



MEMORANDUM

To: City Plan Commission

From: Ryan Kernosky, Director of Community Development

Date: July 6, 2020

RE: Public Hearing regarding the proposed project plan, boundaries and creation of Tax Incremental District No. 13

Consideration of "Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 13, City of Stevens Point, Wisconsin"

Background: Community Development Staff have been working diligently over the last several months to prepare the attached draft project plan and boundary for the creation of Tax Incremental District 13 (TID 13). As part of the approval process, the Plan Commission is required to hold a public hearing regarding the proposed plan, boundaries, and creation. Further, the Plan Commission shall act on a resolution approving the proposed project plan and boundaries.

TID 13 is considered a Blighted District Area, meaning that the City has identified more than 50 percent of the district is blighted in some way (physical blight, use blight, vacant property blight, etc. all count towards that designation). TID 13 encompasses the former "East Pointe Park" commercial development along Highway 10 East (former Wal-Mart and Copps locations). Many of the proposed projects include property acquisition, environmental testing and remediation, demolition, utility and infrastructure improvements or extensions, and developer incentives. The proposed project plan serves as a budget for moving forward with projects, but individual projects still would need to be approved by the City at a later date. In addition to the potential projects, a placeholder for development incentives is included to ensure the district cash flows.

Although some may consider encouraging redevelopment of this TID as sprawl, it's important to remind the Commission and Council that this area is already part of the City's municipal boundaries and is already served by municipal utilities and road infrastructure. Increasing density in housing or commercial development will assist the City financially in the long-run on replacing utilities and roadways. Without establishing a TID in this part of the City, we could be forgoing redevelopment of these properties for several years, with no tools to prevent further blight and dilapidation.

Overall, it is estimated that total project expenditures of \$15.34 million would be undertaken over the life of the district. As a result of the creation of this district, it is projected that

additional land and improvements value of approximately \$35.1 million will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This would allow the City to close the district five years before the maximum life of the district of 27 years.

Tax incremental financing serves as an important tool for local governments in creating developments that would not occur “*but for*” the use of it. Like any tool, it needs to be used appropriately. This proposed district focuses on redevelopment of existing areas to make them more productive and vibrant, which has been a significant focus for the City over the past several years. Proper growth and development will have long-term benefits that outweigh the short-term increased costs for these projects.

This district will assist in creating significant, new long-term financial value for the community, as well as creating impactful projects that continue to strengthen the reputation of Stevens Point, making it a significant player in keeping existing, as well as attracting new residents and businesses to the community.

Finally, due to State Laws regulating Tax Incremental Districts, the City is likely going to exceed the 12 percent equalized value rule (wherein no more than 12 percent of the City's total equalized value is within TIDs). This will limit the City's ability to continue to pursue economic development and redevelopment into the future for the next several years.

Staff Recommendation: Staff recommends **APPROVAL** as presented.



June 30, 2020

Project Plan

Tax Incremental District No. 13

East Side Hwy 10

City of Stevens Point, Wisconsin

Organizational Joint Review Board Meeting Held:	Scheduled for July 6, 2020
Public Hearing Held:	Scheduled for July 6, 2020
Approval by Plan Commission:	Scheduled for July 6, 2020
Adoption by Common Council:	Scheduled for July 20, 2020
Approval by the Joint Review Board:	Scheduled for: TBD

Table of Contents

SECTION 1:	4
Executive Summary	4
SECTION 2:	7
Preliminary Map of Proposed District Boundary	7
SECTION 3:	9
Map Showing Existing Uses and Conditions	9
SECTION 4:	11
Preliminary Parcel List and Analysis	11
SECTION 5:	12
Equalized Value Test	12
SECTION 6:	13
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District	13
SECTION 7:	20
Map Showing Proposed Improvements and Uses	20
SECTION 8:	23
Detailed List of Estimated Project Costs	23
SECTION 9:	24
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	24
SECTION 10:	29
Annexed Property	29
SECTION 11:	29
Estimate of Property to Be Devoted to Retail Business	29
SECTION 12:	29
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances	29
SECTION 13:	30
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	30
SECTION 14:	30
How Creation of the Tax Incremental District Promotes the Orderly Development of the City	30
SECTION 15:	31

List of Estimated Non-Project Costs 31
SECTION 16: 32
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f) 32
SECTION 17: 34
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the
Overlying Taxing Jurisdictions..... 34

SECTION 1:

Executive Summary

Description of District

Tax Incremental District (“TID”) No. 13 (“District”) is a proposed Blighted Area District comprising approximately 38 acres located to the northeast of the intersection of Jefferson Street and Brilowksi Rd., south of Highway 10 East. The District will be created to pay the costs of road and utility extensions, stormwater improvements and development incentives needed (“Project”) to promote development within the area. In addition to the incremental property value that will be created, the City expects the Project will result in elimination of blight that may exist within the area as a result of dilapidation, deterioration, age or obsolescence, which has impaired and arrested the sound growth of the community.

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 \$15.3 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$3.65 million in road and utility extensions, \$1 million in stormwater improvements, 7.6 million in developer incentives and \$2.9 million in interest on long term debt and \$200,000 in district administrative expenses.

Incremental Valuation

The City projects that new land and improvements value of approximately \$35.1 million 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 27 of its allowable 27 years.

Summary of Findings

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

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

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

The 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. In making this determination, the City has considered the following information:

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

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is a blighted area as defined by Wis. Stat. § 66.1105(2)(ae)1.
5. Based on the foregoing finding, the District is designated as a blighted area district.
6. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.

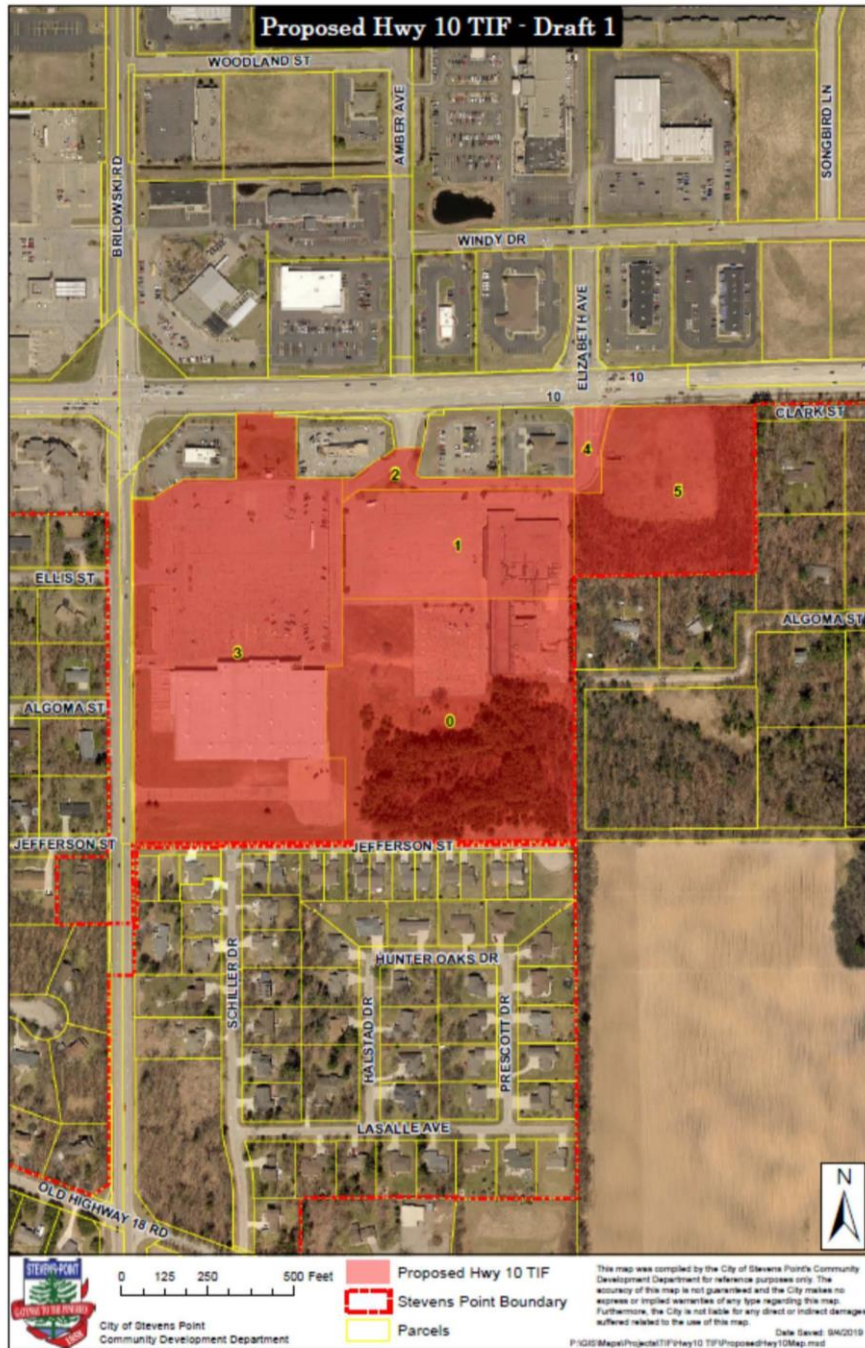
9. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2:

Preliminary Map of Proposed District Boundary

Map Found on Following Page.

PROPOSED BOUNDARY OF TIF 13



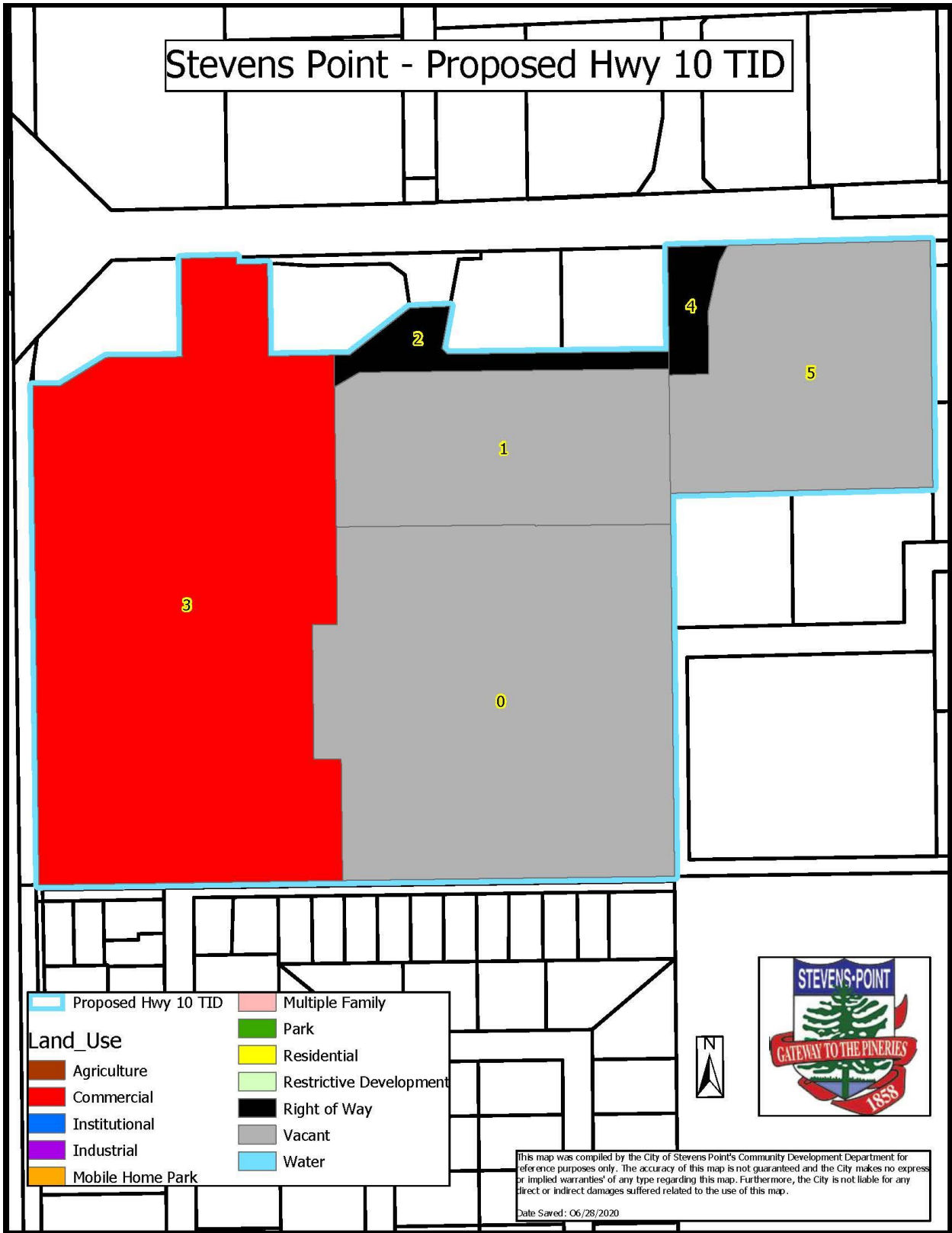
stevenspoint.com

SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.

Stevens Point - Proposed Hwy 10 TID



SECTION 4: Preliminary Parcel List and Analysis

City of Stevens Point, Wisconsin															Assessment Roll Classification? (Residential = Class 1, Commercial = Class 2, Manufacturing = Class 3, Ag = Class 4, Undeveloped = Class 5, Ag Forest = Class 5M, Forest = Class 6, Other = Class 7 & Exempt = X)					
Tax Increment District #13 Hwy 10 East																				
Base Property Information																				
Property Information						Assessment Information				Equalized Value				District Classification			Comments			
Map Ref #	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	Blighted	Rehab/ Conservation	Vacant		
0	281240836230007	5633 Highway 10 E, Unit: 4,7,F	RBR JOINT VENTURE C/O	11.25			865,500	283,600	0	1,149,100	90.51%	956,248	313,336	0	1,269,583	11.25		11.25	new parcel for 2020 (281240836230014)	2
1	281240836230006	5657 Highway 10 E	RBR JOINT VENTURE C/O	4.79			516,300	600,800	2,400	1,119,500	90.51%	570,434	663,794	2,652	1,236,880	4.79		0.00	old Roundy's Store	2
2	281240836230012	Highway 10 E	RBR JOINT VENTURE	0.85			58,000	0	0	58,000	90.51%	64,081	0	0	64,081	0.85		0.85	road	2
3	281240836230004	5601 Highway 10 E	RBR JOINT VENTURE C/O	14.86			1,377,000	1,430,700	162,700	2,970,400	90.51%	1,521,379	1,580,709	179,759	3,281,847	14.86		0.00	new parcel for 2020 (281240836230013 & 15)	2
4	281240836240001	Elizabeth Ave	CITY OF STEVENS POINT	0.52			0	0	0	0	90.51%	0	0	0	0				ROW	X
5	281240836240002	5707 Highway 10 E	FW DEVELOPMENT LLC	5.47			599,800	0		599,800	90.51%	662,689	0	0	662,689	5.47		5.47	vacant land	2
				Total Acreage	37.74		3,416,600	2,315,100	165,100	5,896,800		3,774,832	2,557,839	182,411		37.22	0	17.57		
											Estimated Base Value		6,515,081				98.62%	0.00%	46.56%	

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 \$240,052,681. This value is less than the maximum of \$254,535,672 in equalized value that is permitted for the City.

City of Stevens Point, Wisconsin				
Tax Increment District #13 Hwy 10 East				
Valuation Test Compliance Calculation				
District Creation Date	7/20/2020			
	Valuation Data Currently Available 2019	Dollar Charge	Percent Change	Valuation Data Est. Creation Date
Total EV (TID In)	2,121,130,600			2,121,130,600
12% Test	254,535,672			254,535,672
Increment of Existing TIDs				
TID #5	82,392,600			82,392,600
TID #6	11,894,100			11,894,100
TID #7	29,241,200			29,241,200
TID #8	8,701,700			8,701,700
TID #9	101,308,000			101,308,000
	0			0
Total Existing Increment	233,537,600			233,537,600
Projected Base of New or Amended District	6,515,081			6,515,081
Less Value of Any Underlying TID Parcels	0			0
Total Value Subject to 12% Test	240,052,681			240,052,681
Compliance	PASS			PASS

Preliminary

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 ½ 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. The City intends to make the following project cost expenditures outside the District: street improvements, intersection improvements, sidewalk and pedestrian pathway improvements.

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.

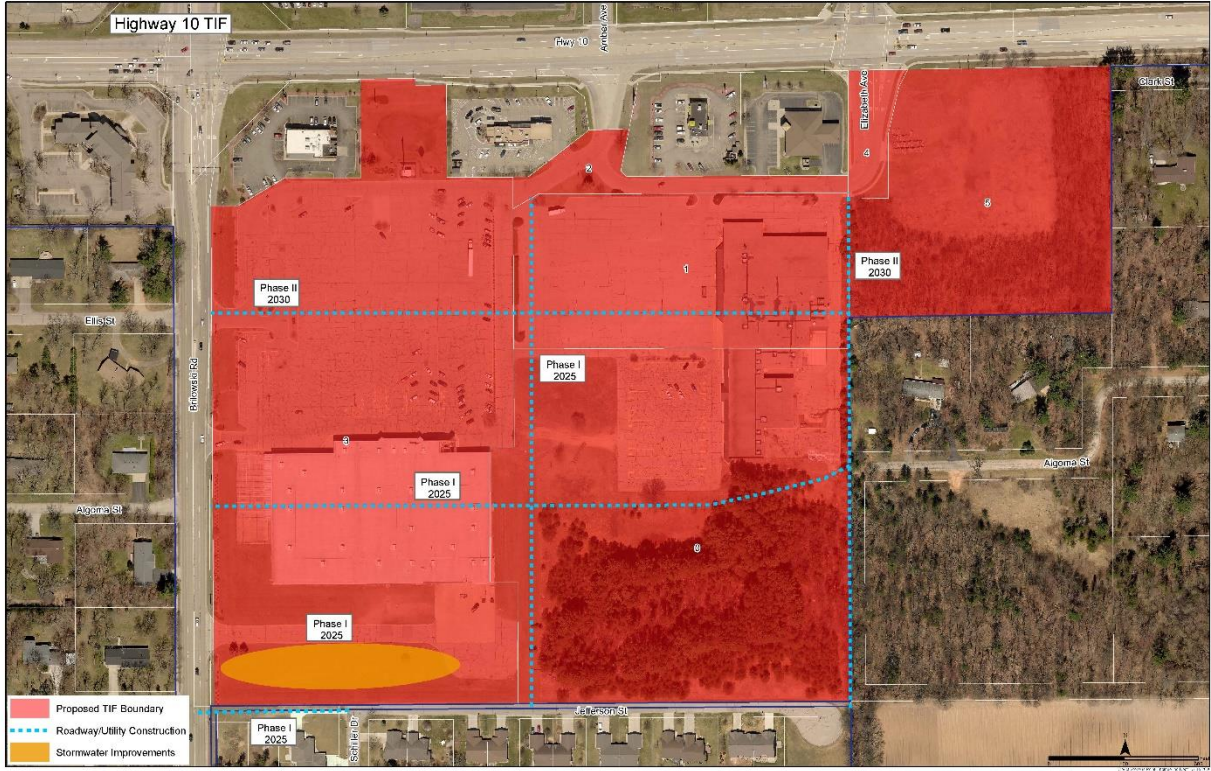
Financing Costs

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.

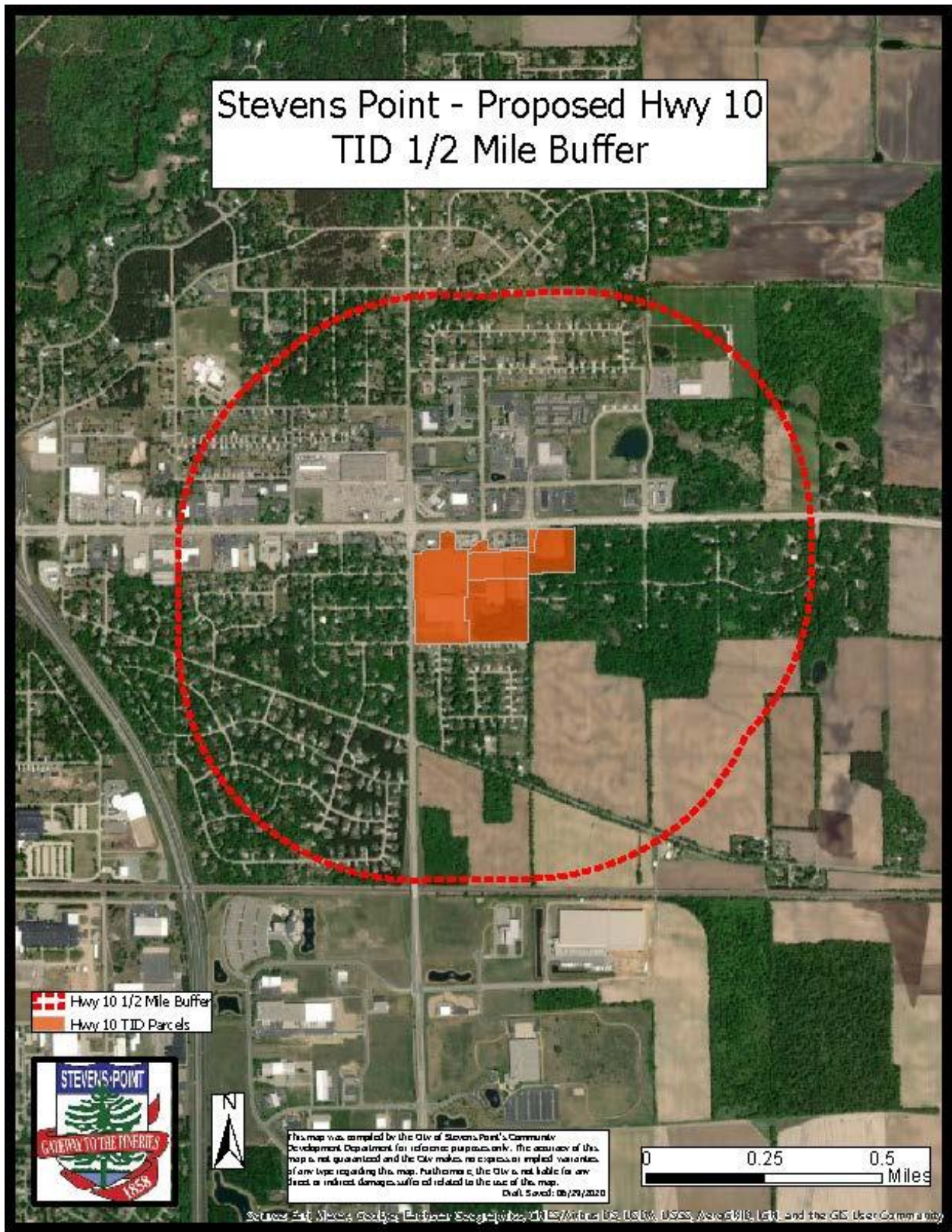
SECTION 7:

Map Showing Proposed Improvements and Uses

Map Found on Following Page.



Stevens Point - Proposed Hwy 10 TID 1/2 Mile Buffer



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 Stevens Point, Wisconsin						
Tax Increment District #13 Hwy 10 East						
Estimated Project List						
Project ID	Project Name/Type	Phase I 2025	Phase II 2030	Phase III 2035	Various 2020-2048	Total (Note 1)
1	Jefferson St Extension road and utilities	500,000				500,000
2	Algoma St Extension road and utilities	850,000				850,000
3	Ellis St Extension road and utilities		900,000			900,000
4	Amber Ave Extension road and utilities	700,000				700,000
5	Elizabeth Ave Extension road and utilities		700,000			700,000
6	Developer Incentive	2,600,000	3,000,000	2,000,000		7,600,000
7	Stormwater improvements	1,000,000				1,000,000
8	TIF Creation				30,000	30,000
9	Administration				174,225	174,225
10	Financing Costs				2,886,063	2,886,063
Total Projects		<u>5,650,000</u>	<u>4,600,000</u>	<u>2,000,000</u>	<u>3,090,287</u>	<u>15,340,287</u>
Notes:						
Note 1 Project costs are estimates and are subject to modification						
Preliminary						

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 \$35.1 million 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 \$23.76 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$16,353,948 in incremental tax revenue over the 27-year term of the District as shown in Table 2.

City of Stevens Point, Wisconsin

Tax Increment District #13 Hwy 10 East

Development Assumptions

Construction Year		Phase 1	Phase II	Phase III	Annual Total	Construction Year	
1	2020				0	2020	1
2	2021				0	2021	2
3	2022				0	2022	3
4	2023				0	2023	4
5	2024			5,500,000	5,500,000	2024	5
6	2025	2,400,000			2,400,000	2025	6
7	2026	2,400,000		4,000,000	6,400,000	2026	7
8	2027	2,400,000			2,400,000	2027	8
9	2028	2,400,000	3,000,000		5,400,000	2028	9
10	2029		3,000,000		3,000,000	2029	10
11	2030			10,000,000	10,000,000	2030	11
12	2031				0	2031	12
13	2032				0	2032	13
14	2033				0	2033	14
15	2034				0	2034	15
16	2035				0	2035	16
17	2036				0	2036	17
18	2037				0	2037	18
19	2038				0	2038	19
20	2039				0	2039	20
21	2040				0	2040	21
22	2041				0	2041	22
23	2042				0	2042	23
24	2043				0	2043	24
25	2044				0	2044	25
26	2045				0	2045	26
27	2046				0	2046	27
Totals		<u>9,600,000</u>	<u>6,000,000</u>	<u>19,500,000</u>	<u>35,100,000</u>		

Notes:

Preliminary

Table 1 - Development Assumptions

City of Stevens Point, Wisconsin

Tax Increment District #13 Hwy 10 East

Tax Increment Projection Worksheet

Type of District	Rehabilitation	Base Value	6,515,081
District Creation Date	July 20, 2020	Appreciation Factor	0.00%
Valuation Date	Jan 1, 2020	Base Tax Rate	\$23.76
Max Life (Years)	27	Rate Adjustment Factor	
Expenditure Period/Termination	22 7/20/2042	Tax Exempt Discount Rate	3.00%
Revenue Periods/Final Year	27 2048	Taxable Discount Rate	4.50%
Extension Eligibility/Years	Yes 3		
Eligible Recipient District	Yes		

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	
1	2020	0	2021	0	0	2022	\$23.76	0
2	2021	0	2022	0	0	2023	\$23.76	0
3	2022	0	2023	0	0	2024	\$23.76	0
4	2023	0	2024	0	0	2025	\$23.76	0
5	2024	5,500,000	2025	0	5,500,000	2026	\$23.76	130,680
6	2025	2,400,000	2026	0	7,900,000	2027	\$23.76	187,703
7	2026	6,400,000	2027	0	14,300,000	2028	\$23.76	339,767
8	2027	2,400,000	2028	0	16,700,000	2029	\$23.76	396,791
9	2028	5,400,000	2029	0	22,100,000	2030	\$23.76	525,094
10	2029	3,000,000	2030	0	25,100,000	2031	\$23.76	596,374
11	2030	10,000,000	2031	0	35,100,000	2032	\$23.76	833,973
12	2031	0	2032	0	35,100,000	2033	\$23.76	833,973
13	2032	0	2033	0	35,100,000	2034	\$23.76	833,973
14	2033	0	2034	0	35,100,000	2035	\$23.76	833,973
15	2034	0	2035	0	35,100,000	2036	\$23.76	833,973
16	2035	0	2036	0	35,100,000	2037	\$23.76	833,973
17	2036	0	2037	0	35,100,000	2038	\$23.76	833,973
18	2037	0	2038	0	35,100,000	2039	\$23.76	833,973
19	2038	0	2039	0	35,100,000	2040	\$23.76	833,973
20	2039	0	2040	0	35,100,000	2041	\$23.76	833,973
21	2040	0	2041	0	35,100,000	2042	\$23.76	833,973
22	2041	0	2042	0	35,100,000	2043	\$23.76	833,973
23	2042	0	2043	0	35,100,000	2044	\$23.76	833,973
24	2043	0	2044	0	35,100,000	2045	\$23.76	833,973
25	2044	0	2045	0	35,100,000	2046	\$23.76	833,973
26	2045	0	2046	0	35,100,000	2047	\$23.76	833,973
27	2046	0	2047	0	35,100,000	2048	\$23.76	833,973
Totals	35,100,000		0		Future Value of Increment		16,353,948	

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).

Table 2 – Tax Increment Projection Worksheet

Financing and Implementation

Projects costs will be undertaken at the pace of development so that the cost of financing coincides with the increment from the development. The actual type of financing will be determined at that time the projects are undertaken. With the development of this plan, the City would expect to issue taxable and tax exempt general obligation bonds, municipal revenue obligations (TIF PAYGO) and available cashflow from the district. Table 3. provides a summary of the District’s financing plan.

City of Stevens Point, Wisconsin								
Tax Increment District #13 Hwy 10 East								
Estimated Financing Plan								
	G.O. Bond 2025	Taxable G.O. Bond 2025	Municipal Revenue Obligation (MRO) 2025	G.O. Bond 2030	Taxable G.O. Bond 2030	Municipal Revenue Obligation (MRO) 2030	Municipal Revenue Obligation (MRO) 2035	Totals
Projects								
Phase I	3,050,000	1,300,000	1,300,000					5,650,000
Phase II				1,600,000	1,500,000	1,500,000		4,600,000
Phase III							2,000,000	2,000,000
Phase IV								0
Phase V								0
Total Project Funds	3,050,000	1,300,000	1,300,000	1,600,000	1,500,000	1,500,000	2,000,000	12,250,000
Estimated Finance Related Expenses								
Municipal Advisor	26,000	19,700		21,300	20,700			
Bond Counsel	12,000	11,500		11,500	11,500			
Rating Agency Fee	13,000	13,000		13,500	14,000			
Paying Agent	850	850		850	850			
Underwriter Discount	12.50 39,250	12.50 17,063		12.50 20,875	12.50 19,563			
Debt Service Reserve								
Capitalized Interest								
Total Financing Required	3,141,100	1,362,113	1,300,000	1,668,025	1,566,613	1,500,000	2,000,000	
Estimated Interest	0.25% (3,813)	0.25% (1,625)	0	0.25% (2,000)	0.25% (1,875)	0	0	
Assumed spend down (months)	6	6		6	6			
Rounding	2,713	4,513	0	3,975	263	0	0	
Net Issue Size	3,140,000	1,365,000	1,300,000	1,670,000	1,565,000	1,500,000	2,000,000	9,740,000
Notes:								

Preliminary

Table 3 – Financing Plan

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 2048 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.

City of Stevens Point, Wisconsin

Tax Increment District #13 Hwy 10 East

Cash Flow Projection

Year	Projected Revenues		Expenditures										Balances			Year			
	Tax Increments	Total Revenues	G.O. Bond 3,140,000 Dated Date: 09/01/25 Principal Interest		Taxable G.O. Bond 1,365,000 Dated Date: 09/01/25 Principal Interest		G.O. Bond 1,670,000 Dated Date: 09/01/30 Principal Interest		Taxable G.O. Bond 1,565,000 Dated Date: 09/01/30 Principal Interest		MRO 2025	MRO 2030	MRO 2035	Admin.	Total Expenditures		Annual	Cumulative	Principal & MRO Outstanding
2020		0												30,000	30,000	(30,000)	(30,000)		2020
2021		0													0	0	(30,000)		2021
2022	0	0													0	0	(30,000)		2022
2023	0	0													0	0	(30,000)		2023
2024	0	0													0	0	(30,000)		2024
2025	0	0													0	0	(30,000)	12,905,000	2025
2026	130,680	130,680		88,443	35,485								5,000	128,928	1,752	(28,248)	12,905,000	2026	
2027	187,703	187,703	25,000	88,443	35,485								5,100	154,028	33,676	5,428	12,880,000	2027	
2028	339,767	339,767	50,000	87,980	35,485					25,000			5,202	203,667	136,100	141,528	12,805,000	2028	
2029	396,791	396,791	75,000	87,005	35,485	25,000				30,000			5,306	257,796	138,995	280,522	12,675,000	2029	
2030	525,094	525,094	100,000	85,505	35,060	60,000				40,000			5,412	325,977	199,117	479,639	12,475,000	2030	
2031	596,374	596,374	110,000	83,355	33,920	80,000	40,000	62,623	25,000	57,010	45,000	50,000	5,520	592,428	3,946	483,585	12,125,000	2031	
2032	833,973	833,973	120,000	80,880	32,400	100,000	100,000	61,403	65,000	56,035	50,000	65,000	5,631	736,348	97,625	581,210	11,625,000	2032	
2033	833,973	833,973	130,000	78,060	30,300	100,000	100,000	58,303	75,000	54,313	60,000	80,000	5,743	771,718	62,255	643,464	11,080,000	2033	
2034	833,973	833,973	140,000	74,875	28,200	100,000	100,000	55,103	100,000	52,100	70,000	80,000	5,858	806,136	27,837	671,301	10,490,000	2034	
2035	833,973	833,973	150,000	71,375	25,850	100,000	100,000	51,853	100,000	49,150	70,000	90,000	5,975	814,203	19,770	691,071	9,880,000	2035	
2036	833,973	833,973	160,000	67,475	23,500	100,000	100,000	48,453	100,000	46,000	70,000	90,000	6,095	811,522	22,450	713,522	9,260,000	2036	
2037	833,973	833,973	170,000	62,995	20,900	100,000	100,000	44,953	100,000	42,850	70,000	90,000	20,000	6,217	827,914	6,059	719,580	8,610,000	2037
2038	833,973	833,973	180,000	58,235	18,300	100,000	100,000	41,353	100,000	39,500	70,000	90,000	20,000	6,341	823,729	10,244	729,824	7,950,000	2038
2039	833,973	833,973	200,000	53,195	15,450	100,000	100,000	37,653	100,000	36,150	70,000	90,000	20,000	6,468	828,916	5,057	734,882	7,270,000	2039
2040	833,973	833,973	220,000	47,595	12,600	100,000	100,000	33,903	100,000	32,550	70,000	90,000	20,000	6,597	833,245	728	735,610	6,570,000	2040
2041	833,973	833,973	240,000	41,105	9,600	100,000	100,000	30,053	100,000	28,950	70,000	90,000	20,000	6,729	836,437	(2,464)	733,146	5,850,000	2041
2042	833,973	833,973	250,000	34,025	6,500	100,000	100,000	26,003	100,000	25,100	70,000	90,000	25,000	6,864	833,491	482	733,628	5,115,000	2042
2043	833,973	833,973	260,000	26,650	3,300	100,000	100,000	21,953	100,000	21,250	70,000	90,000	30,000	7,001	830,154	3,819	737,447	4,365,000	2043
2044	833,973	833,973	270,000	18,200		105,000	100,000	17,903	100,000	17,150	70,000	100,000	100,000	7,141	805,394	28,579	766,026	3,620,000	2044
2045	833,973	833,973	290,000	9,425		105,000	100,000	13,650	100,000	13,050	70,000	100,000	100,000	7,284	808,409	25,564	791,590	2,855,000	2045
2046	833,973	833,973				110,000	100,000	9,240	100,000	8,800	70,000	180,000	200,000	7,430	685,470	148,503	940,093	2,195,000	2046
2047	833,973	833,973				110,000	100,000	4,620	100,000	4,450	70,000	200,000	500,000	7,578	996,648	(162,675)	777,418	1,215,000	2047
2048	833,973	833,973				0	0	0	0	0	70,000	200,000	945,000	7,730	1,222,730	(388,757)	388,661	0	2048
Total	16,353,948	16,353,948	3,140,000	1,244,820	437,820	1,365,000	1,670,000	619,015	1,565,000	584,408	1,300,000	1,865,000	2,000,000	174,225	15,965,287				Total

Notes:

Projected TID Closure

Preliminary

Table 4 - Cash Flow

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 Blight elimination with the potential for new commercial 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 eliminating blighted areas and creating opportunities for new commercial 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 and clean, healthy, safe living and working environments.

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.

Insert Signed Legal Opinion

SAMPLE

Dear Mayor:

As City Attorney for the City of _____, I 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,

Attorney

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.

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.								
Statement of Taxes Data Year:				2019		Percentage		
County			9,754,482			21.75%		
Special District			0			0.00%		
Municipality			17,006,643			37.92%		
School District			16,319,327			36.39%		
Technical College			1,768,593			3.94%		
Total			44,849,045					

Revenue Year	County	Special District	Municipality	School District	Technical College	0	Total	Revenue Year
2022	0	0	0	0	0	0	0	2022
2023	0	0	0	0	0	0	0	2023
2024	0	0	0	0	0	0	0	2024
2025	0	0	0	0	0	0	0	2025
2026	28,422	0	49,553	47,551	5,153	0	130,680	2026
2027	40,825	0	71,177	68,300	7,402	0	187,703	2027
2028	73,898	0	128,839	123,632	13,398	0	339,767	2028
2029	86,300	0	150,462	144,381	15,647	0	396,791	2029
2030	114,206	0	199,114	191,067	20,707	0	525,094	2030
2031	129,709	0	226,143	217,004	23,518	0	596,374	2031
2032	181,386	0	316,240	303,460	32,887	0	833,973	2032
2033	181,386	0	316,240	303,460	32,887	0	833,973	2033
2034	181,386	0	316,240	303,460	32,887	0	833,973	2034
2035	181,386	0	316,240	303,460	32,887	0	833,973	2035
2036	181,386	0	316,240	303,460	32,887	0	833,973	2036
2037	181,386	0	316,240	303,460	32,887	0	833,973	2037
2038	181,386	0	316,240	303,460	32,887	0	833,973	2038
2039	181,386	0	316,240	303,460	32,887	0	833,973	2039
2040	181,386	0	316,240	303,460	32,887	0	833,973	2040
2041	181,386	0	316,240	303,460	32,887	0	833,973	2041
2042	181,386	0	316,240	303,460	32,887	0	833,973	2042
2043	181,386	0	316,240	303,460	32,887	0	833,973	2043
2044	181,386	0	316,240	303,460	32,887	0	833,973	2044
2045	181,386	0	316,240	303,460	32,887	0	833,973	2045
2046	181,386	0	316,240	303,460	32,887	0	833,973	2046
2047	181,386	0	316,240	303,460	32,887	0	833,973	2047
2048	181,386	0	316,240	303,460	32,887	0	833,973	2048
	3,556,916	0	6,201,375	5,950,749	644,907	0	16,353,948	

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

**RESOLUTION DESIGNATING PROPOSED BOUNDARIES
AND APPROVING A PROJECT PLAN
FOR TAX INCREMENTAL DISTRICT NO. 13,
CITY OF STEVENS POINT, WISCONSIN**

WHEREAS, the City of Stevens Point (the “City”) has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS, Tax Incremental District No. 13 (the “District”) is proposed to be created by the City as a blighted area district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the District promotes the orderly development of the City;
- k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to owners of all property in the proposed District, to the chief executive officers of Portage County, the Stevens Point Area School District, and the Mid State Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on July 6, 2020 held a public hearing concerning the project plan and boundaries and proposed creation of the District, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the City of Stevens Point that:

1. It recommends to the Common Council that Tax Incremental District No. 13 be created with boundaries as designated in Exhibit A of this Resolution.
2. It approves and adopts the Project Plan for the District, attached as Exhibit B, and recommends its approval to the Common Council.
3. Creation of the District promotes orderly development in the City.

Adopted this 6th day of July, 2020.

Mike Wiza, Chairperson of the Plan Commission

Ryan Kernosky, Secretary of the Plan Commission

**LEGAL BOUNDARY DESCRIPTION OR MAP OF
TAX INCREMENTAL DISTRICT NO. 13
CITY OF STEVENS POINT**

THIS CAN BE FOUND IN THE PROJECT PLAN

PROJECT PLAN