December 20, 2022

PROJECT PLAN

City of Superior, Wisconsin

Tax Incremental District No. 18

EHLERS
PUBLIC FINANCE ADVISORS

Prepared by:

Ehlers

3060 Centre Pointe Drive

Roseville, MN 55113

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	November 16, 2022
Public Hearing Held:	November 16, 2022
Approval by Plan Commission:	November 16, 2022
Adoption by Common Council:	December 20, 2022
Approval by the Joint Review Board:	January 11, 2022

TABLE OF CONTENTS

Executive Summary 3

Preliminary Map of Proposed District Boundary 6

Map Showing Existing Uses and Conditions 8

Preliminary Parcel List and Analysis 10

Equalized Value Test 11

Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District 12

Map Showing Proposed Improvements and Uses 19

Detailed List of Estimated Project Costs 22

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 23

Annexed Property 28

Estimate of Property to Be Devoted to Retail Business 29

Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances 30

Statement of the Proposed Method for the Relocation of any Persons to be Displaced 31

How Creation of the Tax Incremental District Promotes the Orderly Development of the City 32

List of Estimated Non-Project Costs 33

Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f) 34

Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions 36

SECTION 1:
Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District ("TID") No. 18 ("District") is a proposed mixed-use District comprising approximately 24 acres located off State Highway 35 in central Superior. The District will be created to encourage development of vacant property within the Project Area, including a funeral parlor and celebration of life facility; the expansion of a manufacturing facility; a residential facility; and commercial development. The District will be created to pay the costs of development incentives and sewer and street infrastructure in and near the Project Area. In addition to the incremental property value that will be created, the City expects the Project will result in job creation and economic growth in the City of Superior.

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 $2,960,000 ("Project Costs") to undertake the projects listed in this Project Plan ("Plan"). Project Costs include an estimated development incentives and street and utility infrastructure.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately $11,850,000 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 assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

EXPECTED TERMINATION OF DISTRICT

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs within 18 of its allowable 20 years.

SUMMARY OF FINDINGS

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

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

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

Based on Ehlers review, the amount of pay as you go development incentives requested is necessary to provide an acceptable return on investment and indicates that "but for" the incentives, the project would not likely proceed.

The developers of the proposed funeral parlor and celebration of life facility and the residential facility have represented that their project is not economically viable without public participation based on extraordinary costs associated with the development of the 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. As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.

4. Not less than 50% by area of the real property within the District is suitable for mixed-use development as defined by Wis. Stat. § 66.1105(2)(cm). Lands proposed for newly-platted residential development comprise no more than 35% of the real property area within the District. Costs related to newly-platted residential development may be incurred based on the proposed development having a density of at least three (3) units per acre as defined in Wis. Stat. § 66.1105(2)(f)3.a.

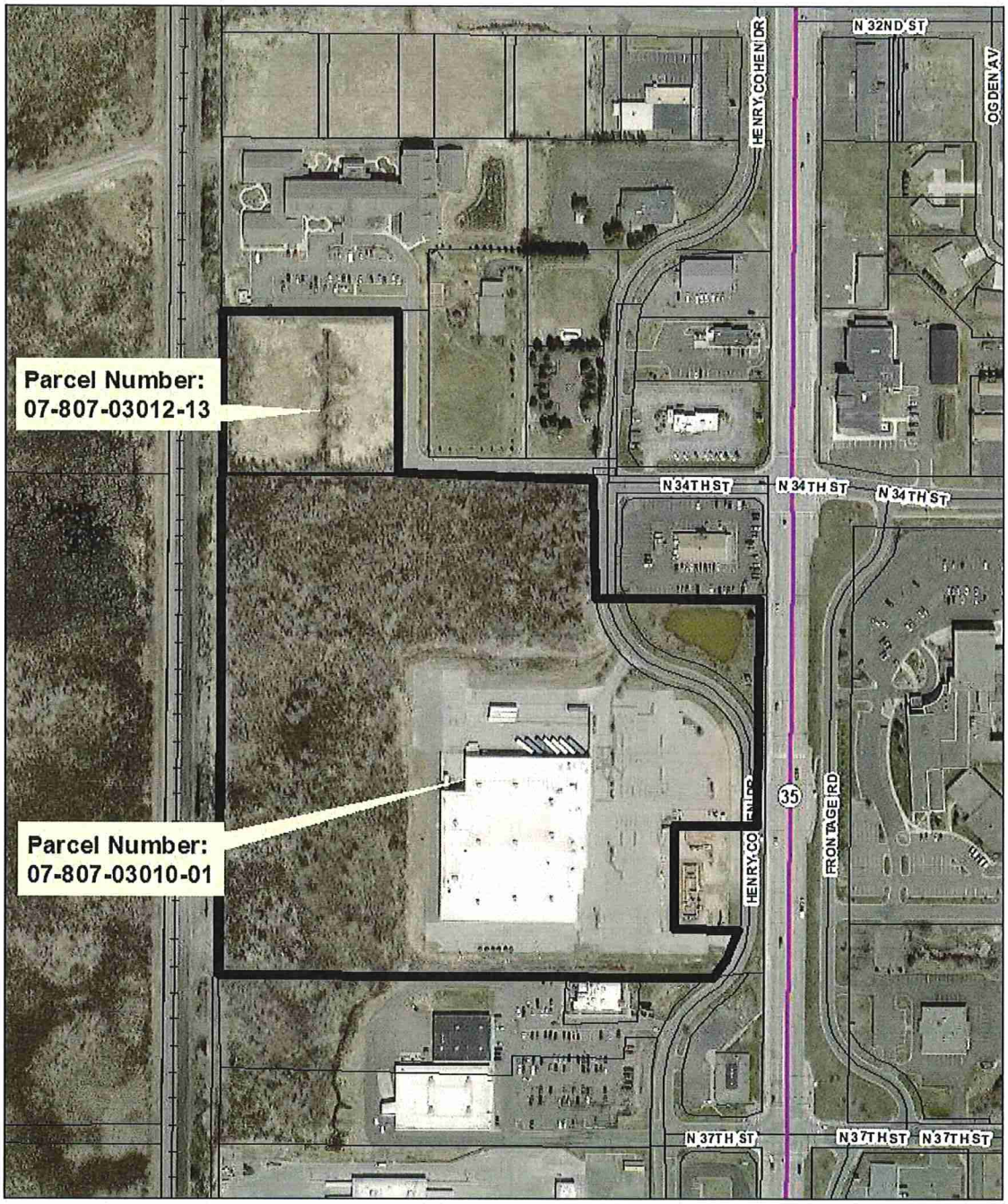
5. Based on the foregoing finding, the District is designated as a mixed-use district.

6. The Project Costs relate directly to promoting mixed use development in the District, consistent with the purpose for which the District is created.

7. Improvements to be made in the District are likely to significantly enhance the value of substantially all 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. 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.

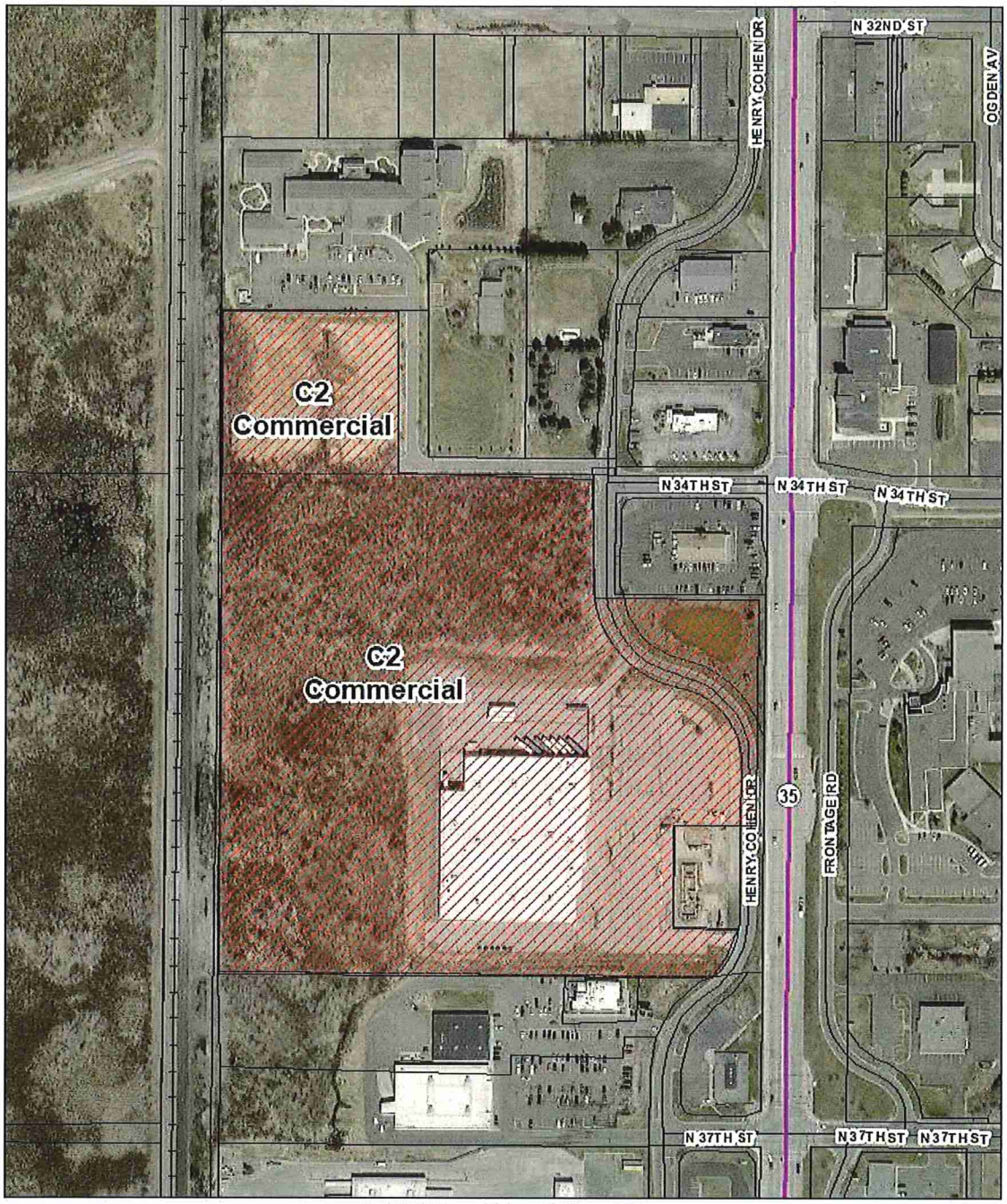


TID 18
Henry Cohen Drive & N. 34th St. Project
Existing Parcels as of January 1, 2022

SUPERIOR

SECTION 3:
Map Showing Existing Uses and Conditions

Map Found on Following Page.



0 65 130 260 390 520 Feet

N W E S

TID 18
Henry Cohen Drive & N. 34th St. Project
Existing Uses & Zoning Map (C2)
As of 2022

SUPERIOR

SECTION 4:
Preliminary Parcel List and Analysis

City of Superior, Wisconsin
Tax Increment District #18
Base Property Information

						Assessment Information				Equalized Value					District Classification				
Parcel Number	Street Address	Owner	Acreage	Annexed Post 1/1/04? ...Indicate date	Part of Existing TID? ...Indicate TID #	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Industrial (Zoned and Suitable)	Commercial/ Business	Existing Residential	Newly Platted Residential	Suitable for Mixed Use
07-807-03012-13		RNT Development, LLC	2.63			150,300	0	0	150,300	82.15%	182,958	0	0	182,958			2.63		2.63
07-807-03010-01	3535 Tower Avenue	Stack Trust, William E & Nahl G	21.41			1,254,900	3,322,100	0	4,577,000	82.15%	1,527,572	4,043,944	0	5,571,516	16.5	4.91			21.41
		Total Acreage	24.04			1,405,200	3,322,100	0	4,727,300		1,710,530	4,043,944	0		16.5	4.91	2.625	0	24.035
															68.65%	20.43%	10.92%	0.00%	100.00%
The above values are as of January 1, 2022. Actual base value certification of the territory will be based on January 1, 2021 assessed values.												Estimated Base Value		5,754,474					

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 $82,012,774. This value is less than the maximum of $280,835,460 in equalized value that is permitted for the City.

City of Superior, Wisconsin
Tax Increment District #18
Valuation Test Compliance Calculation

District Creation Date	12/20/2022
	Valuation Data Currently Available 2022
Total EV (TID In)	2,340,295,500
12% Test	280,835,460
Increment of Existing TIDs	
TID #7	19,122,300
TID #11	11,092,100
TID #13	19,732,000
TID #14	8,310,700
TID #15	17,676,100
TID #16	120,400
TID #17	204,700
Total Existing Increment	76,258,300
Projected Base of New or Amended District	5,754,474
Less Value of Any Underlying TID Parcels	0
Total Value Subject to 12% Test	82,012,774
Compliance	PASS

SECTION 6:
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

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

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

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

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

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

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

Property Acquisition for Conservancy

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

Acquisition of Rights-of-Way

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

Acquisition of Easements

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

Relocation Costs

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

Site Preparation Activities

Environmental Audits and Remediation

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

Demolition

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

Site Grading

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

Utilities

Sanitary Sewer System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Water System Improvements

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

implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

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

Electric Service

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

Gas Service

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

Communications Infrastructure

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

Streets and Streetscape

Street Improvements

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

Streetscaping and Landscaping

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

Community Development

Cash Grants (Development Incentives)

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

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. The City intends to make the following project cost expenditures outside the District:

- Street and Utility Infrastructure Projects - $1,000,000

Professional Service and Organizational Costs

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

Administrative Costs

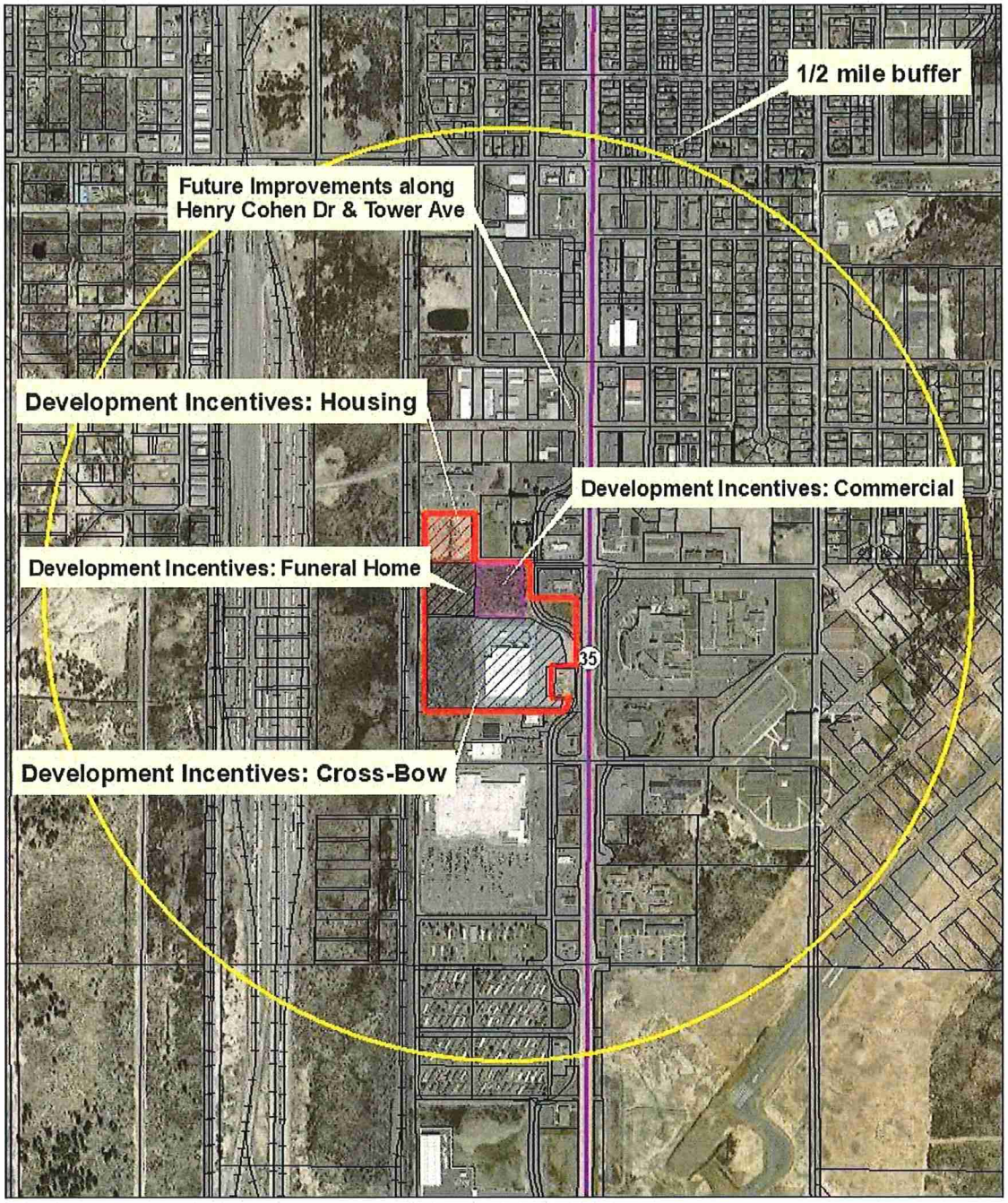
The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees relating to the implementation of the Plan.

Financing Costs

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

SECTION 7:
Map Showing Proposed Improvements and Uses

Map Found on Following Page.

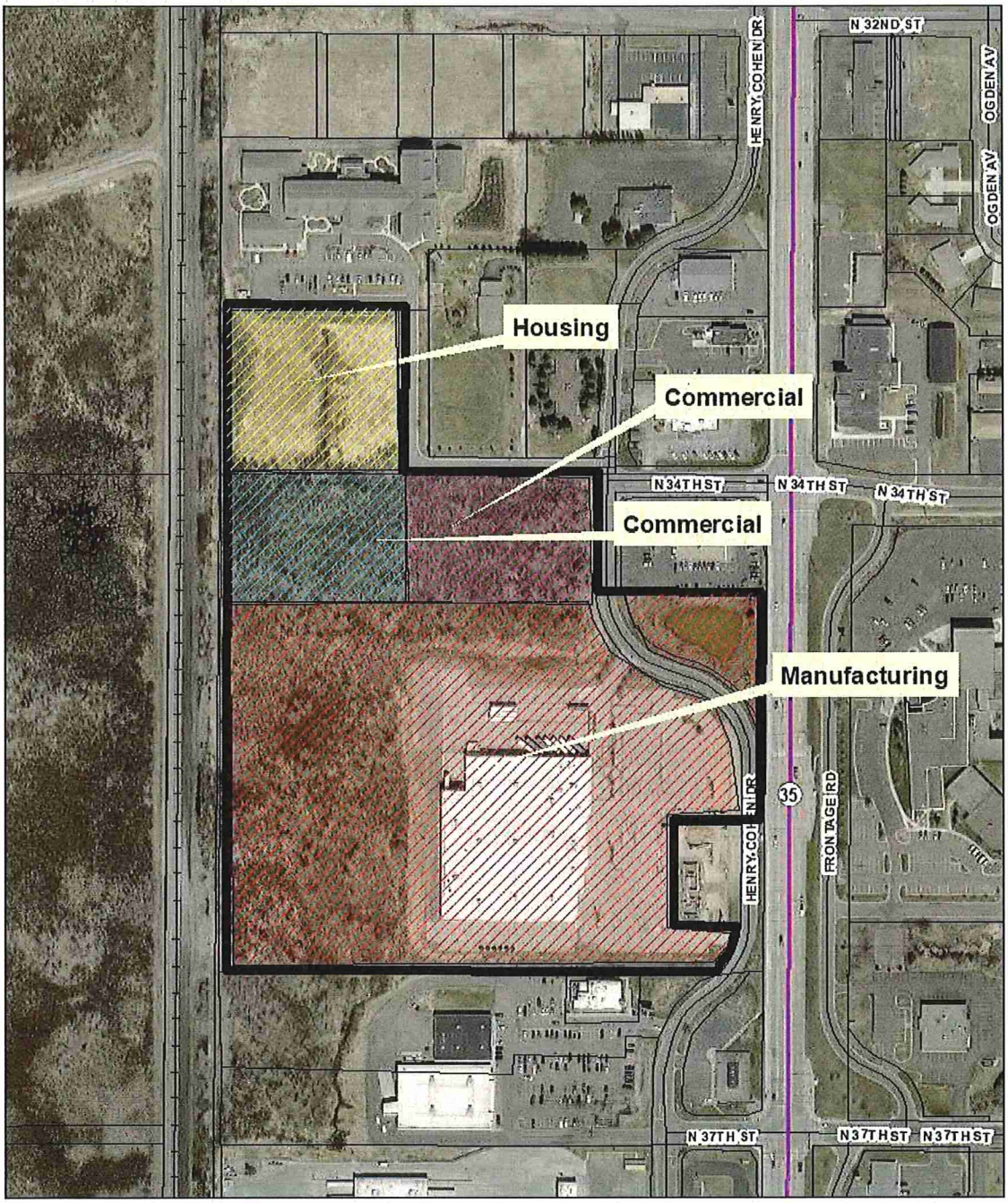


0 220440 880 1,320 1,760
Feet

N
W E
S

TID 18
Henry Cohen Drive & N. 34th St. Project
Proposed Improvements

SUPERIOR



TID 18
Henry Cohen Drive & N. 34th St
Future Uses after January 1, 2023

SUPERIOR

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 #18
Estimated Project List

Project ID	Project Name/Type	Phase I 2025	Phase II 2027	Phase III 2029	Phase IV 2030	Total (Note 1)
1	Development Incentives: Funeral Home	300,000				300,000
2	Development Incentives: Cross-Bow		750,000			750,000
3	Development Incentives: Residential			800,000		800,000
4	Street and Utility Infrastructure			1,000,000		1,000,000
5	Development Incentives: Commercial				110,000	110,000
Total Projects		300,000	750,000	1,800,000	110,000	2,960,000

Notes:
Note 1 Project costs are estimates and are subject to modification

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 $11,850,000 in incremental value by 2028. 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 $20.08 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate $4,085,282 in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

Table 1 - Development Assumptions

City of Superior, Wisconsin
Tax Increment District #18
Development Assumptions

Construction Year		Actual	Funeral Home	Cross-Bow	Residential	Commercial	Annual Total	Construction Year	
1	2023		1,250,000				1,250,000	2023	1
2	2024						0	2024	2
3	2025			4,800,000			4,800,000	2025	3
4	2026						0	2026	4
5	2027				5,100,000		5,100,000	2027	5
6	2028					700,000	700,000	2028	6
7	2029						0	2029	7
8	2030						0	2030	8
9	2031						0	2031	9
10	2032						0	2032	10
11	2033						0	2033	11
12	2034						0	2034	12
13	2035						0	2035	13
14	2036						0	2036	14
15	2037						0	2037	15
16	2038						0	2038	16
17	2039						0	2039	17
18	2040						0	2040	18
19	2041						0	2041	19
20	2042						0	2042	20
	Totals	0	1,250,000	4,800,000	5,100,000	700,000	11,850,000		

Table 2 – Tax Increment Projection Worksheet

City of Superior, Wisconsin

Tax Increment District #18

Tax Increment Projection Worksheet

Type of District	Mixed Use		Base Value	5,754,474
District Creation Date	December 20, 2022		Appreciation Factor	0.00%
Valuation Date	Jan 1,	2023	Base Tax Rate	$20.08
Max Life (Years)	20		Rate Adjustment Factor	
Expenditure Period/Termination	15	12/20/2037		
Eligible Recipient District	No		Taxable Discount Rate	1.50%

	Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment
1	2023	1,250,000	2024	0	1,250,000	2025	$20.08	25,094
2	2024	0	2025	0	1,250,000	2026	$20.08	25,094
3	2025	4,800,000	2026	0	6,050,000	2027	$20.08	121,454
4	2026	0	2027	0	6,050,000	2028	$20.08	121,454
5	2027	5,100,000	2028	0	11,150,000	2029	$20.08	223,837
6	2028	700,000	2029	0	11,850,000	2030	$20.08	237,890
7	2029	0	2030	0	11,850,000	2031	$20.08	237,890
8	2030	0	2031	0	11,850,000	2032	$20.08	237,890
9	2031	0	2032	0	11,850,000	2033	$20.08	237,890
10	2032	0	2033	0	11,850,000	2034	$20.08	237,890
11	2033	0	2034	0	11,850,000	2035	$20.08	237,890
12	2034	0	2035	0	11,850,000	2036	$20.08	237,890
13	2035	0	2036	0	11,850,000	2037	$20.08	237,890
14	2036	0	2037	0	11,850,000	2038	$20.08	237,890
15	2037	0	2038	0	11,850,000	2039	$20.08	237,890
16	2038	0	2039	0	11,850,000	2040	$20.08	237,890
17	2039	0	2040	0	11,850,000	2041	$20.08	237,890
18	2040	0	2041	0	11,850,000	2042	$20.08	237,890
19	2041	0	2042	0	11,850,000	2043	$20.08	237,890
20	2042	0	2043	0	11,850,000	2044	$20.08	237,890
Totals		$11,850,000		0			Future Value of Increment	$4,085,282

Notes:

Actual results will vary depending on development, inflation of overall tax rates.

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

Financing and Implementation

Development incentives for each projects are anticipated to be funded on a pay-as-you-go basis with available cash. Street and Utility Improvements in 2029 are anticipated to be financed with General Obligation Bonds. Any specific project costs are subject to approval by the Common Council at the time they are to be implemented. **Table 3.** provides a summary of the District's financing plan.

Table 3 – Financing Plan

City of Superior, Wisconsin
Tax Increment District #18
Estimated Financing Plan

		G.O. Bond 2029	Totals
Projects			
Phase III		1,000,000	1,000,000
Total Project Funds		1,000,000	1,000,000
Estimated Finance Related Expenses			
Municipal Advisor		18,700	
Bond Counsel		12,000	
Rating Agency Fee		14,000	
Paying Agent		900	
Underwriter Discount	12.00	12,720	
Total Financing Required		1,058,320	
Rounding		1,680	
Net Issue Size		1,060,000	1,060,000

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 2042 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 4 – Cash Flow

City of Superior, Wisconsin
Tax Increment District #18
Cash Flow Projection

	Projected Revenues		Expenditures									Balances			
			G.O. Bond 1,060,000												
Year	Tax Increments	Total Revenues	Dated Date: Principal	06/01/29 Est. Rate	Interest	Funeral Home Incentive	Cross-Bow Incentive	Housing Incentive	Commercial Incentive	Admin.	Total Expenditures	Annual	Cumulative	Principal Outstanding	Year
2023		0								25,000	25,000	(25,000)	(25,000)		2023
2024		0								5,000	5,000	(5,000)	(30,000)		2024
2025	25,094	25,094				22,584				5,000	27,584	(2,490)	(32,490)	277,416	2025
2026	25,094	25,094				22,584				5,000	27,584	(2,490)	(34,980)	254,832	2026
2027	121,454	121,454				22,584	41,667			5,000	69,251	52,203	17,223	940,581	2027
2028	121,454	121,454				22,584	41,667			5,000	69,251	52,203	69,426	876,330	2028
2029	223,837	223,837				22,584	41,667	50,000		5,000	119,251	104,586	174,013	2,622,079	2029
2030	237,890	237,890	30,000	4.15%	73,485	22,584	41,667	50,000	7,333	5,000	230,069	7,821	181,834	2,470,495	2030
2031	237,890	237,890	55,000	4.15%	47,019	22,584	41,667	50,000	7,333	5,000	228,603	9,287	191,121	2,403,911	2031
2032	237,890	237,890	55,000	4.20%	44,723	22,584	41,667	50,000	7,333	5,000	226,307	11,583	202,704	2,227,327	2032
2033	237,890	237,890	60,000	4.30%	42,278	22,584	41,667	50,000	7,333	5,000	228,862	9,028	211,732	2,045,743	2033
2034	237,890	237,890	60,000	4.35%	39,683	22,584	41,667	50,000	7,333	5,000	226,267	11,623	223,356	1,864,159	2034
2035	237,890	237,890	65,000	4.40%	36,948	22,584	41,667	50,000	7,333	5,000	228,532	9,358	232,714	1,677,575	2035
2036	237,890	237,890	65,000	4.45%	34,071	22,584	41,667	50,000	7,333	5,000	225,655	12,235	244,949	1,490,991	2036
2037	237,890	237,890	70,000	4.50%	31,050	22,584	41,667	50,000	7,333	5,000	227,634	10,256	255,205	1,299,407	2037
2038	237,890	237,890	75,000	4.60%	27,750	6,408	41,667	50,000	7,333	5,000	213,158	24,732	279,936	1,118,999	2038
2039	237,890	237,890	75,000	4.70%	24,263		41,667	50,000	7,333	5,000	203,263	34,627	314,564	944,999	2039
2040	237,890	237,890	80,000	4.80%	20,580		41,667	50,000	7,333	5,000	204,580	33,310	347,874	765,999	2040
2041	237,890	237,890	85,000	4.90%	16,578		41,667	50,000	7,333	5,000	205,578	32,312	380,186	581,999	2041
2042	237,890	237,890	90,000	5.00%	12,245		41,667	50,000	7,333	5,000	206,245	31,645	411,831	392,999	2042
2043	237,890	237,890	95,000	5.10%	7,573		41,667	50,000	7,333	5,000	206,573	31,317	443,148	198,999	2043
2044	237,890	237,890	100,000	5.15%	2,575		41,661	50,000	7,338	5,000	206,574	31,316	474,464	-	2044
Total	4,085,282	4,085,282	1,060,000		460,818	300,000	750,000	800,000	110,000	130,000	3,610,818				Total

Notes: Incentive payments are anticipated to be made through contributions from the TID to the City's Redevelopment Authority.

Projected Closure Year

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 less than 35 percent 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 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 creating opportunities for mixed-use development, providing necessary public infrastructure improvements, 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.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

SECTION 16:
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)

Legal Opinion Found on Following Page.

FRYBERGER

LAW FIRM

December 20, 2022

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

RE: City of Superior, Wisconsin
Tax Incremental District No. 18

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
M:\DOCS\08495\00034\DPN18C3467.DOC

FRYBERGER, BUCHANAN, SMITH & FREDERICK, P.A

CLOQUET
813 Cloquet Ave.
Cloquet, MN 55720
p: (218) 879-3363

DULUTH
302 West Superior St,
Ste 700
Duluth, MN 55802
p: (218) 722-0961

SUPERIOR
1409 Hammond Ave., Suite 330
Superior, WI 54880
p: (715)392-7405

ST. PAUL
c/o 302 West Superior St,
Ste 700
Duluth, MN 55802
p: (651)221-1044

fryberger.com

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 #18

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.

Statement of Taxes Data Year:	2021	Percentage
Douglas County	8,442,333	20.48%
City of Superior	14,984,121	36.34%
School District of Superior	17,179,784	41.67%
Northwood Technical College	625,385	1.52%

Revenue Year	Douglas County	City of Superior	School District of Superior	Northwood Technical College	Total	Revenue Year
2025	5,138	9,119	10,456	381	25,094	2025
2026	5,138	9,119	10,456	381	25,094	2026
2027	24,868	44,138	50,606	1,842	121,454	2027
2028	24,868	44,138	50,606	1,842	121,454	2028
2029	45,832	81,345	93,265	3,395	223,837	2029
2030	48,709	86,452	99,120	3,608	237,890	2030
2031	48,709	86,452	99,120	3,608	237,890	2031
2032	48,709	86,452	99,120	3,608	237,890	2032
2033	48,709	86,452	99,120	3,608	237,890	2033
2034	48,709	86,452	99,120	3,608	237,890	2034
2035	48,709	86,452	99,120	3,608	237,890	2035
2036	48,709	86,452	99,120	3,608	237,890	2036
2037	48,709	86,452	99,120	3,608	237,890	2037
2038	48,709	86,452	99,120	3,608	237,890	2038
2039	48,709	86,452	99,120	3,608	237,890	2039
2040	48,709	86,452	99,120	3,608	237,890	2040
2041	48,709	86,452	99,120	3,608	237,890	2041
2042	48,709	86,452	99,120	3,608	237,890	2042
2043	48,709	86,452	99,120	3,608	237,890	2043
2044	48,709	86,452	99,120	3,608	237,890	2044
	836,477	1,484,646	1,702,195	61,964	4,085,282	

Notes:

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