MAY 4, 2026

PROJECT PLAN AMENDMENT

City of Racine, Wisconsin

Tax Incremental District No. 22

Neighborhood TID

Prepared by:

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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	May 4, 2026
Public Hearing Held:	May 4, 2026
Action by Plan Commission:	May 4, 2026
Action by Common Council:	May 19, 2026
Action by the Joint Review Board:	June 9, 2026

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SECTION 1:
Executive Summary

Description of District

Tax Incremental District ("TID") No. 22 ("District") is an existing In Need of Rehabilitation or Conservation District created on September 30, 2019. The District was created for the purpose of undertaking of urban renewal programs ("Project") to rehabilitate and conserve real property and public infrastructure, to preserve and grow the City's tax base, and to prevent further deterioration of property and infrastructure, and the potential development of blight.

Purpose of Amendment

The purpose of this amendment, referred to hereafter as the Plan, the Amendment, or the Plan Amendment, is to:

- Amend the categories, locations or costs of project costs to be made as permitted under Wis. Stat. § 66.1105(4)(h)1. ("Project").
- Subtract territory from the District as permitted under Wis. Stat. § 66.1105(4)(h)2. This is the first of four permitted territory amendments available to the District.
- Allow a projected $7,000,000 in excess revenue to be transferred to Tax Incremental District No. 28 ("Recipient District") as permitted under Wis. Stat. § 66.1105(6)(f)1. The Plan Amendment meets the following criteria necessary to allow for the transfer of excess revenue:
    - The District and the Recipient District lie within the same overlapping taxing jurisdictions.
    - The District has enough revenue to pay for all current Project Costs and has enough excess revenue to pay for eligible project costs of the Recipient District.
    - The Recipient District is a district in need of rehabilitation or conservation which qualifies it as an eligible recipient of excess revenue.

Estimated Total Project Cost Expenditures

The City anticipates making total expenditures of approximately $58.8 million ("Project Costs") to undertake the projects listed in this Project Plan ("Plan"). Project Costs include an estimated $56.7 million for Urban Renewal Projects (See Section 6 for a further description) and $2.2 million for costs related to administration of the District and implementation of the Plan. While not considered to be a Project Cost, this Amendment also provides authority for the District to transfer excess revenue to Tax Incremental District No. 28. The City expects to transfer a total of $7,000,000 to that District based on current projections.

Incremental Valuation

The District's current incremental value, as of January 1, 2025, is $192,781,800 As a result of the removal of territory from the District, total incremental value is expected to decrease by approximately $35.63 million as of January 1, 2026. This reduction will not be reflected in certified valuations until August 15, 2027, first impacting incremental tax collections for the 2028 budget year. The City conservatively projects that $37.38 million in additional value will result from the Project.

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 21 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. The City finds that but for the undertaking of an urban renewal project within the District, that there is the potential for the development or spread of slums or blighted, deteriorated or deteriorating areas that will be detrimental to all taxing jurisdictions. The City does not have other funds to make the required investments needed within the District and seeks approval for the use of tax incremental financing to fund the urban renewal project which will benefit all taxing jurisdictions.

2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:
   - That the projected tax increments to be collected from the Project will be sufficient to pay the related Project Costs given that the City intends to fund Project Costs only to the extent cash is available.
   - Activities related to implementation of the Project will create opportunities for business and individuals in the form of employment,

private contracts for rehabilitation of property and public contracts for rehabilitation of public infrastructure and facilities.

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, as amended, is in need of rehabilitation or conservation work as defined by Wis. Stat. § 66.1337(2m)(a), or was in need of rehabilitation or conservation work as the time the District was created.

5. Based on the foregoing finding, the District remains designated as rehabilitation and conservation district.

6. The Project Costs relate directly to the rehabilitation and conservation of property and improvements 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.

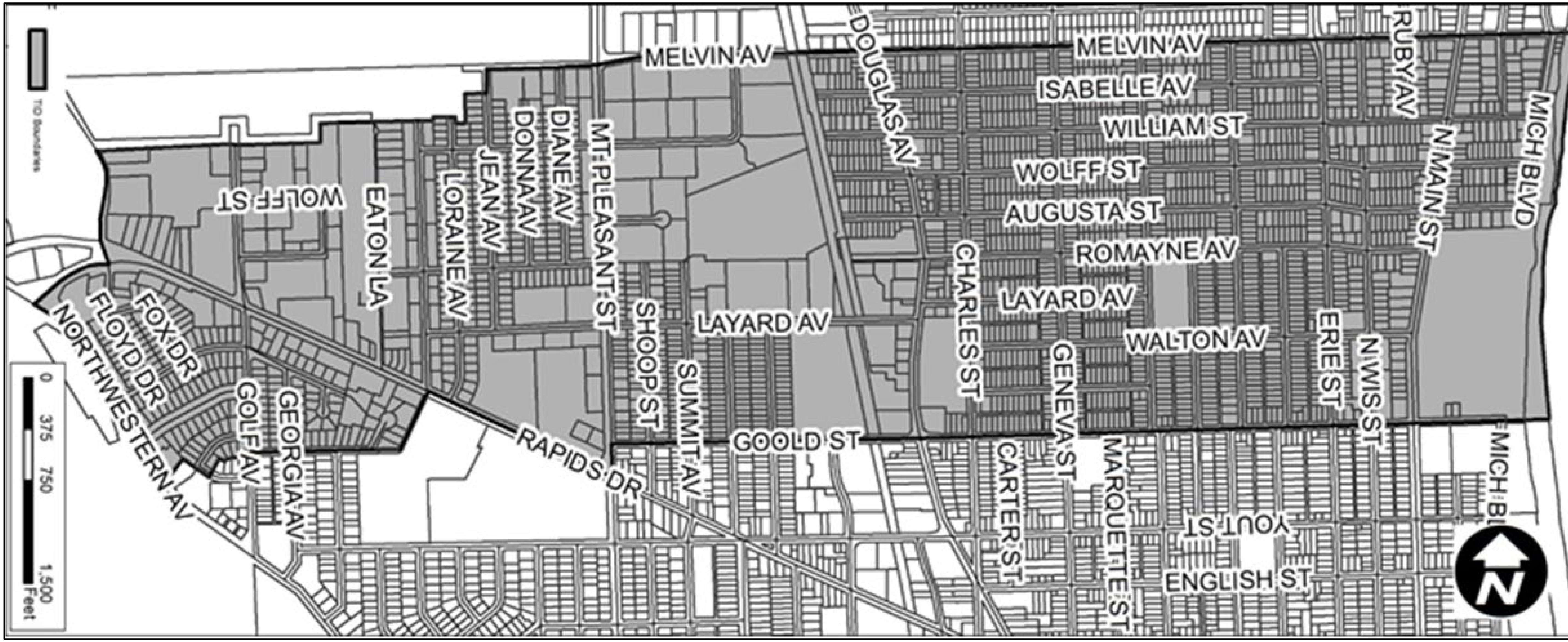
8. The limitation as the percentage of equalized taxable property value that can be located within tax incremental districts does not apply to this Plan Amendment as no territory will be added to the District.

9. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

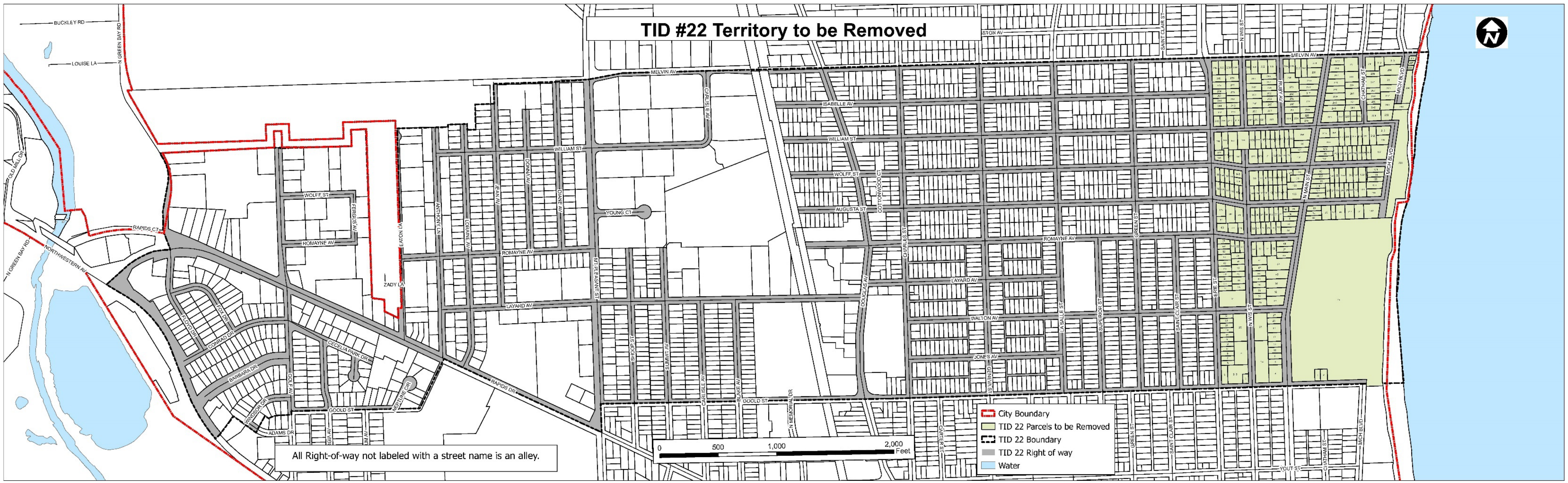
10. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).

SECTION 2:
Preliminary Maps of Original District Boundary and Territory to be Subtracted

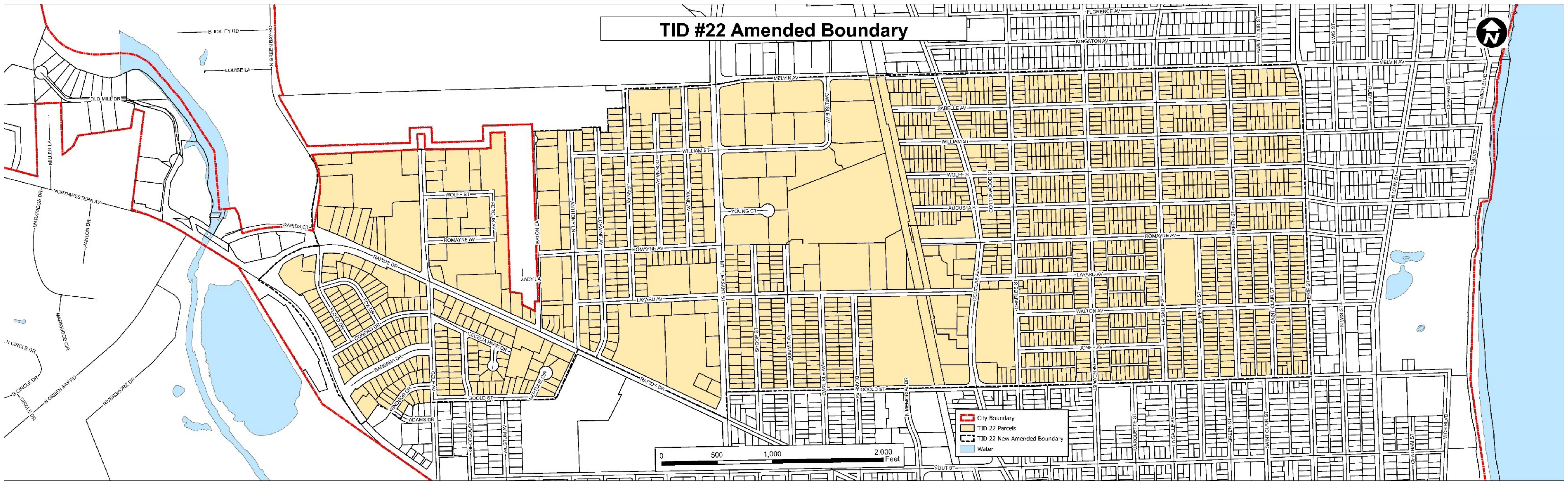
Maps begin on following page.



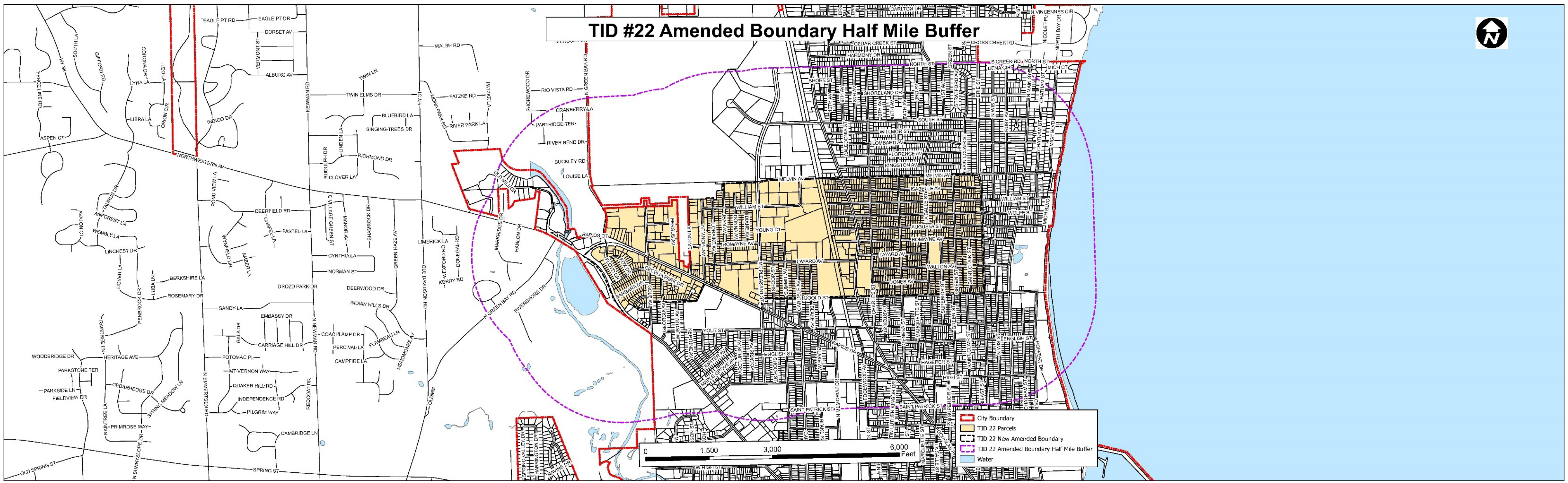
Original District Boundary



Map Identifying Territory to be Removed



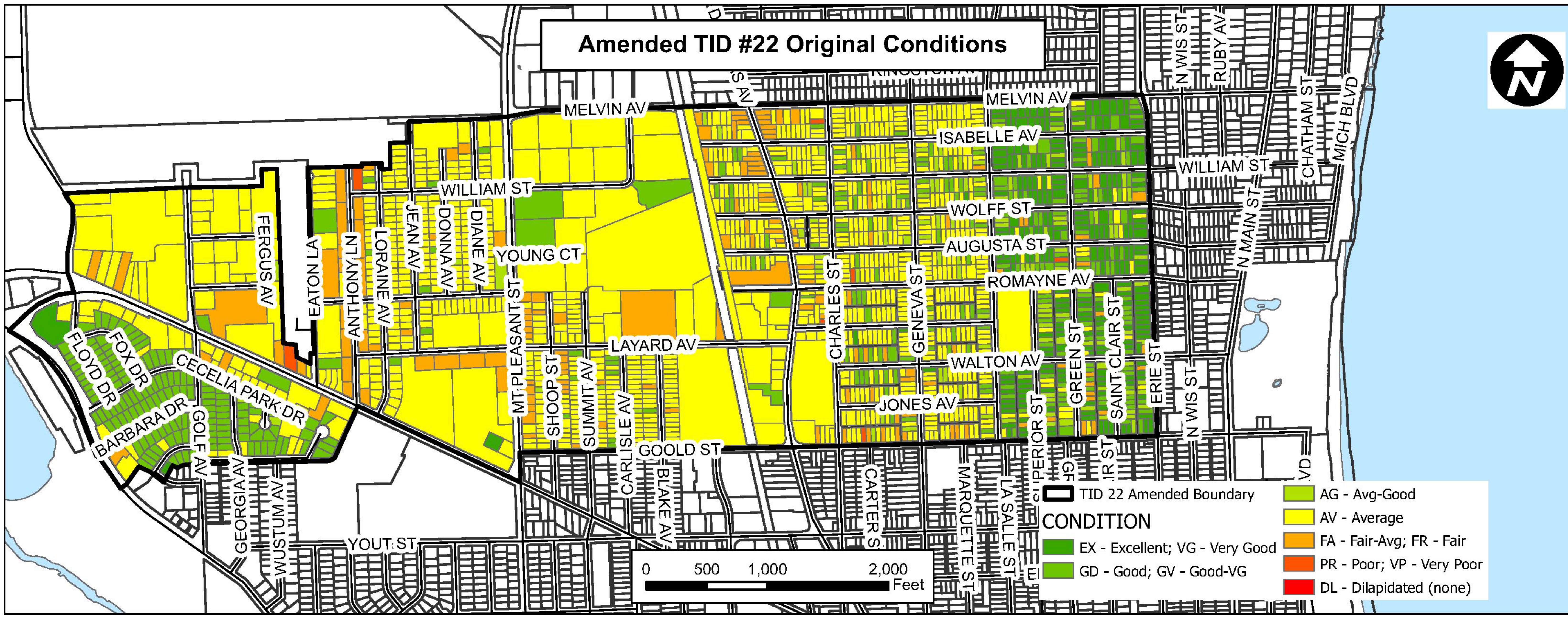
District Boundary Following Removal of Territory



Areas Within ½ Mile of Amended District Boundary

SECTION 3:
Map Showing Existing Uses and Conditions Following Subtraction of Territory

Map Found on Following Page.


Amended TID #22 Original Conditions
MELVIN AV
ISABELLE AV
WILLIAM ST
WOLFF ST
AUGUSTA ST
ROMAYNE AV
YOUNG CT
LAYARD AV
WALTON AV
JONES AV
GOOLD ST
YOUT ST
CECELIA PARK DR
BARBARA DR
FLOYD DR
FOX DR
GOLF AV
GEORGIA AV
WUSTUM AV
FERGUS AV
EATON LA
ANTHONY LN
LORAINE AV
JEAN AV
DONNA AV
DIANE AV
MT PLEASANT ST
SHOOP ST
SUMMIT AV
CARLISLE AV
BLAKE AV
CHARLES ST
GENEVA ST
CARTER ST
MARQUETTE ST
LA SALLE ST
GREEN ST
SAINT CLAIR ST
ERIE ST
N WIS ST
RUBY AV
N MAIN ST
CHATHAM ST
MICH BLVD
0 500 1,000 2,000 Feet
TID 22 Amended Boundary
CONDITION
EX - Excellent; VG - Very Good
GD - Good; GV - Good-VG
AG - Avg-Good
AV - Average
FA - Fair-Avg; FR - Fair
PR - Poor; VP - Very Poor
DL - Dilapidated (none)

SECTION 4:
Preliminary Identification of Parcels to be Subtracted

The Amendment will remove 317 tax parcels from the District. The base value of the District will be reduced by January 1, 2019, values of the removed parcels. The incremental value of the District will be reduced by January 1, 2026, values of the removed parcels. The projected reductions in District base and incremental value are:

	Base Value	Incremental Value
January 1, 2025 (Actual)	327,910,800	192,781,800
January 1, 2026 (Estimate)	275,976,800	157,155,200
Value Reduction	-51,934,000	-35,626,600

The estimated reduction in incremental value is based on January 1, 2025, assessed values, and the 2025 assessment ratio. (See Appendix 1 to this Plan). Actual calculations will be based on actual 2026 values and ratios. (See Appendix 1 to this Plan).

While the removal of territory will be effective as of January 1, 2026, the reductions to the District's base and incremental values will not appear in DOR certified valuations until August 15, 2027.

See Appendix 2 to this Plan for a detailed map and key listing the parcels to be removed.

SECTION 5:
Equalized Value Test

No territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Plan Amendment.

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 ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs. 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.

The "Statement of Kind, Number and Location of Proposed Public Works and Other Projects" set forth in the original District Project Plan approved on September 30, 2019 is restated and amended to identify the Project Costs that the City has made, expects to make, or may need to make, in conjunction with the continued implementation of the District's Plan or this Plan Amendment.

The City's Community Development Authority ("CDA") will be the entity responsible for administration of the programs identified in this Section.

Residential TID Homeowner Repair and Renovation Loans

The following description of the City's planned Residential TID Homeowner Repair Loans program is proposed and may need to be modified based on available funding and to meet the objectives of the City for rehabilitation and conservation of property within the District. The CDA may amend or otherwise modify this program without seeking amendment to this Plan. Depending on specific program structure, loans made could constitute cash grants made to property owners, lessees, or developers of land as permitted by Wis. Stat. 66.1105(2)(f)2.d.

Funds drawn from the District will be used to support loans, grants, and other financial mechanisms that will extend the economic life and/or increase the assessed valuation of homeowner occupied housing units. The increment received from the District will also be used to provide down payment and closing cost assistance to encourage homeownership.

Property Acquisition

Abandoned properties and for sale properties often become eyesores, may attract crime, lower surrounding property values, allow for unsafe living conditions, and create public safety hazards. By purchasing and renovating bighted or strategic properties, the CDA can:

- Improve public safety by eliminating blight and reducing opportunities for illegal activity.
- Preserve housing stock and make it available for homeownership.
- Abate unsafe living conditions.
- Increase property values and tax revenue in the long term.
- Signal investment and confidence in neighborhoods, encouraging private sector investment and resident engagement.

In the case of properties previously acquired by the CDA or City, land write-down will be an eligible cost, representing the difference between the CDA or City's cost to acquire and hold the property, and the sales price of the land.

Clean Sweep Program

The clean sweep cleans up facilities within the right-of-way and the private properties along it. Work includes alleyway cleanups, removing brush and bulky waste, trimming trees, mowing yards and vacant lots, repairing sidewalks/streets, installing smoke detectors, and private property improvements in the project area.

Redevelopment Activities

The City or CDA may incur costs to implement development agreements, to improve or implement projects in historic districts, or within redevelopment areas designated by the CDA. These costs may include payment of development incentives, public infrastructure and other costs related to redevelopment.

Redevelopment activities may include, but are not limited to:

- Property acquisition.
- Remediation of hazardous materials and substances from property.

- Renovation/restoration of existing buildings and structures.
- Demolition of dilapidated, unsafe, blighted, antiquated, or non-conforming buildings and structures.
- Construction of new buildings or structures.

Infrastructure and Public Facilities Improvements
infrastructure upgrades and improvements may include, but are not limited to:

- Construction or widening of new roadways, paths, and sidewalks.
- Resurfacing of existing roadways.
- Installation of new curb and gutter systems.
- Curb and gutter repair.
- Installation of ADA-compliant crosswalk ramps.
- Installation, replacement, relocation or repair of watermains, stormwater or sanitary sewers, and other public infrastructure.
- Installation or repair of broadband, fiber and conduit internet infrastructure.
- Decorative street lighting.

Miscellaneous
<u>Projects Outside the District</u>
Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the City or CDA may undertake projects within territory located within one-half mile of the boundary of the District provided that the project area is also located within the City's corporate boundaries; and 2) the projects are approved by the Joint Review Board. Joint Review Board approval of this Plan Amendment will constitute this approval. The cost of projects completed outside the District are eligible Project Costs and may include any Project Cost identified within this Section of the Plan that would otherwise be eligible if undertaken within the District.

Grants to Homeowners under the Residential TID Homeowner Repair and Renovation Loans program are eligible for properties outside the boundaries of the district in the following scenario ONLY:

- Properties within the TID 22 boundary as approved by the Common Council on September 30, 2019, are eligible for the Residential TID Homeowner Repair and Renovation Loans program. This area bounded as follows and all properties within it, shall be eligible for the program:

- Western boundary – properties on the east side of Erie Street
- Northern boundary – properties on the south side of Melvin Avenue
- Eastern Boundary – properties on the west side of Lake Michigan
- Southern boundary – properties on the north side of Goold Street

This area constitutes the original boundary of TID 22 and is the only area in which Grants to Homeowners under the Residential TID Homeowner Repair and Renovation Loans program are eligible.

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.

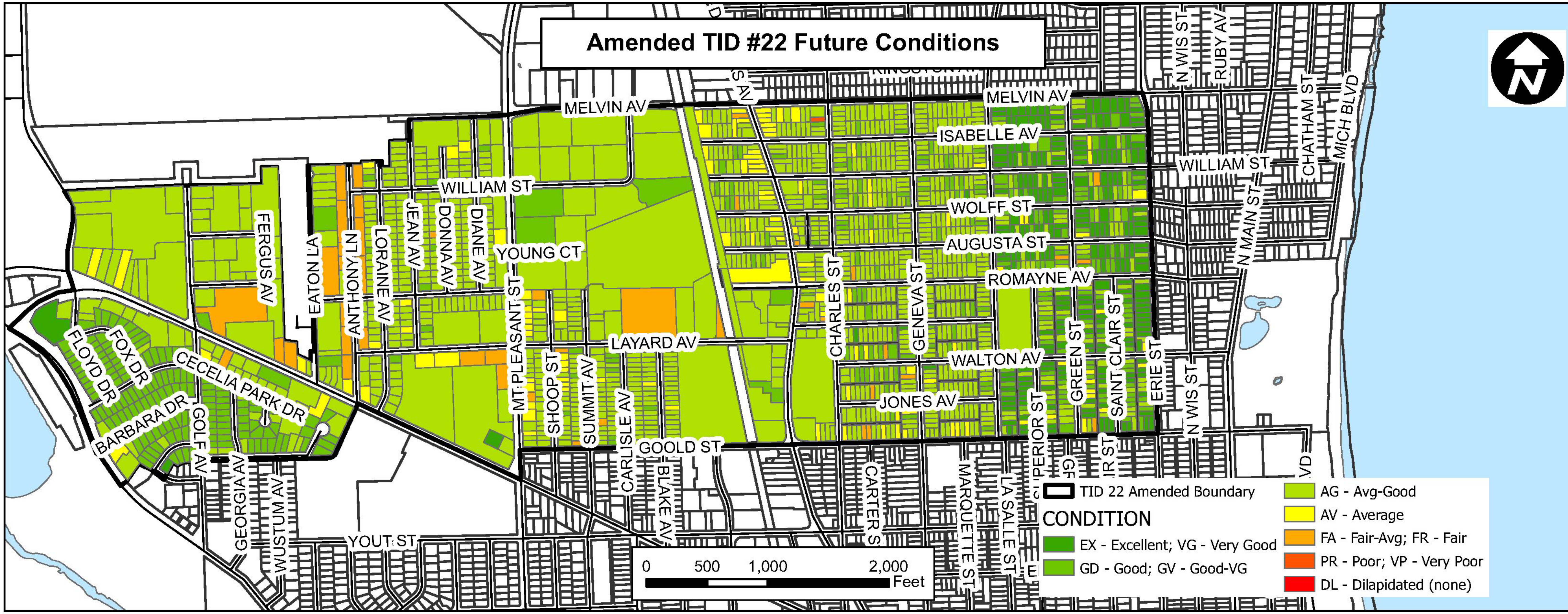
Administrative Costs
The City or CDA may charge the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City or CDA employees relating to the implementation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

Redevelopment objectives and circumstances may evolve through the District's implementation period. The City or CDA may incur other costs not specifically enumerated or included within this Section, or Section 7 of the Plan. To the extent those costs are otherwise eligible under Wis. Stat. § 66.1105(2)(f) and are undertaken to meet the objectives of the District and this Plan, those costs are permitted and will not require further amendment of this Plan.

SECTION 7:
Map Showing Proposed Improvements and Uses

Map Found on Following Page.



Proposed Improvements and Uses

Project Costs, consisting of residential homeowner repair and renovation loans, property acquisition, clean sweep program costs, redevelopment activities, infrastructure and public facilities improvements, will be undertaken throughout the District, and in areas within ½ mile of the District's boundaries based on funding availability and prioritization of need. The map depicts the City's objectives for improvement in property conditions resulting from implementation of the Plan. The City expects that future uses within the District will be consistent with existing land use, as well as the City's Comprehensive Plan and Future Land Use Map

SECTION 8:
Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City has made, expects to make, or may need to make in conjunction with the implementation of the District's Plan or this Plan Amendment. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan Amendment. 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.

Project Costs	**Original Plan**	**Amended Plan**	**Totals**	**Spent to Date** (YE '25)	**Remaining**
Urban Renewal Projects[1], Including:	19,656,360	37,027,551	**56,683,911**	5,140,499	**51,543,412**
Residential TID Homeowner Repair & Renovation Loans[2]					
Property Acqusition					
Clean Sweep Program					
Redevelopment Activities[2]					
Infrastructure & Public Facilities Improvements					
Prof. Services, Org. & Admin. Costs	1,000,000	1,158,758	**2,158,758**	319,170	**1,839,588**
Totals	**20,656,360**	**38,186,309**	**58,842,669**	**5,459,669**	**53,383,000**
Plus Advance Principal and Transfers to TID 18 to Total to Cash Flow			**65,861,574**		

Notes:

[1]See Section 5 for a detailed description of costs. Costs may be incurred within the District, or in the areas located within 1/2 mile of the District's boundaries.

[2]Expenditures in these categories may be in the form of a development incentive as permiited under Wis. Stat. § 66.1105(2)(f)2.d.

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 an updated forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how remaining Project Costs would be financed, and a projected cash flow demonstrating that the District remains economically feasible.

Key Assumptions

As a result of the removal of territory from the District, total incremental value is expected to decrease by approximately $35.63 million as of January 1, 2026. This reduction will not be reflected in certified valuations until August 15, 2027, first impacting incremental tax collections for the 2028 budget year.

The City conservatively projects that increasing values on the properties remaining in the District will generate approximately $37.3 million in incremental value through the remaining life of the District. Increases in property value resulting from redevelopment or improvements to properties, as well as economic appreciation, provide a source of funding to pay the costs of this Plan. Further increases in value beyond what is projected will provide additional funds to increase the amount of Project Costs that could be made or could result in earlier achievement of the goals the City has established for the District, and the ability to shorten its term and return the increased value to the general tax base.

Assuming that incremental value growth will be limited to the additional $37.3 million shown in Table 1, and assuming a declining equalized tax rate through 2034, the District would generate a total of $91 million in incremental tax revenue over its twenty-seven-year term as shown in Table 2. Because the Plan assumes the City will cash fund all Project Costs, a maximum of $67.8 million is assumed to be available, reflecting projected collections through the end of the District's expenditure period in 2041.

City of Racine, Wisconsin

Tax Increment District No. 22

Development Assumptions

Construction Year		Actual	Projected[1]	Less Removed Territory[2]	Annual Total	Construction Year	
1	2019	11,398,900			**11,398,900**	2019	1
2	2020	62,601,400			**62,601,400**	2020	2
3	2021	(46,670,600)			**(46,670,600)**	2021	3
4	2022	73,626,700			**73,626,700**	2022	4
5	2023	39,995,000			**39,995,000**	2023	5
6	2024	51,830,400			**51,830,400**	2024	6
7	2025		**1,927,818**		**1,927,818**	2025	7
8	2026		**1,947,096**	(35,626,600)	**(33,679,504)**	2026	8
9	2027		**1,610,301**		**1,610,301**	2027	9
10	2028		**1,626,404**		**1,626,404**	2028	10
11	2029		**1,642,668**		**1,642,668**	2029	11
12	2030		**1,659,095**		**1,659,095**	2030	12
13	2031		**1,675,686**		**1,675,686**	2031	13
14	2032		**1,692,443**		**1,692,443**	2032	14
15	2033		**1,709,367**		**1,709,367**	2033	15
16	2034		**1,726,461**		**1,726,461**	2034	16
17	2035		**1,743,725**		**1,743,725**	2035	17
18	2036		**1,761,163**		**1,761,163**	2036	18
19	2037		**1,778,774**		**1,778,774**	2037	19
20	2038		**1,796,562**		**1,796,562**	2038	20
21	2039		**1,814,528**		**1,814,528**	2039	21
22	2040		**1,832,673**		**1,832,673**	2040	22
23	2041		**1,851,000**		**1,851,000**	2041	23
24	2042		**1,869,510**		**1,869,510**	2042	24
25	2043		**1,888,205**		**1,888,205**	2043	25
26	2044		**1,907,087**		**1,907,087**	2044	26
27	2045		**1,926,158**		**1,926,158**	2045	27
Totals		**192,781,800**	**37,386,722**	**(35,626,600)**	**194,541,922**		

Notes:

[1]Assumes annual economic appreciation of 1%.

[2]Estimate based on 1-1-2025 assessed values and 2025 assessment ratio.

Table 1 – Development Assumptions

City of Racine, Wisconsin

Tax Increment District No. 22

Tax Increment Projection Worksheet

Type of District	Rehabilitation	Base Value	105,603,300
District Creation Date	September 30, 2019	Economic Change Factor	1.00%
Valuation Date	Jan 1, 2019	Apply to Base Value	
Max Life (Years)	27	Base Tax Rate	$23.59
End of Expenditure Period	22 9/30/2041	Rate Adjustment Factor	See Note
Revenue Periods/Final Year	27 2047		
Extension Eligibility/Years	Yes 3		
Eligible Recipient District	Yes		

	Construction Year	Value Added	Valuation Year	Economic Change	Total Increment	Revenue Year	Tax Rate[1]	Tax Increment
1	2019	11,398,900	2020		11,398,900	2021	$28.18	**321,183**
2	2020	62,601,400	2021		74,000,300	2022	$26.97	**1,995,693**
3	2021	-46,670,600	2022		27,329,700	2023	$24.13	**659,468**
4	2022	73,626,700	2023		100,956,400	2024	$24.03	**2,425,735**
5	2023	39,995,000	2024		140,951,400	2025	$22.76	**3,207,831**
6	2024	51,830,400	2025		192,781,800	2026	$23.59	**4,547,723**
7	2025		2026	1,927,818	194,709,618	2027	$22.31	**4,343,972**
8	2026	-35,626,600	2027	1,947,096	161,030,114	2028	$22.08	**3,555,545**
9	2027		2028	1,610,301	162,640,415	2029	$21.86	**3,555,319**
10	2028		2029	1,626,404	164,266,819	2030	$21.64	**3,554,734**
11	2029		2030	1,642,668	165,909,488	2031	$21.43	**3,555,440**
12	2030		2031	1,659,095	167,568,583	2032	$21.21	**3,554,130**
13	2031		2032	1,675,686	169,244,268	2033	$21.00	**3,554,130**
14	2032		2033	1,692,443	170,936,711	2034	$20.79	**3,553,774**
15	2033		2034	1,709,367	172,646,078	2035	$20.58	**3,553,056**
16	2034		2035	1,726,461	174,372,539	2036	$20.38	**3,553,712**
17	2035		2036	1,743,725	176,116,264	2037	$20.38	**3,589,249**
18	2036		2037	1,761,163	177,877,427	2038	$20.38	**3,625,142**
19	2037		2038	1,778,774	179,656,201	2039	$20.38	**3,661,393**
20	2038		2039	1,796,562	181,452,763	2040	$20.38	**3,698,007**
21	2039		2040	1,814,528	183,267,291	2041	$20.38	**3,734,987**
22	2040		2041	1,832,673	185,099,964	2042	$20.38	**3,772,337**
23	2041		2042	1,851,000	186,950,963	2043	$20.38	**3,810,061**
24	2042		2043	1,869,510	188,820,473	2044	$20.38	**3,848,161**
25	2043		2044	1,888,205	190,708,678	2045	$20.38	**3,886,643**
26	2044		2045	1,907,087	192,615,765	2046	$20.38	**3,925,509**
27	2045		2046	1,926,158	194,541,922	2047	$20.38	**3,964,764**
Totals		**157,155,200**		**37,386,722**		**Future Value of Increment**		**91,007,701**

Notes:

[1]Tax rates shown through the 2026 revenue year are actual per DOR Form PC-202 (Tax Increment Collection Worksheet). Tax rates for the 2027 and future years are based on City forecast of a continued declining rate in the near term.

Table 2 – Tax Increment Projection Worksheet

Financing and Implementation

The City anticipates making total expenditures of approximately $58.8 million to undertake the projects listed in this Plan, of which $5.46 million was spent as of December 31, 2025. The City does not expect to finance Project Costs and will pace expenditures to occur with the availability of cash.

While not considered to be a Project Cost, this Amendment also provides authority for the District to transfer excess revenue to Tax Incremental District No. 28. The City expects to transfer a total of $7,000,000 to that District based on current projections.

Since the City expects to fund Project Costs on a cash basis, it would expect to close the District not later than the end of its expenditure period in 2041. Earlier closure could result dependent on the level of incremental value increase resulting from the Project Costs to be made. Table 3 identifies the anticipated timing and amounts of revenue to be received, expenditures to be made, and the resultant projected District cash flows.

	Projected Revenues				Projected Expenditures						Balances		
Year	Tax Increments	Advances	Other Revenue	**Total Revenues**	Advance Repayment	Homeowner Repair & Renov. Loans[1]	Other Urban Renewal Projects[2]	Transfer to TID No. 28	Admin. Expense	**Total Expenditures**	Annual	Cumulative	Year
2019		18,500		**18,500**					18,500	**18,500**	0	0	2019
2020		405		**405**	255				150	**405**	0	0	2020
2021	321,183		(1,877)	**319,306**	19,062				1,641	**20,703**	298,603	298,603	2021
2022	1,995,693		(45,359)	**1,950,334**			392,384		84,015	**476,399**	1,473,935	1,772,538	2022
2023	659,468		91,619	**751,087**			553,690		45,175	**598,865**	152,222	1,924,760	2023
2024	2,425,735		164,350	**2,590,085**			1,827,257		70,201	**1,897,458**	692,627	2,617,387	2024
2025	3,207,831		231,994	**3,439,825**			2,367,168		99,076	**2,466,244**	973,581	3,590,968	2025
2026	4,547,723		75,000	**4,622,723**		2,500,000	2,007,000		115,000	**4,622,000**	723	3,591,691	2026
2027	4,343,972		75,000	**4,418,972**		2,400,000	1,903,000		115,000	**4,418,000**	972	3,592,662	2027
2028	3,555,545		75,000	**3,630,545**		1,960,000	1,055,000	500,000	115,000	**3,630,000**	545	3,593,207	2028
2029	3,555,319		75,000	**3,630,319**		1,960,000	1,055,000	500,000	115,000	**3,630,000**	319	3,593,527	2029
2030	3,554,734		75,000	**3,629,734**		1,960,000	1,054,000	500,000	115,000	**3,629,000**	734	3,594,261	2030
2031	3,555,440		75,000	**3,630,440**		1,960,000	1,055,000	500,000	115,000	**3,630,000**	440	3,594,701	2031
2032	3,554,130		75,000	**3,629,130**		1,960,000	1,054,000	500,000	115,000	**3,629,000**	130	3,594,831	2032
2033	3,554,130		75,000	**3,629,130**		1,960,000	1,054,000	500,000	115,000	**3,629,000**	130	3,594,960	2033
2034	3,553,774		75,000	**3,628,774**		1,960,000	1,053,000	500,000	115,000	**3,628,000**	774	3,595,735	2034
2035	3,553,056		75,000	**3,628,056**		1,960,000	1,053,000	500,000	115,000	**3,628,000**	56	3,595,791	2035
2036	3,553,712		75,000	**3,628,712**		1,960,000	1,053,000	500,000	115,000	**3,628,000**	712	3,596,503	2036
2037	3,589,249		75,000	**3,664,249**		1,960,000	1,089,000	500,000	115,000	**3,664,000**	249	3,596,753	2037
2038	3,625,142		75,000	**3,700,142**		1,960,000	1,125,000	500,000	115,000	**3,700,000**	142	3,596,895	2038
2039	3,661,393		75,000	**3,736,393**		1,960,000	1,161,000	500,000	115,000	**3,736,000**	393	3,597,288	2039
2040	3,698,007		75,000	**3,773,007**		1,960,000	1,198,000	500,000	115,000	**3,773,000**	7	3,597,295	2040
2041	3,734,987		75,000	**3,809,987**		1,960,000	1,234,000	500,000	115,000	**3,809,000**	987	**3,598,283**	2041
2042	3,772,337		75,000	**3,847,337**						**0**	3,847,337	7,445,620	2042
2043	3,810,061		75,000	**3,885,061**						**0**	3,885,061	11,330,681	2043
2044	3,848,161		75,000	**3,923,161**						**0**	3,923,161	15,253,842	2044
2045	3,886,643		75,000	**3,961,643**						**0**	3,961,643	19,215,485	2045
2046	3,925,509		75,000	**4,000,509**						**0**	4,000,509	23,215,994	2046
2047	3,964,764		75,000	**4,039,764**						**0**	4,039,764	27,255,758	2047
Totals	**91,007,701**	**18,905**	**2,090,727**	**93,117,332**	**19,317**	**32,340,000**	**24,343,499**	**7,000,000**	**2,158,758**	**65,861,574**			Totals

Notes:

[1]City's projected allocation to this Project Cost Category. For years prior to 2026, actual funding for these costs are included in the "Other Urban Renewal Projects" total.

[2]See Section 5 for a detailed description of costs. Costs may be incurred within the District, or in the areas located within 1/2 mile of the District's boundaries.

PROJECTED CLOSURE YEAR

LEGEND:

END OF EXP. PERIOD

Table 3 – Cash Flow

SECTION 10:
Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. No territory is being added to the District as part of this Plan Amendment.

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 Amendment 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 Amendment is in general conformance with the City's Comprehensive Plan

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 Amendment 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 the continued 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 Amendment of the Tax Incremental District Promotes the Orderly Development of the City

This Plan promotes the orderly development of the City by providing funds to undertake an urban renewal project as defined in Wis. Stat. § 66.1337(2m)(d) to eliminate and prevent the development or spread of slums or blighted, deteriorated or deteriorating areas, and which may consist of:

- Acquisition of all or a portion of a blighted area.
- Demolition and removal of buildings and improvements.
- Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out in the project area the objectives of this section in accordance with the redevelopment plan.
- Disposition of any property acquired in the project area, including sale, initial leasing or retention by the CDA itself, at its fair value for uses in accordance with the redevelopment plan.
- Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the redevelopment plan.
- Acquisition of any other real property in the project area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.

The City has determined that undertaking such urban renewal programs will preserve and grow the City's tax base, prevent further deterioration of property and infrastructure, and the potential development of blight, all facilitating the orderly development of the City.

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)

Marisa L. Roubik
Deputy City Attorney

Robin K. Zbikowski
Senior Assistant City Attorney

Ian R. Pomplin
Brian Van Schyndel
Matt Perz
Brandon Schwebler
Assistant City Attorneys

Office of the City Attorney Racine, Wisconsin

RACINE ON THE LAKE

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Maricela Mora
Administrative Assistant

April 30, 2026

Mayor Cory Mason
City of Racine
730 Washington Avenue
Racine, Wisconsin 53403

RE: City of Racine, Wisconsin, Tax Incremental District No. 22 Amendment

Mayor Mason:

As City Attorney for the City of Racine, I have reviewed the Project Plan Amendment for City of Racine, Wisconsin, Tax Incremental District No. 22 Amendment, dated May 4, 2026, and, in my opinion, it is complete and complies with Wisconsin Statutes section 66.1105(4)(f). This opinion is provided pursuant to Wisconsin Statutes section 66.1105(4)(f).

Sincerely,

Scott R. Letteney
City Attorney

Cc: Director of City Development Walter Williams

City Hall Annex
800 Center Street, Suite 122
Racine, Wisconsin 53403
262-636-9115
Fax: 262-636-9570

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

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

Revenue Year	Racine County	City of Racine	Racine Unified School District	Gateway Technical	**Total**	Revenue Year
2026	478,656	2,436,614	1,530,319	102,134	**4,547,723**	2026
2027	457,211	2,327,447	1,461,756	97,558	**4,343,972**	2027
2028	374,228	1,905,017	1,196,449	79,851	**3,555,545**	2028
2029	374,204	1,904,896	1,196,373	79,846	**3,555,319**	2029
2030	374,142	1,904,583	1,196,176	79,833	**3,554,734**	2030
2031	374,217	1,904,961	1,196,414	79,849	**3,555,440**	2031
2032	374,079	1,904,259	1,195,973	79,819	**3,554,130**	2032
2033	374,079	1,904,259	1,195,973	79,819	**3,554,130**	2033
2034	374,041	1,904,069	1,195,853	79,811	**3,553,774**	2034
2035	373,966	1,903,684	1,195,612	79,795	**3,553,056**	2035
2036	374,035	1,904,035	1,195,832	79,810	**3,553,712**	2036
2037	377,775	1,923,076	1,207,791	80,608	**3,589,249**	2037
2038	381,553	1,942,306	1,219,869	81,414	**3,625,142**	2038
2039	385,368	1,961,730	1,232,067	82,228	**3,661,393**	2039
2040	389,222	1,981,347	1,244,388	83,051	**3,698,007**	2040
2041	393,114	2,001,160	1,256,832	83,881	**3,734,987**	2041
2042	397,045	2,021,172	1,269,400	84,720	**3,772,337**	2042
2043	401,016	2,041,384	1,282,094	85,567	**3,810,061**	2043
2044	405,026	2,061,797	1,294,915	86,423	**3,848,161**	2044
2045	409,076	2,082,415	1,307,864	87,287	**3,886,643**	2045
2046	413,167	2,103,240	1,320,943	88,160	**3,925,509**	2046
2047	417,299	2,124,272	1,334,152	89,041	**3,964,764**	2047
Totals	**8,672,520**	**44,147,722**	**27,727,044**	**1,850,504**	**82,397,790**	