,780	37,598	1,080,026	2045
2046	257,139	476,084	327,395	38,254	1,098,872	2046
2047	261,626	484,392	333,108	38,922	1,118,047	2047
2048	266,191	492,844	338,921	39,601	1,137,557	2048
2049	270,836	501,445	344,835	40,292	1,157,408	2049
2050	275,562	510,195	350,853	40,995	1,177,605	2050
2051	280,371	519,098	356,975	41,710	1,198,154	2051
2052	285,263	528,156	363,204	42,438	1,219,062	2052
Totals	5,540,908	10,258,819	7,054,826	824,310	23,678,863	