

AGENDA
CITY OF NEENAH STANDING JOINT REVIEW BOARD

Tuesday, October 10, 2023

3:00 P.M.

Hauser Committee Room, City Administration Building

1. Approve minutes of June 28, 2023 meeting.
2. Discuss pending Tax Increment District #9 actions.
3. Next Scheduled Joint Review Board Meeting: November 2, 2023
at 3:00 p.m.
4. Announcements and future agenda items.

MINUTES OF THE CITY OF NEENAH JOINT REVIEW BOARD
June 28, 2023
Third Floor Conference Room and Microsoft Teams Meeting

Present: **Board members: Mike Faulks, John Skyrms, Jon Joch, Jon Doemel and Amy Van Straten.**

Also present: Mayor Jane Lang, Community Development Director Chris Haese, Finance Director Vicky Rasmussen, Deputy Director Brad Schmidt and Office Manager Samantha Jefferson.

Board Chairman Faulks called the meeting to order at 2:30 p.m.

Approval of August 9, 2022, meeting minutes: MSC Skyrms/Joch, the Joint Review Board approved the minutes of the August 9, 2022 Joint Review Board meeting. Motion passed.

Review of TID Annual Report for TID Nos. 5, 6, 7, 8, 9, 10 and 11:

Director Haese explained that because of approved State Senate Bill 51/Act 257, communities are required to submit a TID Annual Report (Form PE-300) to the Department of Revenue for each of the community's TIDs and to review the reports annual with the Joint Review Board. The City contracts with Baird to complete a thorough TID report every two years. Director Haese gave an overview of each TID:

TID 5 (Downtown) – TID 5 (1993) has been closed. While it was declared distressed in 2015, it recovered its costs before closure. The life of this TIF was extended by one year for the purposes of benefiting affordable housing and to improve the housing stock of the community. Approximately \$300,000 of this was put into a fund to be used for these purposes.

TID 6 (Industrial Park) – TID 6 was created in 1997 and is also closed. While declared distressed, the TIF has generated more than \$28M in increment during its life. This TIF was also extended for a year and approximately \$600,000 was added to the affordable housing fund.

TID 7 (Westside Highway 41 Corridor) – TID 7 (2000) is designated as a donor district for TID 8. The district has realized an increased increment of more than \$112M. This district has assisted in the redevelopment of the old Shopko, the Kohls/Walmart area, Westowne and original Bridgewood Golf Course.

TID 8 (Doty Island and Downtown) – TID 8 (2001) is the recipient district of TID 7. The district has seen an increased increment of \$72M.

TID 9 (Southside Highway 41/Menasha Corp.) – TID 9 was created in 2015 and is commonly known as the Menasha Corp. District. The CDA acquired Loren's Salvage Yard in this district and environmental/physical is almost complete. The district has seen an increased increment of \$9M.

TID 10 (Arrowhead Park) – TID 10 was also created in 2015 and a \$16.5M increment has been realized. This district has significant potential but the downtown parking condition is the biggest hurdle for growth.

TID 11 (Pendleton Park) – TID 11 was created in 2017 and has seen an increased increment of \$17.6M. The city partnered with Winnebago County to create a roundabout at CB and JJ and to extend Pendleton Road.

TID 12 (Bridgewood Redevelopment) – This is the youngest TID created in August of 2022. It is anticipated to generate \$22M. Construction on this redevelopment has been postponed for one year.

Member Joch asked if there is any concern about the TIFs. Director Haese explained that TID 10 may be touch and go because of the funding for the proposed parking structure. However, he discussed that he is very conservative with his estimates and anticipates this TIF to close out fine.

Announcements and Future Agenda Items: Director Haese anticipates the creation of 1 or 2 additional TIDs probably within the next 12 months. These may involve the Shattuck School property and the Industrial park.

Adjournment: Meeting adjourned at 2:35 p.m.

Respectfully Submitted,



Samantha Jefferson
Office Manager of Community Development and Assessment



M E M O R A N D U M

DATE: October 5, 2023
TO: Joint Review Board Members
FROM: Chris A. Haese, Director of Community Development and Assessment
RE: Tax Incremental District No. 9, Amendment 3

Board members, thank you again for serving on the City of Neenah's Joint Review Board (JRB). As you are aware, the JRB is composed of one representative each from the Neenah Joint School District, Fox Valley Technical College, Winnebago County, and the City. In addition, a citizen member is chosen by the other four JRB members.

The following individuals have been appointed by their respective organizations to serve on the standing JRB for Tax Increment District (TID) #9:

Jon Joch	Neenah Joint School District
Amy Van Straten	Fox Valley Technical College
Jon Doemel	Winnebago County
John Skyrms	City of Neenah
Mike Faulks	Public Member

Mr. Faulks has previously been appointed Chair of the Board and will continue to serve in that role.

Enclosed for your review and consideration is the Project Plan for proposed amended Tax Incremental District #9. This amendment would alter the boundaries of the District to allow for the inclusion of nine additional parcels on the southerly edge of the District as well as additional funding for infrastructure improvements. The development of this area is challenged by wetland impacts and needed transportation infrastructure. Therefore, tax incremental financing is warranted to provide an economically feasible development of the area.

The amended TID #9 will continue to provide development assistance in the form of developer-funded or 'pay-go' financing. This type of funding minimizes the risk of under-performance of the District to the City while still assisting development that would not occur without the assistance of a TID #9.

Edgewater Door, a Neenah manufacturer with operations at 175 N. Western Avenue has proposed to construct a \$2 million, 45,000 square foot building at 2455 Schultz Drive. The site has been available for many years, and during that time it has been compromised by the placement of unauthorized fill and wetland encroachment. Additionally, the fill material remains and will have to be addressed. Despite these obstacles, the site is of sufficient size

CITY OF NEENAH
Dept. of Community Development

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to accommodate both Edgewater's initial building as well as an anticipated expansion of similar size.

The Joint Review Board will meet on **October 10, 2023, at 3:00 PM**, to discuss the potential TID #9 amendment. The Plan Commission will also meet on October 10, at 4:15 PM, to conduct a public hearing and act on the Project Plan and District Boundaries. Additionally, the Common Council will conduct a public hearing on the amendment of TID #9 at its October 18, 2023 meeting.

City staff will attend Tuesday's meeting to review the proposed amended Tax Incremental District #9 Project Plan and to answer any questions you may have. If you have any questions prior to the meeting, please do not hesitate to contact me.

**CITY OF NEENAH TAX INCREMENT DISTRICT #9
PROJECT PLAN AMENDMENT NO. 3**

U.S. HIGHWAY 41 SOUTH INDUSTRIAL REDEVELOPMENT DISTRICT



DATE ADOPTED BY COMMON COUNCIL:
DATE ADOPTED BY JOINT REVIEW BOARD:
EXPENDITURE DEADLINE:
TID #9 EXPIRATION DATE:

CITY OF NEENAH OFFICIALS AND STAFF

Jane Lang	Mayor
Cari Lendrum	Aldersperson District 1
John Skyrms	Aldersperson District 1
Kathie Boyette	Aldersperson District 1
Dan Steiner	Aldersperson District 2
Tamara Erickson	Aldersperson District 2
Brian Borchardt	Aldersperson District 2
Todd Stevenson	Aldersperson District 3
Scott Weber	Aldersperson District 3
Lee Hillstrom	Aldersperson District 3

David C. Rashid	City Attorney
Charlotte Nagel	City Clerk
Vicki Rasmussen	Director of Finance
Chris Haese	Director of Community Development
Brad Schmidt	Deputy Director of Community Development
Samantha Jefferson	Community Development Specialist

PLANNING COMMISSION

Mayor Jane Lang	Chair
Gerry Andrews	Member
Karen Genett	Member
Dan Steiner	Aldersperson/Member
Kate Hancock-Cook	Parks and Rec. Commission Rep. /Member
Gerry Kaiser	Director of Public Works/Member
Sara Moore-Nokes	School Board Rep. /Member
Betsy Ellenberger	Member

JOINT REVIEW BOARD

John Skyrms	City Representative
Jon Doemel	Winnebago County
Amy Van Straten	Fox Valley Technical College
Jon Joch	Neenah Joint School District
Mike Faulks	Public Member

CITY OF NEENAH TAX INCREMENT DISTRICT #9
PROJECT PLAN AMENDMENT NO. 3
Effective January 1, 2024

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CITY OF NEENAH TAX INCREMENT DISTRICT #9
PROJECT PLAN AMENDMENT NO. 3
Effective January 1, 2024

SUMMARY FINDINGS

- District Name: City of Neenah Tax Increment District #9 (2024 Amendment No. 3)
- Location: U.S. Highway 41 South Industrial Redevelopment District.
- Purpose: Stimulate redevelopment, revitalization, and growth as a means to increase employment and ensure a vital and healthy tax base.
- Effective Date: The effective date of the amendment, for the capture of new taxable value within the expanded boundaries of Tax Increment District #9, is January 1, 2024.
- Proposed Costs: Total Project Costs are projected to be \$4.152 million over the life of the District. All costs are based on 2023 prices and are preliminary estimates that are based on best information available. The plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects understanding the District can be in effect for a twenty-seven year period allowed by Wisconsin Statute. The City of Neenah reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2023 and the time of construction. The City retains the right to delete projects or change the scope and/or timing of projects implemented as the Common Council individually authorizes them, without amending the Plan.
- Project Financing: Capital financing of \$2.019 million, utilizing borrowing proceeds.
- Project Revenues: Tax Increment District #9, as amended, is projected to create \$14.5 million of tax base through its maximum life period (2041). It will generate an estimated \$6.3 million in tax increments during that same period.
- Economic Study: Based on project expenditures and revenue levels, all obligations of TID #9, as amended, will be paid in full during calendar year 2040, the 26th year of the District. Upon closure and dissolution of the District, all accrued and unencumbered increments will be promptly distributed among the local taxing entities (School District, County, Vocational District and City) and all future tax revenues will be directly distributed to them.

CITY OF NEENAH TAX INCREMENT DISTRICT #9
PROJECT PLAN AMENDMENT NO. 3

Effective January 1, 2024

INTRODUCTION

Tax Incremental District Number 9 (the “District”) was created in 2015 by the City of Neenah under the authority provided by the Wisconsin Statute Section 66.1105 “Tax Incremental Law” to assist with the rehabilitation and conservation of the industrial corridor adjacent to U. S. Highway 41 from approximately Breezewood Lane/Bell Street on the north to County Highway G on the south. A map of the District boundaries, as amended, is provided in Figure 1. This area is characterized by industrial development that, due primarily to the age, is experiencing a high degree of functional obsolescence. The District, as amended, will consists of 135 acres of property currently zoned for industrial use and an additional 36 acres of highway and railroad right-of-way.

The District, as amended, is created as a “Rehabilitation and Conservation District” based upon the finding that at least 50%, by area of the real property within the District, is in need of rehabilitation and conservation within the meaning of Wisconsin Statute Section 66.1337(2m)(a) described below. The map exhibit in Figure 2 illustrates existing uses and conditions of the District, including identifying approximately 139 acres of the District in need of rehabilitation and conservation. The remaining 36 acres is contained within railroad and highway right-of-way.

Rehabilitation of Conservation work includes any of the following:

1. Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements.
2. Acquisition of real property and demolition, removal or rehabilitation of buildings and improvements on the property where necessary to eliminate unhealthful, unsanitary or unsafe conditions, lessen density, reduce traffic hazards, eliminate obsolete or other uses detrimental to the public welfare, to otherwise remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.
3. Installation, construction or reconstruction of streets, utilities, parks, trails, playgrounds, and other improvements necessary for carrying out the objectives of the urban renewal project.
4. The disposition, for uses in accordance with the objectives of the urban renewal project, of any property acquired in the area of the project. The disposition shall be in the manner prescribed in this section for the disposition of property in a redevelopment project area.

The U.S. Highway 41 corridor has had a significant impact on Neenah’s industrial development, beginning in the early 1960’s when industrial manufacturing facilities were first constructed by PH Glatfelter and Menasha Corporation. These facilities have provided a consistent manufacturing base for the community for over 50 years. Over this half century, the properties within the District have begun to face both economic and physical obsolescence that must be overcome for the continued success of the District. These properties must either be cleared of aging, underutilized structures, or significant renovation and building conversion must be undertaken to transform older buildings into a modern and efficient space. In either case, excessive development costs seriously limit the ability of the private sector to fully front-end the costs of revitalization and economic growth. Without some level of public participation, the redevelopment projects could not succeed.

Tax increment financing provides the means for the City of Neenah to support economic development by upgrading public infrastructure, removing blight, completing environmental remediation, property assemblage, and awarding grants to qualified private sector recipients. Wisconsin’s Tax Increment law allows the City to use property tax revenues from new development in the District to recover the City’s investment in the District. The Tax Increment District (TID), as amended, will provide a 17-year period in which the City can make public investment in support of private revitalization efforts. The law allows a 27-year maximum debt retirement period, during which time tax revenues generated by new development and other growth in the TID are applied by the City to pay the public investment made in the project. When all project and associated holding costs are paid off, the TID is dissolved and all subsequent tax revenues generated are distributed to all taxing entities.

Tax increment financing ensures that the public investment made in support of private economic development efforts is done in a financially feasible manner, and that the benefits of the investment are distributed fairly, first to the affected area, and ultimately to the community as a whole. It promotes and supports growth in the tax base which otherwise might not occur. The law also recognizes that since the City is the only taxing unit that assumes financial risk in a District, it is entitled within a prescribed time period to receive all new tax revenues of the TID as the source of paying off its public investment costs. All taxing entities subsequently receive future benefits from the expanded tax base that was generated as a result of the City’s TID investment.

BOUNDARIES

The boundaries of TID #9 will be modified to add territory to the District. The amended boundaries are illustrated in Figure 1.

NAME OF DISTRICT

Upon amendment, the name of the TID shall remain City of Neenah, Tax Increment District #9 (TID #9).

CREATION DATE

TID #9 was created effective January 1, 2015. The effective date of the amendment, for the capture of new taxable value within the expanded boundary area of TID #9, is January 1, 2024.

PROPOSED IMPROVEMENTS AND PROJECT COSTS

Table 1 provides an annual listing of proposed improvements and project costs for TID #9 as amended. These are the projected activities that may be required in the District at this time. However, as development and rehabilitation of the District begins to occur, it may dictate additions or deletions from the following list. The City of Neenah reserves the right to such additions and deletions to the project list to the full extent allowed by law. Potential redevelopment sites and proposed uses are illustrated in Figure 3. A half mile buffer around TID #9, as amended, and in which project costs may be incurred is illustrated in Figure 4.

Project costs for amended TID #9 will encompass four areas:

1. Utility and Access Improvements -- Funds will provide upgraded public utilities and infrastructure to support redevelopment within the district.
2. Redevelopment Assistance -- Funds will be provided to assist with activities such as land packaging, site and building renovation, clearance, and site preparation at target sites where the private sector is committed to high value projects that will increase the tax base.
3. Planning/Project Support/Administration -- Administrative costs of managing district activities including promotion and Development, engineering, environmental and organizational cost.
4. Financing Cost – Interest, finance fees, bond discounts, redaction premiums, legal opinions, credit ratings, insurance and other expenses related to financing.

Table 1
Project Costs

Project/Activity	Total Cost	Estimated Timing
Municipal Utility and Access Improvements within the ½ Mile Boundary	\$729,000	2015-2030
Redevelopment Assistance	\$1,100,000	2018-2034
Land Acquisition	\$1,000,000	2019-2020
Planning/Project Support – Administrative, Professional, Environmental, and Promotion Services Cost. Filing fees and fees charged by the State. Audit costs.	\$1,100,000	2015-2041
Financing Costs <ul style="list-style-type: none"> • General Obligation Borrowing Interest Expense 	\$222,588	2015-2040
TOTAL	\$4,151,588	-

NON-PROJECT COSTS

There are no anticipated non-project costs within the expanded boundary of TID #9.

RELOCATION

Some potential redevelopment projects could require the acquisition of private properties, which might involve the displacement of families or businesses. All individuals, families, and business operations that might be displaced as a result of the City’s activities are entitled to assistance in conformance with the requirements set forth in Chapter 32, Wisconsin Statutes, and the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, as applicable.

MASTER PLAN, ZONING, BUILDING AND OTHER CODE CONSIDERATIONS

TID #9, as amended, is consistent with the goals, objectives and strategies of the City of Neenah Comprehensive Plan. The Comprehensive Plan specifically identifies the need for maintaining a strong, diverse economic base that can provide steady employment with quality of jobs. In addition, the Comprehensive Plan states that the City should continually promote the community as a good location for business growth. The use of tax incremental financing is specifically identified in the Comprehensive Plan as a tool the City should use as a means to accomplish development and revitalization objectives throughout the City. City partnership and support, through the formation and modification of TID #9, will be required for successful and sustained local economic growth to occur -- much the same as the initiatives taken in the Downtown and Westside business corridors. Appropriate zoning designations and regulations are in place to manage revitalization in the corridor. No changes to zoning or building codes are anticipated.

ECONOMIC FEASIBILITY STUDY

Total revenues generated from property tax increments are projected to offset total costs, within the maximum allowed 27-year life of the District. Consequently, the TID #9, as amended, is economically feasible. Projected tax base growth is presented in Appendix A, and a financing plan and feasibility analysis is presented in Appendix B.

The total projected costs of public improvements and activities over the life of the District (2015-2041) are \$4.152 million. The District is expected to create \$14.5 million of tax base through its maximum life period (2015-2041) and will generate an estimated \$6.3 million in tax increments during that same period.

Based on projected expenditure and revenue levels, all obligations of TID #9, as amended, will be paid in full during calendar year 2040, the 26th year of the District. Upon closure and dissolution of the District, all remaining unencumbered increments will be promptly distributed among all taxing entities (School District, County, Vocational District and City). Following closure and dissolution, the tax base created as a result of development in the District will directly benefit the taxing entities and all future tax revenues will be directly distributed to them.

Recognizing that all taxing entities involved in the District will accrue significant long-term benefits from the projected success of TID #9, the City realizes that each entity is also a continuing partner in its progress, in that they will forego tax benefits on new development in the District until it is dissolved. Appendix C shows the projected increments over the life of the District, apportioned among the four entities, based on the formula prescribed by the Wisconsin Department of Revenue.

The following economic assumptions have been applied when developing the amended Project Plan for TID #9:

- The base equalized value of TID #9, as amended, has been established at \$19.169 million, which was the equalized value of real estate and personal property within this area on January 1, 2023.
- The current equalized tax rate of \$20.00 is assumed to remain level throughout the life of the District. For purposes of the Economic Feasibility Study, the equalized tax rate of \$20.00 was utilized in all calculations beginning in year 2023.
- General Obligation (G.O.) Notes and Bonds represent annual capital borrowing for public investment in the District. Initial borrowing has been assumed to be 15 years in length with repayment of principal on a schedule to match with accruing tax increments.
- All interest rates have been projected at 3.5%, approximately the same level as current Aa/AA-rated G.O. Notes. Guidance for estimating future rates was provided by the City's financial advisor. No attempt has been made to anticipate cyclical rate changes in

future years. Principal and interest payments of future scheduled debt installments are being planned to match the estimated tax increments generated on an annual basis.

FINANCING

The City of Neenah plans the use of G.O. Notes and Bonds or other permitted loan instruments in order to finance or refinance the costs of TID #9, as amended. City borrowing will be phased to coincide with need and refinancing schedule as necessary to properly manage the District's affairs.

Another option for financing is the use of developer-funded or "pay as you go" financing which minimizes the risk of non-performance of the TID to the City, while still assisting development that would not occur without assistance of a tax increment district. The type and method of financing each project in this District shall be made on a project by project basis to support the success of the District.

Repayment costs will be funded from tax increments generated by new tax base growth in the District.

ORDERLY DEVELOPMENT

The expansion of the boundaries of TID #9 will further promote the City's goal of orderly, sustained redevelopment and revitalization in the U.S. Highway 41 South Industrial Redevelopment District. By supporting efforts to revitalize the District, the City will help to ensure a healthy tax base and economy for the entire community.

EXISTING USES AND CONDITIONS

Figure 2 illustrates the existing land use patterns and conditions of real property within the expanded boundary of TID #9. Other uses and conditions identified in the previous Project Plan remain unchanged.

FINDINGS

- Within the expanded boundary of TID #9, properties in need of rehabilitation or conservation work represent 100%, by area of all real property excluding right-of-way.
- The redevelopment and revitalization of property within the expanded boundary of TID #9 will significantly enhance the value of all property in the District. Supporting private investment at key sites will increase property values District-wide.
- It is estimated that as of January 1, 2023, using equalized values, the base value of expanded TID #9 plus the increment values of TID #7, TID #8, TID #9, TID #10, TID #11 and TID #12 totals \$263,346,000, which is 8.47% of the total of all taxable property in the City of Neenah as shown below. State law requires that those values not exceed 12%.

TID #7 Increment Value (est)	\$124,869,300	
TID #8 Increment Value (est)	\$85,362,900	
TID #9 Increment Value (est)	\$9,971,300	
TID #10 Increment Value (est)	\$16,857,100	
TID #11 Increment Value (est)	\$16,982,300	
TID #12 Incremental Value (est)	\$609,800	
TID #9 Expanded Boundary Area Base Value (est)	\$8,693,300	
Total	\$263,346,000	
		÷
Total City Equalized Value (est)	\$3,107,857,600	=8.47%

- The project costs are consistent with the purpose of making feasible the revitalization of the U.S. Highway 41 South Industrial Redevelopment District. Without public financial participation, the redevelopment projects could not succeed.
- Based on projected expenditures and revenues all obligations of TID #9 as amended will be paid in full prior to dissolution of the District.

CITY OF NEENAH TAX INCREMENT DISTRICT #9
PROJECT PLAN AMENDMENT NO. 3
Effective January 1, 2024

FIGURES

FIGURE 1 – BOUNDARY MAP

FIGURE 2 – CURRENT LAND USES

FIGURE 3 – PROPOSED LAND USES

FIGURE 4 – HALF MILE BUFFER

APPENDICES

APPENDIX A – SCHEDULE OF PROJECTED TAX BASE GROWTH

APPENDIX B – FINANCING & FEASIBILITY PLAN

**APPENDIX C – SCHEDULE OF PROJECTED TAX INCREMENTS APPORTIONED AMONG
TAXING ENTITIES**

APPENDIX D – CITY ATTORNEY’S OPINION

FIGURE 1: BOUNDARY MAP

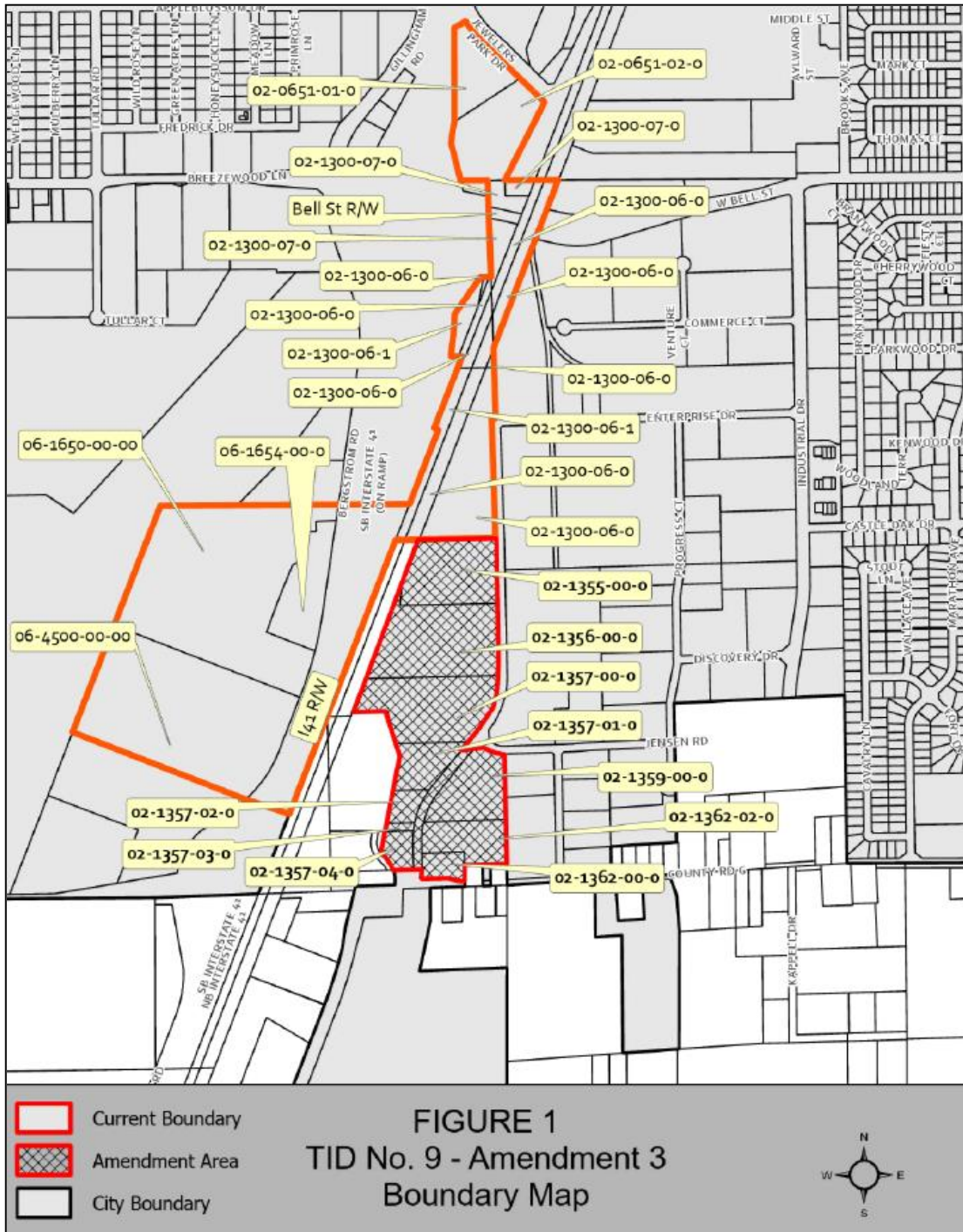


FIGURE 2: CURRENT LAND USES

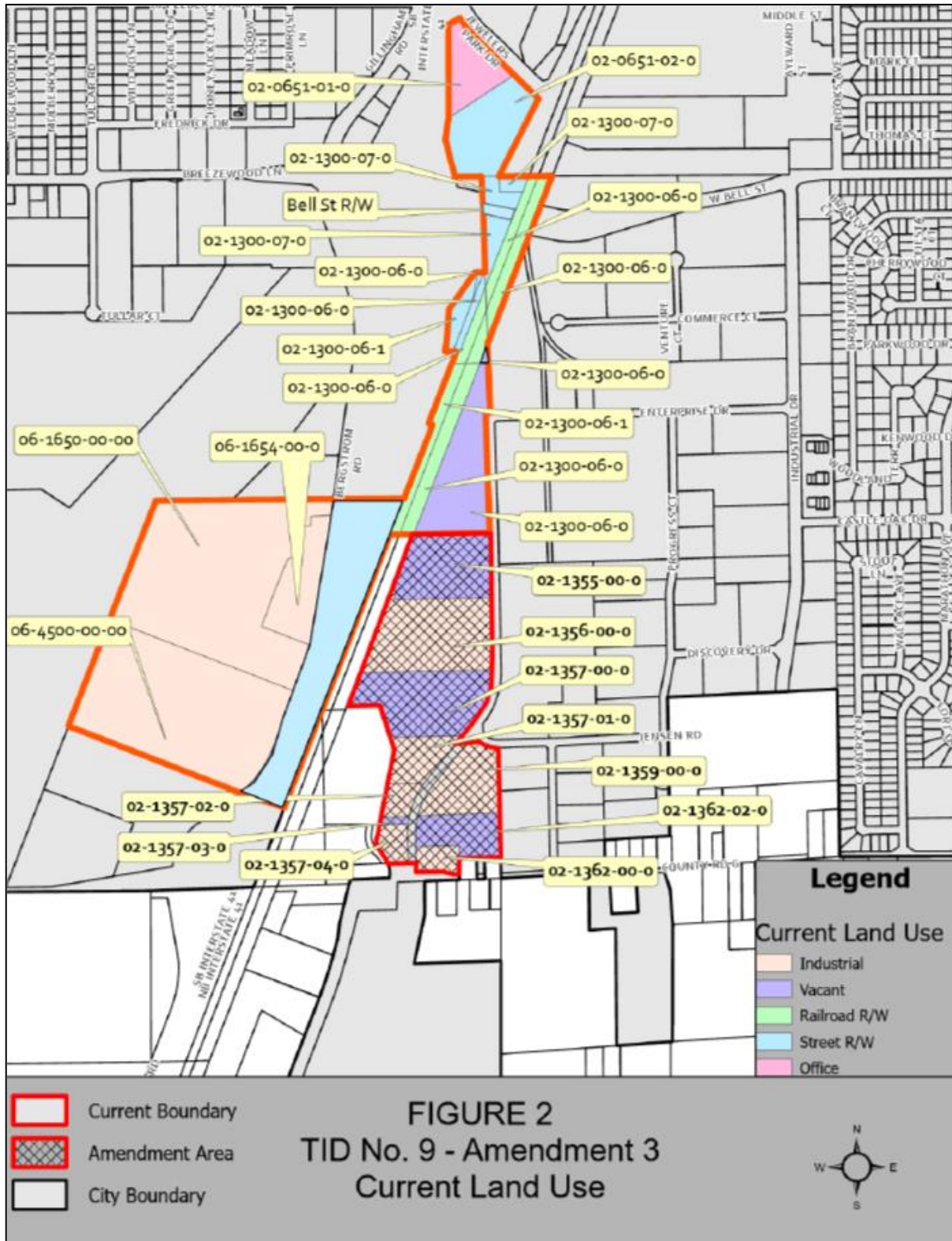
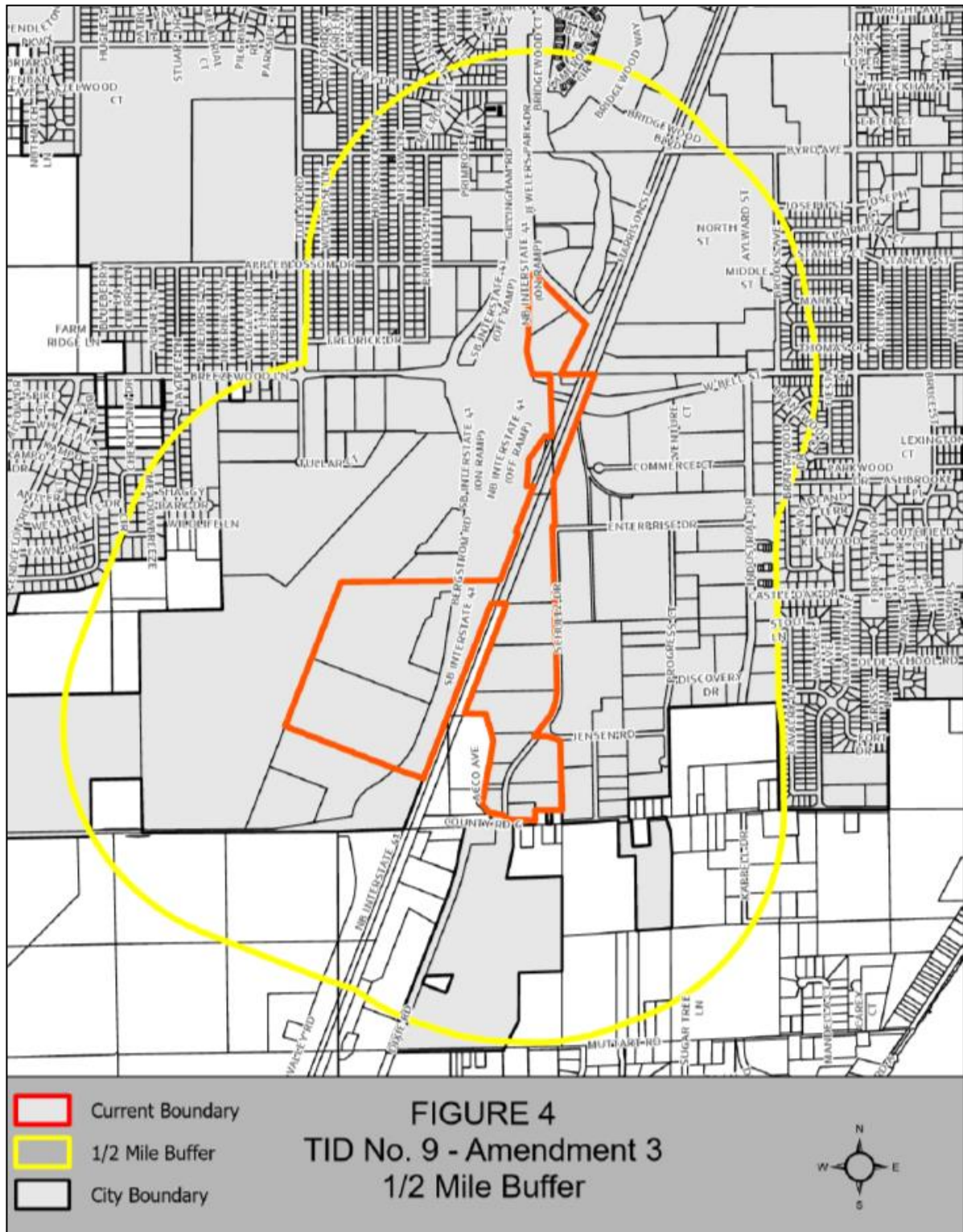


FIGURE 4: HALF MILE BUFFER



**APPENDIX B
FINANCING & FEASIBILITY PLAN**

	Year	Date	Project Costs				Capital Borrowing				Project Revenues			Net Excess Revenue Over Costs	Cumulative Revenue Over Costs	
			Utility & Access Improvements	Planning & Project Support	Land Acquisition	Administration	Redevelopment Assistance/Incentives	G.O. Debt Service Principal	G.O. Debt Service Interest	Other	Total Plan Costs	Property Tax Increment Projected	Other			Total Plan Revenues
	1	2015	\$ 100,000	\$ 40,000		\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ (60,000)	\$ -	
	2	2016	\$ 300,000	\$ 40,000		\$ 30,000	\$ -	\$ -	\$ 3,374	\$ -	\$ 33,374	\$ -	\$ -	\$ (63,374)	\$ -	
	3	2017	\$ -	\$ 15,000		\$ 30,000	\$ -	\$ -	\$ 13,552	\$ -	\$ 43,552	\$ -	\$ -	\$ (73,552)	\$ -	
	4	2018	\$ -	\$ 15,000		\$ 30,000	\$ 100,000	\$ 25,000	\$ 11,975	\$ -	\$ 166,975	\$ 240,000	\$ -	\$ 240,000	\$ (56,975)	\$ (56,975)
	5	2019	\$ 179,000	\$ 15,000	\$1,000,000.00	\$ 30,000	\$ 100,000	\$ 65,000	\$ 11,630	\$ -	\$ 206,630	\$ 233,000	\$ -	\$ 233,000	\$ (103,630)	\$ (160,605)
	6	2020	\$ -	\$ 15,000		\$ 30,000	\$ 100,000	\$ 65,000	\$ 16,505	\$ -	\$ 211,505	\$ 233,000	\$ -	\$ 233,000	\$ (108,505)	\$ (269,110)
	7	2021	\$ -	\$ 15,000		\$ 30,000	\$ 100,000	\$ 244,000	\$ 25,682	\$ -	\$ 399,682	\$ 233,000	\$ -	\$ 233,000	\$ (296,682)	\$ (565,792)
	8	2022	\$ -	\$ 15,000		\$ 30,000	\$ 100,000	\$ 254,000	\$ 23,054	\$ -	\$ 407,054	\$ 233,000	\$ -	\$ 233,000	\$ (304,054)	\$ (869,846)
	9	2023	\$ -	\$ 15,000		\$ 30,000	\$ 100,000	\$ 251,000	\$ 20,053	\$ -	\$ 401,053	\$ 200,000	\$ -	\$ 200,000	\$ (331,053)	\$ (1,200,899)
	10	2024	\$ -	\$ 15,000		\$ 30,000	\$ 100,000	\$ 258,000	\$ 18,006	\$ -	\$ 406,006	\$ 200,000	\$ -	\$ 200,000	\$ (336,006)	\$ (1,536,905)
	11	2025	\$ -	\$ 15,000		\$ 30,000	\$ 40,000	\$ 265,000	\$ 14,205	\$ -	\$ 349,205	\$ 250,000	\$ -	\$ 250,000	\$ (169,205)	\$ (1,706,110)
	12	2026	\$ -	\$ 15,000		\$ 30,000	\$ 40,000	\$ 122,000	\$ 10,293	\$ -	\$ 202,293	\$ 250,000	\$ -	\$ 250,000	\$ (22,293)	\$ (1,728,403)
	13	2027	\$ -	\$ 15,000		\$ 30,000	\$ 40,000	\$ -	\$ 8,750	\$ -	\$ 78,750	\$ 250,000	\$ -	\$ 250,000	\$ 101,250	\$ (1,627,153)
	14	2028	\$ -	\$ 15,000		\$ 30,000	\$ 40,000	\$ 120,000	\$ 7,234	\$ -	\$ 197,234	\$ 250,000	\$ -	\$ 250,000	\$ (17,234)	\$ (1,644,387)
	15	2029	\$ -	\$ 15,000		\$ 30,000	\$ 40,000	\$ 110,000	\$ 4,070	\$ -	\$ 184,070	\$ 250,000	\$ -	\$ 250,000	\$ (4,070)	\$ (1,648,457)
Max Expenditure Date	16	2030	\$ 150,000.00	\$ 15,000		\$ 30,000	\$ 40,000	\$ 32,753	\$ 7,207	\$ -	\$ 109,959	\$ 290,000	\$ -	\$ 290,000	\$ 110,041	\$ (1,538,416)
	17	2031	\$ -	\$ -		\$ 30,000	\$ 40,000	\$ 33,206	\$ 6,393	\$ -	\$ 109,599	\$ 290,000	\$ -	\$ 290,000	\$ 110,401	\$ (1,428,016)
	18	2032	\$ -	\$ -		\$ 30,000	\$ 40,000	\$ 28,676	\$ 5,673	\$ -	\$ 104,349	\$ 290,000	\$ -	\$ 290,000	\$ 115,651	\$ (1,312,365)
	19	2033	\$ -	\$ -		\$ 30,000	\$ 40,000	\$ 49,162	\$ 4,337	\$ -	\$ 123,499	\$ 290,000	\$ -	\$ 290,000	\$ 96,501	\$ (1,215,865)
	20	2034	\$ -	\$ -		\$ 30,000	\$ 40,000	\$ 14,666	\$ 3,133	\$ -	\$ 87,799	\$ 290,000	\$ -	\$ 290,000	\$ 132,201	\$ (1,083,664)
	21	2035	\$ -	\$ -		\$ 30,000	\$ -	\$ 15,188	\$ 2,612	\$ -	\$ 47,799	\$ 290,000	\$ -	\$ 290,000	\$ 212,201	\$ (871,464)
	22	2036	\$ -	\$ -		\$ 30,000	\$ -	\$ 15,728	\$ 2,071	\$ -	\$ 47,799	\$ 290,000	\$ -	\$ 290,000	\$ 212,201	\$ (659,263)
	23	2037	\$ -	\$ -		\$ 30,000	\$ -	\$ 16,287	\$ 1,512	\$ -	\$ 47,799	\$ 290,000	\$ -	\$ 290,000	\$ 212,201	\$ (447,063)
	24	2038	\$ -	\$ -		\$ 30,000	\$ -	\$ 16,867	\$ 933	\$ -	\$ 47,799	\$ 290,000	\$ -	\$ 290,000	\$ 212,201	\$ (234,862)
Estimated Closure	25	2039	\$ -	\$ -		\$ 30,000	\$ -	\$ 17,467	\$ 333	\$ -	\$ 47,799	\$ 290,000	\$ -	\$ 290,000	\$ 212,201	\$ (22,662)
	26	2040	\$ -	\$ -		\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 290,000	\$ -	\$ 290,000	\$ 230,000	\$ 207,338
Max Closure Date	27	2041	\$ -	\$ -		\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 290,000	\$ -	\$ 290,000	\$ 230,000	\$ 437,338
	TOTALS		\$ 729,000	\$ 290,000.00	\$ 1,000,000.00	\$ 810,000	\$ 1,100,000	\$ 2,019,000	\$ 222,588	\$ -	\$ 4,151,588	\$ 6,302,000	\$ -	\$ 6,302,000	\$ 437,338	

APPENDIX C
SCHEDULE OF PROJECTED TAX INCREMENTS
APPORTIONED AMONG TAXING ENTITIES

			ESTIMATED APPORTIONMENT AMONG TAXING ENTITES				
			Neenah School District	City of Neenah	Winnebago County	Fox Valley Technical College	State of Wisconsin
Year	Collection Year	Projected Tax Increment	35.00%	39.00%	21.00%	4.00%	0.00%
1	2018	\$ 240,000	\$ 84,000.00	\$ 93,600.00	\$ 50,400.00	9,600	\$ -
2	2019	\$ 233,000	\$ 81,550.00	\$ 90,870.00	\$ 48,930.00	9,320	\$ -
3	2020	\$ 233,000	\$ 81,550.00	\$ 90,870.00	\$ 48,930.00	9,320	\$ -
4	2021	\$ 233,000	\$ 81,550.00	\$ 90,870.00	\$ 54,720.00	9,320	\$ -
5	2022	\$ 233,000	\$ 81,550.00	\$ 90,870.00	\$ 54,720.00	9,320	\$ -
6	2023	\$ 200,000	\$ 70,000.00	\$ 78,000.00	\$ 54,720.00	8,000	\$ -
7	2024	\$ 200,000	\$ 70,000.00	\$ 78,000.00	\$ 54,720.00	8,000	\$ -
8	2025	\$ 250,000	\$ 87,500.00	\$ 97,500.00	\$ 54,720.00	10,000	\$ -
9	2026	\$ 250,000	\$ 87,500.00	\$ 97,500.00	\$ 54,720.00	10,000	\$ -
10	2027	\$ 250,000	\$ 87,500.00	\$ 97,500.00	\$ 54,720.00	10,000	\$ -
11	2028	\$ 250,000	\$ 87,500.00	\$ 97,500.00	\$ 54,720.00	10,000	\$ -
12	2029	\$ 250,000	\$ 87,500.00	\$ 97,500.00	\$ 54,720.00	10,000	\$ -
13	2030	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
14	2031	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
15	2032	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
16	2033	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
17	2034	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
18	2035	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
19	2036	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
20	2037	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
21	2038	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
22	2039	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
23	2040	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
24	2041	\$ 290,000	\$ 101,500.00	\$ 113,100.00	\$ 54,720.00	11,600	\$ -
TOTALS		\$ 6,302,000.00	\$ 2,205,700.00	\$ 2,457,780.00	\$ 1,297,380.00	\$ 252,080.00	\$ -

APPENDIX D
CITY ATTORNEY'S OPINION



Dept. of Legal & Administrative Services
Office of the City Attorney
211 Walnut St. • P.O. Box 426 • Neenah WI 54957-0426
Phone 920-886-6106 • Fax: 920-886-6109 • e-mail: drashid@neenahwi.gov
DAVID C. RASHID
City Attorney

September 28, 2023

Mr. Chris Haese
Director of Community Development & Assessment
211 Walnut Street
Neenah, WI 54956

RE: City of Neenah Tax Increment District #9, Third Amendment

Dear Mr. Haese:

You have asked me for a legal opinion as to the legal sufficiency and statutory compliance of the Project Plan for the City of Neenah Tax Increment Finance District #9 ("Project Plan"). I have reviewed the Project Plan for said district as well as the appendices attached thereto in relation to their compliance with the provisions of Sections 66.1105 generally and Wis. Stats §66.1105(4)(f) specifically. It is my opinion that the TID #9 Project Plan is in compliance with all of the provisions of Sections 66.1105(2)(g) and 66.1105(4)(f), Wis. Stats. This opinion is being offered in accordance with the requirements of Section 66.1105(4)(f), Wis. Stats.

If you have any questions concerning this matter, please contact me at your convenience.

Cordially,

David C. Rashid
City Attorney

DRCbdd

**TAX INCREMENT DISTRICT NO. 9
DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGREEMENT is dated as of the 20th day of September 2023 by and between Neenah Door Properties, LLC a Wisconsin limited liability company (the “Developer”) and the CITY OF NEENAH, a Wisconsin municipal corporation (the “City”).

RECITALS

City and Developer acknowledge the following:

- A. The City of Neenah owns real property located within the City and described on Exhibit A, attached hereto (the “Property”). The Property is comprised of approximately 9.85 acres of unimproved property that requires significant grading, wetland mitigation, and soil management prior to development.
- B. In 2023 (effective January 1, 2024) the City intends to amend Tax Increment District No. 9 (the “District” or “TID 9”) pursuant to Section 66.1105, Wis. Stat. (the “Tax Increment Law”) and approve a plan for the redevelopment of the District (the “District Plan”). The City plans to include the Property within the boundaries and plans for redevelopment of amended Tax Increment District No. 9.
- C. Subject to obtaining assistance set forth herein, the Developer intends to purchase from the City and then undertake development of the Property (the “Development Project”) that will increase its value and provide other tangible benefits to the surrounding neighborhoods and to the City as a whole. The Development Projects will be consistent with the District Plan for amended TID No. 9.
- D. The City desires to encourage economic development including the elimination of slum and blight, expand its tax base, and create new jobs within the City, the District and the Property. The City finds that the development of the Property and the fulfillment, generally, of the terms and

conditions of this Agreement are in the vital and best interests of the City and its residents and serve a public purpose in accordance with state and local law.

E. The Development Project would not occur as shown on Exhibit B without the use of Tax Incremental Financing. The City, pursuant to Common Council Action dated September 20, 2023, has approved this Agreement and authorized the execution of the Agreement by the proper City officers on the City's behalf.

F. The Developer, by its authorized representative, has approved this Agreement and authorized representative is authorized to execute this Agreement on the Developer's behalf.

G. All terms that are in upper case but not defined in this Agreement and that are defined under the Tax Increment Law shall have the definitions assigned to such terms by the Tax Increment Law.

NOW THEREFORE, in consideration of the above recitals, which are contractual, and the mutual promises contained herein, the parties agree to the following terms and conditions.

ARTICLE 1 PURPOSES - DEFINITIONS

1.1 Purpose of Agreement. The parties have agreed upon a plan for redevelopment of the Development Area (the "Development"). The purpose of this Agreement is to formalize and record the understandings and undertakings of the parties and to provide a framework within which the redevelopment of the land will take place.

1.2 Definitions. The terms listed below shall be defined for the purposes of this Agreement as follows:

1.2.1. **"City"** means the City of Neenah, a Wisconsin Municipal Corporation. The City may also be referred to as the City of Neenah.

1.2.2. **“Contribution” or “City Contribution”** means the Tax Increment Revenue Financing payment made to the Developer by the City pursuant to Section 4.4 upon the satisfactory completion, on the part of all parties, of all undertakings as specified in Articles 3 and 4 as related to the Development Project.

1.2.3. **“Developer”** means Neenah Door Properties, LLC, a Wisconsin limited liability company.

1.2.4. **“Development Projects” or “Projects”** means the overall construction of the improvements and uses anticipated by the Development Plan and this Agreement for the Development Area.

1.2.5. **“Development Area”** means the sum of all property described in Exhibit A, and constitutes the total boundaries of the project for which this Agreement is provided.

1.2.6. **“Development Plan”** means the Development as shown on Exhibit B as improved by the site improvements outlined in Exhibit C and as further described by this Agreement.

1.2.7. **“Development Phase”** means the acquisition of the property, remediation, site preparation work including site grading and wetland/floodplain mitigation, construction of site improvements and development as hereinafter described in Section 3.5.

1.2.8. **“Minimum Total Tax Value”** means the minimum Tax Increment Value required for the Development to be eligible for a City Contribution. The Minimum Total Tax Value for this Project is \$1.5 million (projected to be \$2.0 million total equalized assessed value).

1.2.9. **“Minimum Contribution”** means the minimum amount of the Contribution made by the City to the Project.

1.2.10. **“Site Plan”** means the specific physical layout of the Development Area as shown on the Development Plan as shown on Exhibit B attached hereto.

1.2.11. **“Tax Increment Base Value”** means the equalized value of Real and Personal Property of the Development Area on January 1, 2024 as certified by the State of Wisconsin.

1.2.12. **“Tax Increment Value”** means the equalized value above the Tax Increment Base Value established for the Development Area as determined by the City of Neenah assessor. The equalized value is calculated by taking the assessed value reported by the City of Neenah Assessor that is certified by the State Department of Revenue times the aggregate ratio.

1.2.13. **“Tax Increment Revenue”** means the personal and real property tax revenue (as defined in Section 66.1105(2)(i) of the Wisconsin Statutes) generated by the Tax Increment Value generated by the Project.

1.2.14. **“TID #9”** means amended Tax Incremental District # 9.

1.2.15. **“Zoning Code”** means Chapter 26 of the Code of Ordinances of the City of Neenah. The Zoning Code may also be referred to as the “Code”

ARTICLE 2 DESCRIPTION OF DEVELOPMENT AND CONTINGENCY FOR TID #9 AMENDMENT

2.1 Development Area. The Development includes the land area described in full in Exhibit A as previously defined in the Agreement as the Development Area. The Development Area will be developed and improved with a new manufacturing facility and ancillary improvements, with site improvements as described and depicted in the attached Exhibit C, on a timetable and with estimated property valuation as described in the attached Exhibit D.

2.2 TID #9 Amendment. The parties acknowledge that this agreement and the obligations hereunder are contingent on adoption by the City and ratification by the City’s Joint Review Board for the amendment of TID #9. In the event that TID #9 is not amended, this Agreement is null and void.

3.1 Purchase 9.85 acres (approximately) of Lot 2 of Certified Survey Map number 6276 located in the Southpark Industrial Center from the City as depicted in Exhibit A, attached hereto. The purchase price will be \$195,000, and closing of the property transfer shall occur no later than January 15, 2023. Should the Developer fail to initiate construction of the development prior to November 1, 2025, the Developer shall sell the property to the City for the original purchase price as well as any real estate commissions and ancillary costs incurred by the City to facilitate the original sale to the Developer.

3.2 Initiate, or cause to initiate by third parties, the Development Project and complete it in accordance with all applicable City zoning and building codes, fire codes, ordinances and regulations. The general components of the Development Project and the estimated timetable for completion of each component are set forth on Exhibit D, attached hereto. All project costs expended by Developer, including costs incurred before the date of this Agreement, and which are eligible for funding pursuant to §66.1105 of the Wisconsin Statutes, are referred to as "Developer Costs". Developer Costs shall include, without limitation, costs for the construction of improvements, including hard and soft construction costs, professional fees, architectural fees, construction period interest, civil engineering fees, general contractor fees, infrastructure improvements, environmental remediation costs, demolition, parking facilities, and the clearing, grading and construction of the Development Project, and other costs permitted pursuant to Section 66.1105, Wis. Stat.

3.3 Developer warrants and represents to the City that but for the assistance to be provided by the City under Article 4, herein, Developer would not be able to proceed with the Project as specified on Exhibit B.

3.4 Developer or others shall prepare site plans, specifications, development timetables, and budgets for redevelopment and construction work to be undertaken in Development Phase.

3.5 Developer or others has presented an Implementation Plan for the Development Project, which is attached as Exhibit D.

3.6 Developer or others will implement or cause to be implemented the Development Project in the appropriate location of the Development Area as provided in Exhibits D that will have an estimated Tax Increment Value as follows:

3.6.1 Development Phase

<u>Project Name</u>	<u>Building Type</u>	<u>Legal Description</u>	<u>Estimated Increased Tax Increment Value</u>
	Manufacturing		\$2 million
Total			\$2 million

3.7 The City recognizes that in the current economic environment, approval of a Tax Increment District amendment and approval of a Development Agreement may be necessary prior to the Developer obtaining full financing for this project. For the purpose of facilitating this joint approval process, the City plans to amend TID #9, and will approve this Development Agreement with the contingency that prior to the City incurring any obligation to the Developer pursuant to the terms of this Agreement, the Developer shall:

3.7.1 Cooperate with the City to facilitate the City's performance under Article 4.

3.7.2 Developer or others shall be responsible for obtaining all permits.

3.7.3 The Developer or others shall be solely responsible for the costs of the installation and maintenance of utilities and improvements within the Development Area, including, but not limited to sanitary sewer, storm sewer, municipal water, gas, electric, cable TV, phone, drives, curb

and gutter. The Developer or others shall be solely responsible for complying with the State of Wisconsin's prevailing wage rates where for all portions of the Development Plan that are to be dedicated to the public.

3.7.4 Developer or others shall provide to the City's Community Development Director documentation from the Developer's bank and/or other funding sources confirming that the Developer has or others have the ability to permanently finance the Development Project before it commences.

ARTICLE 4 UNDERTAKINGS OF THE CITY

The City agrees that it shall:

4.1 Appropriate sufficient funds for the performance of its obligations under this Agreement as described in this section.

4.2 City shall cooperate with Developer throughout the implementation of the Development Project and shall promptly review and/or process all submissions and applications in accordance with applicable City ordinances.

4.3 Amend TID #9 to support the Development Projects at the Development Area, subject to final approval by the City's Common Council and Joint Review Board for Tax Increment Districts.

4.4 Make a Contribution to the Project, subject to all of the terms, covenants and conditions of the Agreement and applicable provisions of law, and as inducement by the City to Developer to carry out the Development Project, the City will provide payments to the Developer to assist with the Developer Costs, as provided below.

4.4.1 *Developer Costs –Development Project.* The City will provide payments to the Developer solely from future tax increments from the Development Area only to assist with Developer Costs. Upon approval of financing as outlined in Paragraph 3.6, TIF eligible

#9 may be counted as reimbursable expenses. City and Developer agree that there will be no reimbursement for any activities prior to the amendment of TID #9.

4.4.2 *Development Cost Invoices.* The Developer shall submit to the City's Director of Community Development copies of original invoice documentation of eligible Developer Costs to support \$1.5 million for documentary support of the City's contribution from Tax Increment Revenue.

4.4.3 *Source of City Contribution.* As the sole source for payment of the City Contribution, the City agrees to pay Developer eighty percent (80%) of the Tax Increment Revenue attributable to the Property pursuant to this Agreement, based on taxes accrued through a date (the "Expiration Date") which shall be the earliest to occur of: (i) the date on which the City Contribution has been paid in full; or (ii) September 1, 2039.

4.4.4 *Maximum City Contribution.* The City's total contribution for Developer Costs shall be limited to a maximum of \$400,000 or 80% of the Tax Increment Revenue attributable to the Development Project through January 1, 2039, , whichever is less, payable in installments over 14 years as provided hereunder. The City's Contribution will be provided to the Developer as follows: Each year beginning September 1, 2026, and continuing each September 1 thereafter until September 1, 2039, the City will pay to the Developer 80% of the Tax Increment Revenue received by the City attributable to the Development through 2038, provided that the Tax Increment Value of the Development Project also exceeds the Minimum Total Tax Value.

4.4.5 *City Contribution a Special and Limited Obligation.* Payments pursuant to this Agreement shall be a special and limited obligation of the City and not a general obligation.

4.5 Reimbursement for Nonnative, Imported Material. City shall reimburse Developer for costs incurred to move nonnative, imported soils and miscellaneous nonnative materials from the footprint of

planned improvements. The maximum reimbursement to be provided by City shall be \$50,000 (fifty thousand dollars). City and Developer shall mutually agree that materials and/or soils are nonnative and Developer shall provide detailed documentation of the costs associated with moving said soils and materials.

4.6 *Developer Acknowledgment.* Developer hereby acknowledges that, as a result of the special and limited nature of the City's obligation to pay the City Contribution, Developer's recovery of the full amount of the City Contribution depends on factors including, but not limited to, future mill rates, changes in the assessed value of the Development Project, the failure of the Development Project to generate the Tax Increment Revenue at the rate expected by Developer, reduction in Tax Increment Revenue caused by revenue-sharing, changes in the Tax Increment Law, and other factors beyond the City's and/or Developer's control.

4.7 City covenants to Developer that:

4.7.1 City shall not utilize more than twenty percent (20%) of the Tax Increment Revenue collected until such time the City Contribution has been paid in full, as previously indicated.

4.7.2 Until the City Contribution has been paid in full, or a sum sufficient to pay off the City Contribution has been set aside to cover payment of the City Contribution, the City shall not close the District prior to the Expiration Date. Upon the Expiration Date, or payment in full of (or a sum sufficient set aside to pay in full) the City Contribution, the City will be entitled to close the District and no liability shall remain from the City to the Developer upon expiration of the District.

4.8 This Section intentionally left blank.

ARTICLE 5 TAX STATUS

5.1 As long as the District is in existence, the Development Project including the land and all buildings and improvements thereon shall be owned by the Developer and taxable for real estate tax, special assessment purposes and personal property taxes. The City may waive the above restriction

upon execution of a payment in lieu of taxes (PILOT) agreement, on a form acceptable to the City, made between the City and the owner or lessee of an exempt Development Project.

ARTICLE 6 NO PARTNERSHIP OR VENTURE

6.1 Developer and its contractors or subcontractors shall be solely responsible for the completion of the Project. Nothing contained in this Agreement shall create or affect any partnership, venture or relationship between the City and Developer or any contractor or subcontractor employed by Developer in the construction of the Project.

ARTICLE 7 CONFLICT OF INTEREST

7.1 No member, officer or employee of the City, during his/her tenure or for one year thereafter, will have or shall have had any interest, direct or indirect, in this Agreement or any proceeds therefrom.

ARTICLE 8 WATER AND WATER RELATED PUBLIC IMPROVEMENTS

8.1 The City has already furnished water to the boundary of the Development. The Developer shall be solely responsible for the installation and maintenance of utility improvements to provide water service within the Development Project. Water service within the Development Project will be a public service. Public hydrants cannot be used for any purposes other than fire protection.

8.2 All plans and specifications for the design of the infrastructure and water improvements within the boundaries of the Development shall be subject to the approval of the City's Water Utility and, where necessary, Building Inspections, prior to the beginning of construction. Such approval shall not be unreasonably withheld.

8.3 Developer shall provide necessary easements for the maintenance and repair of the water distribution system.

ARTICLE 9 SANITARY SEWER

9.1 The City has already provided sanitary sewer to the boundary of the Development. The Developer shall be solely responsible for installing and maintaining sanitary sewer infrastructure on the Development including any necessary lift stations, force mains and other improvements from the Development to the City's existing infrastructure. Sanitary sewer service within the Development shall remain a private service.

9.2 Under any of the circumstances set forth herein, the City shall permit the Owner/Developer to connect with the City's sanitary sewer system at such reasonably accessible and economically feasible locations as determined by the City.

9.3 All plans and specifications for the design of the infrastructure and sanitary sewer improvements within the boundaries of the Development shall be subject to the approvals of the City's Department of Public Works & Utilities and, where necessary, Building Inspections, prior to the beginning of construction. Such approvals shall not be unreasonably withheld.

ARTICLE 10 STORMWATER MANAGEMENT

10.1 The Developer shall follow all applicable State and City Stormwater Ordinances. The Developer shall be solely responsible for installing and maintaining all on-site stormwater management practices in accordance with City specifications. Stormwater management within the Development Area shall remain private.

10.2 All plans and specifications for the design of the infrastructure and stormwater sewer improvements within the boundaries of the Development shall be subject to the approval of the City's Department of Public Works & Utilities and, where necessary, Building Inspections, prior to the beginning of construction. Such approval shall not be unreasonably withheld.

**ARTICLE 11
STREET IMPROVEMENTS**

Intentionally Left Blank

**ARTICLE 12
WRITTEN NOTICES**

12.1 Any written notice required under this Agreement shall be sent to the following individuals:

FOR THE CITY:

City of Neenah
Community Development Department
211 Walnut Street
Neenah, WI 54956
Attention: Chris A. Haese

With a copy to:

City of Neenah
City Attorney's Office
211 Walnut Street
Neenah, WI 54956
Attn: Attorney David Rashid

FOR THE DEVELOPER:

Neenah Door Properties, LLC
2501 Universal Street
Oshkosh, WI 54904
Attn: Chris Calewerts,
President4_____

With a copy to:

von Briesen & Roper, s.c.
55 Jewelers Park Drive
Neenah, WI 54956
Attn: Attorney Adam N. Skarie

ARTICLE 13
MISCELLANEOUS

13.1 *Assignment.* No party to this Agreement may assign any of its interests or obligations hereunder without first obtaining the written consent of the other party, except as otherwise provided for in this Agreement. Notwithstanding the foregoing, Developer may: (i) assign its rights and obligations under this Agreement to an entity that holds title to the Project and that is controlled by Developer or by one or more of the principals of Developer, or (ii) assign its rights and obligations under this Agreement to purchaser of all, but no less all, of the Property. The City shall not be bound to any such assignment until it has received written notice of same.

13.2 *Nondiscrimination.* The Developer agrees that neither the Development Area nor any portion thereof, shall be sold to, leased or used by any party in a manner which permits discrimination or restriction on the basis of race, creed ethnic origin or identity, color, gender, religion, marital status, age, handicap, or national origin and that construction, redevelopment, improvement, and operation of the Development shall be in compliance with all applicable laws, ordinances and regulations relating to discrimination or any of the foregoing grounds as may be in effect at the time of execution of the Agreement.

13.3 *Financial Reports.* The Developer agrees to maintain records such that actual project expenditures in the Development may be ascertained. Upon reasonable notice from the City, authorized representatives of the City shall be entitled to examine such records at the Developer's Development to verify the amount of construction expenditures that has been incurred by the Developer.

13.4 *Cost Overruns.* Except as provided herein, all work, undertakings, or other actions to be taken by a specific party hereto shall be completed at the sole cost and expense of such party. Without limiting the foregoing, all cost overruns of any work, undertaking, or other action to be taken by City

hereunder shall be borne by City. Likewise, and without limiting the foregoing, all cost overruns or any work, undertaking, or other action to be taken by the Developer hereunder shall be borne by Developer.

13.5 *No Third Party Beneficiaries.* This Agreement is made solely for the benefit of the parties hereto and their permitted assignees, and no other party shall acquire or have any rights under this Agreement or by virtue of this Agreement.

13.6 *No Personal Liability.* Under no circumstances shall any shareholder, partner, member, manager, officer, director, employee, contractor, or agent of City or Developer have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability against any other such party.

13.7 *Force Majeure.* No party shall be responsible to any other party for any resulting losses if the fulfillment of any of the terms of this Agreement is delayed or prevented by revolutions or other civil disorders, wars, acts of enemies, strikes, fires, floods, other acts of nature, acts of God, or by any other cause not within the control of the party whose performance was interfered with, and which, by the exercise of reasonable diligence, such party is unable to prevent, whether of the class of causes hereinabove enumerated or not (collectively, "events of force majeure") and the time for performance shall be extended by the period of delay occasioned by any such cause.

13.8 *Governing Law.* The laws of the State of Wisconsin shall govern this Agreement.

13.9 *Counterparts.* This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument. No amendment of this Agreement shall be effective unless in writing and signed by the party to be bound thereby.

13.10 *Severability.* If any provision of this Agreement shall be held or deemed to be inoperative or unenforceable as applied in any particular case in any jurisdiction because it conflicts with any other provision or provisions of this Agreement or any constitution or statute or rule of public policy, or for any other reason, then such circumstance shall not have the effect of rendering the

provision in question inoperative or unenforceable in any other case or circumstance, or rendering any other provision or provisions herein invalid, inoperative, or unenforceable to any extent whatever. To the maximum extent possible, this Agreement shall be construed in a manner consistent with the powers of City, including, but not limited to, their powers under the Tax Increment Law, § 66.1105, Wis. Stats, and the Blight Elimination and Slum Clearance Act, § 66.1333, Wis. Stats., to achieve its intended purpose. Reference is made to Chapter 105, Laws of 1975 § 4, and to § 66.1333(17), Wis. Stats., which provide that the Tax Increment Law and the Blight Elimination and Slum Clearance Act should be construed liberally to effectuate their purposes.

13.11 *Further Assurances.* The parties shall enter into all such further agreements and instruments and shall take all such further actions as may be reasonably necessary or desirable to give further force or effect to this Agreement.

13.12 *Time is of the Essence.* Time is of the essence as to all dates and time periods set forth in this Agreement.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

SCHEDULE OF EXHIBITS

- A. Legal Description of the Property
- B. Development Plan
- C. Site Improvements
- D. Project Timetable and Estimated Property Values

Exhibit B
Development Plan

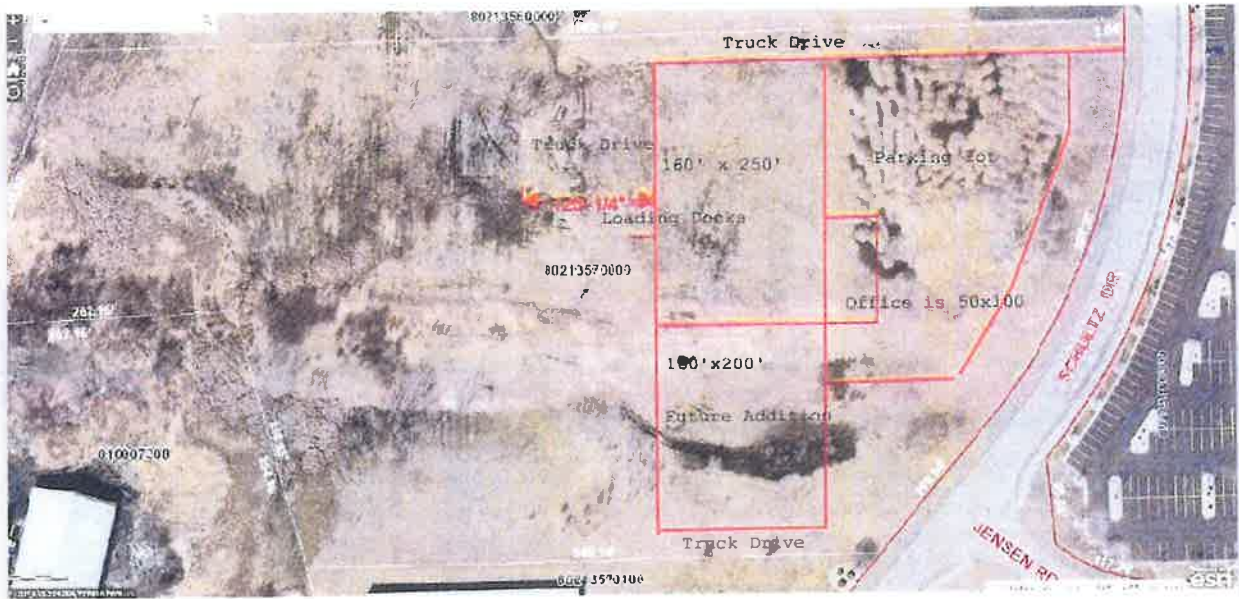


Exhibit C

Site Improvements

- Construct an approximately 40,000 square foot (160'x250') manufacturing facility, office area of approximately 5,000 square feet and ancillary facilities such as parking and access drives.
- Future phases could include an additional 32,000 square feet of manufacturing space.

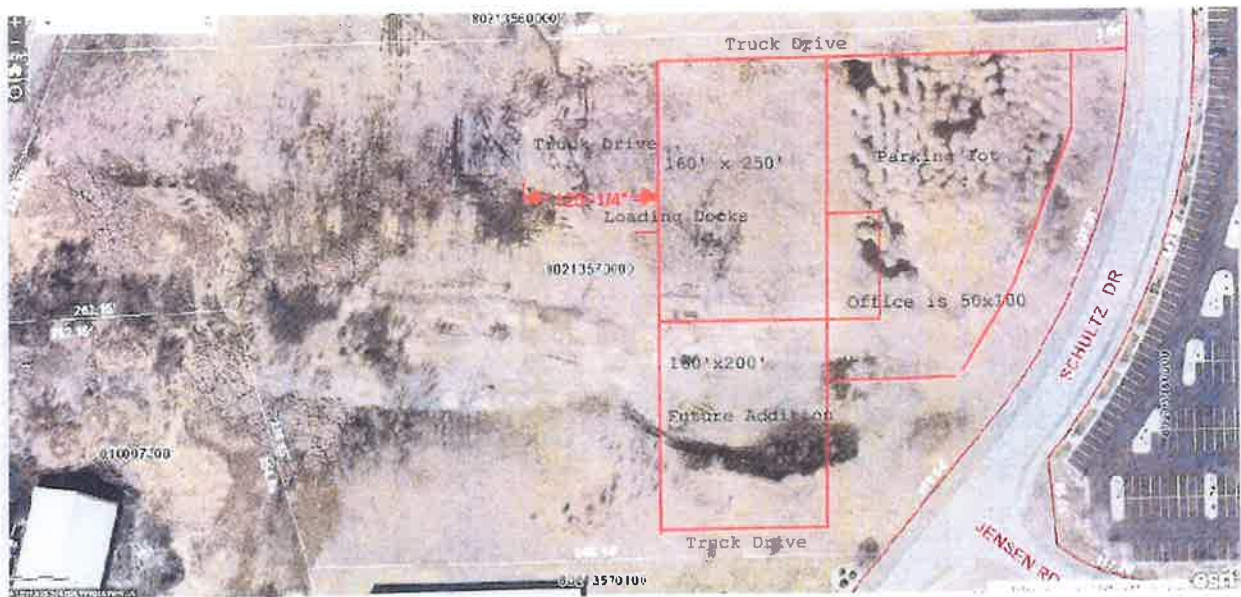


Exhibit D

Development Plan Time Table & Property Valuation

Major Milestone	Estimated Date	Estimated Value as of Estimated Date (cumulative)
Property Acquisition	November 30, 2023	-
Initiation of Construction		
Construction Completion	November 30, 2024	\$2,000,000

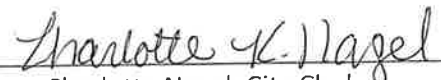
IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

CITY OF NEENAH:

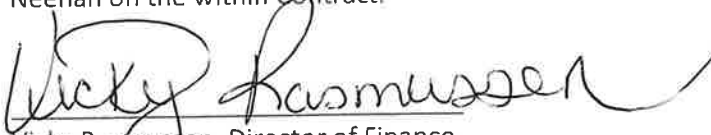
By:


Jane Lang, Mayor

ATTEST:

By: 
Charlotte Nagel, City Clerk

I hereby certify that the necessary funds have been provided to pay the liability incurred by the City of Neenah on the within Contract.


Vicky Rasmussen, Director of Finance



APPROVED AS TO FORM:


David C. Rashid, City Attorney

DEVELOPER:

BY: Neenah Door Properties

By: 
Name: Chris Calewerts
Title: President