

November 9, 2021

PROJECT PLAN

City of Sun Prairie, Wisconsin

Tax Incremental District No. 15 West Main Street



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BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	November 4, 2021
Public Hearing Held:	November 9, 2021
Approval by Plan Commission:	November 9, 2021
Adoption by Common Council:	Scheduled for Dec. 7, 2021
Approval by the Joint Review Board:	Scheduled for Dec. 13, 2021

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SECTION 1:

Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 15 (“District”) is a proposed Mixed-Use District comprising approximately 87 acres oriented generally along West Main from N. Wildwood Street running east to N. Walker Way. The map found in Section 2 of this Project Plan (“Plan”) depicts the specific parcels to be included in the District which will be created to pay the costs of public infrastructure improvements and development incentives needed to promote mixed use development within its boundaries (“Project”). In addition to the incremental property value that will be created, the City expects the Project will provide increased opportunities for employment, personal income and business income related to the construction and operation of the anticipated development projects, and provision of housing opportunities and retail services for City residents.

AUTHORITY

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The City anticipates making total expenditures of approximately \$8.35 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$5.6 million for development incentives, \$1.7 million for public infrastructure, public spaces, and other related costs, \$260,000 for District administration and \$780,000 for interest on long-term debt and financing expenses.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$42.2 million will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumption’s as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

EXPECTED TERMINATION OF DISTRICT

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs within 16 of its allowable 20 years.

SUMMARY OF FINDINGS

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

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:
 - The costs that the City must incur to offer the appropriate incentives required to attract mixed use development under prevailing market conditions. Absent such incentives, the development proposed will not occur.
 - The investment needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements.
2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered that the Project is expected to increase opportunities for employment, personal income and business income related to the construction and operation of the anticipated development projects, and provision of housing opportunities and retail services for City residents.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is suitable for mixed use development as defined by Wis. Stat. § 66.1105(2)(cm). Lands proposed for newly platted residential development comprise no more than 35% of the real property area within the District. Costs related to newly-platted residential development may be incurred based on the proposed

development having a density of at least three (3) units per acre as defined in Wis. Stat. § 66.1105(2)(f)3.a.

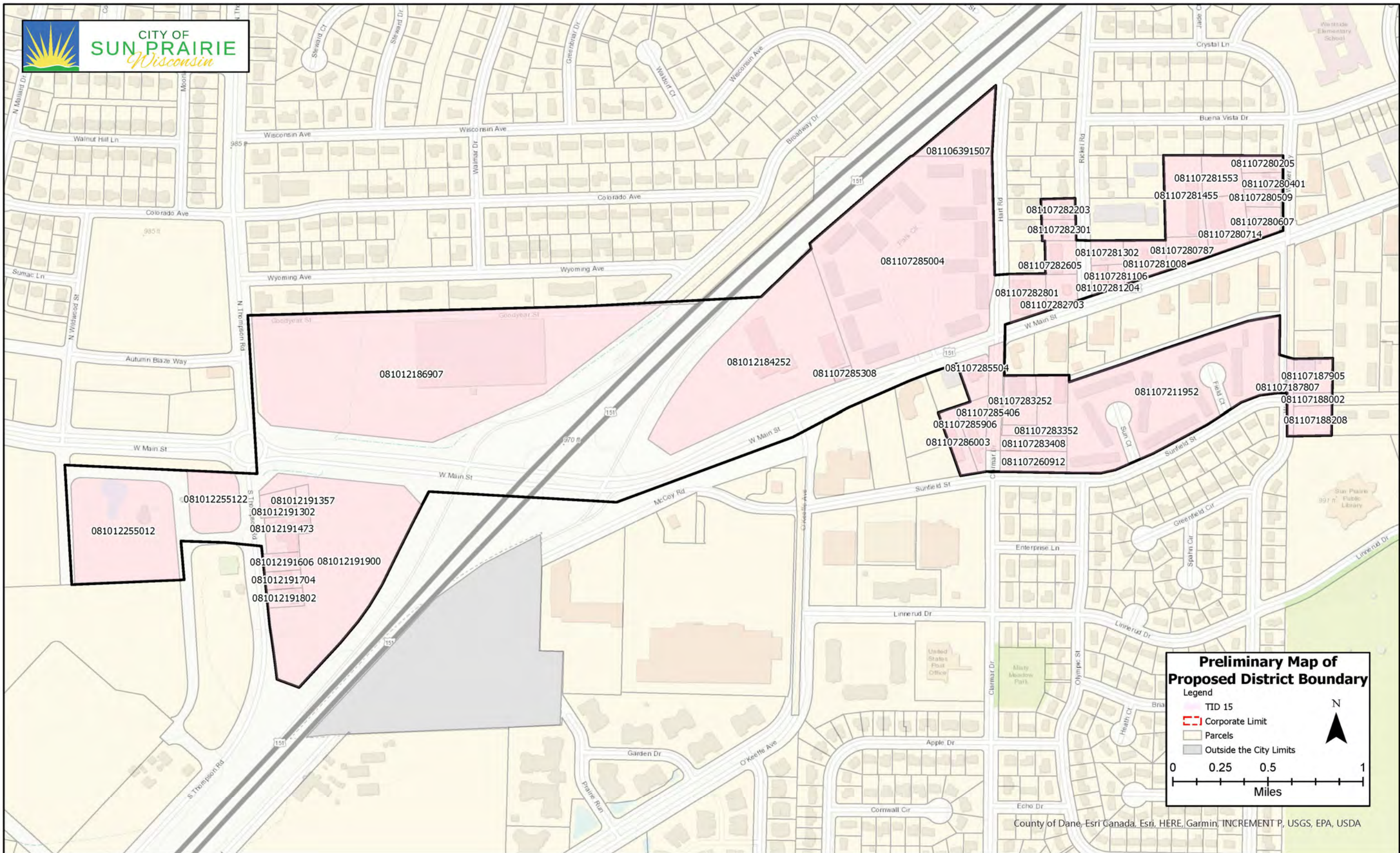
5. Based on the foregoing finding, the District is designated as a mixed-use district.
6. The Project Costs relate directly to promoting mixed use development in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. That a cooperative plan boundary agreement with the Town of Burke exists regarding those parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2:

Preliminary Map of Proposed District Boundary

Map Found on Following Page.

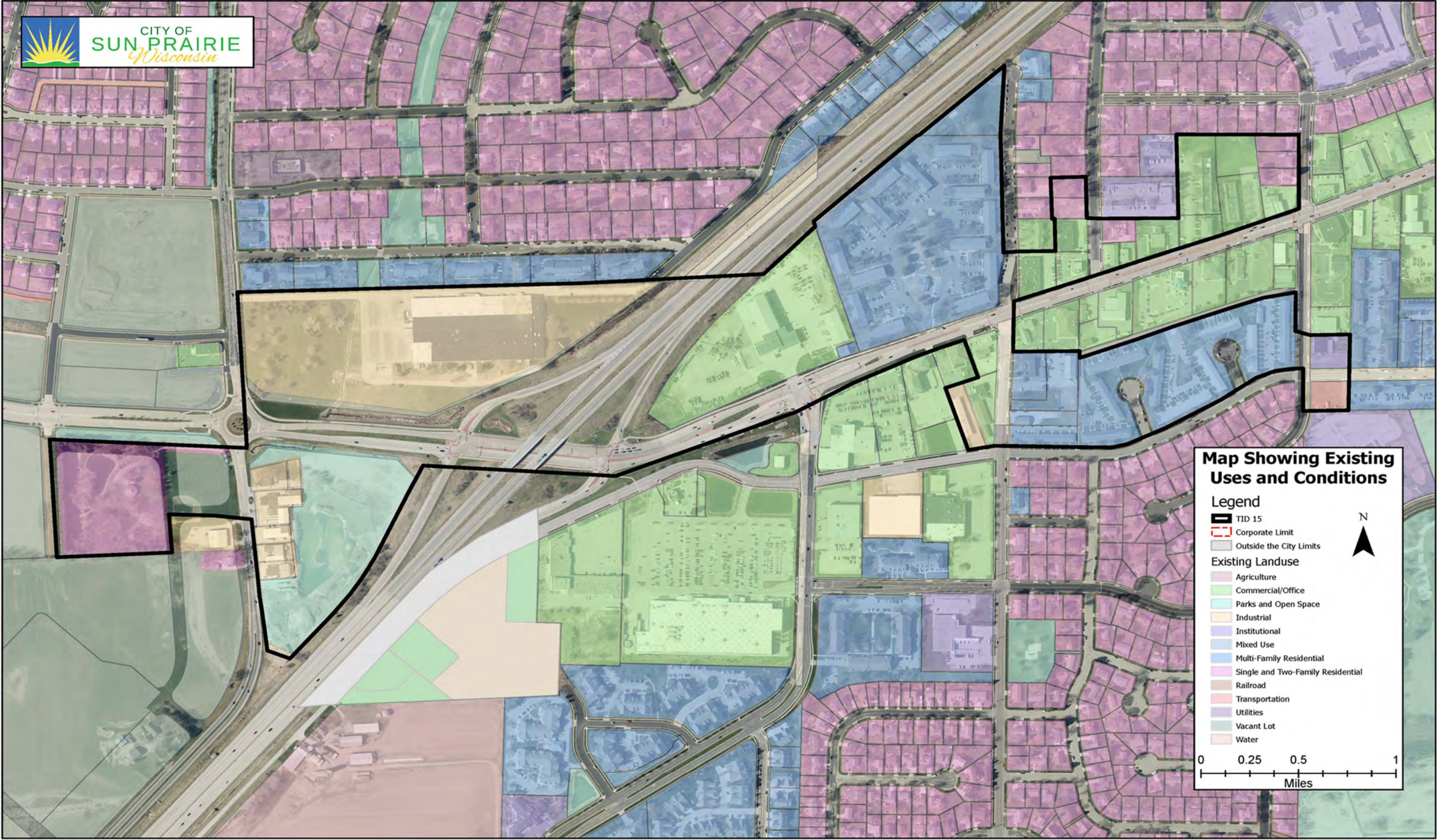
Parcel 0810-121-9190-0 (City of Sun Prairie) contains wetlands identified on a map prepared under Wis. Stat. § 23.32. The wetlands lying within that parcel are excluded from the District.



SECTION 3:

Map Showing Existing Uses and Conditions

Map Found on Following Page.



SECTION 4:

Preliminary Parcel List and Analysis

The parcels identified in the table within this section will become part of the District effective January 1, 2022. The figures listed under the “Current Value” column reflect assessed valuations as of January 1, 2021. Any increases in valuation occurring after January 1, 2022 will generate incremental value.

Of the 87.45 acres to be included in the District, a total of 68.31 acres, or 78% of the territory, is suitable for mixed use development as defined in Wis. Stat. § 66.1105(2)(cm).

A total of 27.01 acres, or 31% of the area within the District is expected to be developed as newly platted residential which is less than the 35% which is permitted.

Parcel List Found on Following Page.

City of Sun Prairie, Wisconsin																			
Tax Increment District #15																			
Base Property Information																			
Property Information ¹							Assessment Information ¹				Equalized Value					District Classification			
Map	Parcel Number	Street Address	Owner	Development Area	Acreage	Annexed In Prior Three Years ²	Land	Imp	PP	Total	Equalized Value Ratio ³	Land	Imp	PP	Total	Industrial	Commercial/ Business	Newly Platted Residential	Suitable for Mixed Use
Ref #																			
1	0811-072-8550-4	1705 W MAIN ST	SHRI GANESH LLC	Clarmar II	0.52		210,800	309,200	23,100	543,100	93.86%	224,590	329,427	24,611	578,628		0.522		0.52
2	0811-072-8590-6	200 CLARMAR DR	HUMPHREY JT REV TR, ANTHONY & MARY	Clarmar II	0.73		193,800	316,100	4,300	514,200	93.86%	206,478	336,778	4,581	547,837		0.734		0.73
3	0811-072-8600-3	1708 SUNFIELD ST	SUNFIELD LLC	Clarmar II	0.59		0	0	6,500	6,500	93.86%	0	0	6,925	6,925		0.587		0.59
4	0811-072-8500-4	50 PARK CIR	MIRUS SUN PRAIRIE LLC	Element	14.55		2,160,000	9,083,000	0	11,243,000	93.86%	2,301,300	9,677,179	0	11,978,479				0.00
5	0811-063-9150-7	116 HART RD	MIRUS SUN PRAIRIE LLC	Element	1.38		194,100	0	0	194,100	93.86%	206,797	0	0	206,797				0.00
6	0811-072-8530-8	1876 W MAIN ST	MIRUS SUN PRAIRIE LLC	Element	0.13		16,900	0	0	16,900	93.86%	18,006	0	0	18,006				0.00
7	0811-072-8071-4	1460 W MAIN ST STE 100	ZIINO MAIN STREET PROPERTY LIMITED	Main I	1.09		220,200	709,900	58,200	988,300	93.86%	234,605	756,339	62,007	1,052,951		0.9837	0.11	1.09
8	0811-072-8145-5	1500 W MAIN ST	MAIN STREET SP INVESTMENTS LLC	Main I	1.55		270,700	806,500	24,100	1,101,300	93.86%	288,408	859,258	25,677	1,173,343			1.55	1.55
9	0811-072-8155-3	1500 W MAIN ST	MAIN STREET SP INVESTMENTS LLC	Main I	0.80		156,800	0	0	156,800	93.86%	167,057	0	0	167,057			0.80	0.80
10	0811-072-8078-7	1500 W MAIN ST	MAIN STREET SP INVESTMENTS LLC	Main I	0.56		164,700	494,000	0	658,700	93.86%	175,474	526,316	0	701,790			0.56	0.56
11	0811-072-8020-5	40 N WALKER WAY	JOHN M ROCK	Main II	0.40		69,400	126,900	0	196,300	93.86%	73,940	135,201	0	209,141		0.402		0.40
12	0811-072-8050-9	24 N WALKER WAY	DONNA KASUBOSKE	Main II	0.38		68,600	162,800	0	231,400	93.86%	73,088	173,450	0	246,537		0.381		0.38
13	0811-072-8040-1	32 N WALKER WAY	DONALVIN WEATHERBY	Main II	0.40		69,500	129,000	0	198,500	93.86%	74,046	137,439	0	211,485		0.404		0.40
14	0811-072-8060-7	1410 W MAIN ST	TD INVESTMENTS I LLC	Main II	0.54		171,600	315,800	34,800	522,200	93.86%	182,825	336,459	37,076	556,361		0.536		0.54
15	0810-122-5501-2		SUN PRAIRIE PARTNERS LLC	Roers	5.30	Yes	1,838,200	0	0	1,838,200	93.86%	1,958,449	0	0	1,958,449			5.30	5.30
16	0810-121-9130-2	103 S THOMPSON RD	HART TR, RICHARD & PATRICIA	S Thompson	0.46		97,000	94,500	0	191,500	93.86%	103,345	100,682	0	204,027			0.46	0.46
17	0810-121-9135-7	105 S THOMPSON RD	HART TR, RICHARD & PATRICIA	S Thompson	0.31		31,600	0	0	31,600	93.86%	33,667	0	0	33,667			0.31	0.31
18	0810-121-9147-3	109 S THOMPSON RD	STEVE'S WHOLESale LLC	S Thompson	0.70		108,200	316,700	166,200	591,100	93.86%	115,278	337,417	177,072	629,768			0.70	0.70
19	0810-121-9160-6	117 S THOMPSON RD	STEVE'S WHOLESale LLC	S Thompson	0.34		83,500	120,800	0	204,300	93.86%	88,962	128,702	0	217,665			0.34	0.34
20	0810-121-9170-4	125 S THOMPSON RD	JOEL & JENETTE COMPANY LLC	S Thompson	0.32		80,300	219,500	66,800	366,600	93.86%	85,553	233,859	71,170	390,582			0.32	0.32
21	0810-121-9180-2	131 S THOMPSON RD	STEVE'S WHOLESale LLC	S Thompson	0.33		81,700	127,900	0	209,600	93.86%	87,045	136,267	0	223,311			0.33	0.33
22	0810-121-9190-0	137 S THOMPSON RD	CITY OF SUN PRAIRIE	S Thompson	8.54		0	0	0	0	93.86%	0	0	0	0		8.036	0.50	8.54
23	0811-072-1195-2	322 FIELD CT	PARKSIDETOWNHOMES LLC	Sunfield I	8.77		720,000	3,613,900	0	4,333,900	93.86%	767,100	3,850,309	0	4,617,409		4.768	4.00	8.77
24	0811-072-8325-2	131 CLARMAR DR	FAITH COMMUNITIES LLC	Sunfield II	0.80		168,400	1,138,700	87,000	1,394,100	93.86%	179,416	1,213,190	92,691	1,485,297			0.80	0.80
25	0811-072-8335-2	159 CLARMAR DR	159 W CLARMAR DRIVE LLC	Sunfield II	1.10		143,400	91,400	10,400	245,200	93.86%	152,781	97,379	11,080	261,240			1.10	1.10
26	0811-072-8340-8	245 CLARMAR DR	PEAT - SUN PRAIRIE LLC	Sunfield II	0.50		123,300	104,700	400	228,400	93.86%	131,366	111,549	426	243,341			0.50	0.50
27	0811-072-6091-2	1632 SUNFIELD ST	1632-1656 SUNFIELD ST LLC	Sunfield II	0.70		210,600	704,000	0	914,600	93.86%	224,377	750,053	0	974,430			0.70	0.70
28	0811-072-8270-3	1610 W MAIN ST	GATES PROPERTIES LLC	Sunshine I	0.49		134,700	379,000	41,300	555,000	93.86%	143,512	403,793	44,002	591,306			0.49	0.49
29	0811-072-8280-1	1632 W MAIN ST	SUNSHINE PLACE INC	Sunshine I	0.79		0	0	0	0	93.86%	0	0	0	0			0.79	0.79
30	0811-072-8110-6	1528 W MAIN ST	1528 MAIN LLC	Sunshine II	0.19		61,000	103,900	0	164,900	93.86%	64,990	110,697	0	175,687			0.19	0.19
31	0811-072-8120-4	1532 W MAIN ST	KEVIN A SULLIVAN	Sunshine II	0.23		75,700	168,500	500	244,700	93.86%	80,652	179,523	533	260,707			0.23	0.23
32	0811-072-8130-2	17 RICKEL RD	SUN PRAIRIE EMERGENCY FOOD PANTRY INC	Sunshine II	0.39		69,100	155,400	0	224,500	93.86%	73,620	165,566	0	239,186			0.39	0.39
33	0811-072-8220-3	52 RICKEL RD	VIVIAN KNOBECK	Sunshine III	0.36		67,600	163,600	0	231,200	93.86%	72,022	174,302	0	246,324		0.357		0.36
34	0811-072-8260-5	18 RICKEL RD	SUNSHINE PLACE INC	Sunshine III	0.52		0	0	0	0	93.86%	0	0	0	0		0.522		0.52
35	0811-072-8230-1	38 RICKEL RD	SUNSHINE PLACE INC	Sunshine III	0.36		0	0	0	0	93.86%	0	0	0	0		0.357		0.36
36	0811-071-8790-5	349 S WALKER WAY	KLUBERTANZ-TRAPP POST 9362 VETERANS OF FOREIGN WARS	Walker	0.66		0	133,100	8,500	141,600	93.86%	0	141,807	9,056	150,863				0.00
37	0811-071-8820-8	349 S WALKER WAY	V F W POST 9362	Walker	0.56		0	0	8,500	8,500	93.86%	0	0	9,056	9,056				0.00
38	0810-122-5512-2		HY-VEE INC	Hy-Vee	1.47	Yes	632,100	0	0	632,100	93.86%	673,450	0	0	673,450		1.467		1.47
39	0810-121-8690-7	143 GOODYEAR ST	VEYANCE TECHNOLOGIES INC		17.99		1,178,300	2,607,300	518,100	4,303,700	93.86%	1,255,380	2,777,861	551,992	4,585,233	17.99			17.99
40	0810-121-8425-2	1900 W MAIN ST	BROOKS INCORPORATED		9.02		2,609,900	4,537,600	29,800	7,177,300	93.86%	2,780,631	4,834,434	31,749	7,646,814	9.02			9.02
41	0811-072-8100-8	1516 W MAIN ST	OLD NATIONAL BANK		0.78		181,800	526,000	92,800	800,600	93.86%	193,693	560,409	98,871	852,973		0.778		0.78
42	0811-071-8780-7		SUN PRAIRIE, CITY OF		0.28		0	0	0	0	93.86%	0	0	0	0				0.00
43	0811-071-8800-2		SUN PRAIRIE, CITY OF		0.84		0	0	0	0	93.86%	0	0	0	0				0.00
44	0811-072-8540-6		SUN PRAIRIE, CITY OF		0.76		0	0	0	0	93.86%	0	0	0	0				0.00
NOTES:					87.45		12,663,500	27,759,700	1,181,300	41,604,500		13,491,903	29,575,645	1,258,577	44,326,124	27.01	20.83	20.46	68.31
¹ Parcel data taken from excel workbook "TID 15 Info 09242021" received 10-1-2021.					Total										Estimated	30.89%	23.82%	23.39%	78.11%
² A portion of the indicated parcels was annexed to the City within the previous three year period.					Acreage										Base Value				
³ Ratio taken from 2021 TID Statement of Changes in Value as published on the Wis. Dept. of Revenue website.																			

SECTION 5:

Equalized Value Test

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

Calculation of City Equalized Value Limit

City TID IN Equalized Value (Jan. 1, 2021)	\$ 4,176,130,900
TID Valuation Limit @ 12% of Above Value	\$ 501,135,708

Calculation of Value Subject to Limit

Base Value of New District	\$ 44,326,124
Incremental Value of Existing Districts (Jan. 1, 2021)	\$ <u>280,024,800</u>
Total Value Subject to 12% Valuation Limit	\$ 324,350,924

The equalized value of the increment of existing tax incremental districts within the City plus the estimated base value of the District totals \$234,452,100. This value is less than the maximum of \$436,091,316 in equalized value that is permitted for the City.

SECTION 6:

Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

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

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

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

Property, Right-of-Way, and Easement Acquisition

Property Acquisition for Development

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

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

Property Acquisition for Conservancy

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

Acquisition of Rights-of-Way

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

Acquisition of Easements

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

Relocation Costs

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

Site Preparation Activities

Environmental Audits and Remediation

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

Demolition

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

Site Grading

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

Utilities

Sanitary Sewer System Improvements

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

Water System Improvements

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

implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild, or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

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

Electric Service

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

Gas Service

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

Communications Infrastructure

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

Streets and Streetscape

Street Improvements

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

Streetscaping and Landscaping

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

Community Development

Cash Grants (Development Incentives)

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

Miscellaneous

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural; environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

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

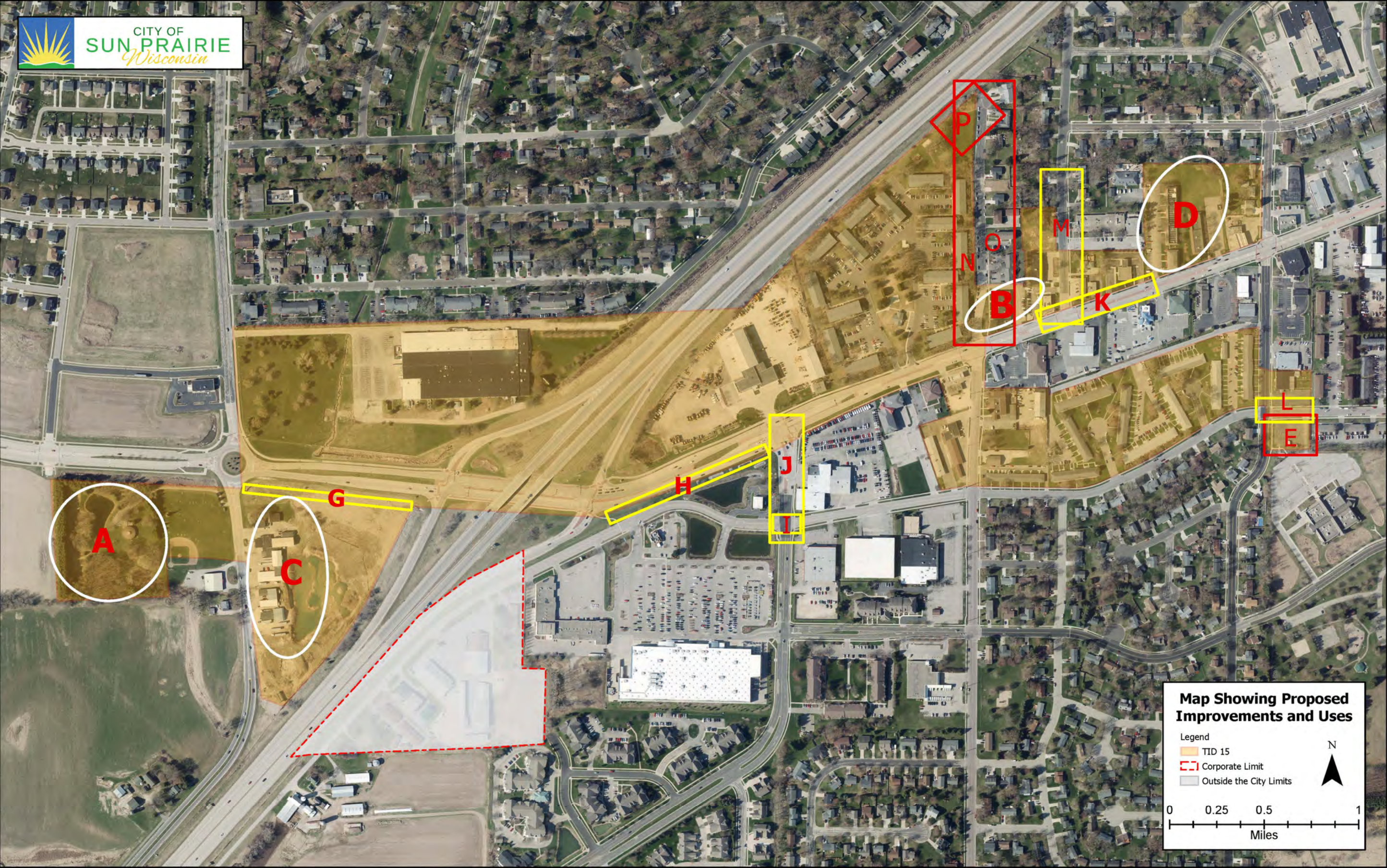
Financing Costs

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

SECTION 7:

Map Showing Proposed Improvements and Uses

Map Found on Following Page.



SECTION 8:

Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City currently expects to incur in implementing the District's Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

Project List Found on Following Page.

City of Sun Prairie, Wisconsin

Tax Increment District #15

Estimated Project List

Map ID	Project Name/Type	Cost Estimates			Est. Timing
		City Borrowing or Cash Funded	PAYGO	Total	
	<u>Development Incentives¹</u>				
A	Roers		2,800,000	2,800,000	2024 - 2038
B	Sunshine I	750,000	750,000	1,500,000	2023 - 2035
C	S Thompson	250,000	250,000	500,000	2026 - 2033
D	Main I	400,000	400,000	800,000	2026 - 2037
E	<u>Land Purchase (Legion Lot)²</u>	500,000		500,000	2024
	<u>Intersection & Ped. Crossing Studies²</u>	70,000		70,000	2024 - 2025
	<u>Infrastructure²</u>			0	
G	Main/S Thompson sidewalk (840')	22,680		22,680	2024
H	Main/O'Keefe sidewalk (830')	22,410		22,410	2025
I	Int O'Keefe/Sunfield	200,000		200,000	2027
J	O'Keefe/Sunfield sidewalk (275')	7,425		7,425	2025
K	Island at Rickel/Main	100,000		100,000	2024
L	Int Walker/Sunfield	200,000		200,000	2026
M	Rickel sidewalk to Bueana Vista (834')	22,518		22,518	2028
O	Hart sidewalk, E side (1120')	30,240		30,240	2027
N	Hart sidewalk, W side (1120')	30,240		30,240	2027
	<u>Public Spaces²</u>				
P	Hart Road Park	500,000		500,000	2028
	<u>Administrative Expense³</u>	260,000		260,000	2022 - 2043
	<u>Finance Related Expense & Interest on LT Debt³</u>	779,100		779,100	2023 - 2036
	Total	4,144,613	4,200,000	8,344,613	
Notes:					
¹ Staff estimate. Figures shown are for determining economic feasibility only. The City has not entered into agreements to provide incentives for any proposed or future projects within the District.					
² Staff estimate.					
³ Ehlers estimate.					

SECTION 9:

Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to create \$42.2 million in incremental value by 2036. Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming the City's current equalized TID Interim tax rate of \$23.47 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate \$15.2 million in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.

City of Sun Prairie, Wisconsin

Tax Increment District #15

Development Assumptions¹

Construction Year	Roers	Main I	Main II	S Thompson	Sunfield I	Sunfield II	Sunshine I	Hyvee	Annual Total	Construction Year
1 2022	4,733,825								4,733,825	2022 1
2 2023	4,733,825						3,250,000	1,701,200	9,685,025	2023 2
3 2024		3,000,000					3,250,000		6,250,000	2024 3
4 2025		3,000,000							3,000,000	2025 4
5 2026				2,000,000					2,000,000	2026 5
6 2027			2,000,000	2,000,000					4,000,000	2027 6
7 2028									0	2028 7
8 2029									0	2029 8
9 2030									0	2030 9
10 2031									0	2031 10
11 2032					4,000,000				4,000,000	2032 11
12 2033					4,000,000				4,000,000	2033 12
13 2034						2,250,000			2,250,000	2034 13
14 2035						2,250,000			2,250,000	2035 14
15 2036									0	2036 15
16 2037									0	2037 16
17 2038									0	2038 17
18 2039									0	2039 18
19 2040									0	2040 19
20 2041									0	2041 20
Totals	<u>9,467,650</u>	<u>6,000,000</u>	<u>2,000,000</u>	<u>4,000,000</u>	<u>8,000,000</u>	<u>4,500,000</u>	<u>6,500,000</u>	<u>1,701,200</u>	<u>42,168,850</u>	

Notes:

¹Estimated potential incremental value taken from excel workbook "TID 15 Info 09242021" received 10-1-2021. Roers value adjusted to reflect Assessor's estimate.

Table 1 - Development Assumptions

City of Sun Prairie, Wisconsin

Tax Increment District #15

Tax Increment Projection Worksheet

Type of District	Mixed Use	Base Value	0
District Creation Date	November 23, 2021	Appreciation Factor	0.00%
Valuation Date	Jan 1, 2022	Base Tax Rate	\$23.47
Max Life (Years)	20	Rate Adjustment Factor	
Expenditure Period/Termination	15 11/23/2036		
Revenue Periods/Final Year	20 2043		
Extension Eligibility/Years	Yes 3		
Eligible Recipient District	No		

Construction	Valuation	Inflation	Total	Revenue	Tax
Year	Value Added	Year	Increment	Year	Rate ¹
1 2022	4,733,825	2023	0	2024	\$23.47
2 2023	9,685,025	2024	0	2025	\$23.47
3 2024	6,250,000	2025	0	2026	\$23.47
4 2025	3,000,000	2026	0	2027	\$23.47
5 2026	2,000,000	2027	0	2028	\$23.47
6 2027	4,000,000	2028	0	2029	\$23.47
7 2028	0	2029	0	2030	\$23.47
8 2029	0	2030	0	2031	\$23.47
9 2030	0	2031	0	2032	\$23.47
10 2031	0	2032	0	2033	\$23.47
11 2032	4,000,000	2033	0	2034	\$23.47
12 2033	4,000,000	2034	0	2035	\$23.47
13 2034	2,250,000	2035	0	2036	\$23.47
14 2035	2,250,000	2036	0	2037	\$23.47
15 2036	0	2037	0	2038	\$23.47
16 2037	0	2038	0	2039	\$23.47
17 2038	0	2039	0	2040	\$23.47
18 2039	0	2040	0	2041	\$23.47
19 2040	0	2041	0	2042	\$23.47
20 2041	0	2042	0	2043	\$23.47
Totals	42,168,850	0		Future Value of Increment	15,116,422

Notes:

¹Tax rate shown is actual DOR Form PC-202 rate from 2020/21 levy.

Table 2 – Tax Increment Projection Worksheet

Financing and Implementation

The City expects to provide development incentives with a combination of up-front cash and “pay as you go” incentives. To the extent up front cash is provided, that cost, as well as the cost to fund any public infrastructure and related costs is expected to be financed through issuance of long-term debt unless the District has accumulated sufficient funds to cash fund those costs. The City will advance funds to the District as needed to pay for the cost of its creation, and to cover administrative expenses incurred prior to receipt of tax incremental revenue. Advances may be recovered, with interest, as cash flow permits.

To the extent up-front cash development incentives are provided, tax increments from the associated project will be prioritized to repayment of City debt before any funds are made available for pay as you go incentives. Payment of pay as you go incentives will be subject to annual appropriation and limited to tax increment generated by the associated project.

Based on the Project Cost expenditures as included within the cash flow exhibit **(Table 3)**, the District is projected to accumulate sufficient funds by the year 2037 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

City of Sun Prairie, Wisconsin

Tax Increment District #15

Cash Flow Projection

Year	Projected Revenues			Projected Expenditures														Balances			Year	
	Tax Increments	Proceeds of LT Debt	Total Revenues	G.O. Bond 1,600,000			G.O. Note 1,150,000			Development Incentives ("Pay As You Go") ¹				Develop. Incentive Cash Up Front	Public Inf., Studies & Public Spaces	Finance Related Expense	Admin.	Total Expenditures	Annual	Cumulative		Debt Principal & PAYGO Outstanding
				Dated Date: Prin (4/1)	Est. Rate	Interest	Dated Date: Prin (4/1)	Est. Rate	Interest	Roers	Sunshine I	S Thompson	Main I									
2022			0												0		50,000	50,000	(50,000)	(50,000)	2,800,000	2022
2023		1,600,000	1,600,000											750,000	0	24,000	10,000	784,000	816,000	766,000	5,150,000	2023
2024	111,126		111,126			72,000				100,013	0	0	0		672,680		10,000	854,693	(743,567)	22,433	5,049,987	2024
2025	338,480		338,480			48,000				200,026	38,147	0	0		49,835		10,000	346,008	(7,528)	14,905	4,811,814	2025
2026	485,198	1,150,000	1,635,198			48,000				200,026	76,293	0	0	650,000	200,000	17,250	10,000	1,201,569	433,628	448,533	6,335,495	2026
2027	555,622		555,622			48,000			51,750	200,026	76,293	0	0		260,480		10,000	646,549	(90,927)	357,605	6,059,175	2027
2028	602,572		602,572			48,000			34,500	200,026	76,293	23,475	23,475		522,518		10,000	938,287	(335,715)	21,890	5,735,906	2028
2029	696,471		696,471	150,000	3.000%	45,750	100,000	3.000%	33,000	200,026	76,293	46,950	46,950				10,000	708,969	(12,498)	9,392	5,115,688	2029
2030	696,471		696,471	150,000	3.000%	41,250	100,000	3.000%	30,000	200,026	76,293	46,950	46,950				10,000	701,469	(4,998)	4,394	4,495,469	2030
2031	696,471		696,471	150,000	3.000%	36,750	100,000	3.000%	27,000	200,026	76,293	46,950	46,950				10,000	693,969	2,502	6,897	3,875,250	2031
2032	696,471		696,471	150,000	3.000%	32,250	110,000	3.000%	23,850	200,026	76,293	46,950	46,950				10,000	696,319	152	7,049	3,245,031	2032
2033	696,471		696,471	155,000	3.000%	27,675	120,000	3.000%	20,400	200,026	76,293	38,727	46,950				10,000	695,071	1,400	8,449	2,608,036	2033
2034	790,370		790,370	250,000	3.000%	21,600	170,000	3.000%	16,050	200,026	76,293	0	46,950				10,000	790,919	(549)	7,900	1,864,767	2034
2035	884,269		884,269	275,000	3.000%	13,725	225,000	3.000%	10,125	200,026	25,215	0	46,950				10,000	806,041	78,229	86,129	1,092,576	2035
2036	937,088		937,088	320,000	3.000%	4,800	225,000	3.000%	3,375	200,026	0	0	46,950				10,000	810,151	126,937	213,066	300,600	2036
2037	989,906		989,906							200,026	0	0	928				10,000	210,954	778,952	992,018	99,646	2037
2038	989,906		989,906							99,646	0	0	0				10,000	109,646	880,260	1,872,278	0	2038
2039	989,906		989,906							0	0	0	0				10,000	10,000	979,906	2,852,184	0	2039
2040	989,906		989,906							0	0	0	0				10,000	10,000	979,906	3,832,090	0	2040
2041	989,906		989,906							0	0	0	0				10,000	10,000	979,906	4,811,997	0	2041
2042	989,906		989,906							0	0	0	0				10,000	10,000	979,906	5,791,903	0	2042
2043	989,906		989,906							0	0	0	0				10,000	10,000	979,906	6,771,809	0	2043
Total	15,116,422	2,750,000	17,866,422	1,600,000		487,800	1,150,000		250,050	2,800,000	750,000	250,000	400,000	1,400,000	1,705,513	41,250	260,000	11,094,613				Total
Notes:																			Projected TID Closure			
¹ Staff estimate. Figures shown are for determining economic feasibility only. The City has not entered into agreements to provide incentives for any proposed or future projects within the District.																						

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. Although property within the proposed District boundary has been annexed within the past three years, it may be included in the District as a permitted exception under Wis. Stat. § 66.1105(4)(gm)1. since the City has previously entered into a cooperative plan boundary agreement, or other agreement related to the annexation, with the Town of Burke.

SECTION 11:

Estimate of Property to Be Devoted to Retail Business

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

SECTION 12:

Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

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

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for mixed use development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13:

Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14:

How Creation of the Tax Incremental District Promotes the Orderly Development of the City

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

SECTION 15:

List of Estimated Non-Project Costs

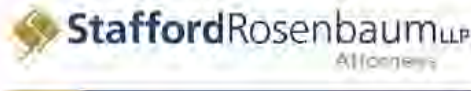
Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

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

Legal Opinion Found on Following Page.



Matthew P. Dregne
Government Law Team Leader

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MDregne@staffordlaw.com
608.259.2618

November 23, 2021

By Email: aoppenheimer@cityofsunprairie.com

Aaron Oppenheimer, City Administrator
City of Sun Prairie
300 East Main Street
Sun Prairie, WI 53590

Re: Tax Increment District No. 15
Opinion letter re compliance with Wis. Stat. § 66.1105

Dear Mayor Esser:

I have been asked to review the Project Plan for Tax Increment District No. 15 – West Main Street, dated November 9, 2021 (the “Project Plan”). I have reviewed the Project Plan, and it is my opinion that the Project Plan is complete and complies with Wis. Stat. § 66.1105.

Best regards,

STAFFORD ROSENBAUM LLP

Matthew P. Dregne

MPD:pcl

cc: Taylor Brown, Economic Development Specialist (by email)

L:\DOCS\0072001003039\AGREE\3SC7802.DOCX
11/23/21 11:09

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SECTION 17:

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

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

Revenue Year	Dane County	City of Sun Prairie	SPASD	Madison College	Total	Revenue Year
2024	13,580	33,136	60,318	4,093	111,126	2024
2025	41,362	100,928	183,723	12,467	338,480	2025
2026	59,291	144,677	263,359	17,870	485,198	2026
2027	67,897	165,676	301,585	20,464	555,622	2027
2028	73,635	179,675	327,068	22,193	602,572	2028
2029	85,109	207,674	378,036	25,652	696,471	2029
2030	85,109	207,674	378,036	25,652	696,471	2030
2031	85,109	207,674	378,036	25,652	696,471	2031
2032	85,109	207,674	378,036	25,652	696,471	2032
2033	85,109	207,674	378,036	25,652	696,471	2033
2034	96,584	235,673	429,003	29,110	790,370	2034
2035	108,058	263,672	479,970	32,569	884,269	2035
2036	114,513	279,422	508,639	34,514	937,088	2036
2037	120,967	295,171	537,309	36,459	989,906	2037
2038	120,967	295,171	537,309	36,459	989,906	2038
2039	120,967	295,171	537,309	36,459	989,906	2039
2040	120,967	295,171	537,309	36,459	989,906	2040
2041	120,967	295,171	537,309	36,459	989,906	2041
2042	120,967	295,171	537,309	36,459	989,906	2042
2043	120,967	295,171	537,309	36,459	989,906	2043
Totals	1,847,235	4,507,428	8,205,004	556,755	15,116,422	