

June 16, 2021

Project Plan

Tax Incremental District No. 17

Bardon Avenue and North 28th Street
Development

City of Superior, Wisconsin

Organizational Joint Review Board Meeting Held: May 19, 2021

Public Hearing Held: May 19, 2021

Approval by Plan Commission: May 19, 2021

Adoption by Common Council: June 15, 2021

Approval by the Joint Review Board: June 17, 2021

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SECTION 1:

Executive Summary

Description of District

Tax Incremental District (“TID”) No. 17 (“District”) is a proposed Blighted Area District comprising approximately 5.51 acres located on Bardon Avenue in the City of Superior, Wisconsin. The District will be created to pay the costs of constructing the Bardon Avenue and North 28th Street Development (“Project”). The Project will be constructed on redeveloped area which formerly housed the St. Joseph’s Children’s Home. The Children’s Home was demolished in 2003 and the site has since remained vacant. The proposed Project will create 120 apartment units and a second parcel located in the District will be designated for additional residential uses in the future. These two projects are critical in ensuring that the City of Superior is able to meet its demand for housing in the community and provide opportunities for future growth.

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 \$3,700,000 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include property acquisition costs and development incentives that are required to make the Project economically viable.

Incremental Valuation

The City projects that new land and improvements value of approximately \$14,140,000 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’s 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 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

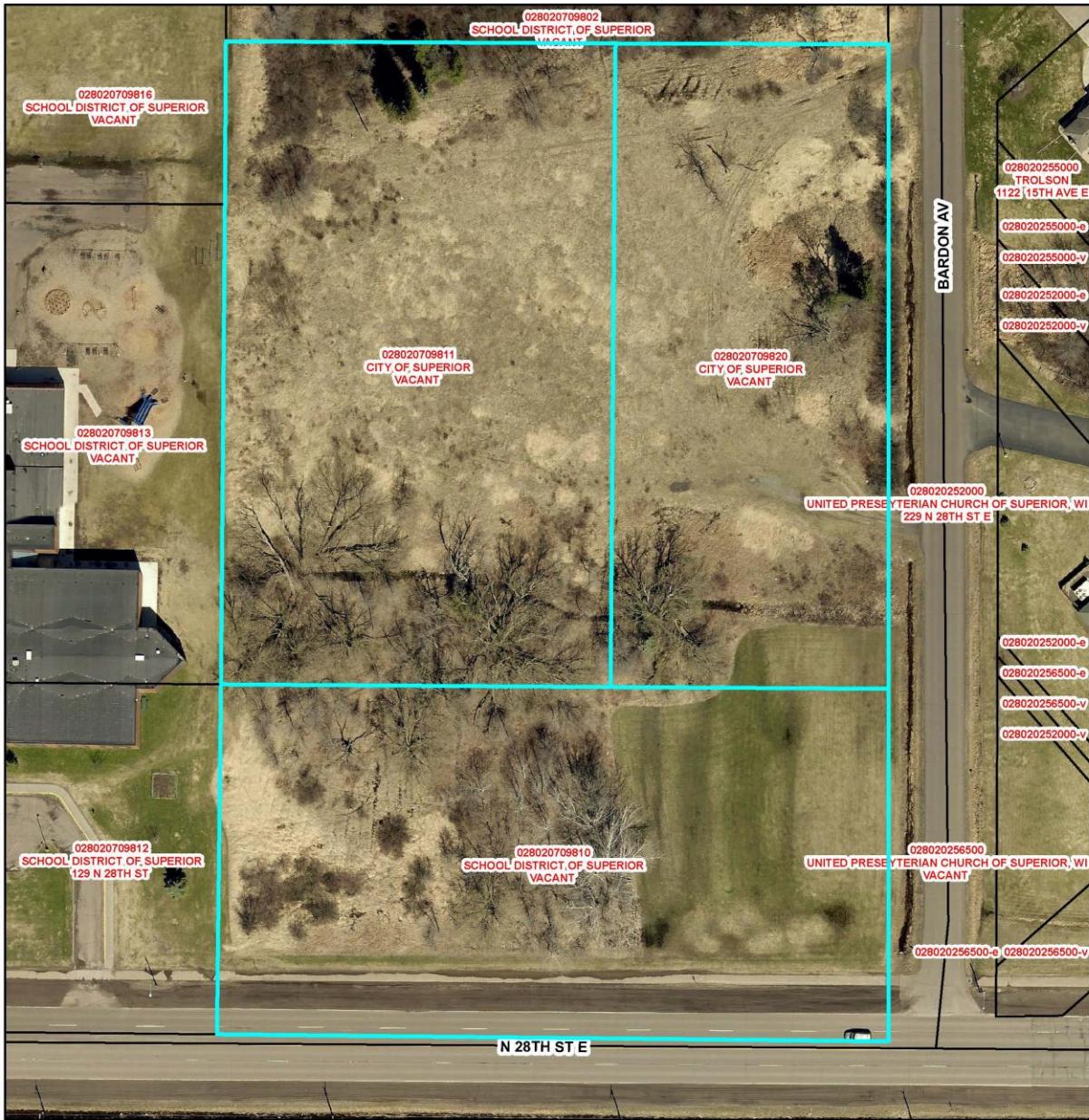
the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:

The developer's representation that the Project is not economically viable without public participation based on extraordinary costs associated with redevelopment of existing sites.

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.
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 none 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. The Project Plan for the District in the City 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 Ownership

City of Superior

02-802-07098-11

02-802-07098-20

School District of Superior

02-802-07098-10

0 20 40 80 120 160
Feet



Living up to our name.



SECTION 3: Map Showing Existing Uses and Conditions

Map Found on Following Page.



SECTION 4: Preliminary Parcel List and Analysis

City of Superior, Wisconsin

Tax Increment District #17

Base Property Information

Property Information				Assessment Information				Equalized Value				District Classification			
Map Ref #	Parcel Number	Owner	Acreage	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Rehab/ Blighted		
													Conservation	Vacant	
02-802-07098-11	City of Superior		2.18	0.00	0.00	0.00	0.00	89.77%	0.00	0.00	0.00	0.00	2.18		
02-802-07098-20	City of Superior		1.45	0.00	0.00	0.00	0.00	89.77%	0.00	0.00	0.00	0.00	1.45		
02-802-07098-10	School District of Superior		1.88	0.00	0.00	0.00	0.00	89.77%	0.00	0.00	0.00	0.00			1.88
Total Acreage				5.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.631	0	1.88
								Estimated Base Value				0.00	65.89%	0.00%	34.11%

The above values are as of January 1, 2019. Actual base value certification of the territory will be based on January 1, 2020 assessed values.

SECTION 5:

Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$84,599,600. This value is less than the maximum of \$225,177,468 in equalized value that is permitted for the City.

City of Superior, Wisconsin	
Tax Increment District #17	
Valuation Test Compliance Calculation	
District Creation Date	6/15/2021
	Valuation Data
	Currently Available
	2020
Total EV (TID In)	1,876,478,900
12% Test	225,177,468
Increment of Existing TIDs	
TID #7	13,513,600
TID #8	15,904,300
TID #9	21,580,500
TID #11	8,568,500
TID #13	25,023,800
TID #14	8,900
Total Existing Increment	84,599,600
Projected Base of New or Amended District	0
Less Value of Any Underlying TID Parcels	0
Total Value Subject to 12% Test	84,599,600
Compliance	PASS

SECTION 6:

Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

To promote and facilitate development the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as

defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

To promote the objectives of this Plan, the City may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

Site Preparation Activities

Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the $\frac{1}{2}$ mile radius, is an eligible project cost under Wis. Stat. § 66.1105(2)(f)1 k.

Water System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will

make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the City may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Electric Service

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

Gas Service

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

Communications Infrastructure

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

To allow development to occur, the City may need to construct or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping and Landscaping

To attract development consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

Community Development

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

Contribution to Redevelopment Authority (RDA)

As provided for in Wis. Stat. § 66.1105(2)(f)1.h and Wis. Stat. § 66.1333(13), the City may provide funds to its RDA to be used for administration, planning operations, and capital costs, including but not limited to real property

acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the RDA for this purpose are eligible Project Costs.

Revolving Loan/Grant Program (Development Incentives)

To encourage private development consistent with the objectives of this Plan, the City, through its RDA, may provide loans or grants to eligible property owners in the District. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the RDA in the program manual. Any funds returned to the RDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving fund and will continue to be used for the program purposes stated above. Any funds provided to the RDA for purposes of implementing this program are considered eligible Project Costs.

Miscellaneous

Projects Outside the Tax Increment District

Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District.

Professional Service and Organizational Costs

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

Administrative Costs

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

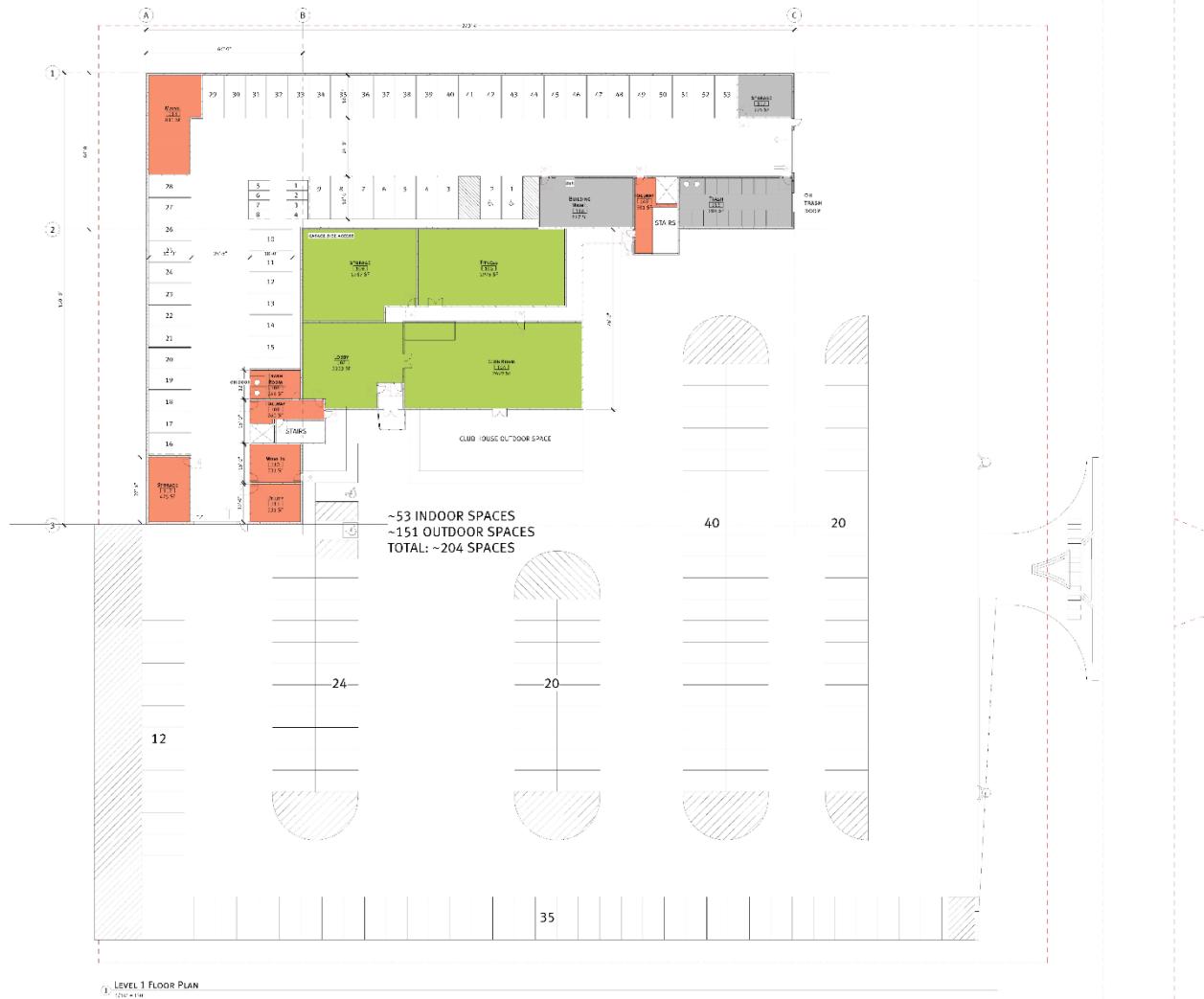
Financing Costs

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

SECTION 7: **Map Showing Proposed Improvements and Uses**

Map Found on Following Page.







SECTION 8: **Detailed List of Estimated Project Costs**

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

City of Superior, Wisconsin				
Tax Increment District #17				
Estimated Project List				
Project ID	Project Name/Type	Phase I 2025	Phase II 2029	Total <small>(Note 1)</small>
1	Development Incentives	1,900,000	500,000	2,400,000
2	28th Street Infrastructure Project	1,000,000		1,000,000
3	Pedestrian Infrastructure	100,000		100,000
4	Property Acquisition		200,000	200,000
Total Projects		<u>3,000,000</u>	<u>700,000</u>	<u>3,700,000</u>
Notes:				
<small>Note 1 Project costs are estimates and are subject to modification</small>				

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 \$14,140,000 in incremental value by 2029. Estimated valuations and timing for construction of the Project are included in Table 1. Assuming the City's current equalized TID Interim tax rate of \$21.70 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$7,453,582 in incremental tax revenue over the 27-year term of the District as shown in Table 2.

Table 1 – Development Assumptions

City of Superior, Wisconsin Tax Increment District #17 Development Assumptions						
Construction Year	Actual	Area A	Area B	Annual Total	Construction Year	Construction Year
1 2021				0	2021	1
2 2022				0	2022	2
3 2023		11,640,000		11,640,000	2023	3
4 2024				0	2024	4
5 2025				0	2025	5
6 2026				0	2026	6
7 2027		2,500,000	2,500,000	2,500,000	2027	7
8 2028				0	2028	8
9 2029				0	2029	9
10 2030				0	2030	10
11 2031				0	2031	11
12 2032				0	2032	12
13 2033				0	2033	13
14 2034				0	2034	14
15 2035				0	2035	15
16 2036				0	2036	16
17 2037				0	2037	17
18 2038				0	2038	18
19 2039				0	2039	19
20 2040				0	2040	20
21 2041				0	2041	21
22 2042				0	2042	22
23 2043				0	2043	23
24 2044				0	2044	24
25 2045				0	2045	25
26 2046				0	2046	26
27 2047				0	2047	27
28 2048				0	2048	28
29 2049				0	2049	29
Totals	0	11,640,000	2,500,000	14,140,000		

Table 2 – Tax Increment Projection Worksheet

City of Superior, Wisconsin											
Tax Increment District #17											
Tax Increment Projection Worksheet											
Type of District District Creation Date Valuation Date Max Life (Years) Expenditure Period/Termination	Blighted Area			Base Value Appreciation Factor Base Tax Rate Rate Adjustment Factor	0		Apply to Base Value				
	June 15, 2021				0		Apply to Base Value				
	Jan 1, 2021				\$21.70		Apply to Base Value				
	27				\$21.70		Apply to Base Value				
	22 6/15/2043				\$21.70		Apply to Base Value				
Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	NPV Calculation	Taxable NPV Calculation		
1 2021		2022			2023	\$21.70					
2 2022		2023			2024	\$21.70					
3 2023	11,640,000	2024		11,640,000	2025	\$21.70	252,576	252,576	241,542		
4 2024		2025		11,640,000	2026	\$21.70	252,576	505,151	479,515		
5 2025		2026		11,640,000	2027	\$21.70	252,576	757,727	713,971		
6 2026		2027		11,640,000	2028	\$21.70	252,576	1,010,302	944,962		
7 2027	2,500,000	2028		14,140,000	2029	\$21.70	306,823	1,317,125	1,221,417		
8 2028		2029		14,140,000	2030	\$21.70	306,823	1,623,948	1,493,787		
9 2029		2030		14,140,000	2031	\$21.70	306,823	1,930,771	1,762,132		
10 2030		2031		14,140,000	2032	\$21.70	306,823	2,237,594	2,026,512		
11 2031		2032		14,140,000	2033	\$21.70	306,823	2,544,416	2,286,984		
12 2032		2033		14,140,000	2034	\$21.70	306,823	2,851,239	2,543,606		
13 2033		2034		14,140,000	2035	\$21.70	306,823	3,158,062	2,796,437		
14 2034		2035		14,140,000	2036	\$21.70	306,823	3,464,885	3,045,531		
15 2035		2036		14,140,000	2037	\$21.70	306,823	3,771,708	3,290,943		
16 2036		2037		14,140,000	2038	\$21.70	306,823	4,078,531	3,532,729		
17 2037		2038		14,140,000	2039	\$21.70	306,823	4,385,354	3,770,942		
18 2038		2039		14,140,000	2040	\$21.70	306,823	4,692,176	4,005,634		
19 2039		2040		14,140,000	2041	\$21.70	306,823	4,998,999	4,236,858		
20 2040		2041		14,140,000	2042	\$21.70	306,823	5,305,822	4,464,665		
21 2041		2042		14,140,000	2043	\$21.70	306,823	5,612,645	4,759,442		
22 2042		2043		14,140,000	2044	\$21.70	306,823	5,919,468	4,983,883		
23 2043		2044		14,140,000	2045	\$21.70	306,823	6,226,291	5,205,006		
24 2044		2045		14,140,000	2046	\$21.70	306,823	6,533,114	5,422,862		
25 2045		2046		14,140,000	2047	\$21.70	306,823	6,839,936	5,637,498		
26 2046		2047		14,140,000	2048	\$21.70	306,823	7,146,759	5,848,962		
27 2047		2048		14,140,000	2049	\$21.70	306,823	7,453,582	6,057,301		
Totals		14,140,000		0	Future Value of Increment		7,453,582				
Notes:											
Actual results will vary depending on development, inflation or overall tax rates.											
NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).											

Financing and Implementation

The City anticipates funding the necessary Development Incentives with pay-as-you-go contributions based on the amount of revenue generated by the Development. Based on the Developer's Agreement that the City has executed, the City agrees to provide annual Tax Increment Grants totaling 90 percent of the available tax increment in any given year. The maximum amount of these Grants will be \$2,400,000 over the life of the District.

The City also plans to finance property acquisition of lands currently owned by the School District of Superior. The Plan estimates the cost of the property acquisition to be \$200,000 with financing obtained through Board of Commissioners of Public Lands' State Trust Fund Loan program.

The City will also construct new street infrastructure along 28th Street and new sidewalks near the apartment project in order to improve pedestrian safety. The proposed street infrastructure is estimated to cost \$1,000,000 and will be financed through a General Obligation bond to be issued in 2024. The pedestrian infrastructure project is estimated to cost \$100,000 and will be financed through an advance from the City's General Fund and will be repaid over the life of the District.

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

Table 3 – Financing Plan

City of Superior, Wisconsin Tax Increment District #17 Estimated Financing Plan				
	Municipal Revenue Obligation (MRO) 2024	G.O. Bond 2024	Municipal Revenue Obligation (MRO) 2029	State Trust Fund Loan 2029
				Totals
Projects				
Phase I	1,900,000	1,000,000		2,900,000
Phase II			500,000	700,000
Total Project Funds	1,900,000	1,000,000	500,000	200,000
Estimated Finance Related Expenses				
Municipal Advisor		19,000		5,000
Bond Counsel		10,000		
Rating Agency Fee		13,000		
Paying Agent				
Underwriter Discount	12.00	12,720		
Debt Service Reserve				
Capitalized Interest				
Miscellaneous		1,000		
Total Financing Required	1,900,000	1,055,720	500,000	205,000
Rounding	0	4,280	0	0
Net Issue Size	1,900,000	1,060,000	500,000	205,000
				3,665,000

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 2040 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 4 – Cash Flow

City of Superior, Wisconsin														
Tax Increment District #17														
Cash Flow Projection														
Year	Projected Revenues		Expenditures							Balances				
	Tax Increments	Total Revenues	Municipal Revenue Obligation (MRO) 1,900,000	G.O. Bond 1,060,000	Municipal Revenue Obligation (MRO) 500,000	State Trust Fund Loan 205,000	Pedestrian Infrastructure	Other	Admin.	Total Expenditures	Annual	Cumulative	Principal Outstanding	Year
2021										20,000	(20,000)	(20,000)		2021
2022										10,000	(10,000)	(30,000)	3,765,000	2022
2023										10,000	(10,000)	(40,000)	3,765,000	2023
2024										10,000	(10,000)	(50,000)	3,765,000	2024
2025	252,576	252,576	227,318		31,800					100,000	369,118	(166,542)	(166,542)	3,437,682
2026	252,576	252,576	227,318		31,800					10,000	269,118	(16,542)	(183,085)	3,210,364
2027	252,576	252,576	227,318		31,800					10,000	269,118	(16,542)	(199,627)	2,983,046
2028	252,576	252,576	227,318		31,800					10,000	269,118	(16,542)	(216,170)	2,755,728
2029	306,823	306,823	227,318		31,800	48,823	19,049	3.00%	4,836	10,000	341,825	(35,003)	(251,172)	2,460,538
2030	306,823	306,823	227,318		31,800	48,823	18,306	3.00%	5,579	10,000	341,825	(35,003)	(286,175)	2,166,092
2031	306,823	306,823	227,318		31,800	48,823	18,842	3.00%	5,043	10,000	341,825	(35,003)	(321,177)	1,871,109
2032	306,823	306,823	227,318	81,456	31,800	48,823	19,421	3.00%	4,464	10,000	341,825	(35,003)	(356,180)	1,575,548
2033	306,823	306,823			31,800	48,823	20,003	3.00%	3,881	10,000	195,964	110,859	(245,321)	1,425,266
2034	306,823	306,823			80,000	3.00%	31,800	48,823	20,603	10,000	194,507	112,315	(133,005)	1,275,840
2035	306,823	306,823			85,000	3.00%	29,400	48,823	21,214	10,000	197,107	109,715	(23,290)	1,120,803
2036	306,823	306,823			90,000	3.00%	26,850	48,823	21,858	10,000	199,557	107,265	83,976	960,122
2037	306,823	306,823			90,000	3.00%	24,150	48,823	22,514	10,000	196,857	109,965	193,941	798,786
2038	306,823	306,823			95,000	3.00%	21,450	48,823	23,189	10,000	199,157	107,665	301,606	631,774
2039	306,823	306,823			95,000	3.00%	18,600		696	10,000	135,374	171,449	473,055	525,000
2040	306,823	306,823			100,000	3.00%	15,750			10,000	125,750	181,073	654,128	425,000
2041	306,823	306,823			100,000	3.00%	12,750			10,000	122,750	184,073	838,201	
2042	306,823	306,823			105,000	3.00%	9,750			10,000	124,750	182,073	1,020,274	
2043	306,823	306,823			110,000	3.00%	6,600			10,000	126,600	180,223	1,200,497	
2044	306,823	306,823			110,000	3.00%	3,300			10,000	123,300	183,523	1,384,019	
2045	306,823	306,823								10,000	126,823	186,823	1,680,842	
2046	306,823	306,823								10,000	296,823	1,977,665		
2047	306,823	306,823								10,000	296,823	2,274,488		
2048	306,823	306,823								10,000	296,823	2,571,311		
2049	306,823	306,823								10,000	296,823	2,868,134		
Total	7,453,582	7,453,582	1,900,000	0	1,060,000	486,600	500,000	0	205,000	33,848	100,000	0	300,000	4,585,448

Notes:

The City may fund any annual deficits with advances from its General Fund. Any advances will be repaid according to policies set by the City.

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 none 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 multi-family residential 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 appropriate financial incentives for private development projects]. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as increased employment opportunities and 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.

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.

FRYBERGER

— LAW FIRM —

June 15, 2021

Mayor Jim Paine
City of Superior
1316 N. 14th St.
Superior, WI 54880

**RE: City of Superior, Wisconsin
Tax Incremental District No. 17**

Dear Mayor:

As development counsel for the City of Superior, we have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Wisconsin Statutes, Section 66.1105(4)(f).

Sincerely,

Fryberger, Buchanan, Smith & Frederick, P.A.

By Robert E. Toftey
Robert E. Toftey

cc: Ehlers & Associates
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FRYBERGER, BUCHANAN, SMITH & FREDERICK, P.A.

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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.

City of Superior, Wisconsin							
Tax Increment District #17							
Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.							
Statement of Taxes Data Year:					2019	Percentage	
Douglas County					7,969,823	20.34%	
City of Superior					14,218,908	36.29%	
School District of Superior					16,351,785	41.73%	
Wisconsin Indianhead Technical College					643,535	1.64%	
Total					39,184,051		
Wisconsin Indianhead Technical College							
Revenue Year	Douglas County	City of Superior	School District of Superior	Wisconsin Indianhead Technical College	Total	Revenue Year	
2023	0	0	0	0	0	2023	
2024	0	0	0	0	0	2024	
2025	51,372	91,653	105,402	4,148	252,576	2025	
2026	51,372	91,653	105,402	4,148	252,576	2026	
2027	51,372	91,653	105,402	4,148	252,576	2027	
2028	51,372	91,653	105,402	4,148	252,576	2028	
2029	62,406	111,338	128,039	5,039	306,823	2029	
2030	62,406	111,338	128,039	5,039	306,823	2030	
2031	62,406	111,338	128,039	5,039	306,823	2031	
2032	62,406	111,338	128,039	5,039	306,823	2032	
2033	62,406	111,338	128,039	5,039	306,823	2033	
2034	62,406	111,338	128,039	5,039	306,823	2034	
2035	62,406	111,338	128,039	5,039	306,823	2035	
2036	62,406	111,338	128,039	5,039	306,823	2036	
2037	62,406	111,338	128,039	5,039	306,823	2037	
2038	62,406	111,338	128,039	5,039	306,823	2038	
2039	62,406	111,338	128,039	5,039	306,823	2039	
2040	62,406	111,338	128,039	5,039	306,823	2040	
2041	62,406	111,338	128,039	5,039	306,823	2041	
2042	62,406	111,338	128,039	5,039	306,823	2042	
2043	62,406	111,338	128,039	5,039	306,823	2043	
2044	62,406	111,338	128,039	5,039	306,823	2044	
2045	62,406	111,338	128,039	5,039	306,823	2045	
2046	62,406	111,338	128,039	5,039	306,823	2046	
2047	62,406	111,338	128,039	5,039	306,823	2047	
2048	62,406	111,338	128,039	5,039	306,823	2048	
2049	62,406	111,338	128,039	5,039	306,823	2049	
	1,516,018	2,704,718	3,110,433	122,413	7,453,582		

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