

September 8, 2015

# Project Plan for the Territory & Project Plan Amendment of Tax Incremental District No. 7

## CITY OF MERRILL, WISCONSIN

Organizational Joint Review Board Meeting Held:	September 2, 2015
Public Hearing Held:	September 2, 2015
Consideration for Approval by Redevelopment Authority:	September 2, 2015
Consideration for Adoption by Common Council:	September 22, 2015
Consideration for Approval by the Joint Review Board:	October 6, 2015



# Tax Incremental District No. 7 Territory & Project Plan Amendment

## City of Merrill Officials

### Common Council

William Bialecki	Mayor
Chris Malm	Aldersperson
Pete Lokemoen	Aldersperson
Ryan Schwartzman	Aldersperson
Kandy Peterson	Aldersperson
John Burgener	Aldersperson
Dave Sukow	Aldersperson
Rob Norton	Aldersperson
Tim Meehean	Aldersperson

### City Staff

William Heideman	City Clerk
Kathy Unertl	City Finance Director/RDA Secretary
Dave Johnson	City Administrator
Thomas Hayden	City Attorney

### Redevelopment Authority

Bill Bialecki, President	Jill Laufenberg
Karen Karow	Ryan Schwartzman
Amanda Kostman	Wally Smith
Tony Kusserow	

### Joint Review Board

Mayor Bill Bialecki	City Representative
Bob Weaver	Lincoln County
Jane Kittel	Northcentral Technical College District
Brian Dasher & Wally Leipart	Merrill Area School District
Amanda Kostman	Public Member



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# SECTION 1: Executive Summary

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## Description of District

### Type of District, Size and Location

Tax Incremental District (“TID”) No. 7 (the “TID” or “District”) is an existing blighted area district, which was created by a resolution of the City of Merrill (“City”) Common Council adopted on August 11, 2009 (the “Creation Resolution”).

### Amendments

The District has not been previously amended.

### Purposes of this Amendment

The Amendment is being undertaken for the following purposes:

- The City proposes to amend the boundaries of the District to both add and subtract territory simultaneously. The addition of territory to the District will facilitate new development opportunities, while the subtraction will help to reduce the decrement the District currently faces. One of the parcels being subtracted experience significant demolition after creation of the District, while the other is a tax-exempt property with limited prospect for redevelopment as a taxable use.
- This amendment will modify the categories, locations or costs of the Projects to be undertaken, providing incentive and opportunities for additional private development and redevelopment.

### Estimated Total Project Expenditures

The City anticipates making project expenditures of approximately \$1,890,000 to undertake projects in the original and amendment areas as listed in this Project Plan. It is anticipated that the remaining and additional projects will be completed in four phases. The Expenditure Period of this District terminates on August 11, 2031. The remaining and additional projects to be undertaken pursuant to this Project Plan are expected to be financed with general obligation debt, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of project financing by phase is located in Section 10 of this plan.

### Economic Development

As a result of the amendment of this District, the City projects that additional land and improvements value of approximately \$3,092,500 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the amended areas and within the original District boundaries. A table detailing assumptions as to the timing of new development and redevelopment, and associated values is located in Section 10 of this plan. In addition, the amendment of the District is expected to result in further economic benefits as detailed in the Summary of Findings hereafter.

## Expected Termination of District

TID No. 7 has a maximum statutory life of 27 years, and must close not later than August 11, 2036, resulting in a final collection of increment in budget year 2037. Pre-amendment cash flow projections indicate that the entire available life of the District will be required to retire current and projected District liabilities. Based on the Economic Feasibility Study located in Section 10 of this Plan, amendment of the District would not result in a shift in the projected District closure year of 2036.

## Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan Amendment and the exhibits contained and referenced herein, the following findings are made:

1. **That “but for” amendment of this District, the additional development projected to occur within the amendment areas as detailed in this Project 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 making this determination, the City has considered the following information:
  - In order to make the amendment areas suitable for development and/or redevelopment, the City will need to make a substantial investment to pay for the costs of: property, right-of-way and easement acquisition; site preparation; installation of utilities; installation of streets and related streetscape items; development incentive payments; façade grants and loans, and other associated costs. Due to the extensive initial investment in public infrastructure and/or rehabilitation that is required in order to allow development and/or redevelopment to occur, the City has determined that development and/or redevelopment of the amendment area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development and/or redevelopment of the amendment area is unlikely to occur.
2. **The economic benefits of amending the Tax Incremental 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:
  - As demonstrated in the Economic Feasibility Section of this Project Plan, the total tax increments projected to be collected are more than sufficient to pay for the actual and proposed Project Costs within the original District and the amended areas. On this basis alone, the finding is supported.
  - Tax increment collections continue to be expected to be sufficient to pay for the cost of all improvements made in the District. *Finding Required by Wisconsin Statutes Section 66.1105(4m)(c)1.b.*
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
  - If approved, the boundary amendment would become effective for valuation purposes as of January 1, 2015. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the amendment area due to new construction, renovation or appreciation of property values occurring after January 1, 2015 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.

- Given that additional development is not likely to occur or in the same manner without the use of tax incremental financing (see finding # 1), and since the District will generate additional economic benefits that are more than sufficient to compensate for the additional cost of the improvements (see Finding #2), the City reasonably concludes that the overall additional benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not amended. As required by Section 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 made and can be found in Appendix A of the Project Plan.
4. Not less than 50% by area of the real property within the District, as amended, is a blighted area within the meaning of Wisconsin Statutes Section 66.1105(2)(ae)1. Furthermore, at the time of adoption of the Creation Resolution for this District, and any subsequent resolutions amending its boundaries, any property standing vacant for seven years immediately preceding adoption of the resolution(s) did not comprise more than 25% of the total area in the District as required by Wisconsin Statutes Section 66.1105(4)(gm)1.
  5. Based upon the findings, as stated above, and the original findings as stated in the Creation Resolution, the District remains declared a blighted area District based on the identification and classification of the property included within the District.
  6. The Project Costs of the District relate directly to promoting the elimination of blight consistent with the purpose for which the District was created.
  7. The improvements to be made within the territory incorporated by this Amendment are likely to enhance significantly the value of substantially all of the other real property in the District.
  8. The equalized value of the taxable property within the territory to be added to the District by this amendment, plus the value increment of all other 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, as amended, will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
  10. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the City.

## SECTION 2: Type and General Description of District

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The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on August 11, 2009 by resolution of the Common Council. The District's valuation date, for purposes of establishing base value, was January 1, 2009.

The existing District is a "Blighted Area District," created on a finding that at least 50%, by area, of the real property within the District was blighted. The District will remain in compliance with this finding after the addition and subtraction of the Territory identified in this Amendment. In addition, the District will remain in compliance with the "vacant land test," which requires that property standing vacant for seven years immediately preceding adoption of the Creation Resolution for this District will not comprise more than 25% of the area in the District in compliance with Wisconsin Statutes Section 66.1105(4)(gm)1. The Preliminary Parcel list found in Section 5 of this plan provides a calculation demonstrating continued compliance with both the 50% test and the 25% test.

Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a City to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have not previously been amended.

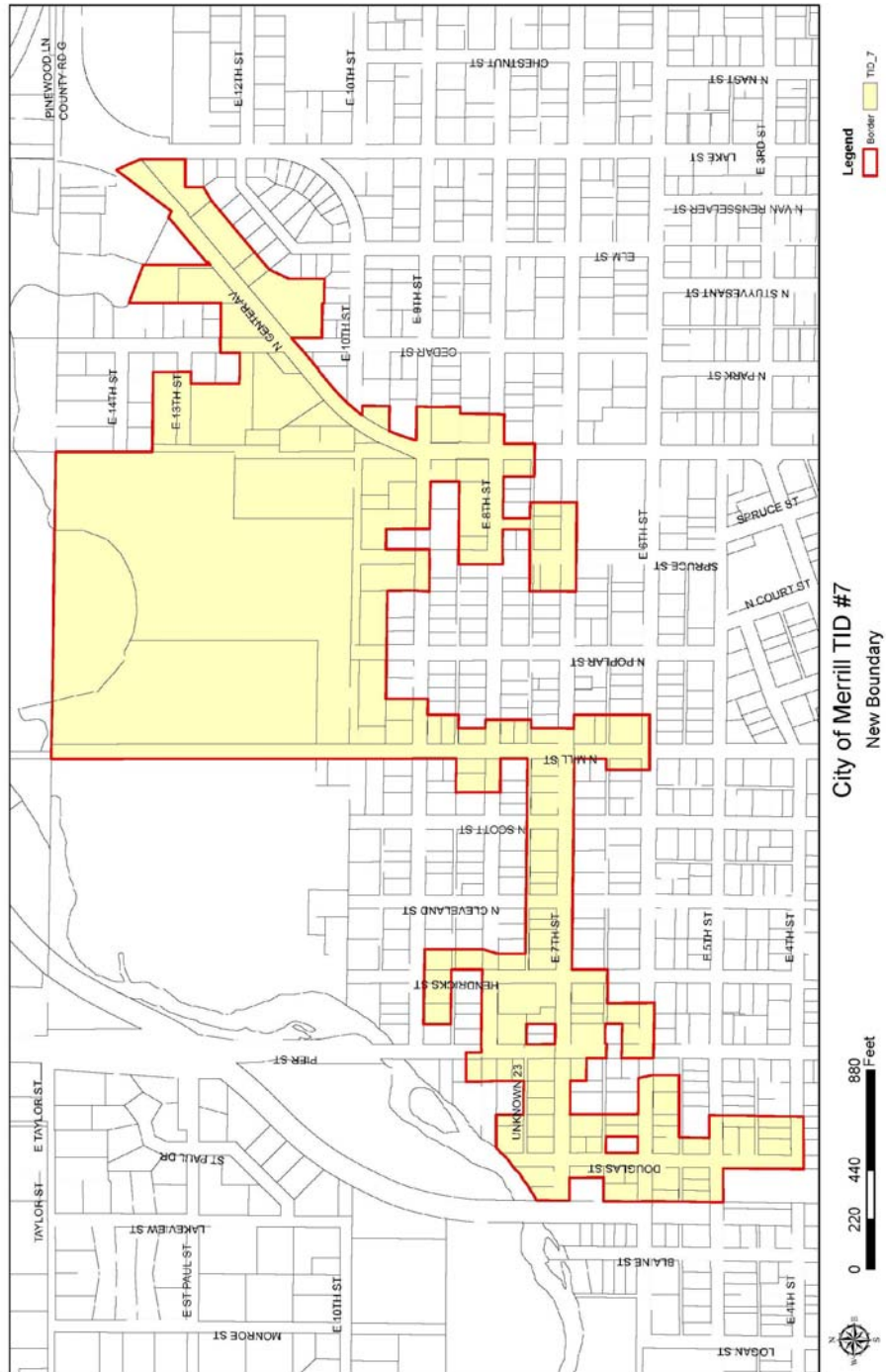
This Project Plan Amendment supplements, and does not supersede or replace any component of the original Project Plan unless specifically stated. All components of the original Project Plan remain in effect.

The Amendment is being undertaken for the following purposes:

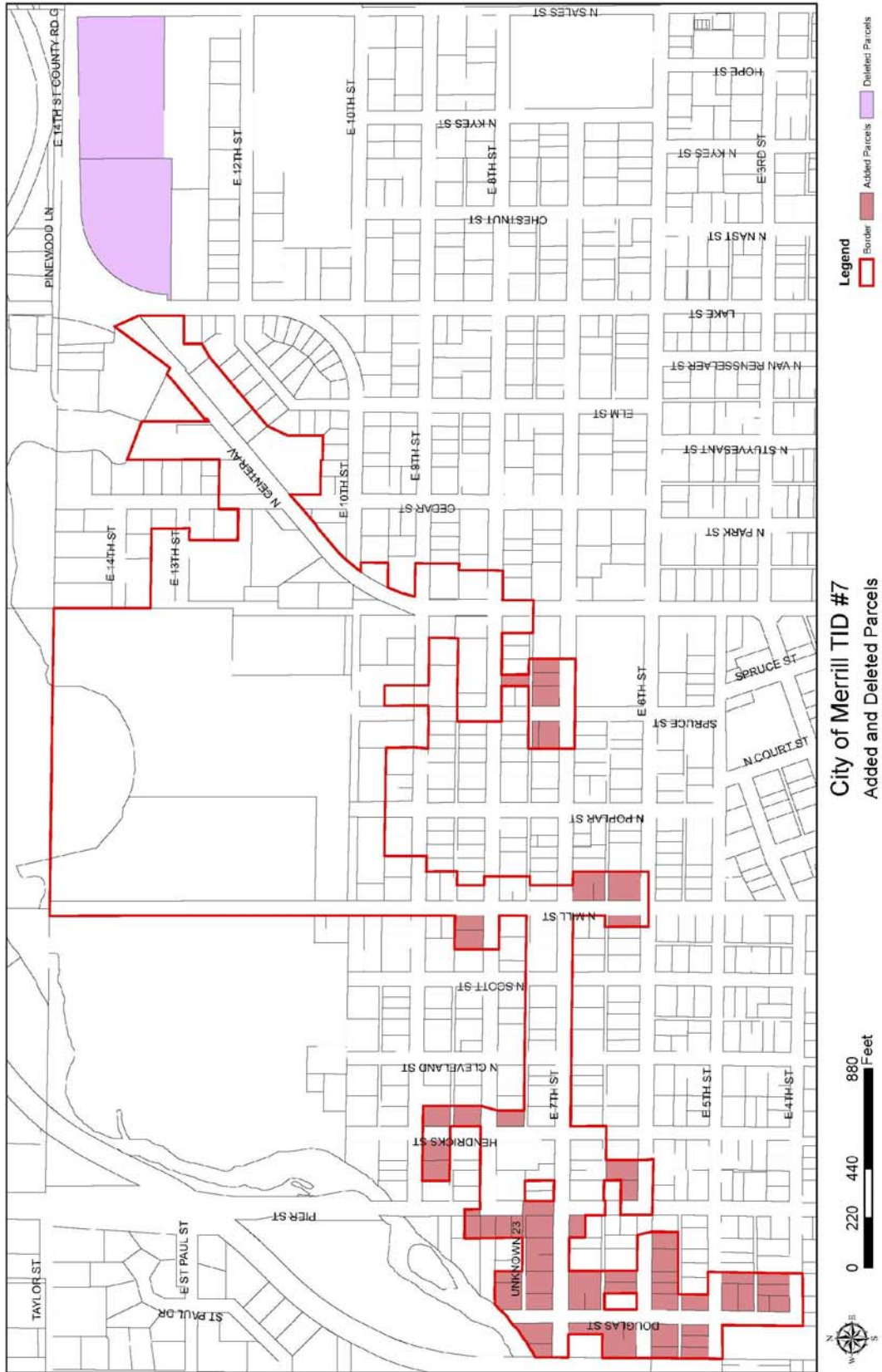
- The City proposes to amend the boundaries of the District to both add and subtract territory simultaneously. The addition of territory to the District will facilitate new development opportunities, while the subtraction will help to reduce the decrement the District currently faces. One of the parcels being subtracted experience significant demolition after creation of the District, while the other is a tax-exempt property with limited prospect for redevelopment as a taxable use.
- This amendment will modify the categories, locations or costs of the Projects to be undertaken, providing incentive and opportunities for additional private development and redevelopment.

A map depicting the boundaries of the District is found in Section 3 of this Plan. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution, the District remains a blighted area District based on the identification and classification of the property included within the District.

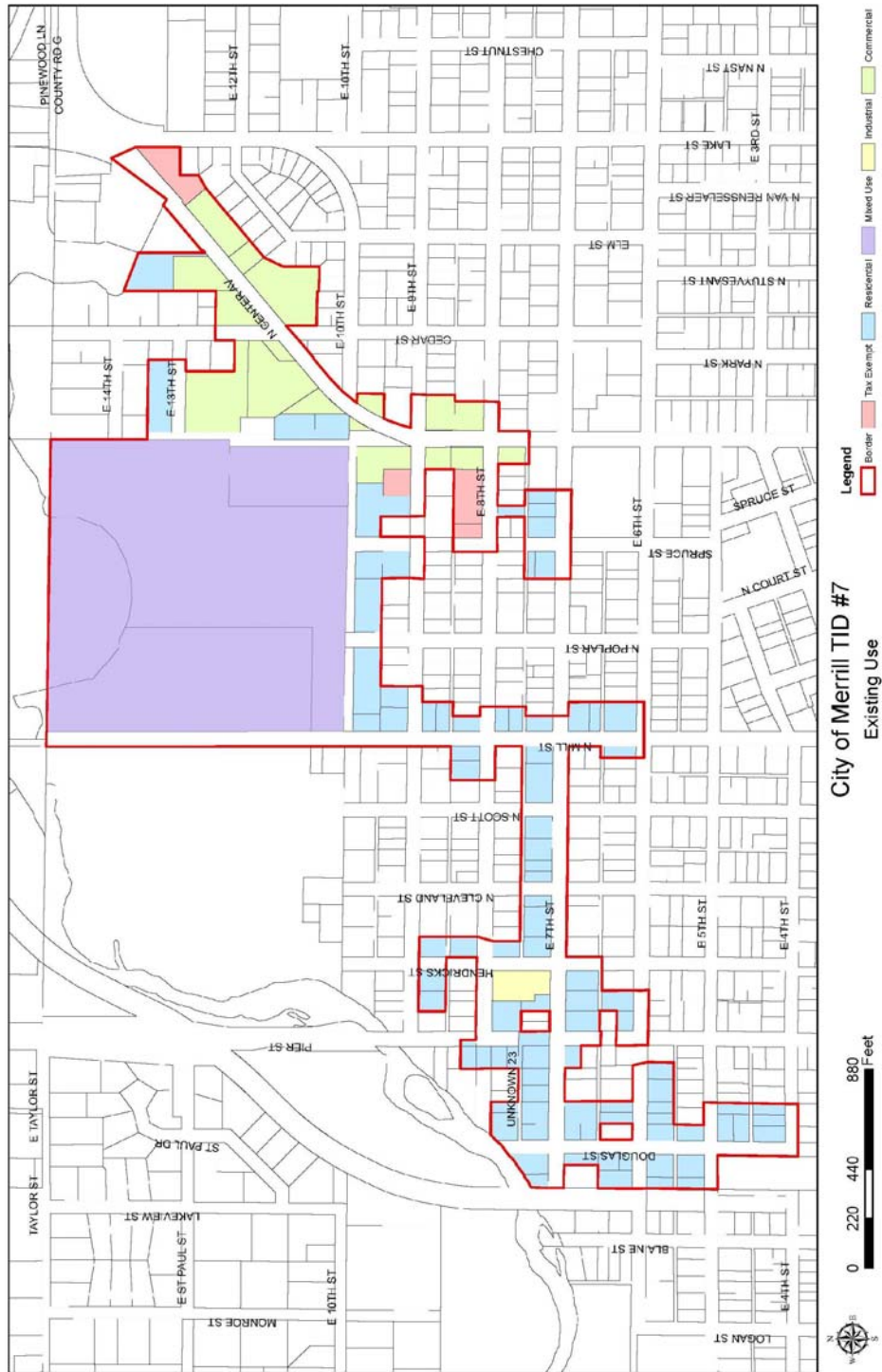
# SECTION 3: Preliminary Maps of Original District Boundary and Territory Amendment Area Identified







# SECTION 4: Map Showing Existing Uses and Conditions within the Territory to Be Added and Remaining



# SECTION 5: Preliminary Parcel List and Analysis within the Territory to Be Added and Remaining

City of Merrill, Wisconsin																
Tax Increment District No. 7																
Base Property Information																
Property Information					Assessment Information				Equalized Value				District Classification			
Map Ref #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Blighted	Vacant	
	251-3106-121-0087	1103 E 8th St	ARC Unlimited LLC	0.14	11,200	25,700	0	36,900	114.56%	9,776	22,433	0	32,209	0.14	0.00	
	251-3106-121-0081	1106 E 7th St	Creative Finance Group LLC	0.17	12,100	47,300	0	59,400	114.56%	10,562	41,287	0	51,848	0.17	0.00	
	251-3106-121-0082	1104 E 7th St	David Weber	0.17	12,100	68,900	0	81,000	114.56%	10,562	60,141	0	70,702		0.00	
	251-3106-121-0083	1100 E 7th St	Allen Parness	0.25	14,700	36,700	0	51,400	114.56%	12,831	32,034	0	44,865	0.25	0.00	
	251-3106-121-0091	1008 E 7th St	City of Merrill	0.25	14,700	5,100	0	19,800	114.56%	12,831	4,452	0	17,283	0.25	0.25	
	251-3106-121-0092	704 Spruce St	Margie Rick	0.08	6,700	40,300	0	47,000	114.56%	5,848	35,177	0	41,025		0.00	
	251-3106-122-0123	808 E 8th St	Daniel Koblitz	0.18	12,500	36,200	0	48,700	114.56%	10,911	31,598	0	42,509	0.18	0.00	
	251-3106-122-0122	804 E 8th St	Pamela Seis	0.23	14,300	47,800	0	62,100	114.56%	12,482	41,723	0	54,205	0.23	0.00	
	251-3106-121-0362	611 N Mill St	Anthony & Garth Hendrickson	0.35	13,500	70,100	0	83,600	114.56%	11,784	61,188	0	72,972		0.00	
	251-3106-121-0007	609 N Mill St	Betty Hehling	0.19	10,100	45,500	0	55,600	114.56%	8,816	39,716	0	48,532		0.00	
	251-3106-121-0006	900 E 6th St	Scott Fillmore	0.55	17,200	39,500	0	56,700	114.56%	15,013	34,478	0	49,492		0.00	
	251-3106-122-0039	808 E 6th St	James & Sherryl Dallmann	0.35	11,800	49,200	0	61,000	114.56%	10,300	42,945	0	53,245	0.35	0.00	
	251-3106-122-0066	601 E 8th St	Dennis & Sharon Karow	0.16	12,900	63,700	0	76,600	114.56%	11,260	55,602	0	66,862		0.00	
	251-3106-122-0105	600 E 8th St	Brenda Savic & Dawn Alft	0.12	14,700	61,200	0	75,900	114.56%	12,831	53,420	0	66,251		0.00	
	251-3106-122-0104	807 Hendricks St	Andy & Marie Ament	0.12	14,700	32,300	0	47,000	114.56%	12,831	28,194	0	41,025	0.12	0.00	
	251-3106-122-0095	808 Hendricks St	Maurice Tewes	0.12	14,700	22,000	0	36,700	114.56%	12,831	19,203	0	32,034	0.12	0.00	
	251-3106-122-0096	507 E 9th St	Normond Johnson	0.12	14,700	46,400	0	61,100	114.56%	12,831	40,501	0	53,332	0.12	0.00	
	251-3106-122-0014	504 E 6th St	Jennifer & Chad Schmidt	0.15	15,800	55,500	0	71,300	114.56%	13,791	48,444	0	62,236		0.00	
	251-3106-122-0138	502 E 6th St	Fred & Pamela Plegge	0.15	10,800	40,200	0	51,000	114.56%	9,427	35,089	0	44,516	0.15	0.00	
	251-3106-111-0030	404 E 6th St	John & Beverly Traeger	0.16	10,500	48,100	0	58,600	114.56%	9,165	41,985	0	51,150	0.16	0.00	
	251-3106-111-0029	402 E 6th St	T&T Evergreen Enterprises	0.16	10,500	27,400	0	37,900	114.56%	9,165	23,917	0	33,082	0.16	0.00	
	251-3106-111-0038	312 E 6th St	Dean Dahlke	0.10	7,800	35,200	0	43,000	114.56%	6,808	30,725	0	37,533	0.10	0.00	
	251-3106-111-0037	306 E 6th St	Adele Huber	0.24	13,400	22,500	0	35,900	114.56%	11,696	19,640	0	31,336	0.24	0.00	
	251-3106-111-0039	602 Douglas St	Bonnie Penegor & Andrew Krizan III	0.14	10,100	50,100	0	60,200	114.56%	8,816	43,731	0	52,547		0.00	
	251-3106-111-0035	608 Douglas St	Mary Houghtaling	0.16	10,800	51,600	0	62,400	114.56%	9,427	45,040	0	54,467	0.16	0.00	
	251-3106-111-0026	607 Douglas St	George Bost	0.12	8,000	29,500	0	37,500	114.56%	6,983	25,750	0	32,733	0.12	0.00	
	251-3106-111-0027	609 Douglas St	Thad & Tammy Prentice	0.12	8,000	23,400	0	31,400	114.56%	6,983	20,425	0	27,408	0.12	0.00	
	251-3106-111-0025	405 E 7th St	Fergien Family Trust	0.33	14,700	36,000	0	50,700	114.56%	12,831	31,423	0	44,254	0.33	0.00	
	251-3106-111-0020	306 E 7th St	Randy Ament	0.11	6,000	27,100	0	33,100	114.56%	5,237	23,655	0	28,892	0.11	0.00	
	251-3106-111-0019	700 Douglas St	George Bost	0.27	11,800	46,900	0	58,700	114.56%	10,300	40,938	0	51,237	0.27	0.00	
	251-3106-111-0012	707 Douglas St	John Garhee	0.28	12,900	28,500	0	41,400	114.56%	11,260	24,877	0	36,137	0.28	0.00	
	251-3106-111-0011	405 E 8th St	Jason Yingling	0.14	10,000	35,200	0	45,200	114.56%	8,729	30,725	0	39,454	0.14	0.00	
	251-3106-111-0013	400 E 7th St	Stephen & Helen Schlinkert	0.20	11,800	48,300	0	60,100	114.56%	10,300	42,160	0	52,459	0.20	0.00	
	251-3106-111-0015	404 E 7th St	Jay Graap	0.14	14,000	44,100	0	58,100	114.56%	12,220	38,494	0	50,714	0.14	0.00	
	251-3106-111-0016	406 E 7th St	Fick Bricks LLC	0.21	12,000	43,800	0	55,800	114.56%	10,474	38,232	0	48,706	0.21	0.00	
	251-3106-111-0017	410 E 7th St	Linda Cottrell	0.21	12,000	34,500	0	46,500	114.56%	10,474	30,114	0	40,588	0.21	0.00	
	251-3106-111-0021	415 E 7th St	ARC Unlimited LLC	0.16	10,500	31,000	0	41,500	114.56%	9,165	27,059	0	36,224	0.16	0.00	
	251-3106-111-0018	700 Pier St	Verene Kelly & Lisa Londerville	0.28	14,000	29,300	0	43,300	114.56%	12,220	25,575	0	37,795	0.28	0.00	
	251-3106-111-0007	706 Pier St	Eileen Hintz	0.11	9,000	28,300	0	37,300	114.56%	7,856	24,702	0	32,558	0.11	0.00	
	251-3106-111-0008	710 Pier St	Andrew Hoffman	0.16	9,000	21,400	0	30,400	114.56%	7,856	18,679	0	26,535	0.16	0.00	

Property Information					Assessment Information				Equalized Value				District Classification		
Map Ref #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Blighted	Vacant
	251-3106-111-0005	414 E 8th St	Marion Martell & Gwendolyn Martell-Williams	0.16	10,500	36,300	0	46,800	114.56%	9,165	31,685	0	40,850	0.16	0.00
	251-3106-114-0191	404 E 4th St	Crystal Boutiette	0.16	10,500	54,800	0	65,300	114.56%	9,165	47,833	0	56,998	0.16	0.00
	251-3106-114-0192	402 E 4th St	Michael Hoff	0.16	10,500	35,400	0	45,900	114.56%	9,165	30,900	0	40,065	0.16	0.00
	251-3106-114-0194	400 E 4th St	George Bost	0.15	9,900	26,300	0	36,200	114.56%	8,641	22,956	0	31,598	0.15	0.00
	251-3106-114-0193	403 Douglas St	Thomas & Jean Kouba	0.09	7,000	48,700	0	55,700	114.56%	6,110	42,509	0	48,619		0.00
	251-3106-114-0180	409 Douglas St	Leslie & Nancy Weber	0.20	11,700	50,600	0	62,300	114.56%	10,213	44,167	0	54,380		0.00
	251-3106-114-0179	411 Douglas St	Eileen Lutz	0.20	11,700	53,000	0	64,700	114.56%	10,213	46,262	0	56,475		0.00
	251-3106-114-0181	405 E 5th St	Timothy & Cecilia Ollhoff	0.16	10,500	23,700	0	34,200	114.56%	9,165	20,687	0	29,852	0.16	0.00
	251-3106-114-0178	501 Douglas St	Rita Hartwig	0.19	11,500	67,900	0	79,400	114.56%	10,038	59,268	0	69,306		0.00
	251-3106-114-0162	500 Douglas St	Elsie Newman	0.13	9,800	50,100	0	59,900	114.56%	8,554	43,731	0	52,285		0.00
	251-3106-114-0163	308 E 5th St	Kimberly Brohman	0.13	9,800	37,200	0	47,000	114.56%	8,554	32,471	0	41,025	0.13	0.00
	251-3106-114-0164	306 E 5th St	Chad Pehlke	0.13	10,100	41,300	0	51,400	114.56%	8,816	36,050	0	44,865	0.13	0.00
	251-3106-114-0160	309 E 6th St	Scott Fillmore	0.13	10,100	34,200	0	44,300	114.56%	8,816	29,852	0	38,668	0.13	0.00
	251-3106-114-0161	510 Douglas St	Bryon Pfortmiller	0.26	13,700	40,300	0	54,000	114.56%	11,958	35,177	0	47,135		0.00
	251-3106-114-0166	507 Douglas St	Dan Szulczewski	0.19	11,500	46,100	0	57,600	114.56%	10,038	40,239	0	50,277		0.00
	251-3106-114-0167	403 E 6th St	Edward & Amy Wayda	0.13	9,800	46,400	0	56,200	114.56%	8,554	40,501	0	49,055		0.00
	251-3106-114-0168	405 E 6th St	John & Charleen Giese	0.13	9,800	46,700	0	56,500	114.56%	8,554	40,763	0	49,317		0.00
	251-3106-114-0169	409 E 6th St	Dean Dahlke	0.26	13,700	41,400	0	55,100	114.56%	11,958	36,137	0	48,095	0.26	0.00
	251-3106-114-0170	411 E 6th St	Chris & Lorri Schiender	0.20	11,700	45,500	0	57,200	114.56%	10,213	39,716	0	49,928	0.20	0.00
								0	114.56%	0	0	0	0		
			<b>Total Acreage</b>	<b>10.84</b>	679,800	2,401,700	0	3,081,500		593,377	2,096,370	0		7.40	0.25
													<b>Estimated Base Value</b>	<b>2,689,747</b>	68.28%

The following parcels will be subtracted from the District:

- 251-3106-182-0090 (5.43 acres – blighted)
- 251-3106-182-0091 (4.56 acres – not blighted)

Continued compliance with the requirements of being a blighted area district is established by the following facts:

- The original District was comprised of 66.05 acres. Of that area, 54.79 acres (83.96%) were considered blighted.
- The parcels being added meet the requirements when considered separately.
- When considered as a whole, the addition will add 10.84 acres of which 7.40 acres are considered blighted. The subtraction will remove 9.90 acres, of which 5.43 acres are considered blighted. The amended District will have an area of 66.98 acres, of which 56.76 acres (84.74%) are considered blighted.

## SECTION 6: Equalized Value Test

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The following calculations demonstrate that the City is in compliance with Wisconsin Statutes Section 66.1105(4)(gm)4.c., which requires that the equalized value of the Territory to be added to the District, plus the value increment of the District being amended, plus the value increment of all other existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the Territory to be incorporated by this Amendment, plus the increment value of TID No. 7, plus the value increment of all other existing tax incremental districts within the City, totals \$22,923,447. This value is less than the maximum of \$44,581,284 in equalized value that is permitted for the City of Merrill. The City is therefore in compliance with the statutory equalized valuation test and may proceed with amendment of this District.

<b>City of Merrill, Wisconsin</b>	
<b>Tax Increment District No. 7</b>	
<b>Valuation Test Compliance Calculation</b>	
Creation Date	8/11/2009
	Valuation Data Currently Available 2015
Total EV (TID In)	371,510,700
12% Test	44,581,284
Increment of Existing TIDs	
TID #3	18,938,800
TID #4	812,200
TID #5	482,700
TID #6	0
TID #7	0
TID #8	0
TID #9	0
Total Existing Increment	20,233,700
Projected Base of New or Amended District	2,689,747
Total Value Subject to 12% Test	22,923,447
Compliance	<b>PASS</b>

## SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

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The following is a list of public works and other TIF-eligible projects that the City has implemented, or expects to implement, within the original District or within the Territory to be incorporated by this Amendment. Any costs directly or indirectly related to the public works and other projects are considered "Project Costs" and eligible to be paid with tax increment revenues of the District.

### Property, Right-of-Way and Easement Acquisition

#### Property Acquisition for Development and/or Redevelopment

In order to promote and facilitate development and/or redevelopment 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 in order to make the property suitable for development and/or redevelopment. 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 and/or redevelopment 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 Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

#### Property Acquisition for Conservancy

In order 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 Wisconsin Statutes Sections 32.19 and 32.195.



## 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

In order to make sites suitable for development and/or redevelopment, 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 and/or redevelopment, 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

There are inadequate sanitary sewer facilities serving areas of the District. To allow development and/or redevelopment to occur, the City may 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

There are inadequate water distribution facilities serving areas of the District. To allow development and/or redevelopment to occur, the City may 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 and/or redevelopment within the District may cause stormwater runoff and pollution. To manage this stormwater runoff, the City may 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**

In order to create sites suitable for development and/or redevelopment, 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**

In order to create sites suitable for development and/or redevelopment, 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**

In order to create sites suitable for development and/or redevelopment, 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**

There are inadequate street improvements serving areas of the District. To allow development and/or redevelopment to occur, the City may need to construct and/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**

In order to attract development and/or redevelopment 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.



## RDA Type Activities

### Contribution to Redevelopment Authority

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 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

To encourage private redevelopment consistent with the objectives of this Plan, the City, through its RDA, may provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. 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 loan 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

### Rail Spur

To allow for development and/or redevelopment, the City may incur costs for installation of a rail spur to serve development sites located within the District.

### Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of 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.

### 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 in connection with 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.

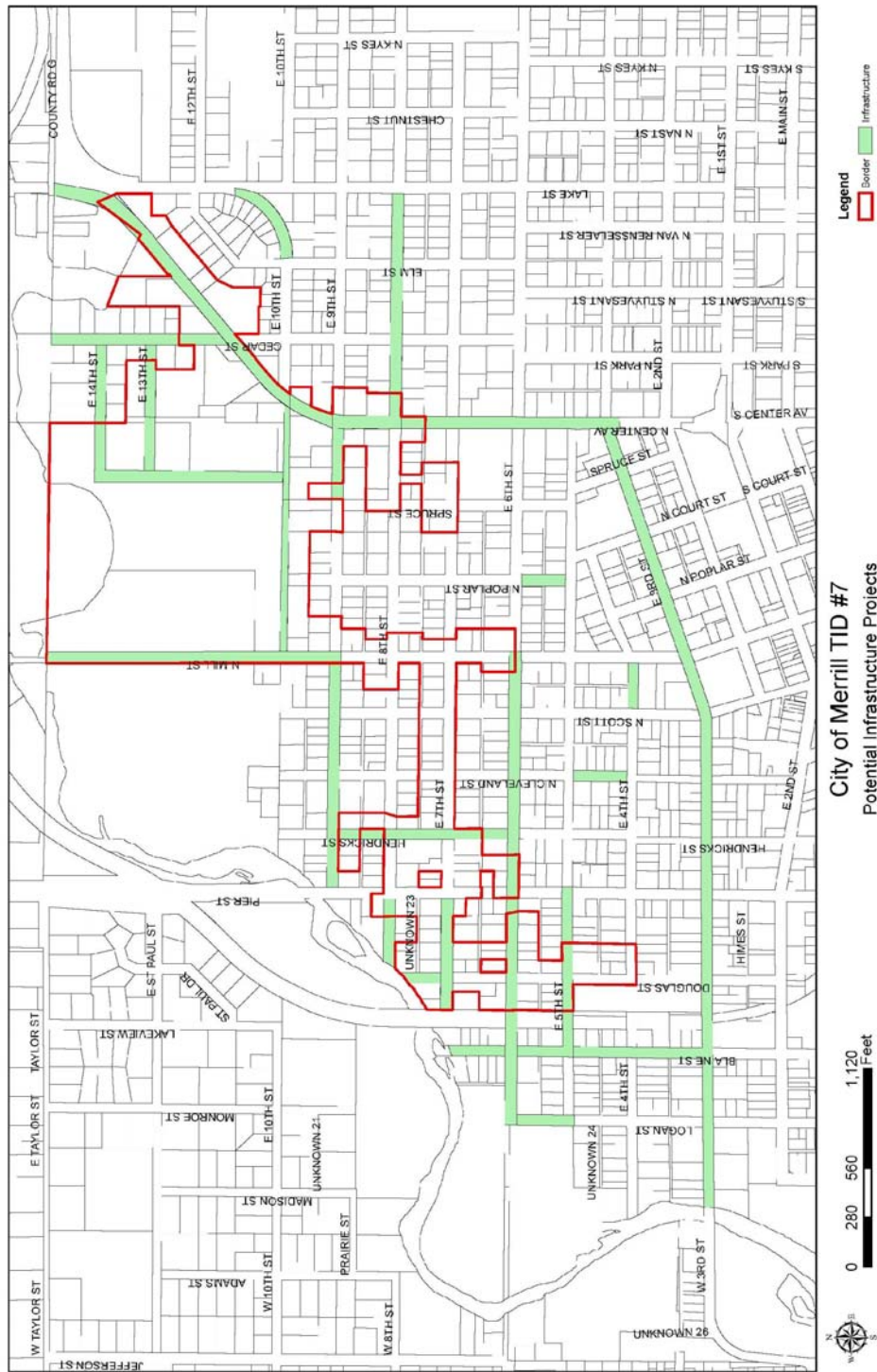
With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, site preparation, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages,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

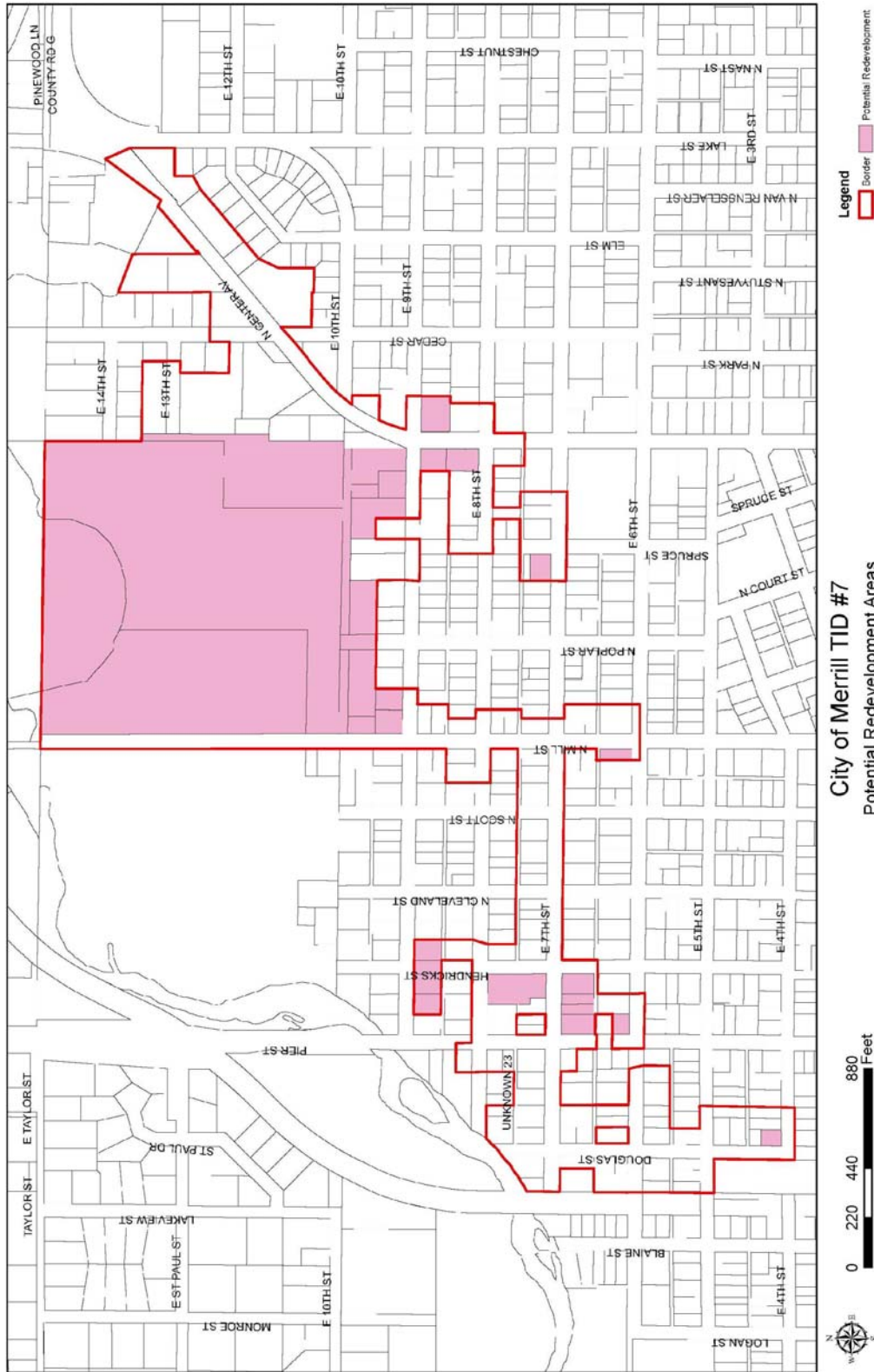
In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment.

**The City reserves the right to implement only those projects that remain viable as the Plan period proceeds.**

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Plan or the original Project Plan. To the extent the costs benefit the City 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 is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments. 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 by the City in connection with the implementation of this Plan.

# SECTION 8: Maps Showing Proposed Improvements and Uses within the Territory to Be Added and Remaining





## SECTION 9: Detailed List of Additional and/or Updated Project Costs

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This Section contains information relative to the specific projects and expenditures that the City anticipates it will undertake or make within the Territory to be incorporated into the District by this Amendment. All costs are based on 2015 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2015 and the time of construction. The City also reserves the right to increase certain Project Costs to the extent others are reduced or not implemented without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

**This Plan is not meant to be a budget, nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without further amending this Plan.**

# Proposed TIF Project Cost Estimates

City of Merrill, Wisconsin						
Tax Increment District No. 7						
Estimated Project List						
Project ID	Project Name/Type	Phase I 2015-2016	Phase II 2017-2019	Phase III 2020-2022	Phase IV 2023-2025	Total (Note 1)
1	Development Incentives (Note 2)	100,000	100,000	100,000	100,000	400,000
2	TIF Housing Roof Loans (Note 2)	25,000	25,000	25,000	25,000	100,000
3	Real Estate Acquisitions	250,000	50,000	50,000	50,000	400,000
4	Relocation Costs	5,000	5,000	5,000	5,000	20,000
5	Demolition	75,000	50,000	50,000	50,000	225,000
6	Environmental Remediation	35,000	10,000	10,000	10,000	65,000
7	Stormwater System Improvements	15,000	15,000	15,000	15,000	60,000
8	Engineering Services	20,000	20,000	20,000	20,000	80,000
9	Street Improvements	200,000	100,000	100,000	100,000	500,000
10	Amendment Expenses (Note 2)	10,000	10,000	10,000	10,000	40,000
<b>Total Projects</b>		<b>735,000</b>	<b>385,000</b>	<b>385,000</b>	<b>385,000</b>	<b>1,890,000</b>

Notes:

Note 1 Project costs are estimates and are subject to modification

Note 2 Development incentives, TIF housing roof loans, and amendment expenses expected to be paid for using cash; other projects to be financed with debt

## SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

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The information and exhibits contained within this Section demonstrate that the District, as proposed to be amended by the addition and subtraction of territory and modification of project costs, will remain economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the remaining projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The City expects to complete the remaining projects in multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private development and/or redevelopment. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur as a result of the continued implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development and/or redevelopment expected to occur, 2) an updated projection of tax increments to be collected resulting from that development and/or redevelopment and other economic growth within the District, and 3) an updated cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.
- Subtraction of territory will improve cash flow by reducing the size of the decrement.

### Available Financing Methods

The following is a list of the types of obligations the City may choose to utilize.

#### General Obligation (G.O.) Bonds or Notes

The City may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN). As of the date of this plan, the City has a G.O. debt limit of \$18,575,535, of which \$7,729,146 is currently unused and could be made available to finance Project Costs.

#### Bonds Issued to Developers (“Pay as You Go” Financing)

The City may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City’s



obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the City and, therefore, do not count against the City's statutory borrowing capacity.

### **Tax Increment Revenue Bonds**

The City has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the City, or as a form of lease revenue bond by its Redevelopment Authority (RDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the City and therefore do not count against the City's statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the City may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

### **Utility Revenue Bonds**

The City can issue revenue bonds to be repaid from revenues of its various utility systems, including revenues paid by the City that represent service of the system to the City. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the City must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

### **Special Assessment "B" Bonds**

The City has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the City determines that special assessments are appropriate, the City can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the City's statutory borrowing capacity. If special assessments are levied, the City must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.



## Plan Implementation

Projects identified will provide the necessary anticipated governmental services and/or development incentives to the additional territory. It is anticipated these expenditures will be made during 2015. However, public debt and expenditures should be made at the pace private development and/or redevelopment occurs to assure increment is sufficient to cover expenses. The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective. In any event, all additional Project Costs are to be incurred within the period specified in Wisconsin Statutes Section 66.1105(6)(am).

It is anticipated developer agreements between the City and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement these agreements might include levying of special assessments against benefited properties.

The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

**If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.**

## Implementation and Financing Timeline

City of Merrill, Wisconsin					
Tax Increment District No. 7					
Estimated Financing Plan					
	State Trust Fund Loan 2016	State Trust Fund Loan 2017	State Trust Fund Loan 2020	State Trust Fund Loan 2023	Totals
Projects					
Phase I	735,000				735,000
Phase II		385,000			385,000
Phase III			385,000		385,000
Phase IV				385,000	385,000
Less: Development Incentives	(100,000)	(100,000)	(100,000)	(100,000)	(400,000)
Less: TIF Roof Loans	(25,000)	(25,000)	(25,000)	(25,000)	(100,000)
Less: Amendment Expenses	(10,000)	(10,000)	(10,000)	(10,000)	(40,000)
Total Project Funds	<u>600,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>1,350,000</u>
Estimated Finance Related Expenses					
Financial Advisor	5,000	5,000	5,000	5,000	
Net Issue Size	<b>605,000</b>	<b>255,000</b>	<b>255,000</b>	<b>255,000</b>	<b>1,370,000</b>

## Development Assumptions

City of Merrill, Wisconsin							
Tax Increment District No. 7							
Development Assumptions							
Construction Year	Subtractions	Acquisition/ Demolition	Prairie River Properties	Redev. Through Incentives	Residential Renewal/ Garages	Annual Total	Construction Year
7 2015	667,500	(25,000)		100,000		742,500	2015 7
8 2016		(150,000)		50,000	15,000	(85,000)	2016 8
9 2017		(50,000)	250,000	350,000	15,000	565,000	2017 9
10 2018		(25,000)		50,000	15,000	40,000	2018 10
11 2019		(25,000)		50,000	15,000	40,000	2019 11
12 2020		(25,000)	250,000	225,000	125,000	575,000	2020 12
13 2021		(25,000)		50,000	15,000	40,000	2021 13
14 2022				50,000	15,000	65,000	2022 14
15 2023			250,000	225,000	125,000	600,000	2023 15
16 2024				50,000	15,000	65,000	2024 16
17 2025		(25,000)			25,000	0	2025 17
18 2026			250,000		20,000	270,000	2026 18
19 2027					20,000	20,000	2027 19
20 2028					125,000	125,000	2028 20
21 2029					15,000	15,000	2029 21
22 2030					15,000	15,000	2030 22
23 2031						0	2031 23
24 2032						0	2032 24
25 2033						0	2033 25
26 2034						0	2034 26
27 2035						0	2035 27
Totals	<u>667,500</u>	<u>(350,000)</u>	<u>1,000,000</u>	<u>1,200,000</u>	<u>575,000</u>	<u>3,092,500</u>	

# Increment Revenue Projections

City of Merrill, Wisconsin										
Tax Increment District No. 7										
Tax Increment Projection Worksheet										
Type of District	Blighted Area		Base Value	5,767,700						
Creation Date	August 11, 2009		Appreciation Factor	0.00%		Apply to Base Value				
Valuation Date	Jan 1,	2009	Base Tax Rate	\$32.83						
Max Life (Years)	27		Rate Adjustment Factor	0.00%						
Expenditure Periods/Termination	22	8/11/2031	Tax Exempt Discount Rate	2.25%						
Revenue Periods/Final Year	27	2037	Taxable Discount Rate	3.75%						
Extension Eligibility/Years	Yes 3									
Recipient District	Yes									

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
5	2013	2014	0	-1,162,200	2015	\$32.83	0	0	0
6	2014	494,700	2015	0	-667,500	2016	\$32.83	0	0
7	2015	742,500	2016	0	75,000	2017	\$32.83	2,462	1,903
8	2016	-85,000	2017	0	-10,000	2018	\$32.83	0	1,903
9	2017	565,000	2018	0	555,000	2019	\$32.83	18,219	14,984
10	2018	40,000	2019	0	595,000	2020	\$32.83	19,532	28,500
11	2019	40,000	2020	0	635,000	2021	\$32.83	20,845	42,405
12	2020	575,000	2021	0	1,210,000	2022	\$32.83	39,721	67,941
13	2021	40,000	2022	0	1,250,000	2023	\$32.83	41,034	93,369
14	2022	65,000	2023	0	1,315,000	2024	\$32.83	43,168	119,152
15	2023	600,000	2024	0	1,915,000	2025	\$32.83	62,865	155,341
16	2024	65,000	2025	0	1,980,000	2026	\$32.83	64,999	191,407
17	2025	0	2026	0	1,980,000	2027	\$32.83	64,999	226,169
18	2026	270,000	2027	0	2,250,000	2028	\$32.83	73,862	264,244
19	2027	20,000	2028	0	2,270,000	2029	\$32.83	74,519	301,268
20	2028	125,000	2029	0	2,395,000	2030	\$32.83	78,622	338,920
21	2029	15,000	2030	0	2,410,000	2031	\$32.83	79,114	375,438
22	2030	15,000	2031	0	2,425,000	2032	\$32.83	79,607	410,855
23	2031	0	2032	0	2,425,000	2033	\$32.83	79,607	444,991
24	2032	0	2033	0	2,425,000	2034	\$32.83	79,607	477,894
25	2033	0	2034	0	2,425,000	2035	\$32.83	79,607	509,608
26	2034	0	2035	0	2,425,000	2036	\$32.83	79,607	540,176
27	2035	0	2036	0	2,425,000	2037	\$32.83	79,607	569,638
<b>Totals</b>	<b>2,425,000</b>		<b>0</b>		<b>Future Value of Increment</b>		<b>1,161,603</b>		

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).

# Cash Flow

City of Merrill, Wisconsin																									
Tax Increment District No. 7																									
Cash Flow Projection																									
Year	Projected Revenues			Expenditures												Balances			Year						
	Tax Increments	Transfer from TID No. 3	Total Revenues	State Trust Fund Loan 605,000			State Trust Fund Loan 255,000			State Trust Fund Loan 255,000			State Trust Fund Loan 255,000			Development				Total Expenditures	Annual	Cumulative	Principal Outstanding		
				Dated Date: 06/01/16	Est. Rate	Interest	Dated Date: 06/01/17	Est. Rate	Interest	Dated Date: 06/01/20	Est. Rate	Interest	Dated Date: 06/01/23	Est. Rate	Interest	Roof Loans	Incentives	Amendment	Admin.						
2015	0	74,000	74,000													12,500	50,000	10,000	1,000	73,500	500	(56,048)	0	2015	
2016	0	64,000	64,000													12,500	50,000		1,000	63,500	500	(55,548)	605,000	2016	
2017	2,462	94,000	96,462	25,307	3.75%	17,898										8,333	33,333	10,000	1,000	95,872	591	(54,957)	834,693	2017	
2018	0	105,000	105,000	21,466	3.75%	21,738	10,667	3.75%	7,544							8,333	33,333		1,000	104,082	918	(54,039)	802,560	2018	
2019	18,219	86,000	104,219	22,271	3.75%	20,934	9,048	3.75%	9,163							8,333	33,333		1,000	104,082	137	(53,902)	771,241	2019	
2020	19,532	95,000	114,532	23,107	3.75%	20,098	9,387	3.75%	8,823							8,333	33,333	10,000	1,000	114,082	451	(53,451)	993,747	2020	
2021	20,845	104,000	124,845	23,973	3.75%	19,232	9,739	3.75%	8,471	12,856	3.75%	7,544				8,333	33,333		1,000	124,481	364	(53,087)	947,180	2021	
2022	39,721	85,000	124,721	24,872	3.75%	18,333	10,104	3.75%	8,106	11,319	3.75%	9,080				8,333	33,333		1,000	124,481	240	(52,847)	900,884	2022	
2023	41,034	94,000	135,034	25,805	3.75%	17,400	10,483	3.75%	7,727	11,743	3.75%	8,656				8,333	33,333	10,000	1,000	134,481	553	(52,294)	1,102,853	2023	
2024	43,168	105,000	148,168	26,772	3.75%	16,432	10,876	3.75%	7,334	12,184	3.75%	8,216	15,705	3.75%	7,396	8,333	33,333		1,000	147,582	586	(51,707)	1,037,315	2024	
2025	62,865	85,000	147,865	27,776	3.75%	15,429	11,284	3.75%	6,926	12,641	3.75%	7,759	14,315	3.75%	8,786	8,333	33,333		1,000	147,582	283	(51,425)	971,299	2025	
2026	64,999	400,000	464,999	28,818	3.75%	14,387	11,707	3.75%	6,503	13,115	3.75%	7,285	14,851	3.75%	8,249				1,000	105,915	359,083	307,659	902,808	2026	
2027	64,999		64,999	29,899	3.75%	13,306	12,146	3.75%	6,064	13,607	3.75%	6,793	15,408	3.75%	7,692				1,000	105,915	(40,917)	266,742	831,748	2027	
2028	73,862		73,862	31,020	3.75%	12,185	12,602	3.75%	5,608	14,117	3.75%	6,283	15,986	3.75%	7,115				1,000	105,915	(32,053)	234,689	758,023	2028	
2029	74,519		74,519	32,183	3.75%	11,022	13,074	3.75%	5,136	14,646	3.75%	5,753	16,586	3.75%	6,515				1,000	105,915	(31,397)	203,292	681,534	2029	
2030	78,622		78,622	33,390	3.75%	9,815	13,565	3.75%	4,646	15,195	3.75%	5,204	17,208	3.75%	5,893				1,000	105,915	(27,293)	175,999	602,176	2030	
2031	79,114		79,114	34,642	3.75%	8,563	14,073	3.75%	4,137	15,765	3.75%	4,634	17,853	3.75%	5,248				1,000	105,915	(26,801)	149,198	519,843	2031	
2032	79,607		79,607	35,941	3.75%	7,264	14,601	3.75%	3,609	16,356	3.75%	4,043	18,522	3.75%	4,578				1,000	105,915	(26,308)	122,889	434,421	2032	
2033	79,607		79,607	37,289	3.75%	5,916	15,149	3.75%	3,062	16,970	3.75%	3,430	19,217	3.75%	3,884				1,000	105,915	(26,308)	96,581	345,797	2033	
2034	79,607		79,607	38,687	3.75%	4,518	15,717	3.75%	2,493	17,606	3.75%	2,793	19,938	3.75%	3,163				1,000	105,915	(26,308)	70,272	253,849	2034	
2035	79,607		79,607	40,138	3.75%	3,067	16,306	3.75%	1,904	18,266	3.75%	2,133	20,685	3.75%	2,415				1,000	105,915	(26,308)	43,964	158,453	2035	
2036	79,607		79,607	41,643	3.75%	1,562	16,918	3.75%	1,293	18,951	3.75%	1,448	21,461	3.75%	1,640				1,000	105,915	(26,308)	17,655	59,480	2036	
2037	79,607		79,607				17,552	3.75%	658	19,662	3.75%		22,266	3.75%	835						61,710	17,896	35,552	0	2037
Total	1,161,603	1,391,000	2,552,603	605,000		259,097	255,000		109,206	255,000		91,790	250,000		73,409	100,000		40,000	22,000	2,460,503				Total	

Notes:  
1. Had cumulative balance of (\$56,548) as of 12/31/2014

## SECTION 11: Annexed Property

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There are no lands within the Territory proposed to be included within the District by amendment that were annexed by the City on or after January 1, 2004.

## SECTION 12: Estimate of Property to be Devoted to Retail Business

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The City estimates that less than 35% of the territory within the District, as amended, will be devoted to retail business at the end of the District's maximum expenditure period. This finding is made to fulfill the reporting requirement as contained in Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.

## SECTION 13: Proposed Zoning Ordinance Changes

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The City does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Amended Project Plan.



## SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and City of Merrill Ordinances

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It is expected that this Plan will be complementary to the City's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other City ordinances for the implementation of this Plan.

## SECTION 15: Relocation

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It is anticipated there will be a need to relocate persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable Wisconsin Statutes Section chapter 32.

SECTION 16:  
Orderly Development and/or Redevelopment of the City of  
Merrill

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This amendment contributes to the orderly development and/or redevelopment of the City by providing the opportunity for continued growth in tax base, job opportunities and general economic activity.

## SECTION 17: List of Estimated Non-Project Costs

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Non-Project Costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds. The City does not expect to incur any non-project costs in the implementation of this Project Plan.

SECTION 18:  
Opinion of Attorney for the City of Merrill Advising Whether  
the Plan is Complete and Complies with Wisconsin  
Statutes 66.1105

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**CITY OF MERRILL**

Office of the City Attorney

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Phone (715) 539-3510 • FAX (715) 536-0514  
e-mail: tom.hayden@ci.merrill.wi.us

September 10, 2015

Mayor William Bialecki  
City of Merrill  
1004 E. First Street  
Merrill, Wisconsin 54452

**RE: City of Merrill, Wisconsin Tax Incremental District No. 7 Amendment**

Dear Mayor:

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

Very truly yours

CITY OF MERRILL

A handwritten signature in black ink, appearing to read "Thomas N. Hayden".

Thomas N. Hayden, City Attorney

TNH:ku

CC: Kathy Unertl, Finance Director/RDA Secretary

**"Focusing on the Future"**

An equal opportunity/affirmative action employer.

Exhibit A:

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

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.						
Statement of Taxes Data Year:		2014		Percentage		
County	2,001,535			16.90%		
Technical College	417,692			3.53%		
Municipality	5,896,682			49.79%		
School District	3,528,327			29.79%		
Total	<u>11,844,236</u>					
Revenue Year	County	Municipality	School District	Technical College	Total	Revenue Year
2015	0	0	0	0	0	2015
2016	0	0	0	0	0	2016
2017	416	1,226	733	87	2,462	2017
2018	0	0	0	0	0	2018
2019	3,079	9,071	5,427	643	18,219	2019
2020	3,301	9,724	5,819	689	19,532	2020
2021	3,523	10,378	6,210	735	20,845	2021
2022	6,712	19,775	11,833	1,401	39,721	2022
2023	6,934	20,429	12,224	1,447	41,034	2023
2024	7,295	21,491	12,860	1,522	43,168	2024
2025	10,623	31,297	18,727	2,217	62,865	2025
2026	10,984	32,360	19,363	2,292	64,999	2026
2027	10,984	32,360	19,363	2,292	64,999	2027
2028	12,482	36,772	22,003	2,605	73,862	2028
2029	12,593	37,099	22,199	2,628	74,519	2029
2030	13,286	39,142	23,421	2,773	78,622	2030
2031	13,369	39,387	23,568	2,790	79,114	2031
2032	13,453	39,632	23,714	2,807	79,607	2032
2033	13,453	39,632	23,714	2,807	79,607	2033
2034	13,453	39,632	23,714	2,807	79,607	2034
2035	13,453	39,632	23,714	2,807	79,607	2035
2036	13,453	39,632	23,714	2,807	79,607	2036
2037	13,453	39,632	23,714	2,807	79,607	2037
	<u>196,297</u>	<u>578,307</u>	<u>346,034</u>	<u>40,964</u>	<u>1,161,603</u>	
Notes:						
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.						