PO Box 589, 203 N. First Street, Abbotsford, WI 54405

City Hall (715) 223-3444

Fax (715) 223-8891

## AGENDA FOR THE SPECIAL COUNCIL MEETING TO BE HELD TUESDAY JULY 24, 2018 AT 7:00 PM

IN THE CONFERACE ROOM OF THE ABBOTSFORD CITY HALL 203 NORTH FIRST STREET, ABBOTSFORD WI

All items listed will be brought before the Abbotsford City Council for discussion and possible approval.

- 1. Call the special meeting to order
  - a. Roll call
- 2. Comments by the Mayor
- 3. Appearances:
  - a. Ehlers Sean Lentz TIF District #6 Amendment Projected Bonding for Several Projects.
- 4. Discuses/Approve To Proceed with TIF District #6 Amendment Bond Sale for Future Projects.
- 5. Adjourn

Exhibit 1

# City of Abbotsford, WI

Tax Increment Forecast - With Proposed 2018 Projects

# TID No. 6 - Mixed Use District (With Boundary Amendment)

Final Revenue Collection Year	Maximum Life of District (Final Year)	End of Expenditure Period	Creation Year
2037	2036	2031	2016

Inflation Factor:

0.00%

Preliminary Projects
Shilling Subdivision (Inc. Eng. & Contin.)
Sportsman's Addition (Inc. Eng. & Contin.)
Webb Land Purchase
Industrial Park Road (Inc. Eng. & Contin.) 1,418,739 371,877 240,000 230,000 2,260,616

## Preliminary

Valuation         Revenue         Inflation         New TID Value         Tax         Tax         TIRB Land         Covelop. Debt and Land         Projected TID Salono         Complex Projected TID Salono         Total TIRB Land         Develop. Debt and Salono         Annual Cumulative Expenses         Espenses         Balance Balance           2017         2018         2017         2018         - 4,000,000         14,853,000         23,98         266,170         20,000         Purchase         17,500         230,112         128,058         299,309           2019         2020         - 2,500,000         14,853,000         23,98         411,272         293,688         40,000         7,500         230,112         128,058           2021         2022         - 2,200,000         19653,000         23,98         411,272         293,688         40,000         7,500         331,998         131,275         597,943           2021         2022         - 2,200,000         19,653,000         23,98         417,272         293,688         40,000         7,500         333,998         131,275         597,943           2023         2024         - 2,200,000         19,653,000         23,98         417,272         293,689         7,500															Notes:
Valuation         Revenue         Inflation         New         TID Value         Tax         Tital         Tital         Total           Valuation         Revenue         Inflation         New         TID Value         Tax         Tital         Tital         Tital         Devilop.         Admin.         Dobt and           2017         2018         2017         -         4,000,000         14,853,000         23.98         260,251         -         47,000         Purchase         Incentive         Expenses         Expenses           2019         2020         -         2,600,000         14,653,000         23.98         266,170         40,000         7,500         29,000           2021         2021         -         2,600,000         19,653,000         23.98         471,272         292,488         40,000         7,500         339,981           2022         2021         -         2,200,000         23.98         471,272         293,488         40,000         7,500         339,981           2022         2023         -         19,653,000         23.98         471,272         295,889         7,500         301,975           2024         2027         -         19,653,000         23.98<			3,171,162					9,046,565			8,800,000		Total		
Valuation         Revenue         Inflation         New Year         TID Value         Tax Tax         Tax Tax         Tax Tax         Tide Tax         Total Tax         Tide Tax		463,772	7,500	7,500				471,272	23.98	19,653,000		ı	2037	2036	2035
Valuation         Revenue         Inflation         New Pole (Inflation Pola		463,772	7,500	7,500				471,272	23.98	19,653,000			2036	2035	2034
Valuation         Revenue         Inflation         New Poar         TID Value         Tax Tax Tirax         Tirax		463,772	7,500	7,500				471,272	23.98	19,653,000			2035	2034	2033
Valuation         Revenue         Inflation         New Year         TID Value         Tax Tax         Tiges         Land Develop.         Admin.         Projected         Total Tiges         Total Tiges         Total Tiges         Total Tiges         Total Tiges         Total Tiges         Tiges         Tiges         Land Develop.         Develop.         Admin.         Debt and Develop.         Tiges         Land Develop.         Develop.         Admin.         Debt and Develop.         Tiges         Land Develop.         Develop.         Admin.         Debt and Develop.         Admin.         Develop.         Admin.         Debt and Develop.         Admin.         Develop.         Admin.         Develop.         Admin.         Debt and Develop.         Admin.         Develop.         Admin.         Debt and Develop.         Admin.		463,772	7,500	7,500				471,272	23.98	19,653,000			2034	2033	2032
Valuation         Revenue         Inflation         New         TID Value         Tax         Tax <th></th> <td>463,772</td> <td>7,500</td> <td>7,500</td> <td></td> <td></td> <td></td> <td>471,272</td> <td>23.98</td> <td>19,653,000</td> <td></td> <td></td> <td>2033</td> <td>2032</td> <td>2031</td>		463,772	7,500	7,500				471,272	23.98	19,653,000			2033	2032	2031
Valuation         Revenue         Inflation         New TID Value         Tax TIRB         Constitution Land Land Land Land Land Land Land Lan		463,772	7,500	7,500				471,272	23.98	19,653,000			2032	2031	2030
Valuation         Revenue         Inflation         New Year         TID Value         Tax         Tax Tires         2018         Schilling         Projected         Projected         Tires         Admin.         Debt and Develop.         Admin.		463,772	7,500	7,500				471,272	23.98	19,653,000			2031	2030	2029
Valuation         Revenue         Inflation         New         TID Value         Tax         Tax         TiRB         Schilling         Develop.         Admin.         Debt and		463,772	7,500	7,500				471,272	23.98	19,653,000			2030	2029	2028
Valuation         Revenue         Inflation         New Year         TID Value         Tax TID Value		463,772	7,500	7,500				471,272	23.98	19,653,000			2029	2028	2027
Valuation         Revenue         Inflation         New Year         TID Value         Tax Tax         Trax Tirr         Tirrement         42,000,000         Projected         2018         Schilling         Expenses		173,412	297,860	7,500			290,360	471,272	23.98	19,653,000			2028	2027	2026
Valuation         Revenue         Inflation         New TiD Value         Tax Tax Tax Tires         Projected Tires         2018 Schilling Tires         Schilling Tires         Projected Tires         Total Tires         Total Tires         Total Tires         Total Tires         Total Tires         Projected Tires         Tires         Tires         Land Develop.         Develop. Admin.         Debt and Develop.         Projected Tires         Tires         Tires         Land Develop.         Develop.         Admin.         Debt and Develop.         Projected Tires         Tires         Land Develop.         Develop.         Admin.         Debt and Develop.         Projected Tires         Tires         Land Develop.         Develop.         Admin.         Debt and Develop.         Projected Tires         Tires         Land Develop.         Admin.         Debt and Develop.         Projected Tires         Tires         Land Develop.         Admin.         Debt and Develop.         <		173,692	297,580	7,500			290,080	471,272	23.98	19,653,000			2027	2026	2025
Valuation         Revenue         Inflation         New Projected Newnorm         Total Tine New Tine New Tine New Projected Newnorm         Projected Tine New Tine New Tine New Tine New Tine New New New Newnorm         Tax Tax Tine New New Tine New Tine New Tine New Tine New Tine New New New New New New Newnorm         Tine Newnorm         Schilling Newnorm         Projected Tine New New New New New New New New New Ne		169,417	301,855	7,500			294, 355	471,272	23.98	19,653,000			2026	2025	2024
Valuation         Revenue         Inflation         New Projected New Projected         Projected		171,002	300,270	7,500			292,770	471,272	23.98	19,653,000			2025	2024	2023
Valuation         Revenue         Inflation         New Projected New Projected Projec		167,877	303,395	7,500			295,895	471,272	23.98	19,653,000			2024	2023	2022
Valuation         Revenue         Inflation         New Projected Pear         Total Ting Ting Ting         Projected Ting         2018 Schilling         Schilling         Projected Ting         Land         Develop.         Admin.         Debt and           2016         2017         -         10,853,000         23.98         260,251         47,000         Purchase         Incentive         Expenses         Expenses           2018         2019         -         4,000,000         14,853,000         23.98         356,170         182,612         40,000         7,500         230,112           2019         2020         -         2,600,000         17,453,000         23.98         418,517         293,668         40,000         7,500         341,158           2020         2021         -         2,200,000         19,653,000         23.98         471,272         292,488         40,000         7,500         339,998           2021         -         2,200,000         19,653,000         23.98         471,272         295,860         7,500         303,360		170,197	301,075	7,500			293,575	471,272	23.98	19,653,000			2023	2022	2021
Valuation         Revenue         Inflation         New Polar         TID Value         Tax Tax Tirrement         Tirrement Polar         Valuation Polar		167,912	303,360	7,500			295,860	471,272	23.98	19,653,000			2022	2021	2020
Valuation         Revenue         Inflation         New Pear         TID Value         Tax Pear         Tax Pear         Tirement Pear         Valuation Pear Pear         Valuation Increment Pear Pear Pear Pear Pear Pear Pear Pear		131,275	339,998	7,500		40,000	292,498	471,272	23.98	19,653,000	2,200,000		2021	2020	2019
Valuation         Revenue         Inflation         New         TiD Value         Tax         Frojected Tax         Schilling         Schilling         Projected         TiD 6           Valuation         Revenue         Inflation         New         TiD Value         Tax         TiRB         Land         Develop.         Admin.         Debt and           Year         Year         Increment         Valuation         Increment         Rate         Increment         \$2,340,000         Purchase         Incentive         Expenses         Expenses           2016         2017         -         10,853,000         23.98         260,251         47,000         20,000         20,000         87,000           2018         2019         -         4,000,000         14,853,000         23.98         356,170         182,612         40,000         7,500         230,112		77,359	341,158	7,500		40,000	293,658	418,517	23.98	17,453,000	2,600,000		2020	2019	2018
Valuation Revenue Inflation New TID Value Tax Tax TIRB Land Develop. Admin. Debt and Year Increment Valuation Increment Rate Increment \$2,340,000 Purchase Incentive Expenses Expenses 2017 - 10,853,000 23.98 260,251 47,000 20,000 20,000 87,000		126,058	230,112	7,500		40,000	182,612	356,170	23.98	14,853,000	4,000,000		2019	2018	2017
Valuation Revenue Inflation New TID Value Tax Tax TIRB Land Develop. Admin. Debt and Year Year Increment Valuation Increment Rate Increment \$2,340,000 Purchase Incentive Expenses Expenses 2016 2017 -		173,251	87,000	20,000	20,000	47,000		260,251	23.98	10,853,000		,	2018	2017	2016
Total  Total  Projected 2018 Schilling Projected TID 6  Valuation Revenue Inflation New TID Value Tax TRB Land Develop. Admin. Debt and Year Year Increment Valuation Increment Rate Increment \$2,340,000 Purchase Incentive Expenses Expenses													2017	2016	2015
Total Projected 2018 Schilling Projected TID 6 Valuation Revenue Inflation New TID Value Tax Tax TIRB Land Develop. Admin. Debt and	1	Balance	Expenses	Expenses	Incentive	Purchase	\$2,340,000	Increment	Rate	Increment	Valuation	Increment	Year	Year	Year
Projected 2018 Schilling Projected		Annual	Debt and	Admin.	Develop.	Land	TIRB	Tax	Tax	TID Value	New	Inflation	Revenue	Valuation	Construction
			TID 6	Projected		Schilling	2018	Projected							
			Total					_	_						

Notes:

1) The Cumulative Balance as of the end of Revenue Year 2017 is potentially negative due to initial costs to create TID No. 6. We will update the forecast with that amount when the 2017 Audit is completed.
2) The \$4,000,000 represents the additional tax value for the Sausage Plant as of Jan. 1, 2018 for a total value of approximately \$15 Million.
3) The \$2,600,000 and the \$2,200,000 are the projected values for the Apartment Buildings.

Prepared by Ehlers 7/24/2018





# City of Abbotsford, WI City Council Meeting

Tax Increment District (TID) No. 6 Amendment – Preliminary Finance Plan for Proposed Projects

July 24, 2018



## **Discussion Topics**

- Tax Increment District No. 6: Proposed 2018 Projects
- Preliminary Finance Plan for 2018 TID No. 6 Projects
- Estimated TID No. 6 Cash Flow Forecast
  - Existing Value
  - Estimated Future Value
  - Project Costs
    - Existing
    - Proposed
- Timeline and Questions





# Tax Increment District No. 6 – 2018 Proposed Projects

- Schilling Subdivision: \$1,418,739
- Sportsman's Addition: \$371,877
- Webb Land Purchase: \$240,000
- Industrial Park Road: \$230,000
- Total: \$2,260,616
- All projects will be eligible for funding from Tax Increment District No. 6 following approval of the boundary and project plan amendment of TID No. 6





## Preliminary Finance Plan – 2018 TID No. 6 Projects

#### City of Abbotsford, WI

Estimated Debt Service and Capitalization Schedule

\$2,340,000 Tax Increment Revenue Bond, Series 2018A

Year	Principal	Rate	Interest	Total P&I
2018				
2019	100,000	2.600%	82,612	182,612
2020	220,000	2.800%	73,658	293,658
2021	225,000	2.950%	67,498	292,498
2022	235,000	3.100%	60,860	295,860
2023	240,000	3.200%	53,575	293,575
2024	250,000	3.250%	45,895	295,895
2025	255,000	3.300%	37,770	292,770
2026	265,000	3.500%	29,355	294,355
2027	270,000	3.600%	20,080	290,080
2028	280,000	3.700%	10,360	290,360
			404 000 [	0.004.000
Totals	2,340,000		481,662	2,821,662

Issue Summar	у	
Key Dates		
Dated Date:	9/1/2018	
First Interest Payment:	10/1/2019	
First Principal Payment:	10/1/2019	
Interest Rates		
	Preliminary	
True Interest Cost (TIC):	3.66%	
All Inclusive Cost (AIC):	4.02%	
Sources and Uses		
		Total
Par Amount of Bonds		2,340,000
Total Sources	-	\$2,340,000
Underwriters Discount		35,100
Cost of Issuance		44,000
Deposit to Project Fund		2,260,616
Rounding Amount	_	284
Total Uses		\$2,340,000

- Tax Increment Revenue Bonds do not count against the General Obligation Borrowing Capacity of the City (Current Approx. Capacity: \$3,300,000)
- Bonds will likely be sold through a competitive process offered to local and regional banks





# Tax Increment District No. 6 – Cash Flow Forecast with Proposed 2018 Tax Increment Revenue Bonds

City of Abbotsford, WI

Tax Increment Forecast - With Proposed 2018 Projects

#### TID No. 6 - Mixed Use District (With Boundary Amendment)

Creation Year	2016
End of Expenditure Period	2031
Maximum Life of District (Final Year)	2036
Final Revenue Collection Year	2037

Inflation Factor: 0.00%

TID No. 6 Valuation and New	Valuation
Jan. 1, 2017 Increment:	10,853,000
Sausage Plant Additional	4,000,000
Apartment No. 1	2,600,000
Apartment No. 2	2,200,000
Future Apartments	-
Future Residential	-
Future Commercial	-
Future Industrial	-
Total	19,653,000

Preliminary

Preliminary Projects	
Schilling Subdivision (Inc. Eng. & Contin.)	1,418,739
Sportsman's Addition (Inc. Eng. & Contin.)	371,877
Webb Land Purchase	240,000
Industrial Park Road (Inc. Eng. & Contin.)	230,000
Industrial Park Road (Inc. Eng. & Contin.)	230,

2,260,616

												Total		
							Projected	2018	Schilling		Projected	TID 6		
Construction	Valuation	Revenue	Inflation	New	TID Value	Tax	Tax	TIRB	Land	Develop.	Admin.	Debt and	Annual	Cumulative
Year	Year	Year	Increment	Valuation	Increment	Rate	Increment	\$2,340,000	Purchase	Incentive	Expenses	Expenses	Balance	Balance
2015	2016	2017	-				-					-	-	-
2016	2017	2018			10,853,000	23.98	260,251		47,000	20,000	20,000	87,000	173,251	173,251
2017	2018	2019	-	4,000,000	14,853,000	23.98	356,170	182,612	40,000		7,500	230,112	126,058	299,309
2018	2019	2020	-	2,600,000	17,453,000	23.98	418,517	293,658	40,000		7,500	341,158	77,359	376,668
2019	2020	2021	-	2,200,000	19,653,000	23.98	471,272	292,498	40,000		7,500	339,998	131,275	507,943
2020	2021	2022	-		19,653,000	23.98	471,272	295,860			7,500	303,360	167,912	675,855
2021	2022	2023	-		19,653,000	23.98	471,272	293,575			7,500	301,075	170,197	846,052
2022	2023	2024	-		19,653,000	23.98	471,272	295,895			7,500	303,395	167,877	1,013,929
2023	2024	2025	-		19,653,000	23.98	471,272	292,770			7,500	300,270	171,002	1,184,931
2024	2025	2026	-		19,653,000	23.98	471,272	294,355			7,500	301,855	169,417	1,354,349
2025	2026	2027	-		19,653,000	23.98	471,272	290,080			7,500	297,580	173,692	1,528,041
2026	2027	2028	-		19,653,000	23.98	471,272	290,360			7,500	297,860	173,412	1,701,453
2027	2028	2029	-		19,653,000	23.98	471,272				7,500	7,500	463,772	2,165,225
2028	2029	2030	-		19,653,000	23.98	471,272				7,500	7,500	463,772	2,628,997
2029	2030	2031	-		19,653,000	23.98	471,272				7,500	7,500	463,772	3,092,769
2030	2031	2032	-		19,653,000	23.98	471,272				7,500	7,500	463,772	3,556,542
2031	2032	2033	-		19,653,000	23.98	471,272				7,500	7,500	463,772	4,020,314
2032	2033	2034	-		19,653,000	23.98	471,272				7,500	7,500	463,772	4,484,086
2033	2034	2035	-		19,653,000	23.98	471,272				7,500	7,500	463,772	4,947,858
2034	2035	2036	-		19,653,000	23.98	471,272				7,500	7,500	463,772	5,411,630
2035	2036	2037	-		19,653,000	23.98	471,272				7,500	7,500	463,772	5,875,402
	1	Γotal		8,800,000			9,046,565	2,821,662	167,000	20,000	162,500	3,171,162		

#### Notes

- 1) The Cumulative Balance as of the end of Revenue Year 2017 is potentially negative due to initial costs to create TID No. 6. We will update the forecast with that amount when the 2017 Audit is completed.
- 2) The \$4,000,000 represents the additional tax value for the Sausage Plant as of Jan. 1, 2018 for a total value of approximately \$15 Million.
- 3) The \$2,600,000 and the \$2,200,000 are the projected values for the Apartment Buildings.



- Jan. 1, 2018 TID No. 6 Value Increment will be available August 1, 2018 Potential Update
- 2017 Audit will provide more detailed starting cumulative balance



### Timeline / Questions

- July 24, 2018: Review Preliminary Finance Plan with City Council
- July 31, 2018: Council Approves TID No. 6 Amendment
- August 2018: Term Sheets are sent to prospective purchasers of the Tax Increment Revenue Bonds
- Early to Middle September 2018: Council Reviews Proposals
- End of September 2018: Bond Closing
- Questions







## Sean Lentz Senior Municipal Advisor

(651) 697-8509 slentz@ehlers-inc.com

# **Chris Hetland Financial Specialist**

(651) 697-8582 chetland@ehlers-inc.com

