

September 23, 2021

PROJECT PLAN

City of Black River Falls, Wisconsin

Tax Incremental District No. 8



Prepared by:

Ehlers

3060 Centre Pointe Drive

Roseville, MN 55113-112

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	September 14, 2021
Public Hearing Held:	September 14, 2021
Approval by Plan Commission:	September 14, 2021
Adoption by Common Council:	September 29, 2021
Approval by the Joint Review Board:	October 27, 2021

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	25
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.....	26
Annexed Property.....	31
Estimate of Property to Be Devoted to Retail Business.....	32
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances.....	33
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	34
How Creation of the Tax Incremental District Promotes the Orderly Development of the City	35
List of Estimated Non-Project Costs	36
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f).....	37
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions.....	39

SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 8 (“District”) is a proposed Mixed-Use District comprising approximately 99 acres located at Exit 115 surrounding the I-94 and State Highway 12/27 interchange on the northeast, southeast, and southwest quadrants. The District will be created to pay the costs of Utility Extensions and Improvements and Development Incentives (“Project”) necessary for the S.C. Swiderski, LLC (“Developer”) development to proceed, as well as future phases of development incentives, and street improvements related to industrial development. In addition to the incremental property value that will be created, the City expects the Project will result in increased residential, commercial, and industrial development opportunities. The proposed residential development is expected to include three 20-unit buildings; two 16-unit buildings; and one 4-unit building, for a total of 96 new residential units. The proposed commercial development will include three self-storage buildings with a minimum of 113 total self-storage units.

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 \$4,595,000 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include Utility Extension and Improvements, Development Incentives, and Street Improvements for Industrial Development.

INCREMENTAL VALUATION

The City projects that new land and improvements will generate approximately \$18,250,000 in value for the District through 2042. 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:

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

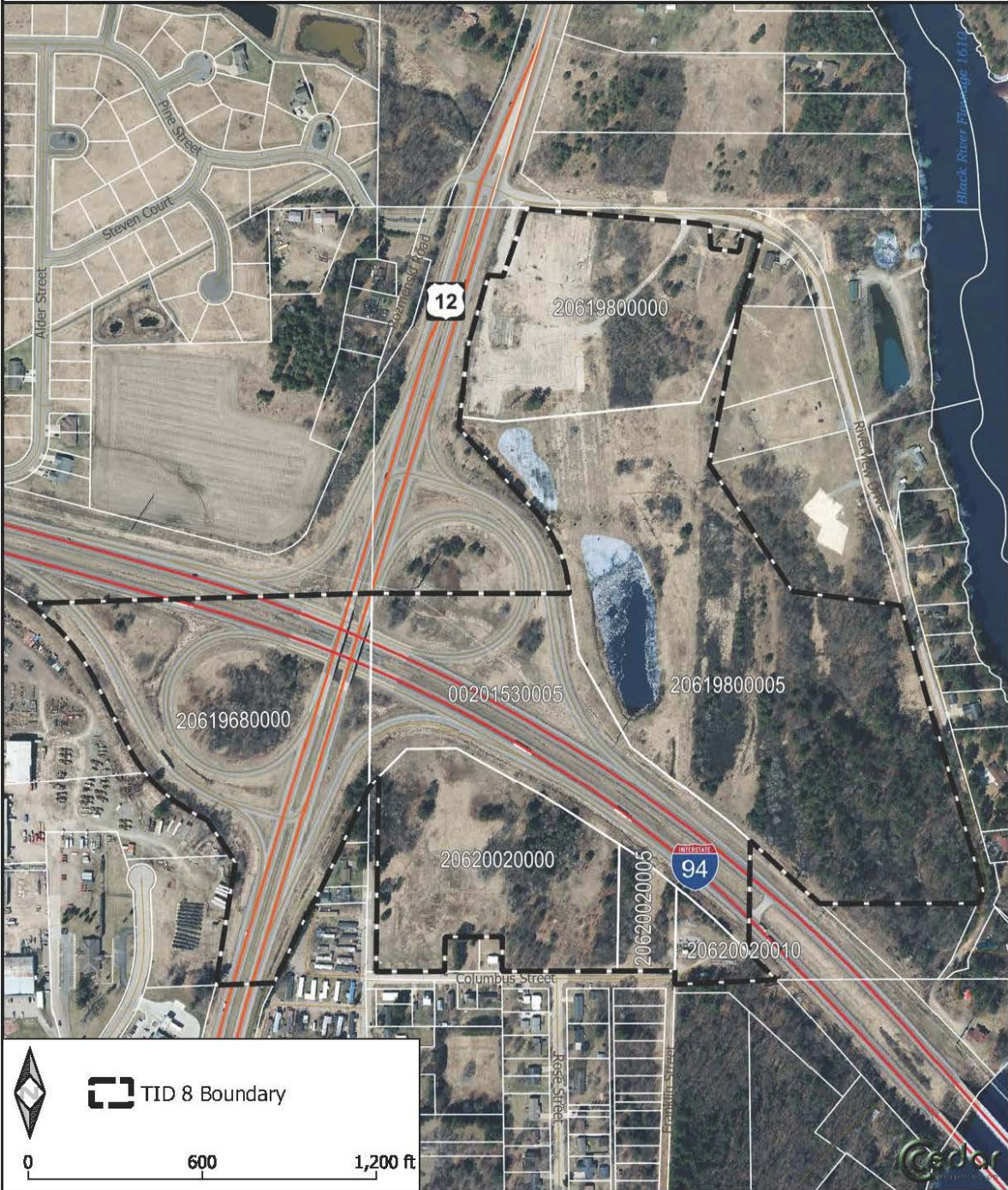
2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property 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.

TIF District #8 - Parcels
City of Black River Falls
Jackson County, WI



I:\Clients-Memo\B\1333 City of Black River Falls\PRMO 2021\TEMP TIF Mapping
September 13, 2021

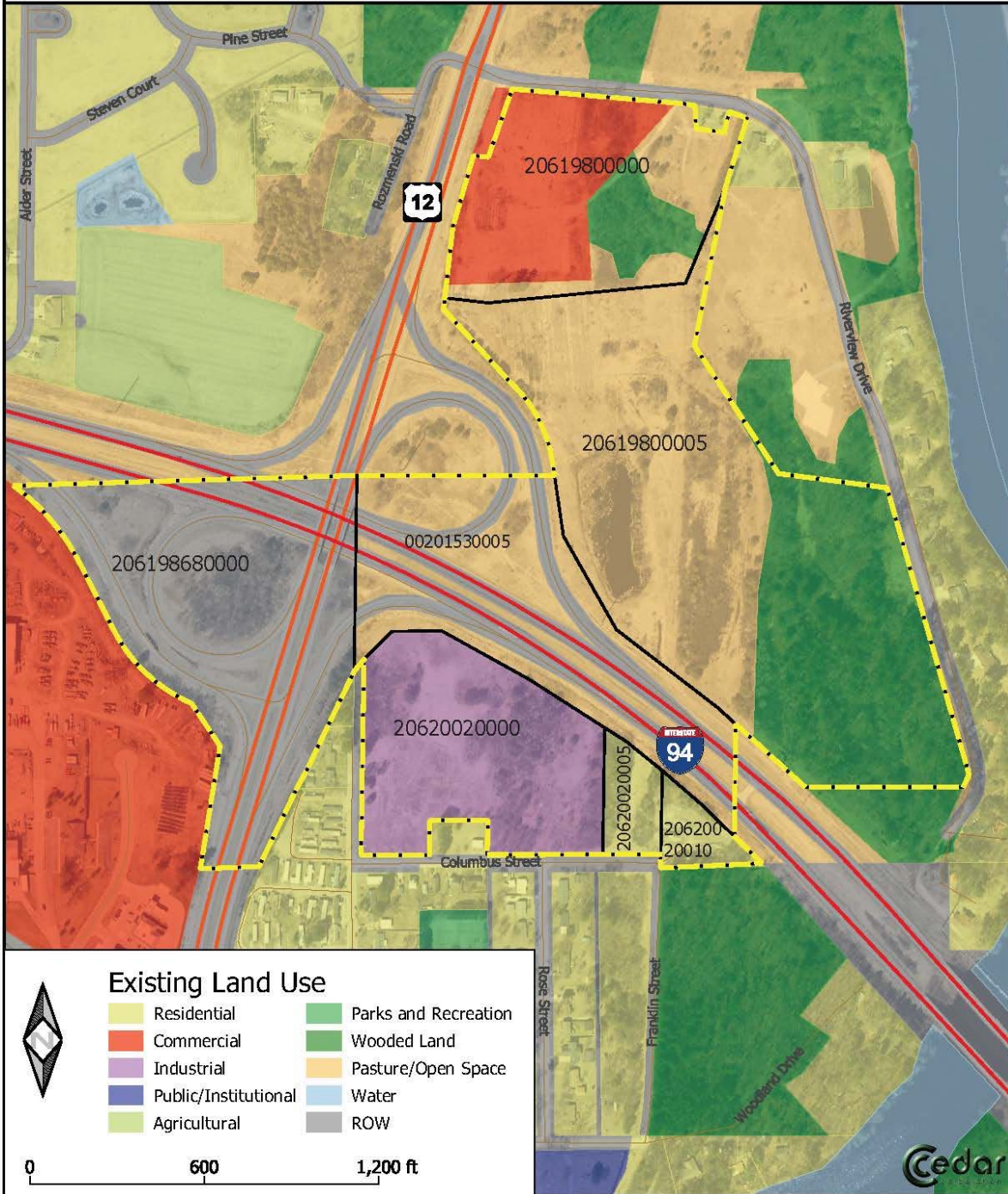
SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.

TIF District #8 - Existing Land Use

City of Black River Falls
Jackson County, WI



I:\Clients-Memo\B\1333 City of Black River Falls\054 TID #5 Amendment Mapping\GIS
September 23, 2021

SECTION 4: Preliminary Parcel List and Analysis

City of Black River Falls, Wisconsin																					
Tax Increment District #8																					
Base Property Information																					
Property Information				Assessment Information				Equalized Value				District Classification									
Parcel Number	Street Address	Owner	Acreage	Part of Existing TID? ...Indicate TID #	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	District Classification							
														Industrial (Zoned and Suitable)	Commercial/ Business	Existing Residential	Newly Platted Residential	X4 Other	Suitable for Mixed Use	Blighted	Rehab/ Conservation
20619800000	N6695 RIVERVIEW DR	S.C. SWIDERSKI LLC	12.80	TID 5	176,000	0		176,000	84.31%	208,753	0	0	208,753				12.80			12.80	
20619800005		S.C. SWIDERSKI LLC	34.70	TID 5	45,000	0		45,000	84.31%	53,374	0	0	53,374		20.70		14.00			34.70	
20620020000		CUMMINS FILTRATION	11.97		63,900	0		63,900	84.31%	75,792	0	0	75,792		11.97					11.97	
20620020005		CITY OF BLACK RIVER FALLS	1.68		0	0	0	0	84.31%	0	0	0	0	1.68						1.68	
20620020010		CITY OF BLACK RIVER FALLS	1.37		0	0	0	0	84.31%	0	0	0	0	1.37						1.37	
20619680000		STATE OF WISCONSIN DEPT. OF TRANSPORTATION	19.00		0	0	0	0	84.31%	0	0	0	0		19.00					19.00	
00201530005		STATE OF WISCONSIN DEPT. OF TRANSPORTATION	17.57		0	0	0	0	84.31%	0	0	0	0			17.57	0.00			0.00	
TID 5 Parcels			47.5		221,000	-	-	221,000													
Total Acreage			99.09		505,900	0	0	505,900		337,920	0	0			3.05	51.67	0	26.80	17.57	81.52	
													3.08%	52.14%	0.00%	27.05%	17.73%	82.27%	0.00%	0.00%	60.02%
													Estimated Base Value		337,920						

The above values are as of January 1, 2021. Actual base value certification of the territory will be based on January 1, 2021 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 value of those parcels located within Tax Incremental District No. 8 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 \$23,531,720. This value is less than the maximum of \$32,905,584 in equalized value that is permitted for the City.

City of Black River Falls, Wisconsin	
Tax Increment District #8	
Valuation Test Compliance Calculation	
District Creation Date	9/28/2021
	Valuation Data Currently Available 2021
Total EV (TID In)	274,213,200
12% Test	32,905,584
Increment of Existing TIDs	
TID #3	14,374,800
TID #4	7,243,200
TID #5	0
TID #6	1,503,900
TID #7	292,900
Total Existing Increment	23,414,800
Projected Base of New or Amended District	337,920
Less Value of Any Underlying TID Parcels	221,000
Total Value Subject to 12% Test	23,531,720
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 assessment 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 Community Development Authority (CDA) or 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 CDA/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 CDA/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 CDA/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 CDA/RDA in the program manual. Any funds returned to the CDA/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 CDA/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 Street Improvements to promote industrial development are an example of an anticipated half-mile project for this 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

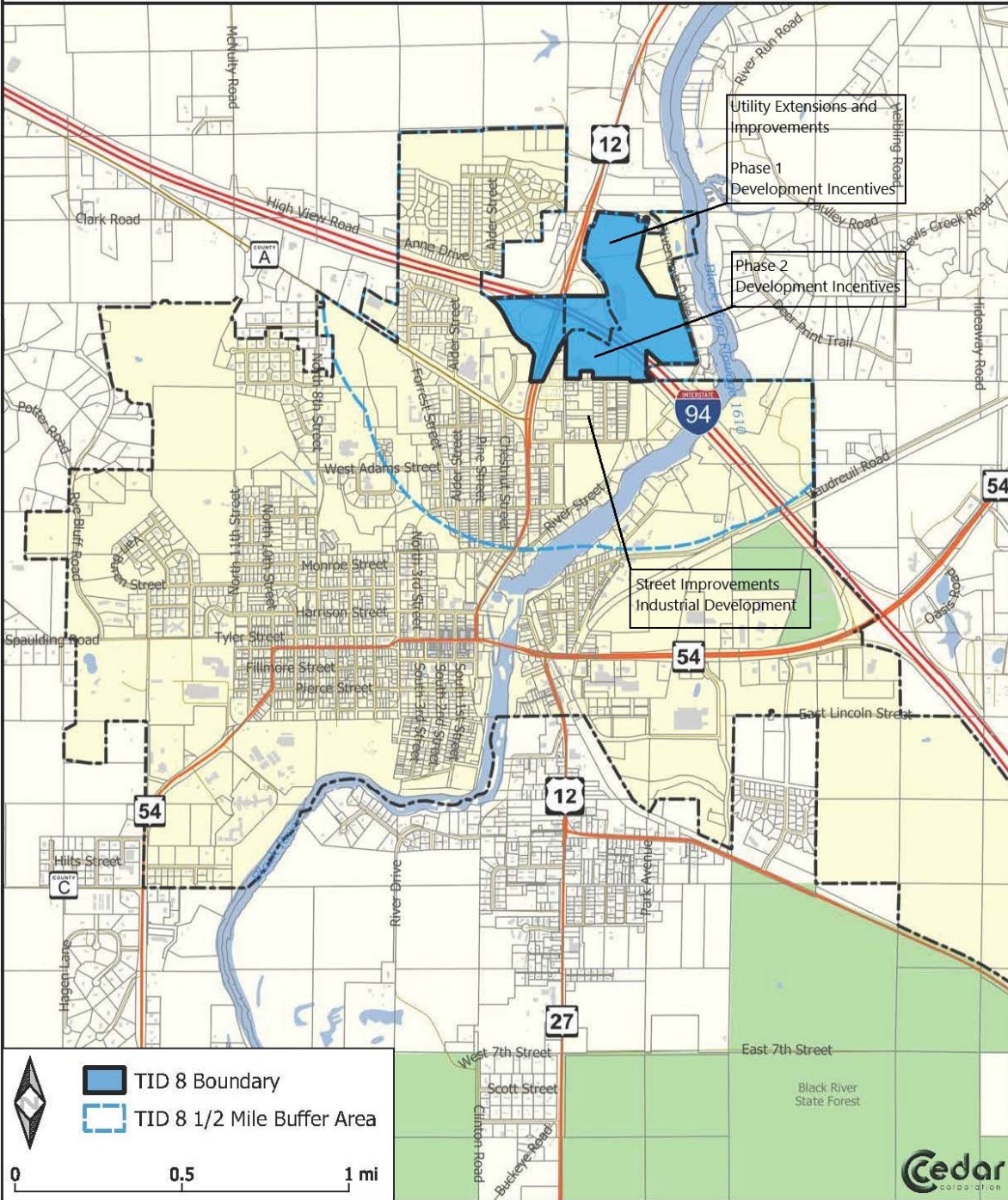
Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

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

Map Found on Following Page.

TIF District #8 - Location

City of Black River Falls
Jackson County, WI

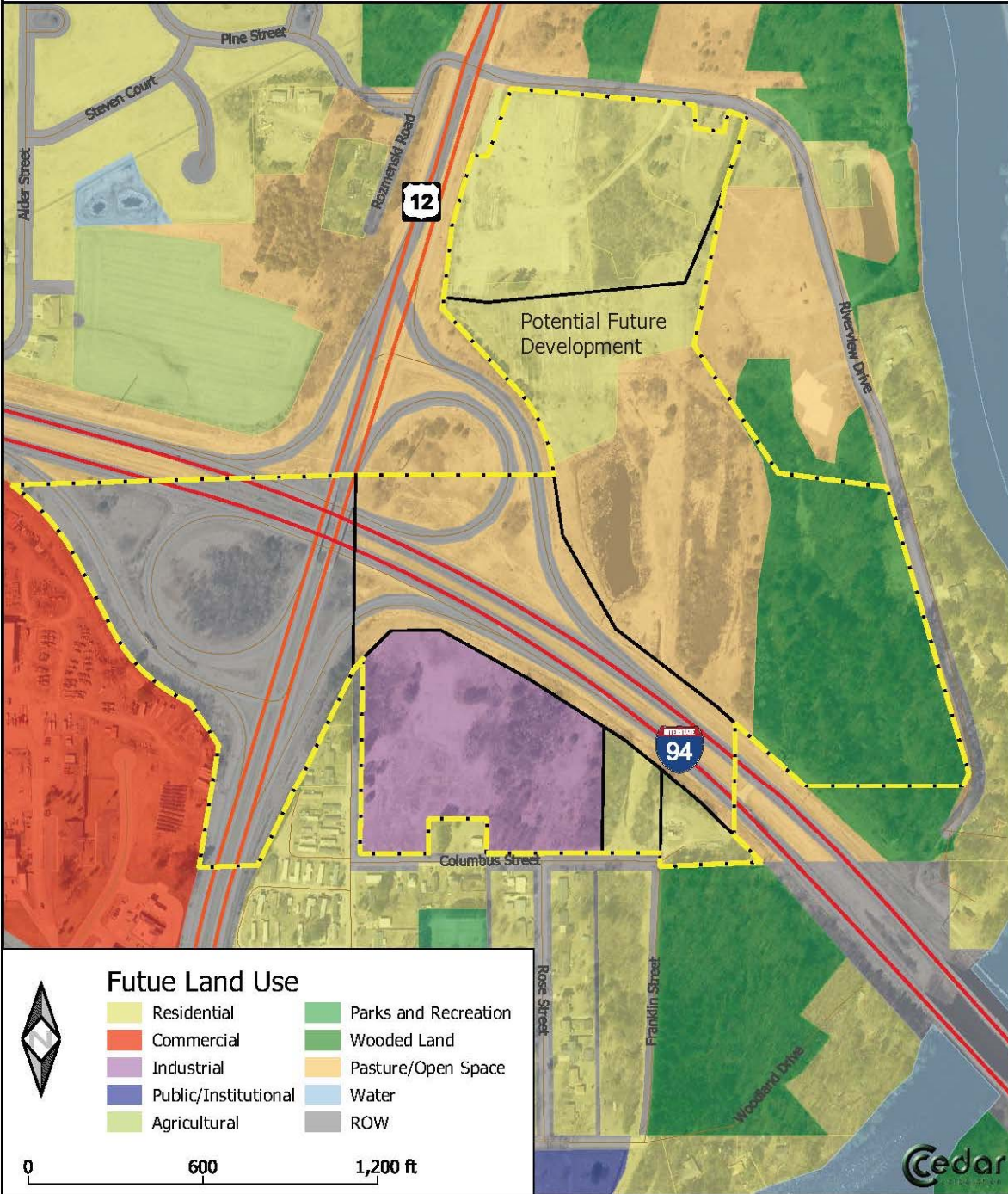


I:\Clients-Memo\B\1333 City of Black River Falls\PROMO 2021\TEMP TIF Mapping
September 13, 2021



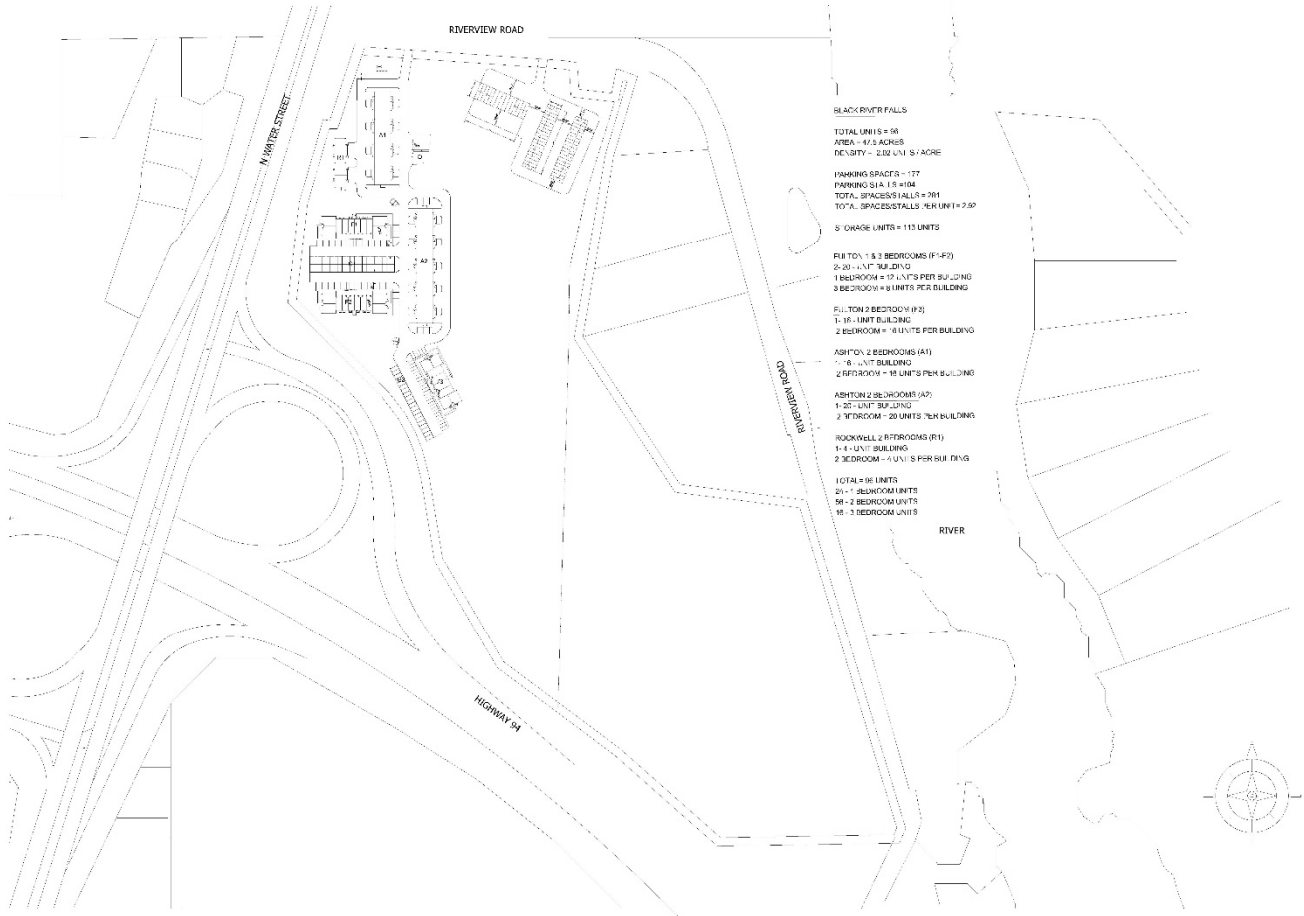
TIF District #8 - Proposed Mixed-Use District

City of Black River Falls
Jackson County, WI



Phase I Residential Development

THIS SITE PLAN FOR REFERENCE ONLY; FOR ACCURATE LOCATIONS AND DETAILS, SEE CIVIL SITE PLAN



BLACK RIVER FALLS
 TOTAL UNITS = 68
 AREA - 47.5 ACRES
 DENSITY - 2.02 U/LI S/ACRE

PARKING SPACES - 177
 PARKING SIA - 1.5 #/M
 TOTAL SPACES/S/ACRE = 3.61
 TOTAL SPACES/FALLS - PER UNIT = 2.50

2' W/ASE UNITS = 113 UNITS

FULTON 1.5 B. BEDROOMS (F-F2)
 2-30' x 111' BUILDING
 1 BEDROOM = 17 UNITS PER BUILDING
 3 BEDROOM = 18 UNITS PER BUILDING

FULTON 2 BEDROOM (F-F2)
 1-16' UNIT BUILDING
 2 BEDROOM = 8 UNITS PER BUILDING

ASHTON 2 BEDROOMS (A1)
 1-16' UNIT BUILDING
 2 BEDROOM = 8 UNITS PER BUILDING

ASHTON 2 BEDROOMS (A2)
 1-20' UNIT BUILDING
 2 BEDROOM = 20 UNITS PER BUILDING

ROCKWELL 2 BEDROOMS (R1)
 1-4' UNIT BUILDING
 2 BEDROOM = 4 UNITS PER BUILDING

TOTAL = 68 UNITS
 21 - 1 BEDROOM UNITS
 14 - 2 BEDROOM UNITS
 33 - 3 BEDROOM UNITS

A-01
 3.01
SITE PLAN
 SCALE: NO SCALE



REV	DATE	DESCRIPTION

400 WINDY STREET
 BLACK RIVER FALLS, GA 30513
 WWW.SCSWIDERSKI.COM

SCS
 S.C. SWIDERSKI LLC

PROJECT	20-015 SCS BLACK RIVER FALLS
NOISE	SITE PLAN
TITLE	SITE PLAN

DATE	06/04/2021
DRAWN BY	
SCALE	NO SCALE
SHEET NO.	A-01
	3.01

THE DESIGN AND PLANS INDICATED HEREIN ARE THE PROPERTY OF SCS SWIDERSKI LLC. ANY REVISIONS OR CHANGES TO THESE PLANS SHALL BE THE PROPERTY OF SCS SWIDERSKI LLC.





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 Black River Falls, Wisconsin

Tax Increment District #8

Estimated Project List

Project ID	Project Name/Type	Phase I 2022	Phase II 2027	Phase III 2030	Total (Note 1)
1	Utility Extensions and Improvements	2,100,000			2,100,000
2	Development Incentives	495,000	500,000		995,000
3	Street Improvements - Industrial Development			1,500,000	1,500,000
Total Projects		<u>2,595,000</u>	<u>500,000</u>	<u>1,500,000</u>	<u>4,595,000</u>

Notes:

Note 1 Project costs are estimates and are subject to modification

Note 2 Utility extensions to include water, sanitary sewer, a lift station, and electrical

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 \$18,250,000 in incremental value by 2030. 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 \$25.12 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$7,386,376 in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

Table 1 - Development Assumptions

City of Black River Falls, Wisconsin					
Tax Increment District #8					
Development Assumptions					
Construction Year	Actual	NE Quadrant	SE Quadrant	Annual Total	Construction Year
1 2021				0	2021 1
2 2022		3,000,000		3,000,000	2022 2
3 2023		7,750,000		7,750,000	2023 3
4 2024				0	2024 4
5 2025				0	2025 5
6 2026				0	2026 6
7 2027		5,000,000		5,000,000	2027 7
8 2028				0	2028 8
9 2029				0	2029 9
10 2030			2,500,000	2,500,000	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
Totals	0	15,750,000	2,500,000	18,250,000	

Table 2 - Tax Increment Projection Worksheet

City of Black River Falls, Wisconsin									
Tax Increment District #8									
Tax Increment Projection Worksheet									
Type of District	Mixed Use				Base Value	337,920			
District Creation Date	September 29, 2021				Appreciation Factor	0.00%			
Valuation Date	Jan 1,	2021			Base Tax Rate	\$25.12			
Max Life (Years)	20				Rate Adjustment Factor	0.00%			
Expenditure Period/Termination	15	9/29/2036							
Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment		
1 2021	0	2022	0	0	2023	\$25.12	0		
2 2022	3,000,000	2023	0	3,000,000	2024	\$25.12	75,371		
3 2023	7,750,000	2024	0	10,750,000	2025	\$25.12	270,080		
4 2024	0	2025	0	10,750,000	2026	\$25.12	270,080		
5 2025	0	2026	0	10,750,000	2027	\$25.12	270,080		
6 2026	0	2027	0	10,750,000	2028	\$25.12	270,080		
7 2027	5,000,000	2028	0	15,750,000	2029	\$25.12	395,699		
8 2028	0	2029	0	15,750,000	2030	\$25.12	395,699		
9 2029	0	2030	0	15,750,000	2031	\$25.12	395,699		
10 2030	2,500,000	2031	0	18,250,000	2032	\$25.12	458,508		
11 2031	0	2032	0	18,250,000	2033	\$25.12	458,508		
12 2032	0	2033	0	18,250,000	2034	\$25.12	458,508		
13 2033	0	2034	0	18,250,000	2035	\$25.12	458,508		
14 2034	0	2035	0	18,250,000	2036	\$25.12	458,508		
15 2035	0	2036	0	18,250,000	2037	\$25.12	458,508		
16 2036	0	2037	0	18,250,000	2038	\$25.12	458,508		
17 2037	0	2038	0	18,250,000	2039	\$25.12	458,508		
18 2038	0	2039	0	18,250,000	2040	\$25.12	458,508		
19 2039	0	2040	0	18,250,000	2041	\$25.12	458,508		
20 2040	0	2041	0	18,250,000	2042	\$25.12	458,508		
Totals	18,250,000		0		Future Value of Increment		7,386,376		
Notes:									
Actual results will vary depending on development, inflation of overall tax rates.									
NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).									

Financing and Implementation

The Project Plan envisions expenditures for Utility Extensions and Improvements slated for 2022, which will be financed with an issuance of General Obligation Bonds. Development Incentives will be financed in 2022 with a State Trust Fund Loan administered by the Wisconsin Board of Commissioners of Public Lands. The Plan also contemplates additional funding of Development Incentives related to future residential development in 2027. These incentives will be funded on a pay-as-you-go basis from available tax increment revenues. Finally, street improvements related to future phases of industrial development will be financed with an additional General Obligation Bond issuance in 2030. **Table 3.** provides a summary of the District’s financing plan.

Table 3 - Financing Plan

City of Black River Falls, Wisconsin				
Tax Increment District #8				
Estimated Financing Plan				
	G.O. Bond 2022	State Trust Fund Loan 2022	G.O. Bond 2030	Totals
Projects				
Phase I	2,100,000			2,100,000
Phase II		495,000		495,000
Phase III			1,500,000	1,500,000
Total Project Funds	2,100,000	495,000	1,500,000	4,095,000
Estimated Finance Related Expenses				
Municipal Advisor	24,000	5,000	21,000	
Bond Counsel	12,000		12,000	
Rating Agency Fee				
Paying Agent				
Underwriter Discount	12.00 27,420		12.00 18,660	
Debt Service Reserve				
Capitalized Interest	117,069			
Miscellaneous	1,000		1,000	
Total Financing Required	2,281,489	500,000	1,552,660	
Rounding	3,511		2,340	
Net Issue Size	2,285,000	500,000	1,555,000	4,340,000

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 2039 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 Black River Falls, Wisconsin																			
Tax Increment District #8																			
Cash Flow Projection																			
Year	Projected Revenues			Expenditures										Balances			Year		
	Tax Increments	Other Revenue	Total Revenues	G.O. Bond 2,285,000 Dated Date: 06/01/22			State Trust Fund Loan 500,000 Dated Date: 09/01/22			G.O. Bond 1,555,000 Dated Date: 09/01/30			Development Incentives	Admin.	Total Expenditures	Annual		Cumulative	Principal Outstanding
			Principal	Est. Rate	Cap. Int.	Interest	Principal	Est. Rate	Interest	Principal	Est. Rate	Interest							
2021	-	-																	
2022	-	-												25,000		25,000	(25,000)	(25,000)	4,840,000
2023	-	-		0.00%	(70,241)	70,241								5,000		5,000	(5,000)	(30,000)	4,840,000
2024	75,371		75,371	0.00%	(46,828)	46,828	8,122	4.00%	30,740					5,000		43,862	31,509	(3,491)	4,831,878
2025	270,080		270,080	0.90%		46,828	19,187	4.00%	19,675					5,000		200,690	69,390	65,899	4,702,691
2026	270,080		270,080	1.10%		45,838	19,955	4.00%	18,908					5,000		199,700	70,380	136,280	4,572,736
2027	270,080		270,080	1.20%		44,628	20,753	4.00%	18,109					5,000		198,490	71,590	207,870	4,441,983
2028	270,080		270,080	1.35%		43,308	21,535	4.00%	17,327				50,000	5,000	252,170	17,910	225,781	4,255,448	
2029	395,699		395,699	1.50%		41,755	22,444	4.00%	16,418				50,000	5,000	250,617	145,082	370,862	4,068,004	
2030	395,699		395,699	1.65%		40,030	23,342	4.00%	15,520				50,000	5,000	248,892	146,807	517,669	3,879,662	
2031	395,699		395,699	1.80%		38,133	24,276	4.00%	14,586	120,000	0.80%	24,663	50,000	5,000	396,657	(958)	516,710	3,565,386	
2032	458,508		458,508	2.00%		35,973	25,209	4.00%	13,653	120,000	0.90%	23,703	50,000	5,000	393,537	64,971	581,681	3,250,176	
2033	458,508		458,508	2.10%		33,573	26,255	4.00%	12,607	125,000	1.10%	22,623	50,000	5,000	400,057	58,451	640,132	2,923,921	
2034	458,508		458,508	2.15%		30,948	27,305	4.00%	11,557	125,000	1.20%	21,248	50,000	5,000	396,057	62,451	702,583	2,596,616	
2035	458,508		458,508	2.20%		28,260	28,398	4.00%	10,465	125,000	1.35%	19,748	50,000	5,000	396,870	61,638	764,222	2,263,219	
2036	458,508		458,508	2.30%		25,400	29,508	4.00%	9,354	130,000	1.50%	18,060	50,000	5,000	397,322	61,186	825,407	1,923,711	
2037	458,508		458,508	2.40%		22,410	30,714	4.00%	8,148	130,000	1.65%	16,110	50,000	5,000	397,382	61,126	886,533	1,577,997	
2038	458,508		458,508	2.50%		19,170	31,942	4.00%	6,920	130,000	1.80%	13,965	5,000	5,000	341,997	116,511	1,003,044	1,281,055	
2039	458,508		458,508	2.60%		15,795	33,220	4.00%	5,642	135,000	2.00%	11,625	5,000	5,000	346,282	112,226	1,115,270	972,835	
2040	458,508		458,508	2.65%		12,155	34,537	4.00%	4,325	135,000	2.10%	8,925	5,000	5,000	344,942	113,566	1,228,836	658,298	
2041	458,508		458,508	2.70%		8,313	35,930	4.00%	2,932	140,000	2.15%	6,090	5,000	5,000	348,265	110,243	1,339,079	332,367	
2042	458,508		458,508	2.75%		2,131	37,367	4.00%	1,495	140,000	2.20%	3,080	5,000	5,000	344,073	114,435	1,453,514	0	
Total	7,386,376		7,386,376			(117,069)	651,713		238,381	1,555,000		189,838	500,000	130,000	5,932,862				Total

Notes: Projected TID Closure

SECTION 10:

Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. 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% 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, 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, housing development, and commercial development.

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.



RADCLIFFE LAW OFFICE, S.C.

ATTORNEYS:
MARK A. RADCLIFFE
CHRISTIAN D. FOX

P.O. BOX 789
107 MAIN STREET
BLACK RIVER FALLS, WI 54615

September 16, 2021

Mayor Jay Eddy
City of Black River Falls
101 S. 2nd Street
Black River Falls, WI 54615

Re: Project Plan Amendment for Tax Incremental District No. 8

Dear Mayor Eddy:

Wisconsin Statute 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 Wisconsin Statute 66.1105. As City Attorney for the City of Black River Falls, I have been asked to review the above-referenced project plan amendment for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the amended Project Plan for the City of Black River Falls Tax Incremental District No. 8 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Please let me know if you have any further questions.

Sincerely,



Mark A. Radcliffe
City Attorney – City of Black River Falls

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 Black River Falls, Wisconsin

Tax Increment District #8

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

Statement of Taxes Data Year:		2020			
				Percentage	
	Jackson County		1,475,039	22.14%	
	City of Black River Falls		2,663,779	39.98%	
	School District of Black River Falls		2,183,956	32.78%	
	Western Technical College		340,380	5.11%	
	Total		6,663,155		

Revenue Year	Jackson County	City of Black River Falls	School District of Black River Falls	Western Technical College	Total	Revenue Year
2023	0	0	0	0	0	2023
2024	16,685	30,132	24,704	3,850	75,371	2024
2025	59,788	107,972	88,523	13,797	270,080	2025
2026	59,788	107,972	88,523	13,797	270,080	2026
2027	59,788	107,972	88,523	13,797	270,080	2027
2028	59,788	107,972	88,523	13,797	270,080	2028
2029	87,597	158,191	129,697	20,214	395,699	2029
2030	87,597	158,191	129,697	20,214	395,699	2030
2031	87,597	158,191	129,697	20,214	395,699	2031
2032	101,501	183,301	150,283	23,422	458,508	2032
2033	101,501	183,301	150,283	23,422	458,508	2033
2034	101,501	183,301	150,283	23,422	458,508	2034
2035	101,501	183,301	150,283	23,422	458,508	2035
2036	101,501	183,301	150,283	23,422	458,508	2036
2037	101,501	183,301	150,283	23,422	458,508	2037
2038	101,501	183,301	150,283	23,422	458,508	2038
2039	101,501	183,301	150,283	23,422	458,508	2039
2040	101,501	183,301	150,283	23,422	458,508	2040
2041	101,501	183,301	150,283	23,422	458,508	2041
2042	101,501	183,301	150,283	23,422	458,508	2042
	<u>1,635,141</u>	<u>2,952,907</u>	<u>2,421,004</u>	<u>377,325</u>	<u>7,386,376</u>	

Notes:

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