

August 16, 2021

Project Plan

**Tax Incremental District No. 5**

Riverfront & Downtown

## City of New London, Wisconsin

Organizational Joint Review Board Meeting Held:	July 22, 2021
Public Hearing Held:	July 22, 2021
Approval by Plan Commission:	July 22, 2021
Adoption by Common Council:	September 14, 2021
Approval by the Joint Review Board:	October 19, 2021

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# **SECTION 1:**

## **Executive Summary**

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### **Description of District**

Tax Incremental District (“TID”) No. 5 (“District”) is a proposed Mixed-Use District comprising approximately 10.574 acres located in the City’s downtown and surrounding area. The District will be created to pay the costs of public improvements required (“Project”) to support both downtown businesses and a proposed multi-family complex on the riverfront by SC Swiderski (“Developer”). In addition to the incremental property value that will be created, the City expects the Project will result in increased activity in the City’s downtown and provide residents with additional housing opportunities.

### **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 \$1,965,000, not including interest expense (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include costs related to relocating utilities which is needed to support the new development, parking, and road work and related utilities adjacent to the TID area.

### **Incremental Valuation**

The City projects that new land and improvements value of approximately \$5,300,000 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 within its allowable 20 years.

### **Summary of Findings**

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

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:

The substantial investment needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements.

2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:

That the Developer is likely to purchase goods and services from local suppliers in construction of the Project, and induced effects of employee households spending locally for goods and services from retailers, restaurants, and service companies. Additionally, the increased activity in the downtown that will result from new housing units.

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 suitable for mixed use development as defined by Wis. Stat. § 66.1105(2)(cm). Lands proposed for newly platted residential development comprise no more than 35% of the real property area within the 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.
5. Based on the foregoing finding, the District is designated as a mixed-use district.
6. The Project Costs relate directly to promoting mixed use development 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 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 approximately 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:**

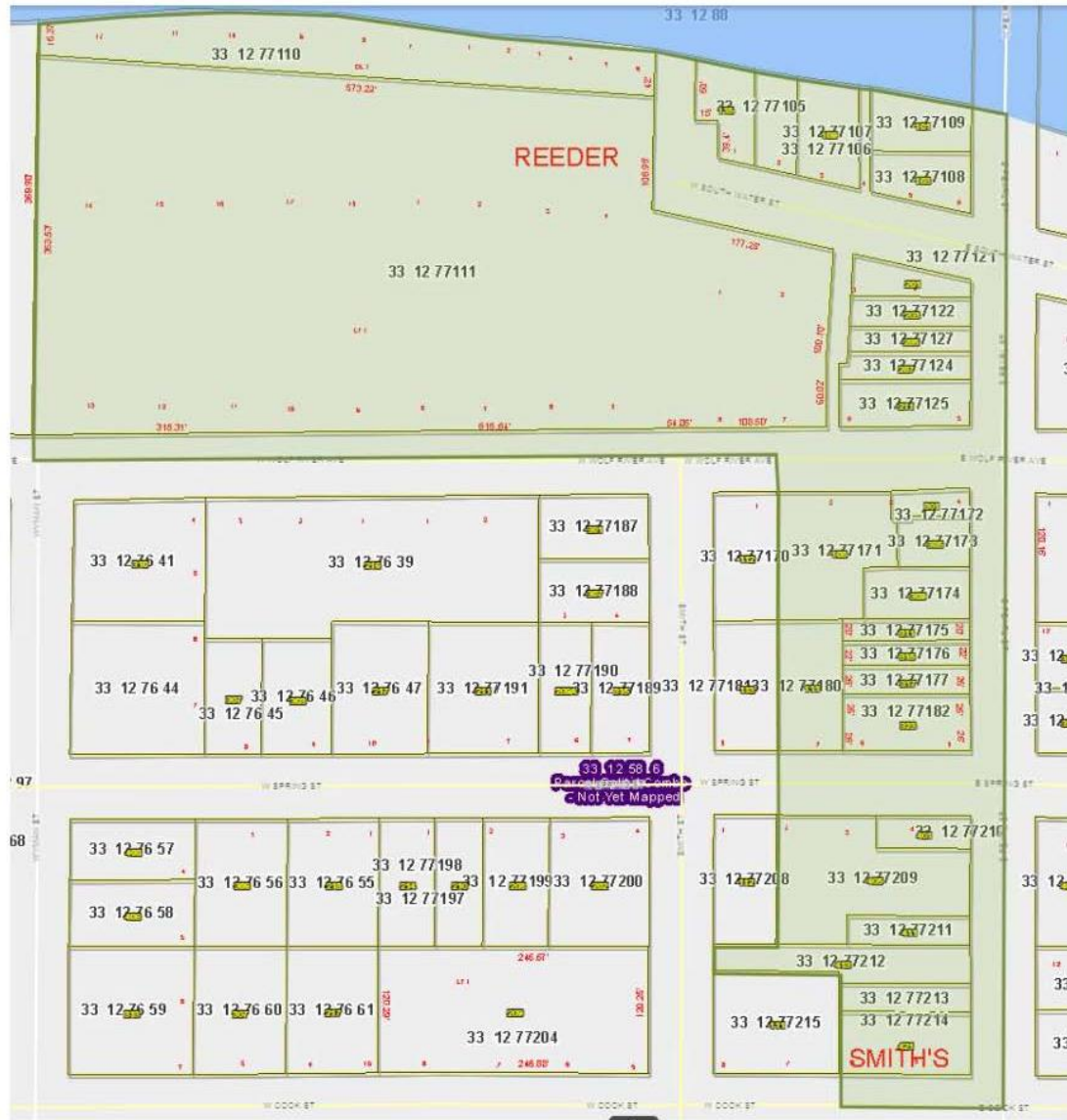
# **Preliminary Maps of Proposed District Boundary**

Maps Found on Following Page.







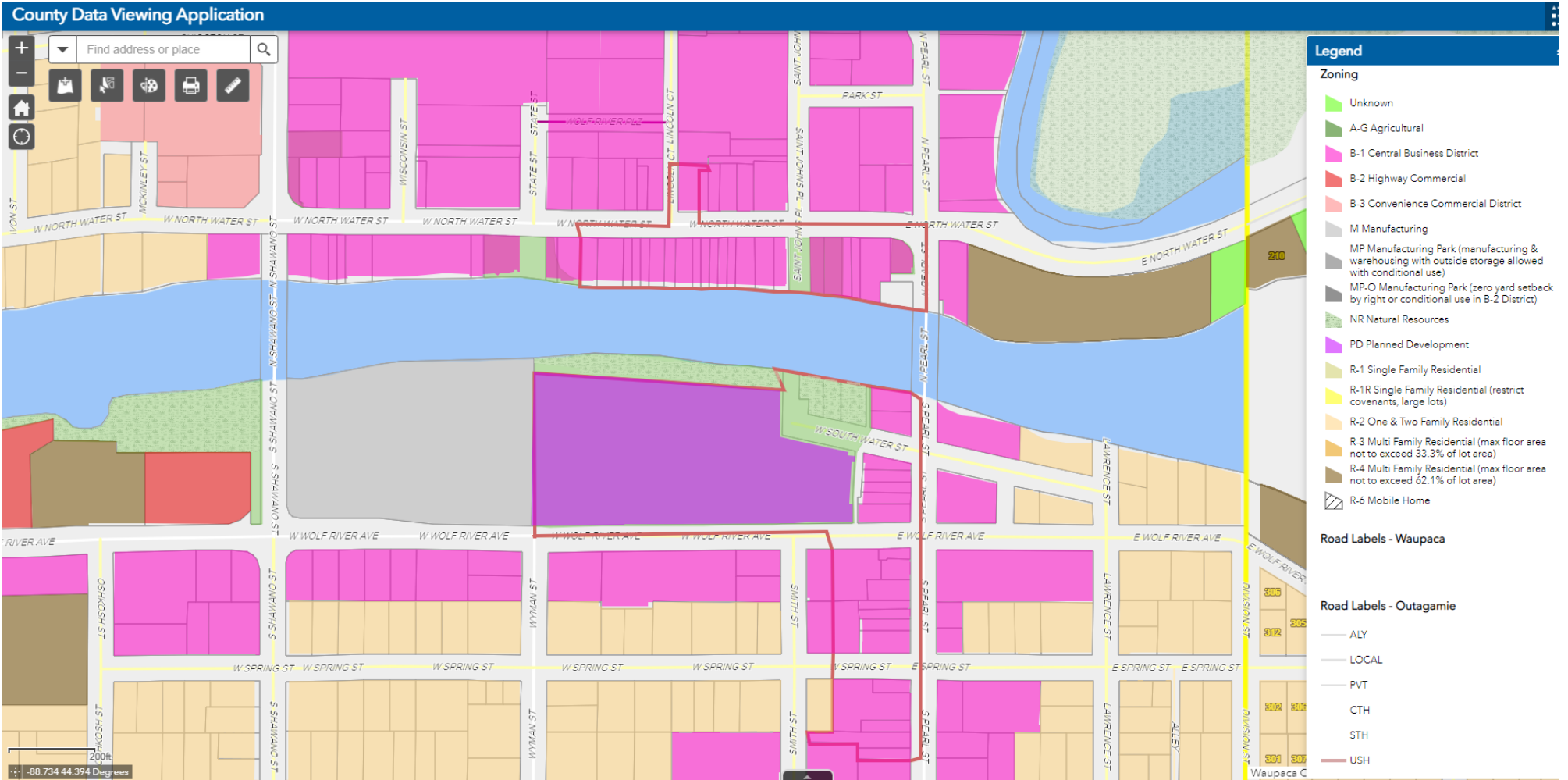


## **SECTION 3:**

# **Map Showing Existing Uses and Conditions**

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Map Found on Following Page.



# SECTION 4: Preliminary Parcel List and Analysis

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## 2021 TID #5 Pearl St.

<u>Address</u>	<u>Parcel No.</u>	<u>Owner</u>	<u>2020 Total Assessment</u>	<u>2021 Total Assessment</u>	<u>Acreage</u>
115 W. SOUTH WATER	33 12 77105	CITY OF NEW LONDON	\$ -	\$ -	0.099
	33 12 77106	CITY OF NEW LONDON	\$ -	\$ -	0.083
109 W. SOUTH WATER	33 12 77107	CITY OF NEW LONDON	\$ -	\$ -	0.125
103 S PEARL ST	33 12 77108	CITY OF NEW LONDON	\$ -	\$ -	0.103
101 S PEARL ST	33 12 77109	RIVERFRONT OF NL	\$ 124,300.00	\$ 124,300.00	0.115
	33 12 77110	CITY OF NEW LONDON - BERNEGGER RIVER WALK	\$ -	\$ -	0.62
201 S PEARL ST	33 12 77121	CITY OF NEW LONDON	\$ -	\$ -	0.071
203 S PEARL ST	33 12 77122	CITY OF NEW LONDON	\$ -	\$ -	0.071
205 S PEARL ST	33 12 77127	CITY OF NEW LONDON	\$ -	\$ -	0.063
207 S PEARL ST	33 12 77124	MARK LOCY	\$ 12,400.00	\$ 12,400.00	0.071
211 S PEARL ST	33 12 77125	MARK LOCY	\$ 105,300.00	\$ 105,300.00	0.122
301 S PEARL ST	33 12 77172	SULLY INVESTMENTS LLC	\$ 72,500.00	\$ 72,500.00	0.041
305 S PEARL ST	33 12 77173	CS SS PROPERTIES LLC	\$ 80,900.00	\$ 80,900.00	0.08
309 S PEARL ST	33 12 77174	ABOVE THE BARRE STUDIOS LLP	\$ 100,900.00	\$ 100,900.00	0.123
311 S PEARL ST	33 12 77175	JOSH WOLF	\$ 54,000.00	\$ 54,000.00	0.05
315 S PEARL ST	33 12 77176	ALEX LAROUX	\$ 70,400.00	\$ 70,400.00	0.064
317 S PEARL ST	33 12 77177	STEPHAN & TRACEY HOIER	\$ 71,600.00	\$ 71,600.00	0.072
323 S PEARL ST	33 12 77182	WILLIAM M BREE	\$ 95,000.00	\$ 95,000.00	0.14
401 S PEARL ST	33 12 77210	CITY OF NEW LONDON - LIBRARY & MUSEUM BOARD	\$ -	\$ -	0.063
405 S PEARL ST	33 12 77209	LIBRARY & MUSEUM BOARD	\$ -	\$ -	0.366
411 S PEARL ST	33 12 77211	LIBRARY & MUSEUM BOARD	\$ -	\$ -	0.071
413 S PEARL ST	33 12 77212	LIBRARY & MUSEUM BOARD	\$ -	\$ -	0.17
	33 12 77213	CORNERSTONE HOLDINGS OF WISCONSIN LLC	\$ 12,800.00	\$ 12,800.00	0.07
421 S PEARL	33 12 77214	CORNERSTONE HOLDINGS OF WISCONSIN LLC	\$ 115,000.00	\$ 115,000.00	0.16
108 W WOLF RIVER A	33 12 77171	CITY OF NEW LONDON	\$ -	\$ -	0.248
111 W SPRING ST	33 12 77180	CITY OF NEW LONDON	\$ -	\$ -	0.157
W WOLF RIVER AVE	33 12 77111	CITY OF NEW LONDON	\$ -	\$ -	5.008
318 W NORTH WATER	33 12 71 30	TODD J FENSKE REV TRUST	\$ 88,500.00	\$ 88,500.00	0.1
310 W NORTH WATER	33 12 71 31	SCHIRPKA ENTERPRISES LLC	\$ 127,000.00	\$ 127,000.00	0.16
308 W NORTH WATER	33 12 71 32	Relien & Tabitha Besaw	\$ 55,900.00	\$ 55,900.00	0.05
306 W NORTH WATER	33 12 71 34		\$ 72,100.00	\$ 72,100.00	0.05
304 W NORTH WATER	33 12 71 33	J&F ENTERPRISE LLC	\$ 52,400.00	\$ 52,400.00	0.05
300 W NORTH WATER	33 12 71 35	KENNETH W & HARRIET ROBERTS	\$ 63,700.00	\$ 63,700.00	0.09
228 W NORTH WATER	33 12 71 36	DOUGLAS NOEL	\$ 44,400.00	\$ 44,400.00	0.06

**2021 TID #5  
Pearl St.**

<u>Address</u>	<u>Parcel No.</u>	<u>Owner</u>	<u>2020 Total Assessment</u>	<u>2021 Total Assessment</u>	<u>Acreage</u>
224 W NORTH WATER	33 12 77 50	RM LEAHY LLC	\$ 74,200.00	\$ 74,200.00	0.11
222 W NORTH WATER	33 12 77 51	RM LEAHY LLC	\$ 79,300.00	\$ 79,300.00	0.05
220 W NORTH WATER	33 12 77 52	RM LEAHY LLC	\$ 47,800.00	\$ 47,800.00	0.05
218 W NORTH WATER	33 12 77 53	TORNADO PROPERTIES LLC	\$ 56,200.00	\$ 56,200.00	0.05
216 W NORTH WATER	33 12 77 54	WEIDERT DESIGN & DVLPT	\$ 66,200.00	\$ 66,200.00	0.05
214 W NORTH WATER	33 12 77 55	WATER STREET BUILDING LLC	\$ 51,700.00	\$ 51,700.00	0.05
208 W NORTH WATER	33 12 77 57	PEDRO-SERGIO LLC	\$ 164,700.00	\$ 164,700.00	0.12
202 W NORTH WATER	33 12 77 58	TRACY ANN STRONG	\$ 123,700.00	\$ 123,700.00	0.12
200 W NORTH WATER	33 12 77 59	ALLEN D & SUSAN J SCHMIEDEN	\$ 71,600.00	\$ 71,600.00	0.1
Park right of way - St. John's		CITY OF NEW LONDON	\$ -	\$ -	0.15
122 W NORTH WATER	33 12 77 65	CITY OF NEW LONDON	\$ -	\$ -	0.098
118 W NORTH WATER	33 12 77 66	CITY OF NEW LONDON	\$ -	\$ -	0.121
114 W NORTH WATER	33 12 77 67	FAMILY BAKE SHOP LLC	\$ 59,700.00	\$ 59,700.00	0.07
112 W NORTH WATER	33 12 77 68	JONAS MOTA CASTELLANOS ET AL	\$ 59,700.00	\$ 59,700.00	0.07
106 W NORTH WATER	33 12 77 69	JAMB PARTNERS LLC	\$ 157,500.00	\$ 157,500.00	0.21
100 W NORTH WATER	33 12 77 70	CITY OF NEW LONDON - ANCHOR PARK	\$ -	\$ -	0.085
Park right of way -Anchor		CITY OF NEW LONDON			0.02
105 N PEARL ST	33 12 77 71	WAUPACA COUNTY	\$ -	\$ -	0.094
225 W NORTH WATER	33 12 77 30	FIDELITY DIRECT LEASING LLC	\$ 36,400.00	\$ 36,400.00	0.13
		<b>TOTAL</b>	<b>\$ 2,467,800.00</b>	<b>\$ 2,467,800.00</b>	<b>10.734</b>

## SECTION 5: Equalized Value Test

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

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$2,467,800. This value is less than the maximum of \$50,010,108 in equalized value that is permitted for the City.

City of New London, Wisconsin	
Tax Increment District #5	
Valuation Test Compliance Calculation	
District Creation Date	1/1/2021
	Valuation Data Currently Available 2020
Total EV (TID In)	416,750,900
12% Test	50,010,108
Increment of Existing TIDs	
Total Existing Increment	0
Projected Base of New or Amended District	2,467,800
Less Value of Any Underlying TID Parcels	0
Total Value Subject to 12% Test	2,467,800
Compliance	PASS

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

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

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

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

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

#### ***Property Acquisition for Development***

To promote and facilitate development the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as

defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

### **Property Acquisition for Conservancy**

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

### **Acquisition of Rights-of-Way**

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

### **Acquisition of Easements**

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

### **Relocation Costs**

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

## **Site Preparation Activities**

### **Environmental Audits and Remediation**

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



### **Demolition**

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

### **Site Grading**

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

### **Utilities**

#### **Sanitary Sewer System Improvements**

To allow development to occur, the City may need to construct, alter, rebuild, or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, is an eligible project cost under Wis. Stat. § 66.1105(2)(f)1 k.

#### **Water System Improvements**

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

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

### **Stormwater Management System Improvements**

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the City may need to construct, alter, rebuild, or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

### **Electric Service**

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

### **Gas Service**

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

## **Communications Infrastructure**

To create sites suitable for development, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

## **Streets and Streetscape**

### **Street Improvements**

To allow development to occur, the City may need to construct or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

### **Streetscaping and Landscaping**

To attract development consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way, and other public spaces. These amenities include but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

## **Community Development**

### **Cash Grants (Development Incentives)**

The City may enter into agreements with property owners, lessees, or developers of land located within the District for sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

### **Revolving Loan/Grant Program (Development Incentives)**

To encourage private development consistent with the objectives of this Plan, the City 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 in the program manual. Any funds returned to the City 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 City 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:

- 1) Portions of W North Water Street & N Pearl Street.

### **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**

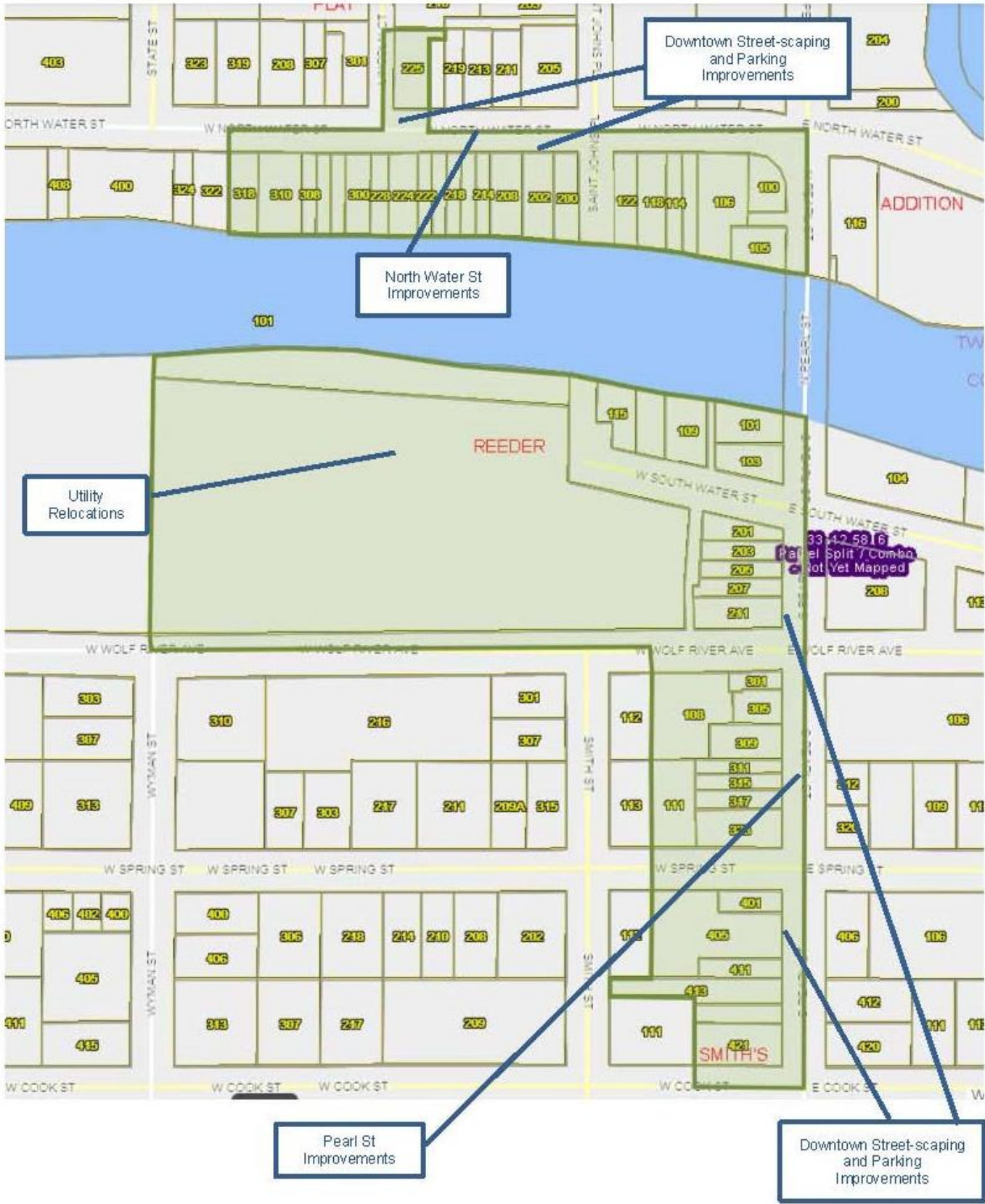
Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

## **SECTION 7:**

# **Map Showing Proposed Improvements and Uses**

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Map Found on Following Page.



# 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 New London, Wisconsin					
Tax Increment District #5					
Estimated Project List					
Project ID	Project Name/Type	Phase I 2021	Phase II 2023	Phase III 2024	Total (Note 1)
1	Utility Relocation	550,000			550,000
2	Downtown Parking		100,000		100,000
3	W. North Water Street Improvements		475,000		475,000
4	N Pearl Street Improvements		165,000		165,000
5	Parking Near S. Pearl Street		50,000		50,000
6	Downtown Streetscaping			100,000	100,000
7	TID Setup and Professional Service Costs	25,000			25,000
8	Development Incentives <sup>2</sup>		250,000	250,000	500,000
Total Projects		<u>575,000</u>	<u>1,040,000</u>	<u>350,000</u>	<u>1,965,000</u>

Notes:

- Note 1 Project costs are estimates and are subject to modification
- Note 2 Not shown in cashflow. Incentives will be provided only if there is additional increment generated to support the expenditure.

## **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**

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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 \$5.3M million in incremental value by 2029. 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 \$22.00 per thousand of equalized value, and a 1% economic appreciation, the Project would generate \$2.3M in incremental tax revenue over the 20-year term of the District as shown in Table 2.



# City of New London, Wisconsin

## Tax Increment District #5

### Development Assumptions

Construction Year		Housing Development	Misc. Development In TID	Annual Total	Construction Year	
1	2021			0	2021	1
2	2022	1,440,500		1,440,500	2022	2
3	2023	2,859,500		2,859,500	2023	3
4	2024		250,000	250,000	2024	4
5	2025				2025	5
6	2026		500,000	500,000	2026	6
7	2027				2027	7
8	2028		250,000	250,000	2028	8
Totals		<u>4,300,000</u>	<u>1,000,000</u>	<u>5,300,000</u>		

Notes:

<sup>1</sup>Land and 44 units.

**Table 1 - Development Assumptions**

# City of New London, Wisconsin

## Tax Increment District #5

### Tax Increment Projection Worksheet

Type of District	Mixed Use	Base Value	2,352,800	Apply to Base Value
District Creation Date	January 1, 2021	Appreciation Factor	1.00%	
Valuation Date	Jan 1, 2021	Base Tax Rate	\$22.50	
Max Life (Years)	20	Rate Adjustment Factor		
Expenditure Period/Termination	15   1/1/2036	Tax Exempt Discount Rate	3.00%	
Revenue Periods/Final Year	20   2042	Taxable Discount Rate	3.50%	
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	Taxable NPV
								NPV Calculation	Calculation
1	2021	0	2022	0	0	2023	\$22.50	0	0
2	2022	1,440,500	2023	0	1,440,500	2024	\$22.50	32,411	28,797
3	2023	2,859,500	2024	14,405	4,314,405	2025	\$22.50	97,074	112,534
4	2024	250,000	2025	43,144	4,607,549	2026	\$22.50	103,670	199,356
5	2025	0	2026	46,075	4,653,625	2027	\$22.50	104,707	284,492
6	2026	500,000	2027	46,536	5,200,161	2028	\$22.50	117,004	376,856
7	2027	0	2028	52,002	5,252,162	2029	\$22.50	118,174	467,426
8	2028	250,000	2029	52,522	5,554,684	2030	\$22.50	124,980	560,423
9	2029	0	2030	55,547	5,610,231	2031	\$22.50	126,230	651,614
10	2030	0	2031	56,102	5,666,333	2032	\$22.50	127,492	741,035
11	2031	0	2032	56,663	5,722,996	2033	\$22.50	128,767	828,719
12	2032	0	2033	57,230	5,780,226	2034	\$22.50	130,055	914,701
13	2033	0	2034	57,802	5,838,029	2035	\$22.50	131,356	999,013
14	2034	0	2035	58,380	5,896,409	2036	\$22.50	132,669	1,081,688
15	2035	0	2036	58,964	5,955,373	2037	\$22.50	133,996	1,162,758
16	2036	0	2037	59,554	6,014,927	2038	\$22.50	135,336	1,242,254
17	2037	0	2038	60,149	6,075,076	2039	\$22.50	136,689	1,320,206
18	2038	0	2039	60,751	6,135,827	2040	\$22.50	138,056	1,396,644
19	2039	0	2040	61,358	6,197,185	2041	\$22.50	139,437	1,471,598
20	2040	0	2041	61,972	6,259,157	2042	\$22.50	140,831	1,545,097
<b>Totals</b>		<b>5,300,000</b>		<b>959,157</b>		<b>Future Value of Increment</b>	<b>2,298,934</b>		

Notes:

Actual results will vary depending on development, inflation of overall tax rates.

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

**Table 2 – Tax Increment Projection Worksheet**

**Financing and Implementation**

Table 3. provides a summary of the District’s financing plan.

<p style="text-align: center;"><b>City of New London, Wisconsin</b></p> <p style="text-align: center;"><b>Tax Increment District #5</b></p> <p style="text-align: center;">Estimated Financing Plan</p>			
	State Trust Fund Loan 2022	State Trust Fund Loan 2023	Totals
Projects			
Utility Relocation	550,000		550,000
Downtown Parking		100,000	100,000
W. North Water Street Improvements		475,000	475,000
N Pearl Street Improvements		165,000	165,000
Parking Near S. Pearl Street		50,000	50,000
Downtown Streetscaping		100,000	100,000
TID Setup and Professional Service Costs	25,000		25,000
Total Project Funds	575,000	890,000	1,465,000
Estimated Finance Related Expenses			
Municipal Advisor	10,000	10,000	
Total Financing Required	585,000	900,000	
Net Issue Size	585,000	900,000	1,485,000
Notes:			

**Table 3 – Financing Plan**

Based on the Project Cost expenditures as included within the cash flow exhibit (Table 4), the District is projected to accumulate sufficient funds by the final year 2042 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

City of New London, Wisconsin														
Tax Increment District #5														
Cash Flow Projection														
Year	Projected Revenues			Expenditures								Balances		Year
	Tax Increments	Interest Earnings/ (Cost)	Total Revenues	State Trust Fund Loan 585,000 Dated Date: 10/01/22			State Trust Fund Loan 900,000 Dated Date: 09/01/23			Admin. + 2%	Total Expenditures	Annual	Cumulative	
2021			0								0	0	0	2021
2022			0								0	0	0	2022
2023	0		0								0	0	0	2023
2024	32,411		32,411	0	3.75%	32,906				3,500	36,406	(3,995)	(3,995)	2024
2025	97,074	(8)	97,066	15,000	3.75%	21,938	0	4.00%	54,000	3,500	94,438	2,629	(1,366)	2025
2026	103,670	(3)	103,667	20,000	3.75%	21,375	20,000	4.00%	36,000	3,570	100,945	2,722	1,356	2026
2027	104,707	3	104,709	20,500	3.75%	20,625	25,000	4.00%	35,200	3,641	104,966	(257)	1,099	2027
2028	117,004	2	117,006	21,500	3.75%	19,856	35,000	4.00%	34,200	3,714	114,270	2,735	3,834	2028
2029	118,174	8	118,181	24,000	3.75%	19,050	35,000	4.00%	32,800	3,789	114,639	3,543	7,377	2029
2030	124,980	15	124,995	26,500	3.75%	18,150	45,000	4.00%	31,400	3,864	124,914	81	7,458	2030
2031	126,230	15	126,245	29,000	3.75%	17,156	45,000	4.00%	29,600	3,942	124,698	1,547	9,005	2031
2032	127,492	18	127,511	31,500	3.75%	16,069	45,000	4.00%	27,800	4,020	124,389	3,121	12,126	2032
2033	128,767	24	128,792	34,000	3.75%	14,888	50,000	4.00%	26,000	4,101	128,988	(197)	11,930	2033
2034	130,055	24	130,079	36,500	3.75%	13,613	50,000	4.00%	24,000	4,183	128,295	1,784	13,713	2034
2035	131,356	27	131,383	39,000	3.75%	12,244	55,000	4.00%	22,000	4,266	132,510	(1,127)	12,586	2035
2036	132,669	25	132,694	41,500	3.75%	10,781	55,000	4.00%	19,800	4,352	131,433	1,261	13,847	2036
2037	133,996	28	134,024	44,000	3.75%	9,225	55,000	4.00%	17,600	4,439	130,264	3,760	17,607	2037
2038	135,336	35	135,371	46,500	3.75%	7,575	60,000	4.00%	15,400	4,528	134,003	1,368	18,976	2038
2039	136,689	38	136,727	49,000	3.75%	5,831	65,000	4.00%	13,000	4,618	137,449	(722)	18,253	2039
2040	138,056	37	138,093	52,500	3.75%	3,994	65,000	4.00%	10,400	4,711	136,604	1,488	19,742	2040
2041	139,437	39	139,476	54,000	3.75%	2,025	70,000	4.00%	7,800	4,805	138,630	846	20,588	2041
2042	140,831	41	140,872				125,000	4.00%	5,000	10,000	140,000	872	21,460	2042
<b>Total</b>	<b>2,298,934</b>	<b>368</b>	<b>2,299,303</b>	<b>585,000</b>		<b>267,300</b>	<b>900,000</b>		<b>442,000</b>	<b>83,542</b>	<b>2,277,842</b>			<b>Total</b>

Notes: Projected TID Closure

**Table 4 - Cash Flow**

## **SECTION 10: Annexed Property**

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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**

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Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that approximately 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**

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### **Zoning Ordinances**

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

### **Master (Comprehensive) Plan and Map**

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for a mix of housing 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**

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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**

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Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by [creating new industrial sites] [creating opportunities for mixed use development] [rehabilitating and conserving property] [eliminating blighted areas] [providing necessary public infrastructure improvements] [providing appropriate financial incentives for private development projects]. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as increased employment and housing opportunities.

## **SECTION 15:**

### **List of Estimated Non-Project Costs**

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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.

The Plan includes the following non-costs:

1. Costs related to the reconstruction of W North Water Street and N Pearl Street.

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

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Legal Opinion Found on Following Page.

Keith A. Steckbauer  
Joy N. Sisler

Earl J. Luaders, III  
*Attorneys at Law*

Mary M. Calder  
Matthew J. Linn

August 24, 2021

Mayor  
City of New London  
215 N Shawano St  
New London, Wisconsin 54961

Re: Project Plan for Tax Incremental District #5

Dear Mayor:

Wisconsin Statute 66.1105(4)(0) 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 New London, 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 New London Tax Incremental District No. 5 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,



City Attorney

45 6<sup>th</sup> Street  
Clintonville, WI 54929  
Phone: (715) 823-4669

P.O. Box 200\*  
W9681 State Hwy 96  
Dale, WI 54931  
Phone: (920) 779-4140  
FAX: (920) 779-9960  
\*Please send mail to this address

213 W. North Water Street  
New London, WI 54961  
Phone: (920) 982-4450

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

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

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.						
Statement of Taxes Data Year:			2020		Percentage	
Waupaca County			1,818,748		26.52%	
City of New London			2,538,782		37.02%	
School District of New London			2,219,616		32.36%	
Fox Valley Technical College			280,983		4.10%	
Total			6,858,129			
Revenue Year	Waupaca County	City of New London	School District of New London	Fox Valley Technical College	Total	Revenue Year
2023	0	0	0	0	0	2023
2024	8,595	11,998	10,490	1,328	32,411	2024
2025	25,744	35,935	31,418	3,977	97,074	2025
2026	27,493	38,377	33,552	4,247	103,670	2026
2027	27,768	38,761	33,888	4,290	104,707	2027
2028	31,029	43,313	37,868	4,794	117,004	2028
2029	31,339	43,746	38,247	4,842	118,174	2029
2030	33,144	46,266	40,450	5,121	124,980	2030
2031	33,476	46,729	40,854	5,172	126,230	2031
2032	33,810	47,196	41,263	5,223	127,492	2032
2033	34,149	47,668	41,675	5,276	128,767	2033
2034	34,490	48,145	42,092	5,328	130,055	2034
2035	34,835	48,626	42,513	5,382	131,356	2035
2036	35,183	49,112	42,938	5,436	132,669	2036
2037	35,535	49,603	43,367	5,490	133,996	2037
2038	35,891	50,099	43,801	5,545	135,336	2038
2039	36,249	50,600	44,239	5,600	136,689	2039
2040	36,612	51,106	44,682	5,656	138,056	2040
2041	36,978	51,617	45,128	5,713	139,437	2041
2042	37,348	52,134	45,580	5,770	140,831	2042
	609,668	851,033	744,044	94,189	2,298,934	

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