

December 17, 2019

Project Plan for the Creation of Tax Incremental District No. 39 (Cabrini School Redevelopment)



Organizational Joint Review Board Meeting:	December 17, 2019
Public Hearing:	December 17, 2019
Approval by Plan Commission:	December 17, 2019
Adoption by Common Council:	January 14, 2020
Approval by the Joint Review Board:	January 20, 2020

Tax Incremental District No. 39 Creation Project Plan

City of Oshkosh Officials

Common Council

Lori Palmeri

Steve Herman

Debra L. Allison-Aasby

Jake Krause

William Miller

Matt Mugerauer

Bob Poeschl

Mayor

Deputy Mayor

Council Member

Council Member

Council Member

Council Member

Council Member

City Staff

Mark Rohloff

Allen Davis

Lynn Lorensen

Mark Lyons

Kelly Nieforth

Russ Van Gompel

Pamela Ubrig

City Manager

Community Development Director

City Attorney

Planning Services Manager

Economic Development Services Manager

Finance Director

City Clerk

Plan Commission

Thomas Fojtik, Chair

Kathleen Propp, Vice-Chair

Mamadou Coulibaly

Lynnsey Erickson

Mike Ford

Derek Groth

John Hinz

John Kiefer

Justin Mitchell

Lori Palmeri, Mayor

Thomas Perry

Joint Review Board

Mark Rohloff, City Manager

Mark Harris, County Executive

Amy Van Straten, Chief Financial Officer

Barbara Herzog, School Board President

Burk Tower

City Representative

Winnebago County

Fox Valley Technical College District

Oshkosh School District

Public Member

Table of Contents

EXECUTIVE SUMMARY.....	4
TYPE AND GENERAL DESCRIPTION OF DISTRICT.....	7
PRELIMINARY MAPS OF PROPOSED DISTRICT BOUNDARY.....	8
MAPS SHOWING EXISTING USES AND CONDITIONS.....	10
PRELIMINARY PARCEL LIST AND ANALYSIS.....	12
EQUALIZED VALUE TEST.....	13
STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS.....	14
MAP SHOWING PROPOSED IMPROVEMENTS AND USES.....	15
DETAILED LIST OF PROJECT COSTS.....	17
ECONOMIC FEASIBILITY STUDY, FINANCING METHODS, AND THE TIME WHEN COSTS OR MONETARY OBLIGATIONS RELATED ARE TO BE INCURRED.....	18
ANNEXED PROPERTY.....	23
ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS.....	23
PROPOSED ZONING ORDINANCE CHANGES.....	23
PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND CITY OF OSHKOSH ORDINANCES.....	23
RELOCATION.....	23
ORDERLY DEVELOPMENT OF THE CITY OF OSHKOSH.....	24
LIST OF ESTIMATED NON-PROJECT COSTS.....	24
OPINION OF ATTORNEY FOR THE CITY OF OSHKOSH ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES 66.1105.....	25
CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS.....	26

SECTION 1: Executive Summary

Description of District

Tax Incremental District (“TID”) No. 39 (“District”) is a proposed district in need of rehabilitation or conservation consisting of a 1.28-acre parcel at the location of the former St. Francis Cabrini School which had stood vacant since 2017. The City has received an application from Northpointe Development Corporation (“Developer”) for tax incremental financing (“TIF”) assistance to support rehabilitation of the school structure for use as low-income senior apartments (“Project”). The Project will include construction of approximately 35 apartment units and 26 single car garage units as well as surface parking. The Project would be financed with a combination of Low-Income Housing Tax Credits (LIHTC), Historic Tax Credits, Community Development Block Grant funds and a “pay as you go” development incentive provided by the District. Developer intends to make application in early January 2020 to the Wisconsin Housing & Economic Development Authority for the tax credits. If credits are awarded, Developer expects to commence construction in October of 2020 with Project completion and occupancy in the summer of 2021. Developer is requesting creation of the District at this time as the application for tax credits must include documentation of the Project’s funding sources and financial feasibility.

Authority

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

Estimated Total Project Cost Expenditures

The City anticipates making total expenditures of \$582,500 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include a \$500,000 development incentive, and an estimated \$82,500 in District administrative expense. The potential incentive amount is based on Developer’s assistance request. To the extent development incentives are provided, the amounts, timing of and related conditions will be determined based on the City’s review and confirmation of a demonstrated financing gap and may therefore vary from the assumptions used in the Plan for purposes of assessing economic feasibility.

Incremental Valuation

The City projects that an incremental increase in land and improvements value of approximately \$1,830,000 will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. Assumptions as to the development timing and associated values are included in Section 10 of this Plan.

Expected Termination of District

Based on the Economic Feasibility Study located within Section 10 of this Plan, the City anticipates that the District will generate enough tax increment to pay all Project Costs by the year 2035, reflecting 14 years of tax increment collections, and 16 years of total elapsed time. If necessary, the District would be permitted to remain open for up to 29 years, allowing for up to a total of 27 years of tax increment collection.

Summary of Findings

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

1. **That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City.** The City recognizes the community need for affordable senior housing which typically requires TIF participation. The Developer’s application for TIF assistance reflects an Internal Rate of Return of 4.04% for the tax credit investor if \$500,000 in development incentives are provided to the Project, and a 1.41% return without incentives. Developer has further stated that tax credit investors typically seek a 4% to 5.5% return on similar projects. Based on the Developer’s representations in their application for TIF assistance, the City has concluded that the Project would not likely proceed without a development incentive. The specific amount and terms of any incentive provided to the Project will be subject to additional due diligence undertaken by the City prior to approval of a development agreement to include verification of the Project’s sources and uses, projected cashflows, financing gap and investor returns. The City has elected to defer further analysis until the Developer has secured the tax credit allocation for the Project.
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 that in addition to the incremental value expected to be created, the Project will result in rehabilitation and conservation of the former school building, creation of affordable senior housing, and provision of employment and commercial opportunities related to the construction and operation of the Project.
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 Appendix A of this plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is in need of rehabilitation or conservation within the meaning of Wis. Stat. § 66.1337(2m)(a) and as further detailed in Section 5 of the Plan.
5. Based on the foregoing finding, the District is designated a district in need of rehabilitation or conservation based on the identification and classification of the property included within the District.
6. The Project Costs relate directly to rehabilitating and conserving property, consistent with the purpose for which the District is created.

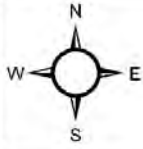
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. That there are no parcels to be included within the District that were annexed by the City within the three-year period preceding adoption of this Resolution.
10. That none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2: Type and General Description of District

The District is a proposed district in need of rehabilitation or conservation consisting of a 1.28 acre parcel at the location of the former St. Francis Cabrini School which had stood vacant since 2017. The City has received an application from Developer for TIF assistance to support rehabilitation of the school structure for use as low-income senior apartments. The Project will include construction of approximately 35 apartment units and 26 single car garage units as well as surface parking. The Project would be financed with a combination of Low-Income Housing Tax Credits (LIHTC), Historic Tax Credits, Community Development Block Grant funds and a “pay as you go” development incentive provided by the District. Developer intends to make application in early January 2020 to the Wisconsin Housing & Economic Development Authority for the tax credits. If credits are awarded, Developer expects to commence construction in October of 2020 with Project completion and occupancy in the summer of 2021. Developer is requesting creation of the District at this time as the application for tax credits must include documentation of the Project’s funding sources and financial feasibility.

SECTION 3: Preliminary Maps of Proposed District Boundary





Tax Increment District #39 Cabrini School Redevelopment Parcel Identification



Tax Increment District #39 - Cabrini School Redevelopment - Parcel Identification												
Map ID	Parcel #	Owner	Local Address	Land Value	Improv. Value	Total Value	Equalized Value	Class	Dwelling Units	Census Tract	Zoning	
1	04-0435-0000	ST MARYS CONGREGATION/MOST BLESSED SACRAMENT PARISH	619 MERRITT AVE	\$0	\$0	\$0	\$0	4	0	2	IPD	
TOTALS:				\$0	\$0	\$0	\$0					



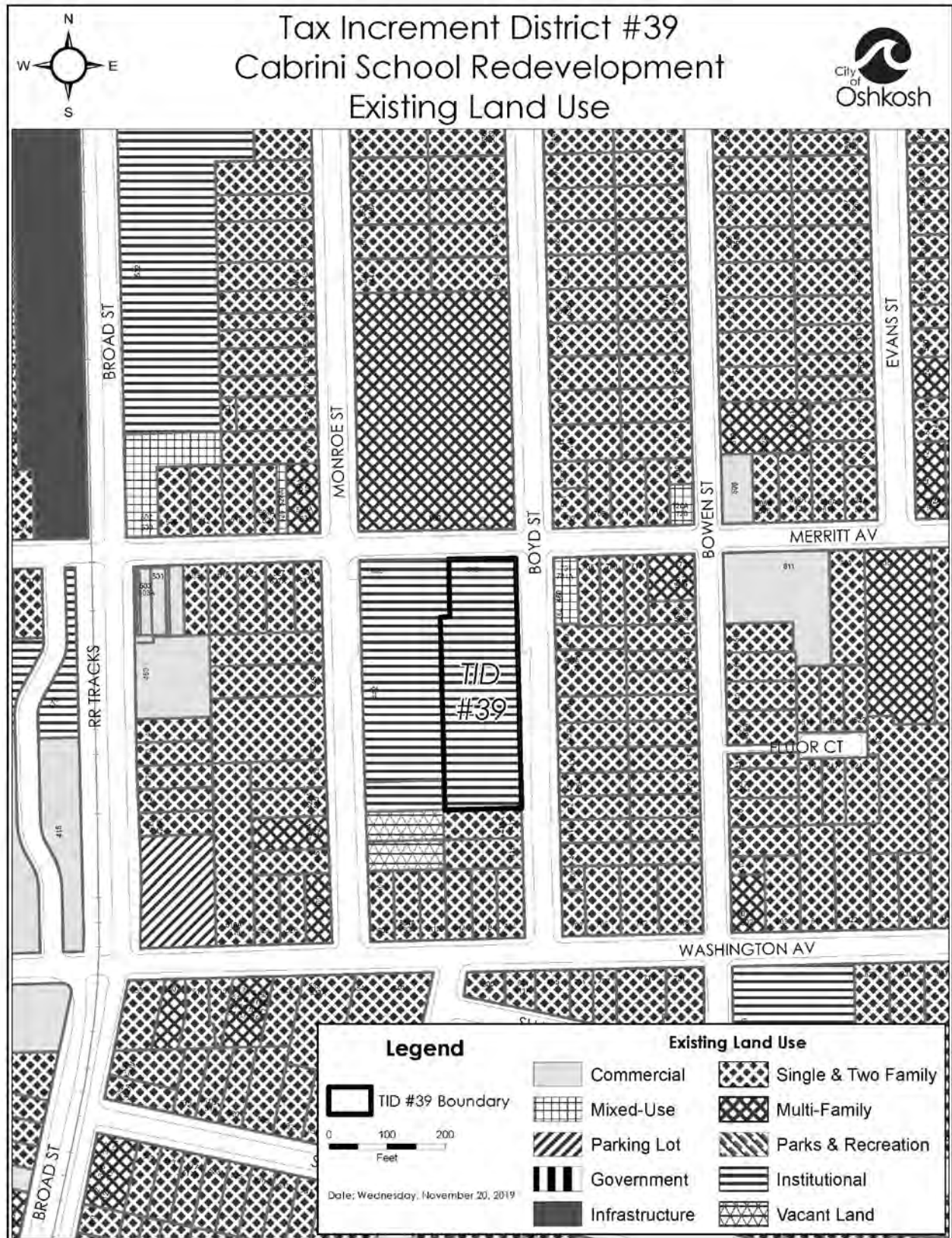
Legend

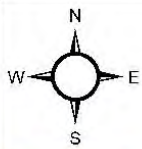
TID #39 Boundary

0 75 150
Feet

Date: Wednesday, November 20, 2019

SECTION 4: Maps Showing Existing Uses and Conditions





Tax Increment District #39 Cabrini School Redevelopment Existing Conditions



SECTION 5: Preliminary Parcel List and Analysis

The District will consist of a single tax parcel: Lot 2 (“Lot”) of a Certified Survey Map approved on November 5, 2019. As of January 1, 2020, the Lot was part of the following parcel:

Parcel Number: 04-0435-000
Address: 605 Merritt Avenue
Owner: St. Mary’s Congregation

The Lot comprises 1.28 acres of the original 2.51-acre parent parcel and is the site of the former St. Francis Cabrini School. The school structure, which has sat vacant for the past three years, will be converted to a 35-unit low income senior apartment complex is in need of rehabilitation or conservation as defined in Wis. Stat. § 66.1337(2m)(a). Specifically, the Project will involve carrying out plans for a program of voluntary repair and rehabilitation of buildings or other improvements as identified below.

The rehabilitation of the building will include:

- ADA accessibility improvements which includes installing an elevator.
- The interior must be modified for apartments which will include new code-compliant spaces for bedrooms, bathrooms and kitchens.
- The plumbing system must be replaced.
- The HVAC system must be replaced.
- The electrical system must be replaced.

The conservation of the building exterior will include:

- Brick maintenance and tuck pointing.
- Window replacement.
- Door replacement.
- Roof and stairway repairs as needed.

SECTION 6: Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$176,732,100, or about 4.2% of the City's total equalized value. This value is less than the maximum of \$505,391,460 in equalized value that is permitted for the City.

City of Oshkosh, Wisconsin	
Tax Increment District # 39	
Valuation Test Compliance Calculation	
District Creation Date	1/14/2020
	Valuation Data Currently Available 2019
Total EV (TID In)	4,211,595,500
12% Test	505,391,460
Increment of Existing TIDs	176,732,100
Projected Base Value of District	0
Total Value Subject to 12% Test	<u>176,732,100</u>
Compliance	PASS

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

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed. With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs. The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 9 provide additional information as to the kind, number and location of potential 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.

Miscellaneous

Professional Service and Organizational Costs

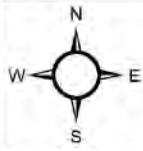
The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural; 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

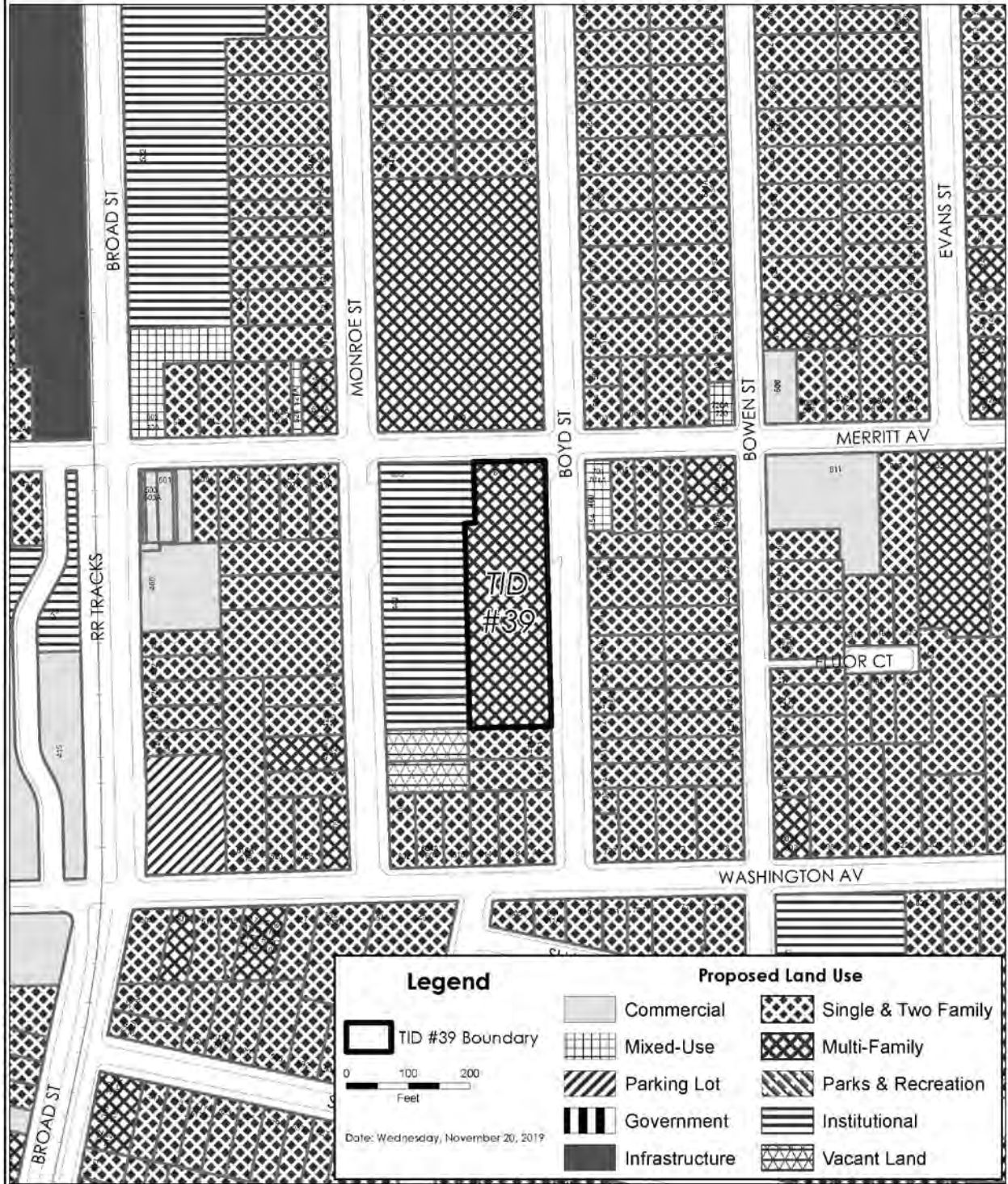
The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees relating to the implementation of the Plan.

SECTION 8: Map Showing Proposed Improvements and Uses





Tax Increment District #39 Cabrini School Redevelopment Proposed Land Use



SECTION 9: Detailed List of Project Costs

The following list identifies the Project Costs that the City may incur in implementing the District’s Plan. All projects identified, and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 7 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 Oshkosh, Wisconsin Tax Increment District # 39 Detailed List of Project Costs		
<u>Project Name/Type</u>	<u>Timeframe</u>	<u>Total</u>
Development Incentives ¹	2023 - 2035	\$ 500,000
TIF Administrative Expenses	2020 - 2035	\$ 82,500
Total Projects		<u>\$ 582,500</u>
Notes:		
¹ Incentive shown reflects requested amount from Developer's TIF Application dated 10-23-2019, and is identified for purposes of establishing economic feasibility only. The City has not agreed to final terms or conditions with Developer.		

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

This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to create \$1,830,000 in incremental value by January 1, 2022. The development Project estimated valuations and timing are included in **Table 1**. Assuming the City's current equalized TID Interim tax rate of \$25.11 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$1,194,350 in incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

City of Oshkosh

Tax Increment District # 39

Development Assumptions¹

Construction Year		35 Unit Senior Apt. Complex	Annual Total	Construction Year	
1	2020		0	2020	1
2	2021	1,830,000	1,830,000	2021	2
3	2022		0	2022	3
4	2023		0	2023	4
5	2024		0	2024	5
6	2025		0	2025	6
7	2026		0	2026	7
8	2027		0	2027	8
9	2028		0	2028	9
10	2029		0	2029	10
11	2030		0	2030	11
12	2031		0	2031	12
13	2032		0	2032	13
14	2033		0	2033	14
15	2034		0	2034	15
16	2035		0	2035	16
17	2036		0	2036	17
18	2037		0	2037	18
19	2038		0	2038	19
20	2039		0	2039	20
21	2040		0	2040	21
22	2041		0	2041	22
23	2042		0	2042	23
24	2043		0	2043	24
25	2044		0	2044	25
26	2045		0	2045	26
27	2046		0	2046	27
Totals		<u><u>1,830,000</u></u>	<u><u>1,830,000</u></u>		

Notes:

¹Estimated valuation taken from Developer's TIF Application dated 10-23-2019. Developer anticipates Project completion and occupancy in summer of 2021.

Table 1 – Development Assumptions

City of Oshkosh

Tax Increment District # 39

Tax Increment Projection Worksheet

Type of District	Rehabilitation	Base Value	0
District Creation Date	January 14, 2020	Appreciation Factor	0.00%
Valuation Date	Jan 1, 2020	Base Tax Rate	\$25.11
Max Life (Years)	27	Rate Adjustment Factor	
Expenditure Period/Termination	22 1/14/2042		
Revenue Periods/Final Year	27 2048		
Extension Eligibility/Years	Yes 3		
Eligible Recipient District	Yes		

	Construction		Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate ¹	Tax Increment
	Year	Value Added						
1	2020	0	2021	0	0	2022	\$25.11	0
2	2021	1,830,000	2022	0	1,830,000	2023	\$25.11	45,943
3	2022	0	2023	0	1,830,000	2024	\$25.11	45,943
4	2023	0	2024	0	1,830,000	2025	\$25.11	45,943
5	2024	0	2025	0	1,830,000	2026	\$25.11	45,943
6	2025	0	2026	0	1,830,000	2027	\$25.11	45,943
7	2026	0	2027	0	1,830,000	2028	\$25.11	45,943
8	2027	0	2028	0	1,830,000	2029	\$25.11	45,943
9	2028	0	2029	0	1,830,000	2030	\$25.11	45,943
10	2029	0	2030	0	1,830,000	2031	\$25.11	45,943
11	2030	0	2031	0	1,830,000	2032	\$25.11	45,943
12	2031	0	2032	0	1,830,000	2033	\$25.11	45,943
13	2032	0	2033	0	1,830,000	2034	\$25.11	45,943
14	2033	0	2034	0	1,830,000	2035	\$25.11	45,943
15	2034	0	2035	0	1,830,000	2036	\$25.11	45,943
16	2035	0	2036	0	1,830,000	2037	\$25.11	45,943
17	2036	0	2037	0	1,830,000	2038	\$25.11	45,943
18	2037	0	2038	0	1,830,000	2039	\$25.11	45,943
19	2038	0	2039	0	1,830,000	2040	\$25.11	45,943
20	2039	0	2040	0	1,830,000	2041	\$25.11	45,943
21	2040	0	2041	0	1,830,000	2042	\$25.11	45,943
22	2041	0	2042	0	1,830,000	2043	\$25.11	45,943
23	2042	0	2043	0	1,830,000	2044	\$25.11	45,943
24	2043	0	2044	0	1,830,000	2045	\$25.11	45,943
25	2044	0	2045	0	1,830,000	2046	\$25.11	45,943
26	2045	0	2046	0	1,830,000	2047	\$25.11	45,943
27	2046	0	2047	0	1,830,000	2048	\$25.11	45,943
Totals		1,830,000		0			Future Value of Increment	1,194,530

Notes:

¹Tax rate shown is actual rate for 2018/19 levy taken from DOR Form PC-202 (Tax Increment Collection Worksheet).

Table 2 – Tax Increment Projection Worksheet

Financing and Implementation

The City anticipates making total Project Cost expenditures of \$582,500 including a \$500,000 development incentive, and an estimated \$82,500 in District administrative expense. The potential incentive amount is based on Developer's assistance request. To the extent development incentives are provided, the amounts, timing of and related conditions will be determined based on the City's review and confirmation of a demonstrated financing gap and may therefore vary from the assumptions used in the Plan for purposes of assessing economic feasibility.

Development incentive payments will be paid from tax increments as they are collected on a "pay as you go" basis. Administrative expenses will be paid from tax increments collected, or from advances from other funds to the extent those costs exceed cash amounts available. The City will recover any amounts advanced to the District as cash flows permit.

Based on the cash flow exhibit (**Table 3**), the City anticipates that the District will generate enough tax increment to pay all Project Costs by the year 2035, reflecting 14 years of tax increment collections, and 16 years of total elapsed time. If necessary, the District would be permitted to remain open for up to 29 years, allowing for up to a total of 27 years of tax increment collection. 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.

Cash Flow

City of Oshkosh											
Tax Increment District # 39											
Cash Flow Projection											
Year	Projected Revenues			Projected Expenditures				Balances			Year
	Tax Increments	Advance to Cover Admin. Expense	Total Revenues	Development Incentives (MRO) ¹ @ 90%	Repay Advance @ 2% Interest	Admin. Expense	Total Expenditures	Annual	Cumulative	MRO Payments Outstanding	
2020		15,000	15,000			15,000	15,000	0	0		2020
2021		4,500	4,500			4,500	4,500	0	0	0	2021
2022	0	4,500	4,500			4,500	4,500	0	0	500,000	2022
2023	45,943		45,943	41,349		4,500	45,849	94	94	458,651	2023
2024	45,943		45,943	41,349		4,500	45,849	94	189	417,302	2024
2025	45,943		45,943	41,349		4,500	45,849	94	283	375,953	2025
2026	45,943		45,943	41,349		4,500	45,849	94	377	334,603	2026
2027	45,943		45,943	41,349		4,500	45,849	94	472	293,254	2027
2028	45,943		45,943	41,349		4,500	45,849	94	566	251,905	2028
2029	45,943		45,943	41,349		4,500	45,849	94	660	210,556	2029
2030	45,943		45,943	41,349		4,500	45,849	94	755	169,207	2030
2031	45,943		45,943	41,349		4,500	45,849	94	849	127,858	2031
2032	45,943		45,943	41,349		4,500	45,849	94	943	86,509	2032
2033	45,943		45,943	41,349		4,500	45,849	94	1,038	45,160	2033
2034	45,943		45,943	41,349		4,500	45,849	94	1,132	3,810	2034
2035	45,943		45,943	3,810	31,410	4,500	39,720	6,223	7,356	0	2035
2036	45,943		45,943				0	45,943	53,299	0	2036
2037	45,943		45,943				0	45,943	99,243	0	2037
2038	45,943		45,943				0	45,943	145,186	0	2038
2039	45,943		45,943				0	45,943	191,130	0	2039
2040	45,943		45,943				0	45,943	237,073	0	2040
2041	45,943		45,943				0	45,943	283,017	0	2041
2042	45,943		45,943				0	45,943	328,960	0	2042
2043	45,943		45,943				0	45,943	374,903	0	2043
2044	45,943		45,943				0	45,943	420,847	0	2044
2045	45,943		45,943				0	45,943	466,790	0	2045
2046	45,943		45,943				0	45,943	512,734	0	2046
2047	45,943		45,943				0	45,943	558,677	0	2047
2048	45,943		45,943	0			0	45,943	604,620	(0)	2048
Total	1,194,530	24,000	1,218,530	500,000	31,410	82,500	613,910				Total

Notes:
¹Incentive shown reflects requested amount from Developer's TIF Application dated 10-23-2019, and is identified for purposes of establishing economic feasibility only.
The City has not agreed to final terms or conditions with Developer.

Projected TID Closure

Table 3

SECTION 11: Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the property within the proposed District boundary was annexed during the past three years.

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

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 13: Proposed Zoning Ordinance Changes

The territory to be included in the District is presently zoned I, Institutional District and will be rezoned to I – PD, Institutional District with a Planned Development Overlay to allow for construction of the Project.

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

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for a Community Facility. The Institutional District with a Planned Development Overlay is consistent with the Comprehensive Plan. Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 15: Relocation

Implementation of this Plan will not require relocation of individuals or business operations. Should implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 16: Orderly Development of the City of Oshkosh

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City through the provision of appropriate financial incentives that will result in rehabilitation and conservation of property, and creation of affordable senior housing. 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 Project will be compatible with adjacent land uses. Redevelopment of the existing structure within the District will add to the tax base and will generate positive secondary impacts such as employment and commercial opportunities related to the construction and operation of the Project.

SECTION 17: 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.

At present, the City has not identified any non-project costs associated with implementation of the Plan. If the District is unable to fully fund all Project Costs required to implement the Plan, those costs will become non-project costs to the extent they are funded from other sources. If, in the course of implementation of the Plan: 1) improvements are made within the District that benefit property outside the District; or 2) improvements are made outside the District that will only partially benefit the District; the City will apportion those costs based on a reasonable allocation of the benefit. The costs related to benefit received by properties outside the District are non-project costs.

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

CITY HALL
216 Church Avenue
P.O. Box 1130
Oshkosh, Wisconsin
54903-1130

City of Oshkosh



December 5, 2019

H. Allen Davis
Director of Community Development
City of Oshkosh
215 Church Avenue
Oshkosh, WI 54903-1130

Dear Mr. Davis:

I reviewed the project plan prepared for the City of Oshkosh by Ehlers, Inc. for Tax Increment District #39 Cabrini School Redevelopment for form and to determine whether it contains all required elements pursuant to Section 66.1105(4)(f) of the Wisconsin Statutes.

The plan includes a statement listing the kind, number, and location of proposed public improvements within and outside the District. It includes an economic feasibility study, a detailed list of estimated project costs, and a description of the method of financing all estimated project costs and the time when the costs are to be incurred. The plan indicates no non-project costs are anticipated to be incurred, but does define such costs. The plan contains maps of existing uses and conditions of real property, as well as, proposed improvements and uses. The plan identifies that there will be a change in zoning of the real property in the district but that there are no proposed changes in the City's master plan, map or other municipal codes required or proposed as part of the district. The plan includes a statement indicating that there is no anticipated relocation of any persons to be displaced, but that if relocation would become required it will be conducted in accordance with Ch. 32 Wis. Stats. and ADMIN 92. The plan includes a description of how the district will promote the orderly development within the City, which is consistent with the City's Comprehensive Plan (Master Plan), building codes, and other city ordinances in relation to project elements.

Upon adoption of the project plan by the Plan Commission and their submission to the City Council, all requirements of Section 66.1105(4)(f), Wisconsin Statutes, will be complete and it is, therefore, my opinion that the project plan attached hereto is complete and complies with Wis. Stat. § 66.1105.

Sincerely,

CITY OF OSHKOSH

Lynn A. Lorensen
City Attorney



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 ¹						
DOR Form PC-202		2018/19	Percentage			
Winnebago County		749,693	20.22%			
City of Oshkosh		1,482,441	39.98%			
Oshkosh Area School District		1,320,217	35.60%			
Fox Valley Technicial College		156,024	4.21%			
Total		3,708,374				
Revenue Year	Winnebago County	City of Oshkosh	Oshkosh Area School District	Fox Valley Technicial College	Total	Revenue Year
2022	0	0	0	0	0	2022
2023	9,288	18,366	16,356	1,933	45,943	2023
2024	9,288	18,366	16,356	1,933	45,943	2024
2025	9,288	18,366	16,356	1,933	45,943	2025
2026	9,288	18,366	16,356	1,933	45,943	2026
2027	9,288	18,366	16,356	1,933	45,943	2027
2028	9,288	18,366	16,356	1,933	45,943	2028
2029	9,288	18,366	16,356	1,933	45,943	2029
2030	9,288	18,366	16,356	1,933	45,943	2030
2031	9,288	18,366	16,356	1,933	45,943	2031
2032	9,288	18,366	16,356	1,933	45,943	2032
2033	9,288	18,366	16,356	1,933	45,943	2033
2034	9,288	18,366	16,356	1,933	45,943	2034
2035	9,288	18,366	16,356	1,933	45,943	2035
2036	9,288	18,366	16,356	1,933	45,943	2036
2037	9,288	18,366	16,356	1,933	45,943	2037
2038	9,288	18,366	16,356	1,933	45,943	2038
2039	9,288	18,366	16,356	1,933	45,943	2039
2040	9,288	18,366	16,356	1,933	45,943	2040
2041	9,288	18,366	16,356	1,933	45,943	2041
2042	9,288	18,366	16,356	1,933	45,943	2042
2043	9,288	18,366	16,356	1,933	45,943	2043
2044	9,288	18,366	16,356	1,933	45,943	2044
2045	9,288	18,366	16,356	1,933	45,943	2045
2046	9,288	18,366	16,356	1,933	45,943	2046
2047	9,288	18,366	16,356	1,933	45,943	2047
2048	9,288	18,366	16,356	1,933	45,943	2048
Total	241,489	477,519	425,264	50,258	1,194,530	

Notes:
¹The projection shown above is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.