

February 15, 2021

Project Plan

Tax Increment District #17

Project Mustang

City of River Falls, Wisconsin

Organizational Joint Review Board Meeting Held:	March 2, 2021
Public Hearing Held:	March 2, 2021
Approval by Plan Commission:	March 2, 2021
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Approval by the Joint Review Board:	April 7, 2021

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SECTION 1:

Executive Summary

Description of District

Tax Incremental District (“TID”) No. 17 (“District”) is a proposed Blighted Area District comprising approximately 11.78 acres bounded by Paulson Road to the east, Commerce Street to the south, and open space to the north and west. The District will be created to pay the costs needed to assist Project Mustang (“Project”) to be developed by River Falls Holdings, LLC (“Developer”). Project Mustang is envisioned as a dynamic redevelopment of a big box dark store, which has been vacant for several years. This innovative project will include space for a distillery with strong brand recognition, a multi-use event center, and restaurant with large scale regional impact. The proposed Project is expected to attract over 160,000 guests annually and will generate new the incremental property value resulting in significant economic activity, commercial development, and job creation in River Falls.

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 \$3,724,066 (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Anticipated Project Costs include property acquisition, stormwater improvements, trailhead construction and improvements, bridge and street maintenance, sidewalk infill, development incentives, Kinni Corridor Plan projects, water tower construction, and contributions to a revolving loan fund.

Incremental Valuation

The City projects that new land and improvements value of approximately \$10,027,300 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 generate sufficient tax increment to pay all Project Costs within 25 of its allowable 27 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 Developer’s representation that the Project is not economically viable without public participation based on extraordinary costs associated with demolition of structures and redevelopment of existing sites.

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:

Following completion of the Project, the projected taxable value is estimated at \$10,027,300. The new value is expected to create up to \$221,000 in tax revenue annually.

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.

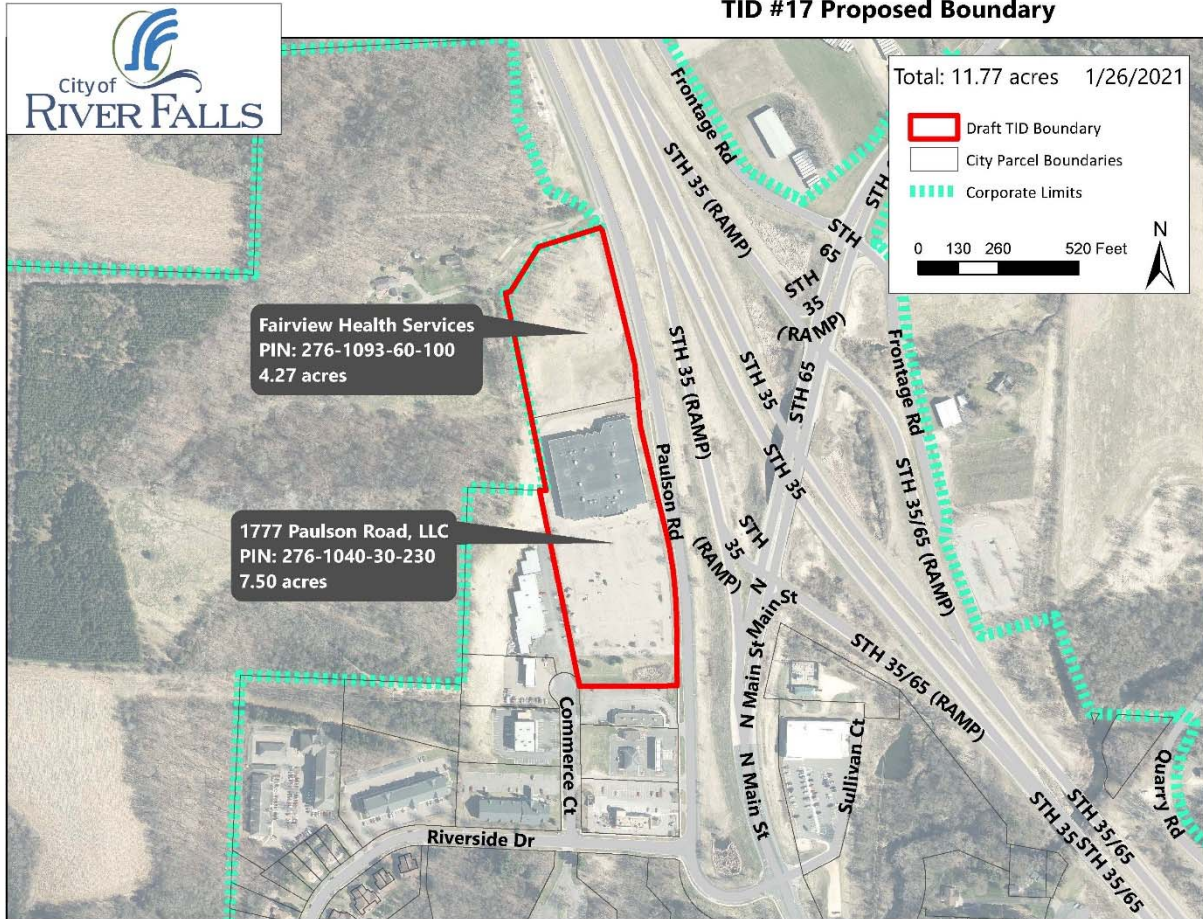
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that less than 35% of the territory within the District 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 Map of Proposed District Boundary

Map Found on Following Page.

TID #17 Proposed Boundary



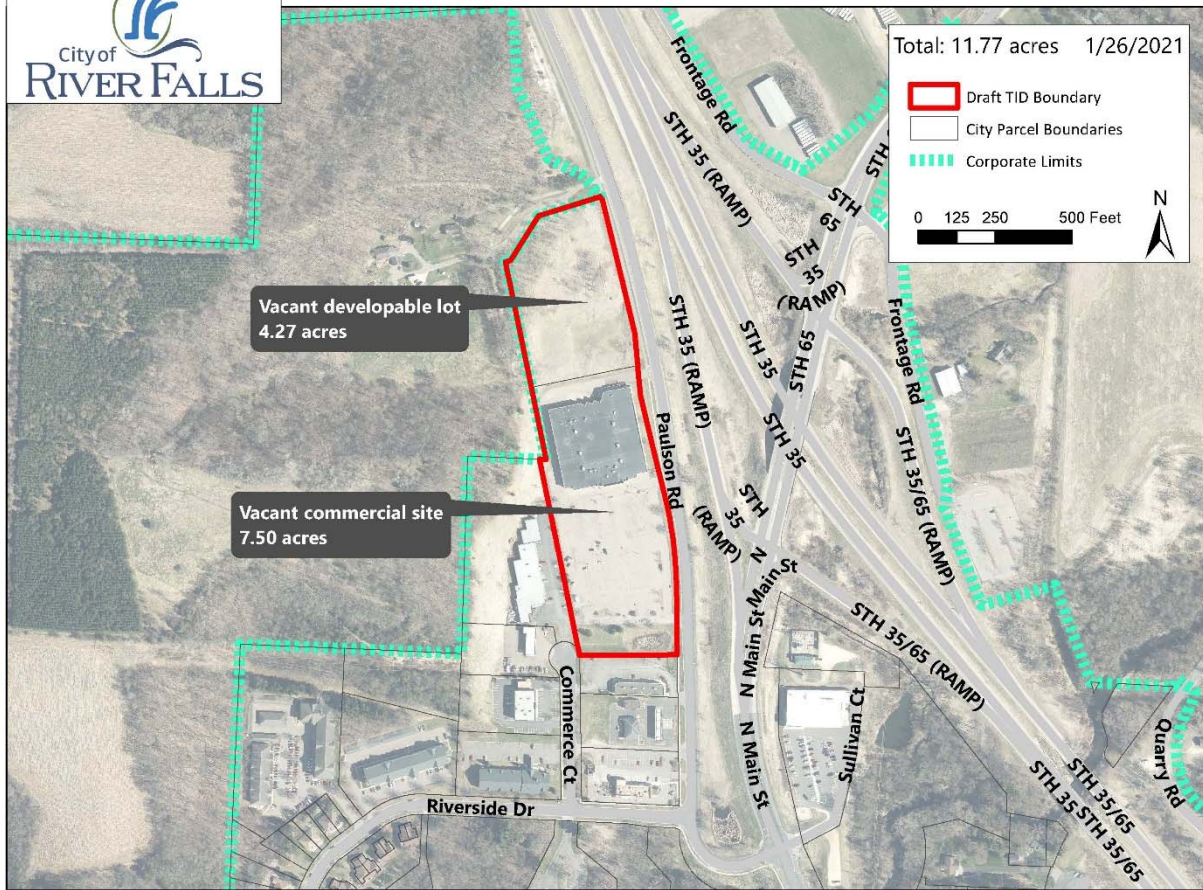
SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.



TID #17 Existing Uses and Conditions



SECTION 4: Preliminary Parcel List and Analysis

City of River Falls, Wisconsin															
Tax Increment District # 17															
Base Property Information															
Property Information						Assessment Information				Equalized Value					
Map Ref #	Parcel Number	Street Address	Owner	Acreage	Annexed Post 1/1/04? ...Indicate date	Part of Existing TID? ...Indicate TID #	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total
	276-1040-30-230	1777 PAULSON RD	1777 PAULSON ROAD LI	7.50	N/A		722,200	1,500,500		2,222,700	100.00%	722,200	1,500,500	0	2,222,700
	276-1093-60-100	Paulson Road	Fairview Health Service	4.28	N/A		248,500	0		248,500	100.00%	248,500	0	0	248,500
										0	100.00%	0	0	0	0
			Total Acreage	11.78			970,700	1,500,500	0	2,471,200		970,700	1,500,500	0	
															Estimated Base Value 2,471,200

The above values are as of January 1, 2019. Actual base value certification of the territory will be based on January 1, 2020 assessed values.

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 \$88,270,600. This value is less than the maximum of \$150,255,456 in equalized value that is permitted for the City.

City of River Falls, Wisconsin	
Tax Increment District # 17	
Valuation Test Compliance Calculation	
District Creation Date	1/1/2021
	Valuation Data Currently Available 2020
Total EV (TID In)	1,252,128,800
12% Test	150,255,456
Increment of Existing TIDs	
TID #5	27,067,400
TID #6	9,706,200
TID #8	3,845,400
TID #9	3,977,700
TID #10	24,399,700
TID #11	1,029,800
TID #12	2,370,900
TID #13	11,801,300
TID #14	1,601,000
Total Existing Increment	85,799,400
Projected Base of New or Amended District	2,471,200
Less Value of Any Underlying TID Parcels	0 ▲
Total Value Subject to 12% Test	88,270,600
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

Property Acquisition for Development

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

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

Property Acquisition for Conservancy

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

Acquisition of Rights-of-Way

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

Acquisition of Easements

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

Relocation Costs

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

Site Preparation Activities

Environmental Audits and Remediation

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

Demolition

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

Site Grading

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

Utilities

Sanitary Sewer System Improvements

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

Water System Improvements

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

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

Stormwater Management System Improvements

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

Electric Service

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

Gas Service

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

Communications Infrastructure

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

Streets and Streetscape

Street Improvements

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

Streetscaping and Landscaping

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

Community Development

Cash Grants (Development Incentives)

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

Contribution to Community Development Authority (CDA)

As provided for in Wis. Stat. § 66.1105(2)(f)1.h and Wis. Stat. § 66.1333(13), the City may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property

acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

Revolving Loan/Grant Program (Development Incentives)

To encourage private development consistent with the objectives of this Plan, the City, through its CDA, may provide loans or grants to eligible property owners in the District. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA in the program manual. Any funds returned to the CDA 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 CDA for purposes of implementing this program are considered eligible Project Costs.

Miscellaneous

Property Tax Payments to Town

Property tax payments due to the Town of Troy under Wis. Stat. §66.1105(4)(gm)1. because of the inclusion of lands annexed after January 1, 2004 within the boundaries of the District are an eligible Project Cost.

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 the City intends to make include property acquisition, stormwater improvements, trailhead construction/improvements, bridge and street maintenance, sidewalk infill, Kinni Corridor Plan projects, and water tower construction.

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

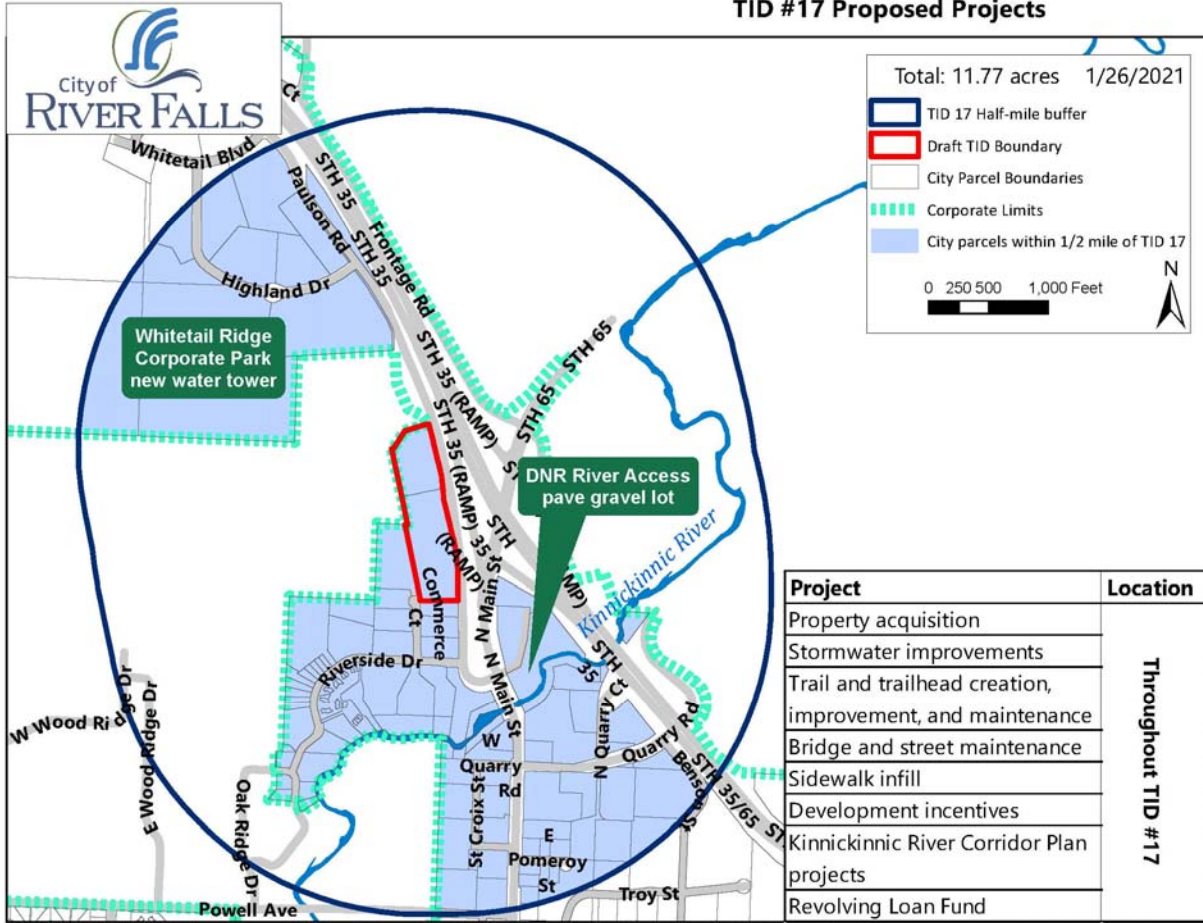
Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

SECTION 7:

Map Showing Proposed Improvements and Uses

Map Found on Following Page.

TID #17 Proposed Projects



*TID #17 expenditures shall only occur within the City's municipal boundary, depicted in this map as of TID #17's creation date.

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 River Falls, Wisconsin							
Tax Increment District # 17							
Estimated Project List							
Project ID	Project Name/Type	Phase I 2022	Phase III 2025	Phase IV 2026	Phase IV 2030	Phase V 2036	Total (Note 1)
1	Property Acquisition	750,000					750,000
2	Stormwater Improvements	200,000		50,000		50,000	300,000
3	Trailhead Construction/Improvement	25,000		6,000	119,000		150,000
4	Bridge and Street Maintenance	63,000			222,500	202,500	488,000
5	Sidewalk Infill			138,000			138,000
6	Development Incentives	1,368,066	200,000				1,568,066
7	Kinni Corridor Plan Projects					50,000	50,000
8	Water Tower		250,000				250,000
9	Revolving Loan Fund		30,000				30,000
Total Projects		<u>2,406,066</u>	<u>480,000</u>	<u>194,000</u>	<u>341,500</u>	<u>302,500</u>	<u>3,724,066</u>
Notes:							
Note 1 Project costs are estimates and are subject to modification							
Note 2 Development Incentives in 2022 are projected to be funded through City borrowing and pay-as-you-go funding.							
All other projects will be paid for by from various funds of the City.							

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 \$10,027,300 million in incremental value by 2026. 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 \$22.04 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$5,636,551 in incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

Table 1 - Development Assumptions

City of River Falls, Wisconsin
Tax Increment District # 17
Development Assumptions

Construction Year		Actual	Area A	Annual Total	Construction Year	
1	2021		7,027,300	7,027,300	2021	1
2	2022				2022	2
3	2023				2023	3
4	2024				2024	4
5	2025				2025	5
6	2026		3,000,000	3,000,000	2026	6
7	2027				2027	7
8	2028				2028	8
9	2029				2029	9
10	2030				2030	10
11	2031				2031	11
12	2032				2032	12
13	2033				2033	13
14	2034				2034	14
15	2035				2035	15
16	2036				2036	16
17	2037				2037	17
18	2038				2038	18
19	2039				2039	19
20	2040				2040	20
21	2041				2041	21
22	2042				2042	22
23	2043				2043	23
24	2044				2044	24
25	2045				2045	25
26	2046				2046	26
27	2047				2047	27
Totals		0	<u>10,027,300</u>	<u>10,027,300</u>		

Table 2 – Tax Increment Projection Worksheet

City of River Falls, Wisconsin										
Tax Increment District # 17										
Tax Increment Projection Worksheet										
Type of District	Blighted Area		Base Value	2,471,200						
District Creation Date	March 23, 2021		Appreciation Factor	0.00%		Apply to Base Value				
Valuation Date	Jan 1,	2021	Base Tax Rate	\$22.04						
Max Life (Years)	27		Rate Adjustment Factor	0.00%						
Expenditure Period/Termination	22	3/23/2043	Tax Exempt Discount Rate							
Revenue Periods/Final Year	27	2049	Taxable Discount Rate	1.50%						
Extension Eligibility/Years	Yes	3								
Eligible Recipient District	Yes									

Construction Year	Valuation Year	Valuation Value Added	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt		
								NPV Calculation	Taxable NPV Calculation	
1	2021	7,027,300	2022	0	7,027,300	2023	\$22.04	154,885	154,885	148,119
2	2022	0	2023	0	7,027,300	2024	\$22.04	154,885	309,769	294,049
3	2023	0	2024	0	7,027,300	2025	\$22.04	154,885	464,654	437,822
4	2024	0	2025	0	7,027,300	2026	\$22.04	154,885	619,538	579,470
5	2025	0	2026	0	7,027,300	2027	\$22.04	154,885	774,423	719,025
6	2026	3,000,000	2027	0	10,027,300	2028	\$22.04	221,006	995,429	915,215
7	2027	0	2028	0	10,027,300	2029	\$22.04	221,006	1,216,434	1,108,505
8	2028	0	2029	0	10,027,300	2030	\$22.04	221,006	1,437,440	1,298,938
9	2029	0	2030	0	10,027,300	2031	\$22.04	221,006	1,658,446	1,486,557
10	2030	0	2031	0	10,027,300	2032	\$22.04	221,006	1,879,452	1,671,404
11	2031	0	2032	0	10,027,300	2033	\$22.04	221,006	2,100,458	1,853,519
12	2032	0	2033	0	10,027,300	2034	\$22.04	221,006	2,321,463	2,032,942
13	2033	0	2034	0	10,027,300	2035	\$22.04	221,006	2,542,469	2,209,714
14	2034	0	2035	0	10,027,300	2036	\$22.04	221,006	2,763,475	2,383,873
15	2035	0	2036	0	10,027,300	2037	\$22.04	221,006	2,984,481	2,555,459
16	2036	0	2037	0	10,027,300	2038	\$22.04	221,006	3,205,487	2,724,509
17	2037	0	2038	0	10,027,300	2039	\$22.04	221,006	3,426,493	2,891,060
18	2038	0	2039	0	10,027,300	2040	\$22.04	221,006	3,647,498	3,055,151
19	2039	0	2040	0	10,027,300	2041	\$22.04	221,006	3,868,504	3,216,816
20	2040	0	2041	0	10,027,300	2042	\$22.04	221,006	4,089,510	3,376,092
21	2041	0	2042	0	10,027,300	2043	\$22.04	221,006	4,310,516	3,586,010
22	2042	0	2043	0	10,027,300	2044	\$22.04	221,006	4,531,522	3,742,932
23	2043	0	2044	0	10,027,300	2045	\$22.04	221,006	4,752,527	3,897,535
24	2044	0	2045	0	10,027,300	2046	\$22.04	221,006	4,973,533	4,049,854
25	2045	0	2046	0	10,027,300	2047	\$22.04	221,006	5,194,539	4,199,921
26	2046	0	2047	0	10,027,300	2048	\$22.04	221,006	5,415,545	4,347,771
27	2047	0	2048	0	10,027,300	2049	\$22.04	221,006	5,636,551	4,493,436
Totals		10,027,300		0		Future Value of Increment		5,636,551		

Notes:

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

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

Financing and Implementation

Development incentives anticipated by this Project Plan will be funded by debt issued by the City and the remaining tax increment revenue that is collected each year. **Table 3.** provides a summary of the District’s financing plan.

Table 3 - Financing Plan

City of River Falls, Wisconsin Tax Increment District # 17 Estimated Financing Plan			
	State Trust Fund Loan 2021	Municipal Revenue Obligation (MRO) Throughout	Totals
Projects			
Phase I	750,000		750,000
Phase II		610,566	610,566
Phase III			0
Phase IV			0
Phase V			0
Total Project Funds	<u>750,000</u>	<u>610,566</u>	<u>1,360,566</u>
Estimated Finance Related Expenses			
Municipal Advisor	7,500		
Bond Counsel			
Rating Agency Fee			
Paying Agent			
Underwriter Discount	0.00	0	0.00
Debt Service Reserve			
Capitalized Interest			
Total Financing Required	757,500	610,566	
Net Issue Size	757,500	610,566	1,368,066
Notes:	Projects listed in here include the first phase of development incentives as envisioned by the Project Plan. All other projects will be financed advances from various funds of the City.		

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 year 2047 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 4 - Cash Flow

City of River Falls, Wisconsin																			
Tax Increment District # 17																			
Cash Flow Projection																			
Year	Projected Revenues				Expenditures										Balances			Year	
	Tax Increments	Interest Earnings/ (Cost)	Other Revenue	Total Revenues	State Trust Fund Loan 757,500			Municipal Revenue Obligation (MRO) 610,566			Total				Advance Interest				
				Dated Date:	Principal	Est. Rate	Interest	Dated Date:	Principal	Est. Rate	Interest	Other	Project Costs	Administrative	Expenditures	Annual	3%	Cumulative	
2021			0										200,000	25,000	225,000	(225,000)		(225,000)	2021
2022			0		68,678	3.00%	19,799		50,814				838,000	2,500	979,791	(979,791)	(6,750)	(1,211,541)	2022
2023	154,885		154,885		67,812	3.00%	20,665		50,814					2,500	141,791	13,093	(36,346)	(1,234,795)	2023
2024	154,885		154,885		69,796	3.00%	18,681		50,814				250,000	2,500	391,791	(236,907)	(37,044)	(1,508,745)	2024
2025	154,885		154,885		71,941	3.00%	16,536		50,814				230,000	2,500	371,791	(216,907)	(45,262)	(1,770,915)	2025
2026	154,885		154,885		74,099	3.00%	14,378		50,814				56,000	2,500	197,791	(42,907)	(53,127)	(1,866,949)	2026
2027	154,885		154,885		76,322	3.00%	12,155		50,814				138,000	2,500	279,791	(124,907)	(56,008)	(2,047,864)	2027
2028	221,006		221,006		78,585	3.00%	9,893		50,814				202,500	2,500	344,291	(123,286)	(61,436)	(2,232,586)	2028
2029	221,006		221,006		80,969	3.00%	7,508		50,814					2,500	141,791	79,214	(66,978)	(2,220,349)	2029
2030	221,006		221,006		83,398	3.00%	5,079		50,814				119,000	2,500	260,791	(39,786)	(66,610)	(2,326,745)	2030
2031	221,006		221,006		85,900	3.00%	2,577		147,140					2,500	238,117	(17,112)	(69,802)	(2,413,659)	2031
2032	221,006		221,006						6,097				20,000	2,500	28,597	192,409	(72,410)	(2,293,660)	2032
2033	221,006		221,006											2,500	218,506	218,506	(68,810)	(2,143,964)	2033
2034	221,006		221,006											2,500	218,506	218,506	(64,319)	(1,989,777)	2034
2035	221,006		221,006										202,500	2,500	205,000	16,006	(59,693)	(2,033,464)	2035
2036	221,006		221,006										100,000	2,500	102,500	118,506	(61,004)	(1,975,962)	2036
2037	221,006		221,006											2,500	218,506	218,506	(59,279)	(1,816,735)	2037
2038	221,006		221,006											2,500	218,506	218,506	(54,502)	(1,652,732)	2038
2039	221,006		221,006											2,500	218,506	218,506	(49,582)	(1,483,808)	2039
2040	221,006		221,006											2,500	218,506	218,506	(44,514)	(1,309,816)	2040
2041	221,006		221,006											2,500	218,506	218,506	(39,294)	(1,130,605)	2041
2042	221,006		221,006											2,500	218,506	218,506	(33,918)	(946,017)	2042
2043	221,006		221,006											2,500	218,506	218,506	(28,381)	(755,892)	2043
2044	221,006		221,006											2,500	218,506	218,506	(22,677)	(560,063)	2044
2045	221,006		221,006											2,500	218,506	218,506	(16,802)	(358,359)	2045
2046	221,006		221,006											2,500	218,506	218,506	(10,751)	(150,604)	2046
2047	221,006		221,006											2,500	218,506	218,506	(4,518)	63,384	2047
2048	221,006		221,006											2,500	218,506	218,506	0	281,889	2048
2049	221,006		221,006											2,500	218,506	218,506	0	500,395	2049
Total	5,636,551	0	0	5,636,551	757,500		127,271		610,566		0	0	2,356,000	95,000	3,946,337				Total

Notes:

Projected TID Closure

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 identifying the area as appropriate for commercial 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 rehabilitating and conserving property, eliminating blighted areas providing necessary public infrastructure improvements, and 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 opportunities and increased property values of the surrounding area.

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.

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.

March 11, 2021

Mayor Dan Toland
River Falls City Hall
222 Lewis Street
River Falls, WI 54022

RE: **City of River Falls TID #17**

Dear Mayor Toland:

As City Attorney for the City of River Falls, I have reviewed the Project Plan for the City of River Falls TID #17 and, in my opinion, have determined that it is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

If you have any questions, please contact my office. Thank you.

Very truly yours

WELD RILEY, S.C.S



Christopher B. Gierhart
Attorneys for the City of River Falls

Email: cgierhart@weldriley.com

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Weld Riley, S.C. A Wisconsin Limited Liability Entity

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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.

City of River Falls, Wisconsin									
Tax Increment District #17									
Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.									
Statement of Taxes Data Year:				2019		Percentage			
County				0.0033963560					16.98%
Special District				0.0000000000					0.00%
Municipality				0.0067487870					33.74%
School District				0.0090379350					45.18%
School District									0.00%
Technical College				0.0008196900					4.10%
Total				0.0200027680					

Revenue Year	County	Special District	Municipality	School District	School District	Technical College	Total	Revenue Year
2023	26,299	0	52,257	69,982	0	6,347	154,885	2023
2024	26,299	0	52,257	69,982	0	6,347	154,885	2024
2025	26,299	0	52,257	69,982	0	6,347	154,885	2025
2026	26,299	0	52,257	69,982	0	6,347	154,885	2026
2027	26,299	0	52,257	69,982	0	6,347	154,885	2027
2028	37,526	0	74,566	99,858	0	9,057	221,006	2028
2029	37,526	0	74,566	99,858	0	9,057	221,006	2029
2030	37,526	0	74,566	99,858	0	9,057	221,006	2030
2031	37,526	0	74,566	99,858	0	9,057	221,006	2031
2032	37,526	0	74,566	99,858	0	9,057	221,006	2032
2033	37,526	0	74,566	99,858	0	9,057	221,006	2033
2034	37,526	0	74,566	99,858	0	9,057	221,006	2034
2035	37,526	0	74,566	99,858	0	9,057	221,006	2035
2036	37,526	0	74,566	99,858	0	9,057	221,006	2036
2037	37,526	0	74,566	99,858	0	9,057	221,006	2037
2038	37,526	0	74,566	99,858	0	9,057	221,006	2038
2039	37,526	0	74,566	99,858	0	9,057	221,006	2039
2040	37,526	0	74,566	99,858	0	9,057	221,006	2040
2041	37,526	0	74,566	99,858	0	9,057	221,006	2041
2042	37,526	0	74,566	99,858	0	9,057	221,006	2042
2043	37,526	0	74,566	99,858	0	9,057	221,006	2043
2044	37,526	0	74,566	99,858	0	9,057	221,006	2044
2045	37,526	0	74,566	99,858	0	9,057	221,006	2045
2046	37,526	0	74,566	99,858	0	9,057	221,006	2046
2047	37,526	0	74,566	99,858	0	9,057	221,006	2047
2048	37,526	0	74,566	99,858	0	9,057	221,006	2048
2049	37,526	0	74,566	99,858	0	9,057	221,006	2049
	957,054	0	1,901,731	2,546,786	0	230,979	5,636,551	

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