

January 22, 2021

Project Plan Amendment Tax Incremental District No. 11

City of Merrill, Wisconsin

Organizational Joint Review Board Meeting Held:	January 19, 2021
Public Hearing Held:	January 19, 2021
Approval by RDA:	January 19, 2021
Adoption by Common Council:	February 9, 2021
Approval by the Joint Review Board:	February 23, 2021

Table of Contents

Executive Summary.....	3
Map of Current District Boundary	6
Map Showing Existing Uses and Conditions	8
Equalized Value Test	9
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District.....	9
Map Showing Proposed Improvements and Uses	16
Detailed List of Estimated Project Costs	17
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	18
Annexed Property	24
Estimate of Property to be Devoted to Retail Business.....	24
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances	24
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	25
How Amendment of the Tax Incremental District Promotes the Orderly Development of the City	25
List of Estimated Non-Project Costs.....	26
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)	27
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions.....	28

SECTION 1:

Executive Summary

Description of District

Tax Incremental District (“TID”) No. 11 (“District”) is a Mixed Use District created on May 10, 2016. The District was created to:

- install public improvements and making necessary related expenditures to induce and promote development within the District.

Purpose of Amendment

The purpose of this amendment, referred to hereinafter as the Plan, the Amendment, or the Plan Amendment, is to:

- Amend the categories, locations or costs of project costs to be made as permitted under Wis. Stat. § 66.1105(4)(h)1. (“Project”).

Estimated Total Project Cost Expenditures

The City anticipates making total additional expenditures of approximately \$2,850,000 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”), as amended.

Incremental Valuation

The City projects that new land and improvements value of approximately \$8,405,000 will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumption’s as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

Expected Termination of District

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs by the end the District’s maximum life.

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 (and subsequent amendment) 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:

As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.

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

Lands proposed for newly-platted residential development comprise no more than 35% of the real property area within the amended District. Costs related to newly-platted residential development may be incurred based on the proposed development having a density of at least three (3) units per acre as defined in Wis. Stat. § 66.1105(2)(f)3.a. or being located in a conservation subdivision as defined in Wis. Stat. § 66.1027(1)(a). or being in a traditional neighborhood development as defined in Wis. Stat. § 66.1027(1)(c).

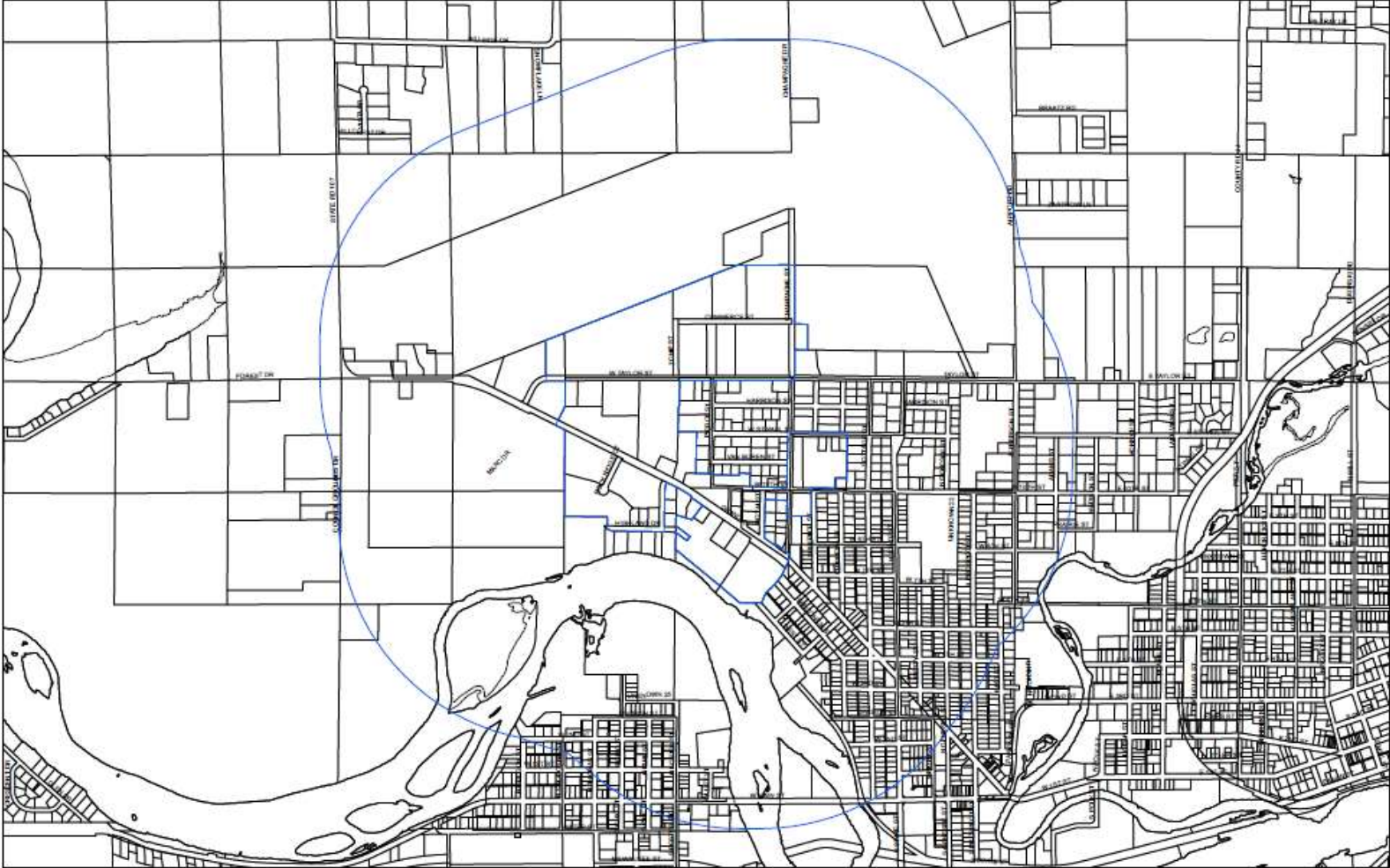
6. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
7. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

8. 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).

SECTION 2:

Map of Current District Boundary

A map identifying the current boundaries of the District is found on the following page. The District's boundaries are not being amended. The map also depicts the area within ½ mile of the District's boundaries.



1 inch = 463 feet

TID 11 with Half Mile Buffer
City of Merrill

Legend
TID 11 Boundary

SECTION 3:

Map Showing Existing Uses and Conditions

The District's boundaries are not being amended. The "Map Showing Existing Uses and Conditions" included within the District's original Project Plan dated May 10, 2016 remains unchanged and is incorporated by reference as part of this Plan Amendment.

SECTION 4:

Equalized Value Test

No territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Plan Amendment.

SECTION 5:

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 ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs. 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.

The “Statement of Kind, Number and Location of Proposed Public Works and Other Projects” set forth in the original District Project Plan approved on May 10, 2016 is amended to add the following Project Costs that the City has made, expects to make, or may need to make, in conjunction with the implementation of the District’s Plan or this Plan Amendment.

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:

- Airport T-Hangar Improvements
- Street Improvements and Related Appurtenances
- Sanitary Sewer System Improvements
- Water System Improvements
- Stormwater System 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 6: Map Showing Proposed Improvements and Uses



SECTION 7:

Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City has made, expects to make, or may need to make in conjunction with the implementation of the District’s Plan or this Plan Amendment. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan Amendment. 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 Merrill, Wisconsin						
Tax Increment District # 11						
Estimated Project List						
Project ID	Project Name/Type	Phase I 2021-22	Phase II 2023-24	Phase III 2024-25	Phase IV 2026-27	Total <small>(Note 1)</small>
	1 Development Incentives	350,000	500,000	500,000		1,350,000
<small>(Note 2)</small>	2 Airport T-Hangar (Less Lease Revenue)	200,000				200,000
	3 Real Estate Acquisitions				150,000	150,000
	4 Relocation Costs				5,000	5,000
	5 Demolition				20,000	20,000
	6 Environmental Remediation			25,000		25,000
	7 Engineering Services	25,000	25,000	10,000	10,000	70,000
<small>(Note 2)</small>	8 Street Improvements (Including Lighting)	375,000	175,000	200,000		750,000
<small>(Note 2)</small>	9 Sanitary Sewer Improvements	50,000	50,000			100,000
<small>(Note 2)</small>	10 Water System Improvements	50,000	50,000			100,000
	11 Stormwater System Improvements	25,000	25,000			50,000
	12 Professional Costs and Admin	15,000	5,000	5,000	5,000	30,000
Total Projects		1,090,000	830,000	740,000	190,000	2,850,000
Notes:						
<small>Note 1 Project costs are estimates and are subject to modification</small>						
<small>Note 2 Projects may be undertaken outside of, but within 1/2 mile of TID 4 boundary</small>						

SECTION 8:

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 an updated forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how remaining Project Costs would be financed, and a projected cash flow demonstrating that the District remains economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to create \$8,405,000 million in incremental value by 2036. 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 \$30.00 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$5,506,812 in incremental tax revenue over the remaining term of the District as shown in Table 2.

Table 1 - Development Assumptions

City of Merrill, Wisconsin									
Tax Increment District # 11									
Development Assumptions									
Construction Year		Acquisition/ Demolition	Lokemoen Site	Kenitz Site	Industrial Park	Hwy 107 Commercial	Annual Total	Construction Year	
1	2020		55,000	300,000			355,000	2020	1
2	2021		300,000	625,000			925,000	2021	2
3	2022		300,000	625,000			925,000	2022	3
4	2023		300,000	500,000		275,000	1,075,000	2023	4
5	2024		300,000				300,000	2024	5
6	2025		300,000				300,000	2025	6
7	2026		300,000				300,000	2026	7
8	2027	(125,000)	300,000		1,500,000		1,675,000	2027	8
9	2028					275,000	275,000	2028	9
10	2029						0	2029	10
11	2030				1,250,000		1,250,000	2030	11
12	2031						0	2031	12
13	2032						0	2032	13
14	2033					275,000	275,000	2033	14
15	2034						0	2034	15
18	2035				750,000		750,000	2035	18
19	2036						0	2036	19
Totals		(125,000)	2,155,000	2,050,000	3,500,000	825,000	8,405,000		

Notes:

Table 2 – Tax Increment Projection Worksheet

City of Merrill, Wisconsin										
Tax Increment District # 11										
Tax Increment Projection Worksheet										
Type of District	Mixed Use		Base Value	14,980,600						
District Creation Date	May 10, 2016		Appreciation Factor	0.00%		Apply to Base Value				
Valuation Date	Jan 1,	2016	Base Tax Rate	\$30.00						
Max Life (Years)	20		Rate Adjustment Factor							
Expenditure Period/Termination	15	5/10/2031	Tax Exempt Discount Rate	2.50%						
Revenue Periods/Final Year	20	2037	Taxable Discount Rate	4.00%						
Extension Eligibility/Years	Yes	3								
Eligible Recipient District	No									

	Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
1	2018	0	2019	0	3,768,600	2020	\$30.00	113,060	104,987	100,510
2	2019	0	2020	0	4,925,200	2021	\$30.00	147,759	238,849	226,815
3	2020	355,000	2021	0	5,280,200	2022	\$30.00	158,409	378,860	357,015
4	2021	925,000	2022	0	6,205,200	2023	\$30.00	186,159	539,384	504,139
5	2022	925,000	2023	0	7,130,200	2024	\$30.00	213,910	719,339	666,693
6	2023	1,075,000	2024	0	8,205,200	2025	\$30.00	246,160	921,374	846,560
7	2024	300,000	2025	0	8,505,200	2026	\$30.00	255,160	1,125,688	1,025,832
8	2025	300,000	2026	0	8,805,200	2027	\$30.00	264,161	1,332,050	1,204,290
9	2026	300,000	2027	0	9,105,200	2028	\$30.00	273,161	1,540,238	1,381,730
10	2027	1,675,000	2028	0	10,780,200	2029	\$30.00	323,412	1,780,713	1,583,732
11	2028	275,000	2029	0	11,055,200	2030	\$30.00	331,662	2,021,307	1,782,919
12	2029	0	2030	0	11,055,200	2031	\$30.00	331,662	2,256,033	1,974,446
13	2030	1,250,000	2031	0	12,305,200	2032	\$30.00	369,162	2,510,927	2,179,428
14	2031	0	2032	0	12,305,200	2033	\$30.00	369,162	2,759,604	2,376,527
15	2032	0	2033	0	12,305,200	2034	\$30.00	369,162	3,002,216	2,566,045
16	2033	275,000	2034	0	12,580,200	2035	\$30.00	377,413	3,244,200	2,752,347
17	2034	0	2035	0	12,580,200	2036	\$30.00	377,413	3,480,282	2,931,483
18	2035	750,000	2036	0	13,330,200	2037	\$30.00	399,913	3,724,337	3,113,998
19	2036	0	2037	0	13,330,200	2038	\$30.00	399,913	3,962,440	3,289,493
Totals		8,405,000		0		Future Value of Increment		5,506,812		

Notes:
 Actual results will vary depending on development, inflation of overall tax rates.
 NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

Financing and Implementation

Table 3. provides a summary of the District's debt financing plan, including existing obligations of the District.

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

Table 3 - Financing Plan

City of Merrill, Wisconsin					
Tax Increment District # 11					
Estimated Financing Plan					
	G.O. Bond 2021	G.O. Bond 2024	G.O. Bond 2025	G.O. Bond 2027	Totals
Projects					
Phase I	1,075,000				1,075,000
Phase II		825,000			825,000
Phase III			735,000		735,000
Phase IV				685,000	685,000
Refinance Existing Interim Debt	525,000				525,000
Total Project Funds	1,600,000	825,000	735,000	685,000	3,320,000
Estimated Finance Related Expenses					
Costs of Issuance	50,000	35,000	30,000	30,000	145,000
Underwriter Discount	10.00 16,700	10.00 8,700	10.00 7,750	10.00 7,250	10.00 40,400
Total Financing Required	1,666,700	868,700	772,750	722,250	3,830,400
Rounding	3,300	1,300	2,250	2,750	9,600
Net Issue Size	1,670,000	870,000	775,000	725,000	4,040,000
Notes:					

Table 4 - Cash Flow

City of Merrill, Wisconsin																							
Tax Increment District # 11																							
Cash Flow Projection																							
Year	Projected Revenues															Balances			Year				
	Tax Increments	Interest Earnings/ (Cost)	Other Revenue	Total Revenues	2017C G.O. Bonds 3,210,000			G.O. Bond 1,670,000			G.O. Bond 2,025			G.O. Bond 725,000			Other	Admin.		Total Expenditures	Annual	Cumulative	Remaining Principal Outstanding
				Dated Date:	10/26/17	Interest	Dated Date:	12/01/21	Interest	Dated Date:	12/01/24	Interest	Dated Date:	12/01/27	Interest								
				Principal	Rate	Interest	Principal	Est. Rate	Interest	Principal	Est. Rate	Interest	Principal	Est. Rate	Interest								
2019																					2019		
2020	113,060			113,060	25,000	3.00%	17,750									5,000		47,750	65,310	(122,690)	570,000	2020	
2021	147,759			147,759	25,000	3.00%	17,000									5,000	47,000	100,759	43,379	2,215,000	2021		
2022	158,409			158,409	30,000	3.00%	16,250		45,925							5,000	97,175	61,234	104,612	2,185,000	2022		
2023	186,159			186,159	30,000	3.00%	15,350	80,000	2.75%	45,925						5,000	176,275	9,884	114,497	2,075,000	2023		
2024	213,910			213,910	30,000	2.00%	14,450	85,000	2.75%	43,725						5,000	178,175	35,735	150,231	2,830,000	2024		
2025	246,160			246,160	30,000	2.00%	13,850	85,000	2.75%	41,388	50,000	2.75%	23,925			5,000	249,163	(3,002)	147,229	3,440,000	2025		
2026	255,160			255,160	30,000	3.00%	13,250	85,000	2.75%	39,050	55,000	2.75%	22,550	50,000	2.75%	21,313	90,000	5,000	411,163	(156,002)	(8,773)	3,220,000	2026
2027	264,161			264,161	30,000	3.00%	12,350	90,000	2.75%	36,713	55,000	2.75%	21,038	50,000	2.75%	19,938	95,000	5,000	415,038	(150,877)	(159,650)	2,995,000	2027
2028	273,161			273,161	30,000	3.00%	11,450	90,000	2.75%	34,238	55,000	2.75%	19,525	55,000	2.75%	18,563	5,000	318,775	(45,614)	(205,264)	2,765,000	2028	
2029	323,412			323,412	35,000	3.00%	10,550	95,000	2.75%	31,763	60,000	2.75%	18,013	55,000	2.75%	17,050	5,000	327,375	(3,963)	(209,228)	2,520,000	2029	
2030	331,662			331,662	35,000	3.00%	9,500	95,000	2.75%	29,150	60,000	2.75%	16,363	55,000	2.75%	15,538	5,000	320,550	11,112	(198,116)	2,275,000	2030	
2031	331,662			331,662	35,000	3.00%	8,450	100,000	2.75%	26,538	60,000	2.75%	14,713	60,000	2.75%	14,025	5,000	323,725	7,937	(190,179)	2,020,000	2031	
2032	369,162			369,162	35,000	3.00%	7,400	105,000	2.75%	23,788	60,000	2.75%	13,063	60,000	2.75%	12,375	5,000	321,625	47,537	(142,642)	1,760,000	2032	
2033	369,162			369,162	35,000	3.00%	6,350	105,000	2.75%	20,900	65,000	2.75%	11,413	60,000	2.75%	10,725	5,000	319,388	49,775	(92,867)	1,495,000	2033	
2034	369,162			369,162	40,000	3.25%	5,300	110,000	2.75%	18,013	65,000	2.75%	9,625	60,000	2.75%	9,075	5,000	322,013	47,150	(45,717)	1,220,000	2034	
2035	377,413			377,413	40,000	3.25%	4,000	110,000	2.75%	14,988	70,000	2.75%	7,838	65,000	2.75%	7,425	5,000	324,250	53,163	7,446	935,000	2035	
2036	377,413			377,413	40,000	3.38%	2,700	115,000	2.75%	11,963	70,000	2.75%	5,913	65,000	2.75%	5,638	5,000	321,213	56,200	63,646	645,000	2036	
2037	399,913			399,913	40,000	3.38%	1,350	120,000	2.75%	8,800	70,000	2.75%	3,988	70,000	2.75%	3,850	5,000	322,988	76,925	140,571	345,000	2037	
2038	399,913			399,913				200,000	2.75%	5,500	75,000	2.75%	2,063	70,000	2.75%	1,925	5,000	359,488	40,425	180,997	0	2038	
Total	5,506,812	0	0	5,506,812	595,000		187,300	1,670,000		478,363	870,000		190,025	775,000	0	157,438	185,000	95,000	5,203,125			Total	

Notes:
 * 2021 Bonds include refinancing of the TID 11 portion of the City's 2016 Note Anticipation Note

SECTION 9:

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. No territory is being added to the District as part of this Plan Amendment.

SECTION 10:

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 11:

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

Zoning Ordinances

The proposed Plan Amendment 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 Amendment is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for mixed use development in and around the TID's boundary area.

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 Amendment conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 12:

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

Should the continued 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 13:

How Amendment of the Tax Incremental District Promotes the Orderly Development of the City

This Plan Amendment promotes the orderly development of the City by providing necessary public infrastructure improvements and 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 commercial areas.

SECTION 14:

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.

The City does not anticipate any non-project costs.

SECTION 15:

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



CITY OF MERRILL

Office of the City Attorney

Thomas N. Hayden, City Attorney

1004 East First Street • Merrill, Wisconsin • 54452

Phone (715) 539-3510 • FAX (715) 536-0514

e-mail: tom.hayden@ci.merrill.wi.us

January 21, 2021

Mayor Derek Woellner
City of Merrill
1004 E First St.
Merrill, WI 54452

Re: Project Plan for Tax Incremental District No. 11

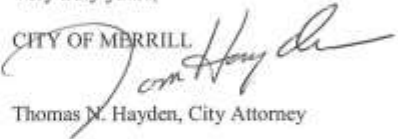
Dear Mayor Woellner:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105.

As City Attorney for the City of Merrill, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan for the city of Merrill Tax Incremental District No. 11 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Very truly yours,

CITY OF MERRILL


Thomas N. Hayden, City Attorney

TNH/km

SECTION 16:

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:		2020		Percentage		
County		2,275,282			17.01%	
Technical College		509,166			3.81%	
Municipality		7,159,908			53.52%	
School District		3,432,409			25.66%	
Total		13,376,765				
Revenue Year	County	Technical College	Municipality	School District	Total	Revenue Year
2020	19,231	4,303	60,515	29,011	113,060	2020
2021	25,133	5,624	79,088	37,914	147,759	2021
2022	26,944	6,030	84,788	40,647	158,409	2022
2023	31,664	7,086	99,642	47,768	186,159	2023
2024	36,384	8,142	114,495	54,888	213,910	2024
2025	41,870	9,370	131,757	63,163	246,160	2025
2026	43,401	9,712	136,575	65,473	255,160	2026
2027	44,932	10,055	141,392	67,782	264,161	2027
2028	46,462	10,397	146,209	70,092	273,161	2028
2029	55,010	12,310	173,106	82,986	323,412	2029
2030	56,413	12,624	177,522	85,103	331,662	2030
2031	56,413	12,624	177,522	85,103	331,662	2031
2032	62,792	14,052	197,594	94,725	369,162	2032
2033	62,792	14,052	197,594	94,725	369,162	2033
2034	62,792	14,052	197,594	94,725	369,162	2034
2035	64,195	14,366	202,010	96,842	377,413	2035
2036	64,195	14,366	202,010	96,842	377,413	2036
2037	68,022	15,222	214,053	102,616	399,913	2037
2038	68,022	15,222	214,053	102,616	399,913	2038
		936,665	209,608	2,947,519	1,413,020	5,506,812

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