

August 2, 2022

PROJECT PLAN

City of Oshkosh, Wisconsin

Tax Incremental District No. 43

Mill on Main



Prepared by:

Ehlers

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Waukesha, WI 53188

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	Scheduled for July 26, 2022
Public Hearing Held:	Scheduled for August 2, 2022
Approval by Plan Commission:	Scheduled for August 2, 2022
Adoption by Common Council:	Scheduled for August 23, 2022
Approval by the Joint Review Board:	TBD

TABLE OF CONTENTS

Executive Summary.....	3
Preliminary Map of Proposed District Boundary	6
Map Showing Existing Uses and Conditions.....	9
Preliminary Parcel List and Analysis	11
Equalized Value Test	14
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District	15
Map Showing Proposed Improvements and Uses.....	21
Detailed List of Estimated Project Costs	23
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred.....	24
Annexed Property.....	29
Estimate of Property to Be Devoted to Retail Business.....	29
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances.....	29
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	30
How Creation of the Tax Incremental District Promotes the Orderly Development of the City	30
List of Estimated Non-Project Costs	31
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f).....	32
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions.....	34

SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 43 (“District”) is a proposed 13.45-acre Blighted Area District located on the Fox River generally east of S. Main Street, north of E. 10th Avenue and west of Pioneer Drive in the Sawdust District. The District will be created to pay the costs of development incentives and public infrastructure to permit a mixed-use redevelopment project with 291-multi-family apartment units and 21,800 square feet of commercial space (“Project”) to be developed by The Mill on Main, LLC (“Developer”). The Project will include construction of a private clubhouse, pickleball courts, an amphitheater, Riverwalk connection and other amenities. Property in the District was previously identified for redevelopment in the 2003 South Shore Redevelopment Area Project Plan and the 2020 Sawdust District Master Plan.

AUTHORITY

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

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The City anticipates making total expenditures of approximately \$28.9 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$20.07 million in “pay as you go” development incentives that provide the Developer a present value of \$10.07 million to be used to pay for portions of the Project. The City also expects to incur \$210,000 for administrative expense related to creation and administration of the District. To the extent funds are available the City also plans to pay the cost of certain public infrastructure projects that are required for or that will benefit the Project. These include \$250,000 for underground utilities, \$500,000 for environmental remediation, \$500,000 for a trailhead parking lot, \$2 million for improvements to South Main Street and \$1.2 million for public docks. If the City issues debt to pay these costs, District funds may be used to pay interest on long-term debt and associated financing costs. In addition to the public infrastructure projects, the City may also utilize District funds to recover costs it has incurred related to the acquisition of the development site which will be sold to Developer for consideration that is less than the City’s cost to acquire and carry. The Plan identifies \$4.23 million as potentially available. The City’s total costs to acquire and hold the site were approximately \$4.5 million.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$47.8 million will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

EXPECTED TERMINATION OF DISTRICT

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will need to remain open through its allowable 27 year maximum life.

SUMMARY OF FINDINGS

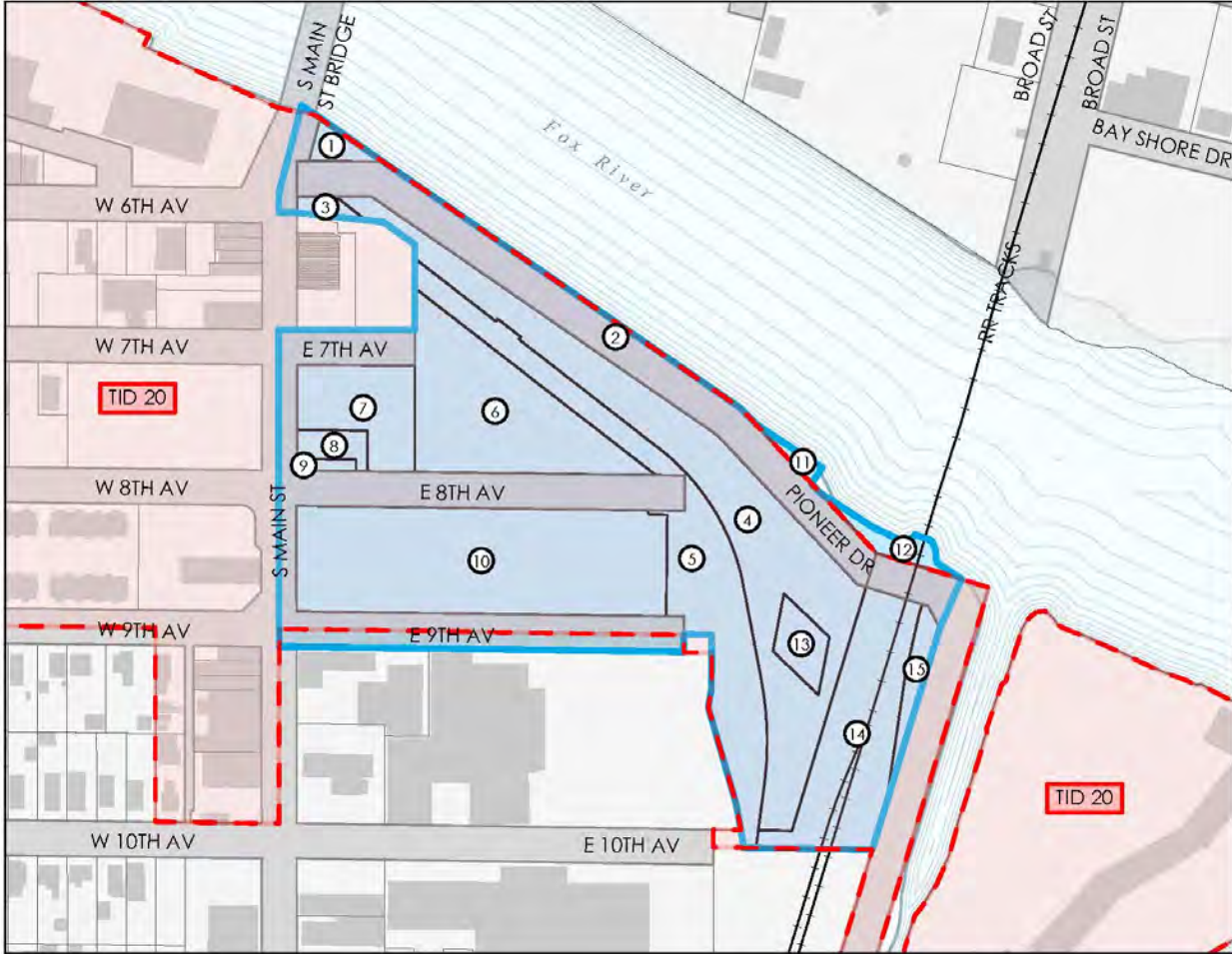
As required by Wis. Stat. § 66.1105, and as documented in this Plan and the exhibits contained and referenced herein, the following findings are made:

- 1. That “but for” the creation 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 considered a review of each phase of the Project’s sources and uses, and cash flow proformas. Phase I of the Project projected a cumulative cash-on-cash return of 5.3% over 22 years without TIF assistance, phase II projected a cumulative cash-on-cash return of 4.8% over 18 years without TIF assistance, and phase III projected a cumulative cash-on-cash return of 4.8% over 20 years without TIF assistance. Ehlers is recommending that the City provide incentive payments on a pay as you go basis with an estimated present value of \$10.07 million. (Projected future value payments of \$20.07 million). Provision of the requested assistance would improve each phase of the Project’s return on investment to 10.3% for phase I, 10.3% for phase II, and 9.4% for phase III. Projects of this type typically need to provide a cumulative cash-on-cash return in the range of 9% to 11% to attract the necessary capital investment. Based on Ehlers review, provision of pay as you go incentives in the amount requested is necessary to provide an acceptable return on investment and indicates that “but for” the incentives, the project would not likely proceed. Additionally, implementation of the Plan will require that the City make a substantial investment to provide the necessary public infrastructure. 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 addition to increased property value the Project will provide housing, employment and commercial opportunities while accomplishing specific redevelopment and blight elimination objectives identified in the City's Sawdust District Master Plan and the City of Oshkosh Strategic Plan.
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.** As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is a blighted area as defined by Wis. Stat. § 66.1105(2)(ae)1.
5. Based on the foregoing finding, the District is designated as a blighted area district.
6. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2: Preliminary Maps of Proposed District Boundary

Map Found on Following Page.



MAP ID	TAX ID	ADDRESS	OWNER	Land Value	Impr# Value	Assessed Value	OTHER TID?	SQ# FT#	ACRES
1	90301330100	500 S MAIN ST	CITY OF OSHKOSH	0	0	0	TID 20	3886	0.09
2	90301350000	0 PIONEER DR	CITY OF OSHKOSH	0	0	0	TID 20	72853	1.67
3	90301330600	0 PIONEER DR	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	TID 20	2966	0.07
4	90301330500	0 E 7TH AVE	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	TID 20	120503	2.77
5	90301330400	0 PIONEER DR	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	TID 20	76719	1.76
6	90301390100	43 E 7TH AVE	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	TID 20	65775	1.51
7	90301380000	706 S MAIN ST	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	TID 20	27600	0.63
8	90301420000	710 S MAIN ST	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	TID 20	6400	0.15
9	90301490000	716 S MAIN ST	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	TID 20	2000	0.05
10	90301550100	0 E 8TH AVE	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	TID 20	112964	2.59
11	90306110000	0 PIONEER DR	REDEVELOPMENT AUTH CITY OF OSHKOSH	0	0	0	NO	11025	0.25
12	90306110100	0 PIONEER DR	FOX VALLEY & WESTERN LTD	0	0	0	NO	7855	0.18
13	90302110000	0 E 9TH AVE	WIS PUBLIC SERVICE CORP	0	0	0	TID 20	10731	0.25
14	90301330300	0 PIONEER DR	FOX VALLEY & WESTERN LTD	0	0	0	TID 20	55856	1.28
15	90301340000	0 E 9TH AVE	BERGSTROM CORP	5300	0	5300	TID 20	8850	0.2



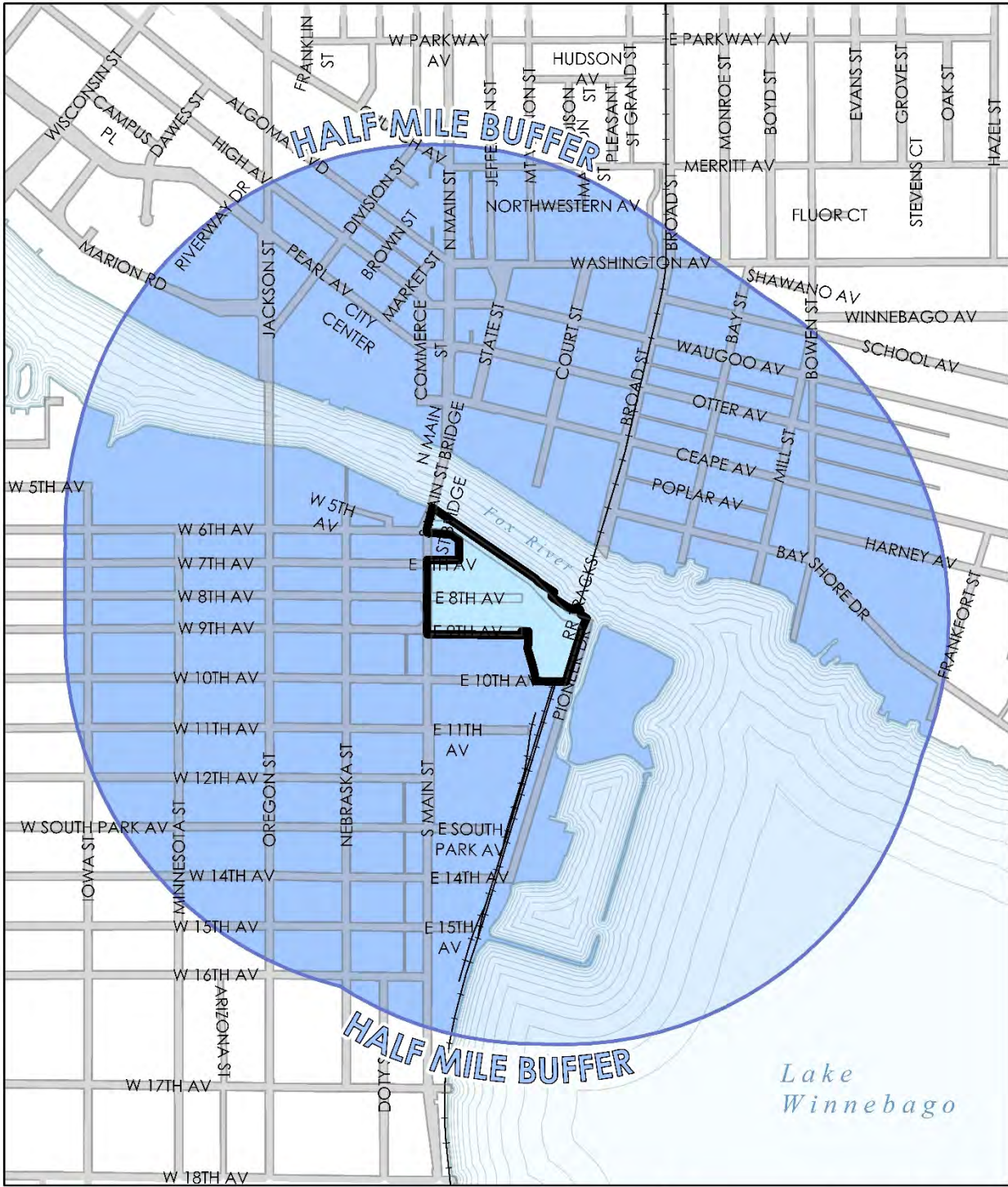
Tax Incremental District 43
North Sawdust District Redevelopment Area
District Boundary/Parcel ID

■ TID #43 Boundary
■ TID #20 Boundary

Date Exported:
 Wednesday, April 27, 2022

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Tax Incremental District 43
 North Sawdust District Redevelopment Area
 District Boundary/Half Mile Boundary

TID #43 Boundary
 1/2 Mile Boundary

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 Wednesday, April 27, 2022

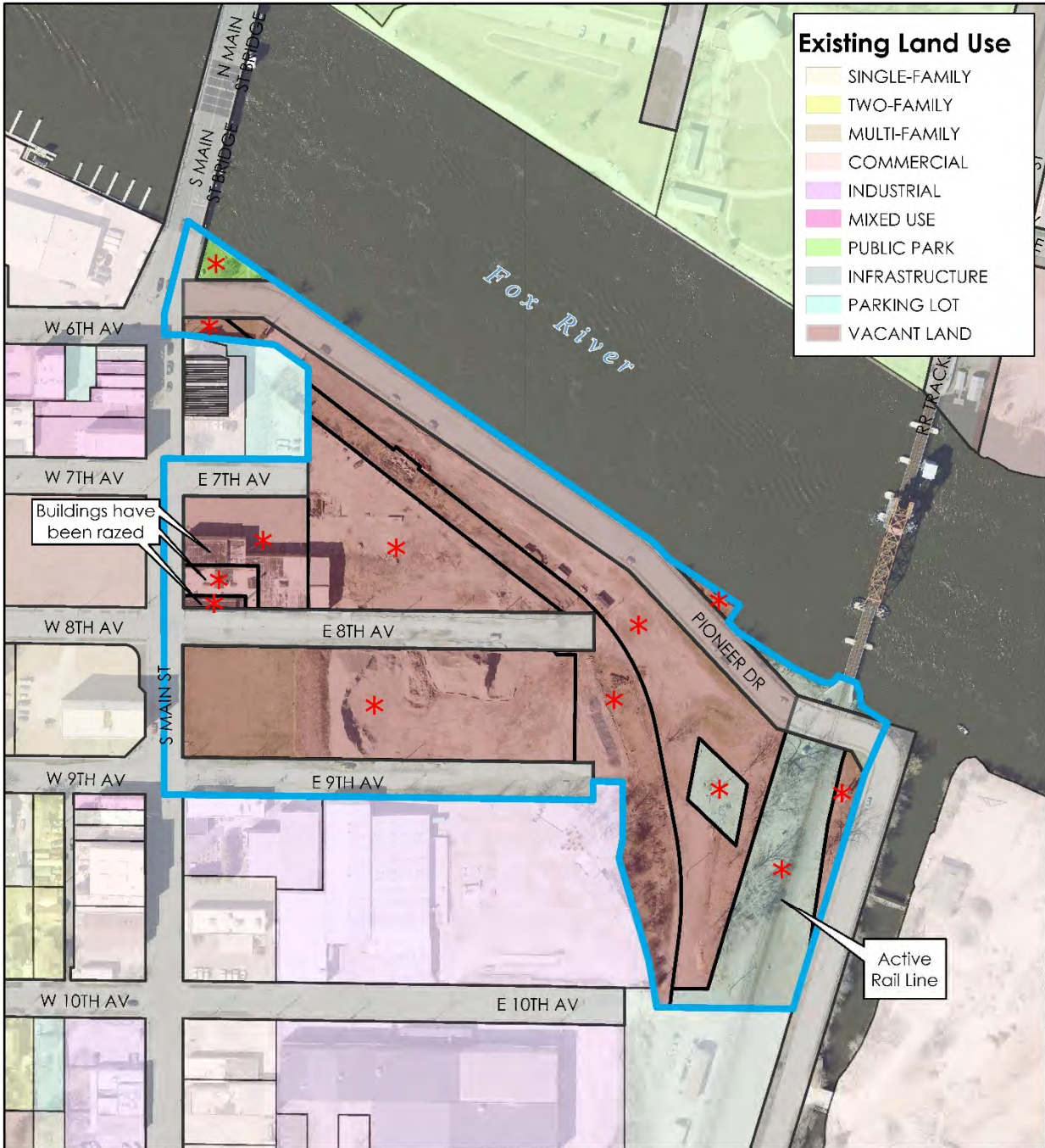
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SECTION 3: Map Showing Existing Uses and Conditions

Map Found on Following Page.



Blight Criteria. All parcels marked with "*" meets requirements defined in 66.1105(2)(a)(b), Wisconsin Statutes:
 An area which is predominantly open and which consists primarily of an abandoned highway corridor, as defined in s. 66.1333 (2m) (a), or that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.



Tax Incremental District 43
North Sawdust District Redevelopment Area
Existing Uses and Conditions

TID #43 Boundary



Date Exported:
Thursday, April 28, 2022

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SECTION 4: Preliminary Parcel List and Analysis

The table below identifies the parcels to be included in the District. The figures listed under the “Current Value” column reflect assessed valuations as of January 1, 2022 converted to equalized value using the January 1, 2021 assessment ratio of 92.87%.

MAP ID	TAX ID	ADDRESS	OWNER	VALUE	TID 20
1	90301330100	500 S MAIN ST	CITY OF OSHKOSH	\$ -	YES
2	90301350000	0 PIONEER DR	CITY OF OSHKOSH	\$ -	YES
3	90301330600	0 PIONEER DR	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	YES
4	90301330500	0 E 7TH AVE	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	YES
5	90301330400	0 PIONEER DR	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	YES
6	90301390100	43 E 7TH AVE	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	YES
7	90301380000	706 S MAIN ST	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	YES
8	90301420000	710 S MAIN ST	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	YES
9	90301490000	716 S MAIN ST	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	YES
10	90301550100	0 E 8TH AVE	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	YES
11	90306110000	0 PIONEER DR	REDEVELOPMENT AUTH CITY OF OSHKOSH	\$ -	NO
12	90306110100	0 PIONEER DR	FOX VALLEY & WESTERN LTD	\$ -	NO
13	90302110000	0 E 9TH AVE	WIS PUBLIC SERVICE CORP	\$ -	YES
14	90301330300	0 PIONEER DR	FOX VALLEY & WESTERN LTD	\$ -	YES
15	90301340000	0 E 9TH AVE	BERGSTROM CORP	\$ 6,400	YES
TOTAL ESTIMATED BASE VALUE				\$ 6,400	

All but two of the parcels are also located in Tax Incremental District No. 20 (“TID No. 20”). As of January 1, 2022, a “frozen overlap value” will be assigned to the parcels located in TID No. 20. Any change in value on the overlapped parcels occurring after January 1, 2022 will be reflected in the new District.

On August 26, 2003 the Common Council approved the South Shore Redevelopment Area Project Plan (“2003 Redevelopment Plan”) under [Wis. Stat. § 66.1331](#) to promote redevelopment in an area that includes the territory to be included in the District. The 2003 Redevelopment Plan identified the following blighting influences as being present in the redevelopment area:

There is a predominance of properties in the area that are underutilized, functionally obsolete, in need of repair, nonconforming, or that otherwise contribute to the blighted conditions of the area and/or impair or arrest the sound growth of the community. There are also a number of incompatible land uses in the district with little or no buffering or screening between these lesser and more intense land uses. This area originally developed primarily for manufacturing purposes and provided area residents an ability to easily walk to work. However, with transportation improvements, vacancy of existing industrial uses as well as automated improvements within the manufacturing industries themselves, the structures have become functionally obsolete to some extent and no longer rely on adjacent residential uses for their main labor supply.

All territory to be included in the District was identified as blighted on the map included on p.13 of the 2003 Redevelopment Plan. Since adoption of the 2003 Redevelopment Plan the City has undertaken redevelopment activities to include acquisition of land and removal of obsolete structures. Platting remains obsolete, site improvements have deteriorated, and some parcels will require environmental remediation. As such, all territory to be included in the District remains a blighted area as defined in [Wis. Stat. § 66.1105\(2\)\(ae\)](#). More specifically, the territory in the District is: “An area which is predominantly open.....that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.” The table on the following page identifies specific blighting conditions residential on each parcel to be included in the District.

MAP ID	TAX ID	ADDRESS	ACRES	BLIGHT ACRES	BLIGHTING CONDITIONS
1	90301330100	500 S MAIN ST	0.09	0.09	Obsolete platting impairs development.
2	90301350000	0 PIONEER DR	1.67	1.67	Obsolete platting impairs development.
3	90301330600	0 PIONEER DR	0.07	0.07	Environmental contamination.
4	90301330500	0 E 7TH AVE	2.77	2.77	Environmental contamination.
5	90301330400	0 PIONEER DR	1.76	1.76	Environmental contamination.
6	90301390100	43 E 7TH AVE	1.51	1.51	Razed site, environmental contamination (Phase I ESA)
7	90301380000	706 S MAIN ST	0.63	0.63	Razed site.
8	90301420000	710 S MAIN ST	0.15	0.15	Razed site.
9	90301490000	716 S MAIN ST	0.05	0.05	Razed site.
10	90301550100	0 E 8TH AVE	2.59	2.59	Razed site, environmental contamination (Phase I ESA)
11	90306110000	0 PIONEER DR	0.25	0.25	Obsolete platting impairs development.
12	90306110100	0 PIONEER DR	0.18	0.18	Obsolete platting impairs development.
13	90302110000	0 E 9TH AVE	0.25	0.25	Obsolete platting impairs development.
14	90301330300	0 PIONEER DR	1.28	1.28	Obsolete platting impairs development.
15	90301340000	0 E 9TH AVE	0.20	0.20	Obsolete platting impairs development.
TOTAL			13.45	13.45	100%

SECTION 5: Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City. The value of those parcels located within Tax Incremental District No. 43 that will be overlapped are not included in the base value of the District as that value is reflected within the total of existing incremental value.

The equalized value of the increment of existing tax incremental districts within the City, plus the overlap adjusted base value of the proposed District, totals \$258,409,200. This value is less than the maximum \$578,533,500 in equalized value that is permitted for the City.

City of Oshkosh, WI Tax Increment District #43 (Mill on Main) Valuation Test Compliance Calculation	
District Creation Date	8/23/2022
Valuation Data Currently Available	2021
Total EV (TID IN)	4,821,112,500
X 12% (12% Test)	578,533,500
Incremental Value of Existing TIDs	258,409,200
Projected Base Value of District	6,400
Less Value of Any Underlying TID Parcels	(6,400)
Total Value Subject to 12% Test	258,409,200
Compliance	PASS

SECTION 6: Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments, or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

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

The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number, and location of potential Project Costs.

Property, Right-of-Way, and Easement Acquisition

Real Property Assembly Costs

If costs previously incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

To promote the objectives of this Plan, the City may acquire property within the District that it will designate for conservancy. These conservancy objectives include preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate, and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate, and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include but are not limited to preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

Site Preparation Activities

Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

To allow development to occur, the City may need to construct, alter, rebuild, or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding, or expansion of collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild, or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Water System Improvements

To allow development to occur, the City may need to construct, alter, rebuild, or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding, or expansion of distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding

to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild, or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the City may need to construct, alter, rebuild, or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding, or expansion of stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and riverbanks; 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.

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:

- Installation of public docks and costs for related shoreline work along the City owned Riverwalk, which is outside of, but immediately adjacent to, the District's boundary.
- Improvements to S. Main Street, portions of which are outside of or form the boundaries of the District.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to architectural; environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

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

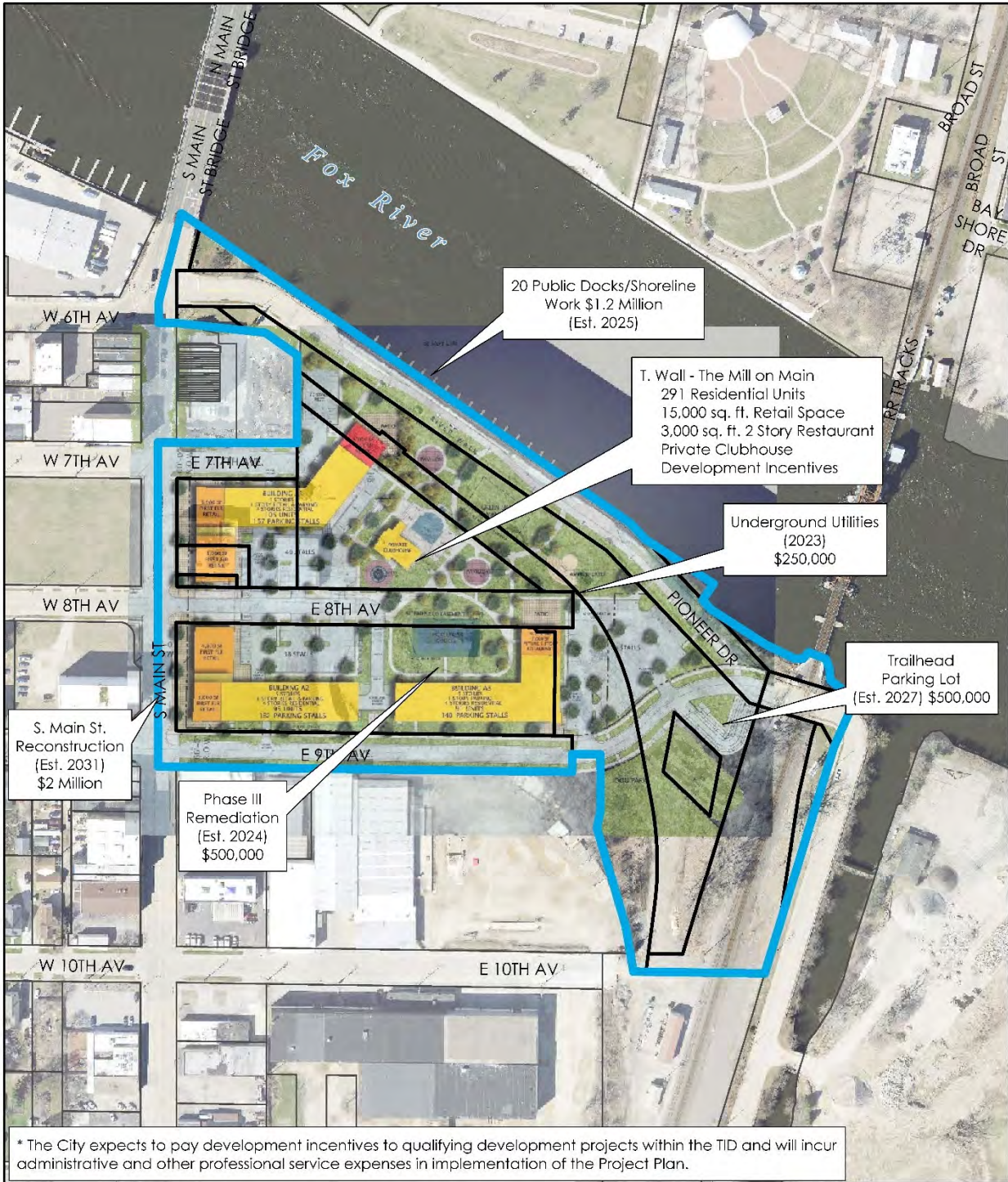
Financing Costs

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


SECTION 7:


Map Showing Proposed Improvements and Uses

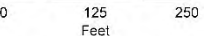
Map Found on Following Page.



**Tax Incremental District 43
North Sawdust District Redevelopment Area
Proposed Improvements**

 TID #43 Boundary

 Date Exported:
Thursday, May 19, 2022



Path: \\cityofoskosh\GIS\Projects\TID_43\TID_43\North_Sawdust_District_Redevelopment_Area\North_Sawdust_District_Redevelopment_Area\North_Sawdust_District_Redevelopment_Area.aprx

City of Oshkosh maps and data are intended to be used for general identification purposes only, and the City of Oshkosh assumes no liability for the accuracy of the information. Those using the information are responsible for verifying accuracy. For full disclaimer please go to www.cityofoskosh.us/WebsiteDisclaimer

SECTION 8: Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City currently expects to incur in implementing the District’s Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

City of Oshkosh, WI Tax Increment District #43 (Mill on Main) Estimated Project List		
<u>Project Name/Type</u>	<u>Timeframe</u>	<u>Total</u>
Priority Expenditures		
Development Incentives	2024 - 2046	20,067,966
Administrative Expense	2022 - 2050	210,256
Subtotal		20,278,222
Contingent Expenditures		
Underground Utilities	2023	250,000
Environmental Remediation	2025	500,000
Trailhead Parking Lot	2027	500,000
South Main Improvements	2031	2,000,000
Public Docks	2032	1,200,000
Land Writedown	2040 - 2050	4,229,549
Subtotal		8,679,549
Total Projects		28,957,771

Project Costs identified as Contingent Expenditures will be funded by the District to the extent that there is tax increment available. Other sources of funding may be required to pay the cost of these projects if tax increment is insufficient.

SECTION 9:

Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

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

Key Assumptions

The Project Costs the City plans to make are expected to create \$47.8 million in incremental value by January 1, 2028. 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 \$24.41 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate approximately \$28.96 million in incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

City of Oshkosh, WI

Tax Increment District # 43 (Mill on Main)

Development Assumptions¹

	Units/Sq. Ft.	105	3,000	8,000	95	7,800	91	
Value	\$ 152,860	\$ 225	\$ 170	\$ 152,860	\$ 170	\$ 152,860		
	Phase I			Phase II		Phase III		
Const. Year	Apartments	Restaurant	Retail	Apartments	Retail	Apartments	Annual Total	
1 2022	4,012,575	168,750	340,000				4,521,325	
2 2023	8,025,150	337,500	680,000	3,630,425	331,500		13,004,575	
3 2024	4,012,575	168,750	340,000	7,260,850	663,000		12,445,175	
4 2025				3,630,425	331,500	3,477,565	7,439,490	
5 2026						6,955,130	6,955,130	
6 2027						3,477,565	3,477,565	
7 2028							0	
8 2029							0	
9 2030							0	
10 2031							0	
11 2032							0	
12 2033							0	
13 2034							0	
14 2035							0	
15 2036							0	
16 2037							0	
17 2038							0	
18 2039							0	
19 2040							0	
20 2041							0	
21 2042							0	
22 2043							0	
23 2044							0	
24 2045							0	
25 2046							0	
26 2047							0	
27 2048							0	
Totals	<u>16,050,300</u>	<u>675,000</u>	<u>1,360,000</u>	<u>14,521,700</u>	<u>1,326,000</u>	<u>13,910,260</u>	<u>47,843,260</u>	
						Total Apt. Units	291	
						Total Retail Sq. Ft.	18,800	

Notes:

¹Buildout based on Developer's submitted plan with estimated valuations developed in consultation with City Assessor.

Table 1 - Development Assumptions

City of Oshkosh, WI

Tax Increment District # 43 (Mill on Main)

Tax Increment Projection Worksheet

Type of District	Blighted Area	Base Value	5,300
District Creation Date	June 28, 2022	Appreciation Factor	0.00%
Valuation Date	Jan 1, 2022	Base Tax Rate	\$24.41
Max Life (Years)	27	Rate Adjustment Factor	
Expenditure Period/Termination	22 6/28/2044	Developer Financing Rate	4.50%
Revenue Periods/Final Year	27 2050		0.00%
Extension Eligibility/Years	Yes 3		
Eligible Recipient District	Yes		

Construction		Valuation	Inflation	Total	Revenue	Tax		
Year	Value Added	Year	Increment	Increment	Year	Tax Rate ¹	Increment	
1	2022	4,521,325	2023	0	4,521,325	2024	\$24.41	110,362
2	2023	13,004,575	2024	0	17,525,900	2025	\$24.41	427,793
3	2024	12,445,175	2025	0	29,971,075	2026	\$24.41	731,570
4	2025	7,439,490	2026	0	37,410,565	2027	\$24.41	913,162
5	2026	6,955,130	2027	0	44,365,695	2028	\$24.41	1,082,931
6	2027	3,477,565	2028	0	47,843,260	2029	\$24.41	1,167,816
7	2028	0	2029	0	47,843,260	2030	\$24.41	1,167,816
8	2029	0	2030	0	47,843,260	2031	\$24.41	1,167,816
9	2030	0	2031	0	47,843,260	2032	\$24.41	1,167,816
10	2031	0	2032	0	47,843,260	2033	\$24.41	1,167,816
11	2032	0	2033	0	47,843,260	2034	\$24.41	1,167,816
12	2033	0	2034	0	47,843,260	2035	\$24.41	1,167,816
13	2034	0	2035	0	47,843,260	2036	\$24.41	1,167,816
14	2035	0	2036	0	47,843,260	2037	\$24.41	1,167,816
15	2036	0	2037	0	47,843,260	2038	\$24.41	1,167,816
16	2037	0	2038	0	47,843,260	2039	\$24.41	1,167,816
17	2038	0	2039	0	47,843,260	2040	\$24.41	1,167,816
18	2039	0	2040	0	47,843,260	2041	\$24.41	1,167,816
19	2040	0	2041	0	47,843,260	2042	\$24.41	1,167,816
20	2041	0	2042	0	47,843,260	2043	\$24.41	1,167,816
21	2042	0	2043	0	47,843,260	2044	\$24.41	1,167,816
22	2043	0	2044	0	47,843,260	2045	\$24.41	1,167,816
23	2044	0	2045	0	47,843,260	2046	\$24.41	1,167,816
24	2045	0	2046	0	47,843,260	2047	\$24.41	1,167,816
25	2046	0	2047	0	47,843,260	2048	\$24.41	1,167,816
26	2047	0	2048	0	47,843,260	2049	\$24.41	1,167,816
27	2048	0	2049	0	47,843,260	2050	\$24.41	1,167,816
Totals	47,843,260		0		Future Value of Increment		28,957,771	

Notes:

¹Assumed tax rate is actual City TID Interim Rate for 2021/22 levy year per DOR Form PC-202 (Tax Increment Collection Worksheet)

Table 2 - Tax Increment Projection Worksheet

Financing and Implementation

Incentives will be paid to Developer on a “pay as you basis” from the tax increments generated by the Project. The incentives are a limited obligation of the City and will be paid only to the extent tax increments are available. The City will not appropriate funds from any other sources to make incentive payments. Each of the three Project phases will have a separate incentive as identified on the table below, and Developer must complete all phases to receive the full incentive amount. A total of 90% of the tax increment generated by the District will be allocated to make incentive payments.

	Payments	Present Value @ 5.25%
Phase I	\$8,343,364	\$4,270,000
Phase II	\$5,918,496	\$3,140,000
Phase III	\$5,806,107	\$2,660,000
Total	\$20,067,966	\$10,070,000

Remaining tax increment collected will be used to pay administrative costs of the District, at to the extent available, to pay for the public improvements identified in this Plan that the City will finance. As needed, the City will issue debt or make advances from other City funds to pay these costs. To the extent debt is incurred, tax increment will be used to pay the debt service. To the extent possible the City will cash fund projects to avoid the interest expense associated with financing. Aside from the public improvements identified in the Plan, the City plans to utilize tax increment to recover the cost of the Redevelopment Authority (“RDA”) owned land that will be sold to Developer for consideration that is less than the cost the RDA incurred to acquire and hold the land.

Based on the Project Cost expenditures as included within the cash flow exhibit (Table 3), the District is expected to remain open for all of its permitted 27-year maximum life. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

City of Oshkosh, WI

Tax Increment District #43 (Mill on Main)

Cash Flow Projection

Year	Projected Revenues		Expenditures					Balances			Year	
	Tax Increments	Total Revenues	Development Incentives			Public Infrastructure & Land Writedown	Admin.	Total Expenditures	Annual	Cumulative		Outstanding PAYGO Balances
			Phase I @ 90% of Increment	Phase II @ 90% of Increment	Phase III @ 90% of Increment							
2022	0	0	0	0	0		25,000	25,000	(25,000)	(25,000)	0	2022
2023	0	0	0	0	0		5,000	5,000	(5,000)	(30,000)	8,343,364	2023
2024	110,362	110,362	99,326	0	0		5,100	104,426	5,936	(24,064)	14,162,534	2024
2025	427,793	427,793	297,977	87,037	0	13,514	5,202	403,730	24,064	0	13,777,520	2025
2026	731,570	731,570	397,303	261,110	0	67,851	5,306	731,570	0	0	18,925,213	2026
2027	913,162	913,162	397,303	348,147	76,396	85,904	5,412	913,162	0	0	18,103,367	2027
2028	1,082,931	1,082,931	397,303	348,147	229,188	102,773	5,520	1,082,931	0	0	17,128,729	2028
2029	1,167,816	1,167,816	397,303	348,147	305,585	111,151	5,631	1,167,816	0	0	16,077,695	2029
2030	1,167,816	1,167,816	397,303	348,147	305,585	111,038	5,743	1,167,816	0	0	15,026,660	2030
2031	1,167,816	1,167,816	397,303	348,147	305,585	110,923	5,858	1,167,816	0	0	13,975,626	2031
2032	1,167,816	1,167,816	397,303	348,147	305,585	110,806	5,975	1,167,816	0	0	12,924,591	2032
2033	1,167,816	1,167,816	397,303	348,147	305,585	110,687	6,095	1,167,816	0	0	11,873,557	2033
2034	1,167,816	1,167,816	397,303	348,147	305,585	110,565	6,217	1,167,816	0	0	10,822,523	2034
2035	1,167,816	1,167,816	397,303	348,147	305,585	110,440	6,341	1,167,816	0	0	9,771,488	2035
2036	1,167,816	1,167,816	397,303	348,147	305,585	110,314	6,468	1,167,816	0	0	8,720,454	2036
2037	1,167,816	1,167,816	397,303	348,147	305,585	110,184	6,597	1,167,816	0	0	7,669,419	2037
2038	1,167,816	1,167,816	397,303	348,147	305,585	110,052	6,729	1,167,816	0	0	6,618,385	2038
2039	1,167,816	1,167,816	397,303	348,147	305,585	109,918	6,864	1,167,816	0	0	5,567,351	2039
2040	1,167,816	1,167,816	397,303	348,147	305,585	109,780	7,001	1,167,816	0	0	4,516,316	2040
2041	1,167,816	1,167,816	397,303	348,147	305,585	109,640	7,141	1,167,816	0	0	3,465,282	2041
2042	1,167,816	1,167,816	397,303	348,147	305,585	109,498	7,284	1,167,816	0	0	2,414,247	2042
2043	1,167,816	1,167,816	397,303		305,585	457,499	7,430	1,167,816	0	0	1,711,360	2043
2044	1,167,816	1,167,816	397,303		305,585	457,350	7,578	1,167,816	0	0	1,008,472	2044
2045	1,167,816	1,167,816	397,303		305,585	457,199	7,730	1,167,816	0	0	305,585	2045
2046	1,167,816	1,167,816			305,585	854,347	7,884	1,167,816	0	0	0	2046
2047	1,167,816	1,167,816				1,159,774	8,042	1,167,816	0	0	0	2047
2048	1,167,816	1,167,816				1,159,613	8,203	1,167,816	0	0	0	2048
2049	1,167,816	1,167,816				1,159,449	8,367	1,167,816	0	0	0	2049
2050	1,167,816	1,167,816				1,159,282	8,534	1,167,816	0	0	0	2050
Total	28,957,771	28,957,771	8,343,364	5,918,496	5,806,107	8,679,549	210,256	28,957,771				Total
Incentive Present Value @ 5.25% Discount Rate			4,270,000	3,140,000	2,660,000			Projected District Closure				
			10,070,000			Total						

Table 3 - Cash Flow

SECTION 10: Annexed Property

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

SECTION 11: Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan. The Project site is in the Sawdust District, and specifically within the River North and Core functional subareas identified in the Sawdust District Master Plan. That plan identifies these areas as appropriate for multi-family residential and commercial land uses.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13: Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14: How Creation of the Tax Incremental District Promotes the Orderly Development of the City

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by eliminating blighted areas, providing necessary public infrastructure improvements and appropriate financial incentives for private development projects. Development will occur in an orderly fashion in accordance with approved plans so that the Project 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. In addition to increased property value the Project will provide housing, employment and commercial opportunities while accomplishing specific redevelopment and blight elimination objectives identified in the City's Sawdust District Master Plan and the City of Oshkosh Strategic Plan.

SECTION 15:

List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District. Project Cost estimates included in this Plan for improvements to be made outside the District include only that portion of the cost allocable to the District.

**SECTION 16:
Legal Opinion Advising Whether the Plan is Complete
and Complies with Wis. Stat. § 66.1105(4)(f)**

Legal Opinion Found on Following Page.



City Attorney's Office
Phone: (920) 236-5115
Fax: (920) 236-5106
<http://www.ci.oshkosh.wi.us>

July 18, 2022

Kelly Nieforth
Director of Community Development
City of Oshkosh
215 Church Avenue
Oshkosh, WI 54903-1130

Dear Ms. Nieforth:

I reviewed the project plan prepared for the City of Oshkosh by Ehlers, Inc. for Tax Increment District #43 Mill on Main 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 and monetary obligations are to be incurred. The plan contains maps of existing uses and conditions of real property, as well as, proposed improvements and uses. The proposed plan is in general conformance with the City's current zoning ordinances, but notes that individual parcels may be rezoned at the time of development. The plan identifies 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 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

A handwritten signature in black ink, appearing to read "Lynn A. Lorensen".

Lynn A. Lorensen
City Attorney

**SECTION 17:
Calculation of the Share of Projected Tax Increments
Estimated to be Paid by the Owners of Property in the
Overlying Taxing Jurisdictions**

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

Revenue Year	Winnebago County	City of Oshkosh	Oshkosh Area School District	Fox Valley		Revenue Year
				Technical College	Total	
2024	20,258	43,494	42,527	4,082	110,362	2024
2025	78,525	168,596	164,848	15,824	427,793	2025
2026	134,285	288,317	281,907	27,061	731,570	2026
2027	167,618	359,884	351,882	33,778	913,162	2027
2028	198,780	426,791	417,302	40,058	1,082,931	2028
2029	214,361	460,244	450,012	43,198	1,167,816	2029
2030	214,361	460,244	450,012	43,198	1,167,816	2030
2031	214,361	460,244	450,012	43,198	1,167,816	2031
2032	214,361	460,244	450,012	43,198	1,167,816	2032
2033	214,361	460,244	450,012	43,198	1,167,816	2033
2034	214,361	460,244	450,012	43,198	1,167,816	2034
2035	214,361	460,244	450,012	43,198	1,167,816	2035
2036	214,361	460,244	450,012	43,198	1,167,816	2036
2037	214,361	460,244	450,012	43,198	1,167,816	2037
2038	214,361	460,244	450,012	43,198	1,167,816	2038
2039	214,361	460,244	450,012	43,198	1,167,816	2039
2040	214,361	460,244	450,012	43,198	1,167,816	2040
2041	214,361	460,244	450,012	43,198	1,167,816	2041
2042	214,361	460,244	450,012	43,198	1,167,816	2042
2043	214,361	460,244	450,012	43,198	1,167,816	2043
2044	214,361	460,244	450,012	43,198	1,167,816	2044
2045	214,361	460,244	450,012	43,198	1,167,816	2045
2046	214,361	460,244	450,012	43,198	1,167,816	2046
2047	214,361	460,244	450,012	43,198	1,167,816	2047
2048	214,361	460,244	450,012	43,198	1,167,816	2048
2049	214,361	460,244	450,012	43,198	1,167,816	2049
2050	214,361	460,244	450,012	43,198	1,167,816	2050
Total	5,315,412	11,412,461	11,158,731	1,071,167	28,957,771	