

CITY OF SUN PRAIRIE
TAX INCREMENT
FINANCING DISTRICT
No. 8

City Council Action

December 27, 2001

Prepared by:

Vandewalle & Associates
Madison, Wisconsin

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Section I. Introduction

In the 1980s, the City of Sun Prairie created a Tax Increment Finance District in the historic downtown. Many public improvement projects were completed to enhance the aesthetics of the downtown and encourage development and business investment in the downtown. A Business Improvement District was formed as a result of these efforts. The historic buildings in the downtown housed many specialty shops including an emphasis on antiques and shops dealing with handcrafted items and supplies.

In addition to the Downtown area, the City of Sun Prairie, with assistance spearheaded by the Sun Prairie Industrial Development Corporation, has focused its efforts on business and industrial development outside the City's Downtown. The Sun Prairie Business Park, one of the State of Wisconsin's premier business/industrial parks, has grown very quickly to house over \$50,000,000 of new investment and hundreds of quality, living wage jobs. There is also a "medium to heavy" industrial park expansion southwest of the downtown that houses businesses that round out the kinds of non-residential types of tax base beneficial to a community. The addition of both of these business endeavors has greatly increased the value of the community in addition to providing quality jobs.

In recent years, however, it has become clear that the Downtown is now starting to lose some of the vitality that it enjoyed during the 1980s and 1990s. The City itself reinvested in the Downtown by building a new City Hall building. The Library was taken out of the Downtown and is now located in a first-class facility on the southeast portion of the City. Main Street buildings, although mostly filled, do not carry the density of a variety of retail uses as they once did.

One major factor contributing to a small decline in the Downtown is the full and/or partial closing or relocation of three large manufacturing facilities located immediately south of Main St. The first is the Chiquita plant closing. Very little, if any, activity is taking place there. Buildings are greatly deteriorating, causing not only visual blight, but also carrying the loss of economic power and the potential for providing a place for crime and vandalism. The second business that has greatly reduced its operation is Wisconsin Porcelain. While the company has been recently purchased, operations will only take place in the facility located on the west side of Market St. All of the historic buildings east of Market are vacant and have the same potential for problems as the Chiquita plant. Lastly, Royle Publishing will be moving the Market St. operations to its Bird St. location, thus vacating a large quality office building which will need tenants to remain economically viable.

The City, with the assistance of Vandewalle & Associates, completed the *Business District Revitalization Plan* in early 2001. The plan has been adopted by the appropriate City commissions and committees and will be used as a standard and guide for Downtown redevelopment. In addition, the City created and adopted the *City of Sun Prairie Redevelopment District No. 2* in the summer of 2001. This Redevelopment District enables the Community Development Authority of the City with the powers to carry out the recommendations for Downtown redevelopment.

The Downtown cannot be revitalized without significant public improvements in infrastructure and, more importantly, a public commitment to redevelopment. The creation of Tax Increment Finance District No. 8 (TID No. 8) would allow the City to undertake the public improvements necessary to stimulate private reinvestment and redevelopment within the Downtown area. Without these public improvements, it is unlikely that any significant redevelopment or revitalization of the Downtown would occur. In fact, it is more likely that the Downtown would begin a decline, economically, socially, and physically.

The purpose of TID No. 8 is to provide the necessary improvements in public infrastructure to eliminate blight, encourage economic development, and increase property values. This project plan is written to provide funding for infrastructure improvements aimed at stimulating and enhancing economic development opportunities within the City of Sun Prairie.

The project plan has been prepared in compliance with Sec. 66.1105(4)(f), Wis. Stats. The project plan establishes a need for the project, lists the proposed improvements within TID No. 8, provides an estimated time schedule for completion of the project as well as an estimated budget. This project plan is to be adopted by the City Council on the recommendation of the City Plan Commission. The project plan will be the official plan and guide for public and private sector development within the boundaries of TID No. 8.

Implementation of the project plan and construction of the proposed improvements listed will still require a case by case authorization by the City Council. Public expenditures for projects listed in the project plan should and will be based on market conditions and the status of development at the time the project is scheduled for construction. The City Council is not mandated to make the public expenditures in this plan. The public expenditures are an itemization of TIF-eligible project costs that the City may undertake as well as a guide for the Plan Commission and City Council to assist them in the decision-making process for public expenditures. Redistribution of project costs within the total budget estimate will not require amendments to the plan, provided that the project meets the purpose and intent of TID No. 8.

As required by Sec. 66.1105(5)(b), Wis. Stats., a copy of this project plan will be submitted to the Department of Revenue and used as a basis for their certification of TID No. 8 in the City of Sun Prairie.

Section I. Description of How TID No. 8 Will Promote the Orderly Development of the City of Sun Prairie

In past years, the City of Sun Prairie has made a concerted effort to improve the economic, physical, and social vitality of the Downtown. As stated in Section I, a TID was formed as well as a Business Improvement District. Grant programs were made available to building and business owners to encourage development and redevelopment of their properties. The BID also undertook many beautification projects to enhance the visual character of the Downtown.

Long-term goals include increasing the vitality of existing businesses; encouraging more businesses to locate in the downtown in existing buildings and creating new retail space through the reuse of historic manufacturing buildings or the construction of new mixed use space; construction of mixed-use spaces including retail, office and residential; and elimination of blighted conditions by the redevelopment or removal of vacant, manufacturing properties. Specific goals, objectives and implementation guidelines can be found in the *Business District Revitalization Plan* and *Redevelopment Plan No. 2, City of Sun Prairie*.

The City of Sun Prairie has employed tax increment finance districts in the past to stimulate private reinvestment and redevelopment. TID No. 1 was created in 1981 and retired in 1990. Its boundaries primarily encompassed the Downtown. The creation of TID No. 8 will provide the City with the tools to effectively implement the land use goals and objectives for the Downtown, as defined in the *Business District Revitalization Plan*.

The boundary for TID No. 8 encompasses what has historically been defined as the Downtown as well as a number of parcels of land south of Main St. This project plan is aimed at making infrastructure improvements, as well as traffic circulation, public parking, streetscape improvements, and pedestrian amenities and way-finding improvements, to stimulate private reinvestment and redevelopment. Additional project activities may include acquisition and relocation activities aimed at eliminating blight and achieving the highest and best use within the Downtown, establishing an economic development fund, developing and implementing a marketing plan for the Downtown, and other planning activities, as required.

Any zoning changes required to implement the projects listed herein will be made in accordance with the zoning ordinance on a project by project basis.

Section II. Tax Increment Boundary Description and Equalized Values

The boundaries of the TID No. 8 are officially designated on Map Two. TID No. 8 is comprised of the entire Downtown, as defined in the *Business District Revitalization Plan*. It also includes all parcels south of Main St. to Park St. and west along Linnerud Drive.

The City's Estimated Capacity to Create TID No. 8 (Effective January 1, 2001):

Total Equalized Value Of the City	5% of the City's Total Equalized Value	7% of the City's Total Equalized Value
\$1,255,888,600	\$62,794,430	\$87,912,202

State Certified and Estimated TID Values:

	Base Value	Increment	Total
TID No. 6	\$117,600	\$1,985,300	\$2,102,900
TID No. 7	\$706,700	\$8,473,000	\$9,179,700
Proposed TID No. 8	\$10,031,000	0	\$10,031,000
Estimated in All TIDs	\$10,855,300	\$10,458,300	\$21,313,600

The City's Remaining Estimated Capacity to Create Additional TIDs:

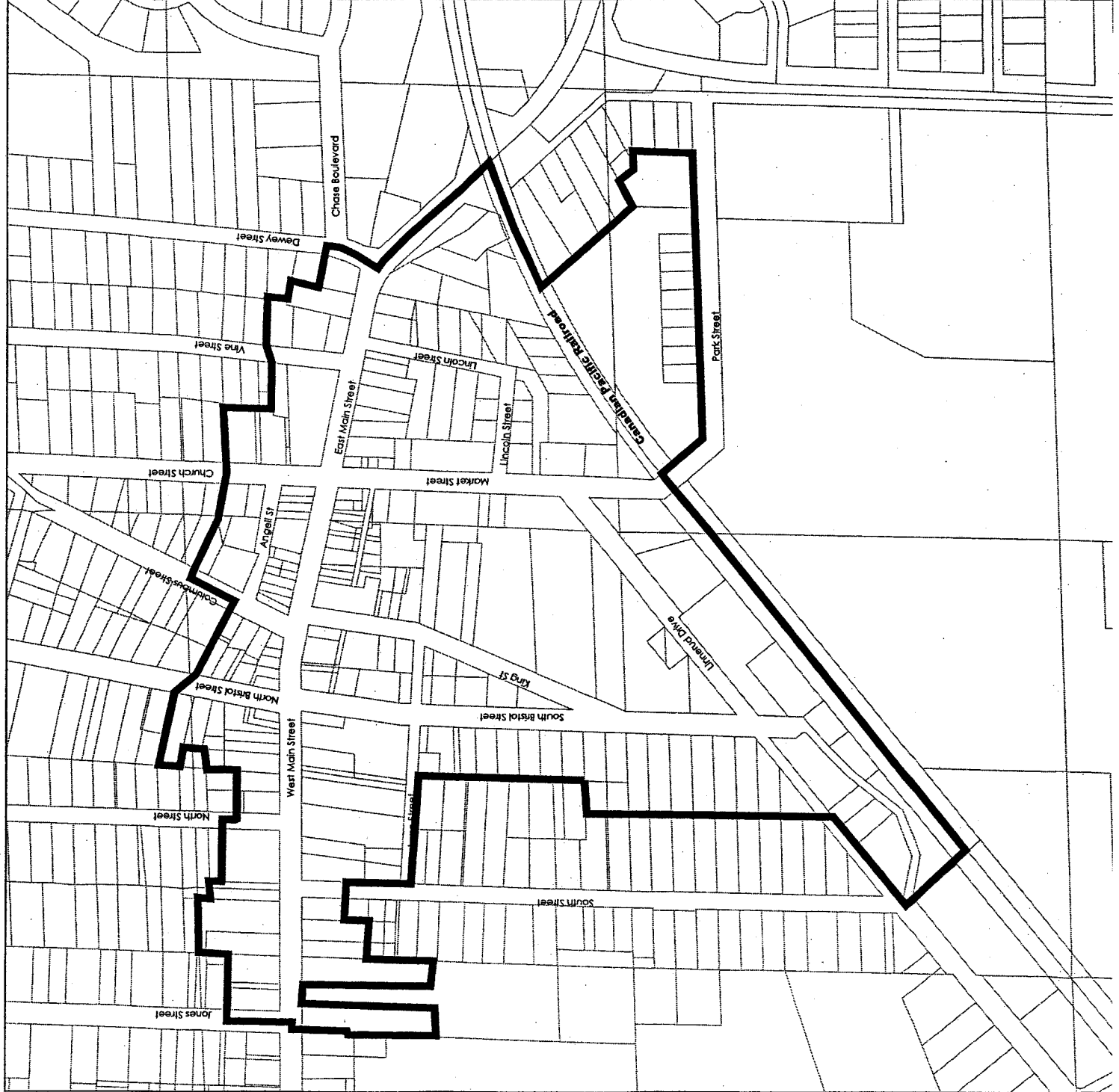
	5% Calculation	7% Calculation
Total City Capacity	\$62,794,430	\$87,912,202
Existing & Proposed TIDs	\$21,313,600	\$21,313,600
Remaining Capacity	\$41,480,830	\$66,598,602

CITY OF SUN PRAIRIE
TID #8

MAP 1
DISTRICT BOUNDARY



200 0 200 Feet



Section III. Existing Uses and Conditions of Real Property

A description of the existing land uses within the proposed boundary for TID No. 8 is located on Map Three and the existing zoning on Map Four. The current mix of land uses in TID No. 8 does not allow for the highest and best use within the context of a downtown area. The mix of land uses within TID No. 8 includes industrial, commercial, retail, and residential uses. While the industrial uses are on the south side of the Downtown, they are in close proximity to not only residential development and Angell Park but are also co-mingled with commercial and retail uses.

The area within the proposed boundary for TID No. 8 is currently divided into the following 13 land-use/zoning districts:

1. General Business
2. Central Business
3. Single Family Residential
4. Multi-Family Residential
5. Mixed Use – Business & Residential
6. Office
7. General Industrial
8. Heavy Industrial
9. Rail
10. Municipal
11. Institutional
12. Municipal Parking
13. Private Parking

In some instances the zoning cannot accommodate the kind of future development needed to revitalize the Downtown. In such instances, zoning will be changed on a project-by-project basis.

A minimum of 51% of real property within TID No. 8 is considered blighted, physically and/or economically, due to deteriorating buildings, inappropriate land uses, disruptive traffic patterns, or inadequate streetscape and pedestrian amenities (See Appendix A for a parcel by parcel blight analysis). A majority of the structures within the TID No. 8 district boundary are considered aged, deteriorating or unfit for redevelopment. There are buildings with historic architecture throughout the Downtown, most of which are in good condition and repair. Some of the historic structures have been “updated” to such an extent that their historic character has been lost. Some of the historic industrial structures are sound and are ripe for rehabilitation, in particular, the manufacturing facilities located south of Main Street. The remainder of the industrial structures are dilapidated and deteriorating to such an extent that physical reuse is economically unfeasible.

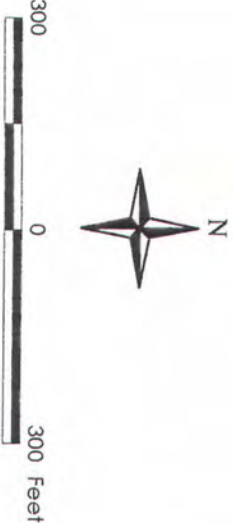
The current streetscape, traffic patterns and parking south of Main Street are not conducive to safe vehicular and pedestrian movement. There is a lack of sidewalks connecting potential parking to the backs of storefronts. There are few way-finding and circulation mechanisms to support pedestrian traffic. Heavy vehicular traffic flows through Downtown via Highway 19 to continue on or connect to I-94. A truck by-pass would help ease the traffic pressure on Main Street and, consequently, encourage more parking and pedestrian movement.

Based on the above findings and the blight analysis presented in *Redevelopment District No. 2 Project Plan*, at least 51% of the area located within TID No. 8 meets the statutory definition of a blighted property as specified in Wis. Stats. 66.1105(4)(gm)(4)(a).

CITY OF SUN PRAIRIE
TID #8

MAP 2
EXISTING USES OF
REAL PROPERTY

- Vacant Parcels
- Study Area
- Existing Land Use
- General Business
- Central Business
- Single Family Residential
- Multi-Family Residential
- Mixed Use--Business & Residential
- Office
- General Industrial
- Heavy Industrial
- Rail
- Municipal
- Institutional
- Municipal Parking
- Private Parking



November, 2001

Sources: City of Sun Prairie, Dane County
Regional Planning Commission, Vandewalle
& Associates Site Inventory.

Vandewalle & Associates
Madison Wisconsin Colorado Springs
Planning - Consulting - Zoning



MAP 3
CONDITIONS OF
REAL PROPERTY

-  Historic Buildings*
-  Poor Building Conditions**
-  Study Area

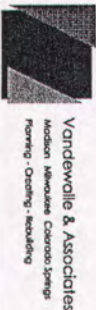
*Historic Sites: Sites determined by cross-referencing lists from the State of Wisconsin Historical Society as sites recognized as architecturally and historically significant and the study conducted for the proposed Historic District by the Landmark Commission.

**Poor Site Conditions: Sites determined by visual assessment of parcels containing structures, buildings or improvements, which by means of dilapidation, deterioration, age or obsolescence is aesthetically unappealing and substantially impairs or arrests the sound growth of the community.



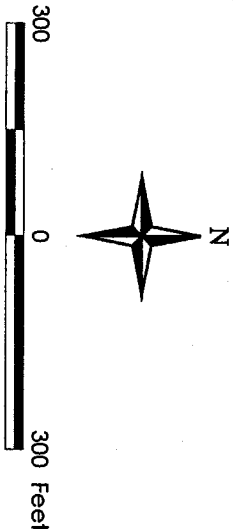
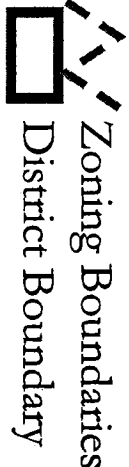
November, 2001

Sources: City of Sun Prairie, Dane County
Regional Planning Commission, Vandeville
& Associates Site Inventory.



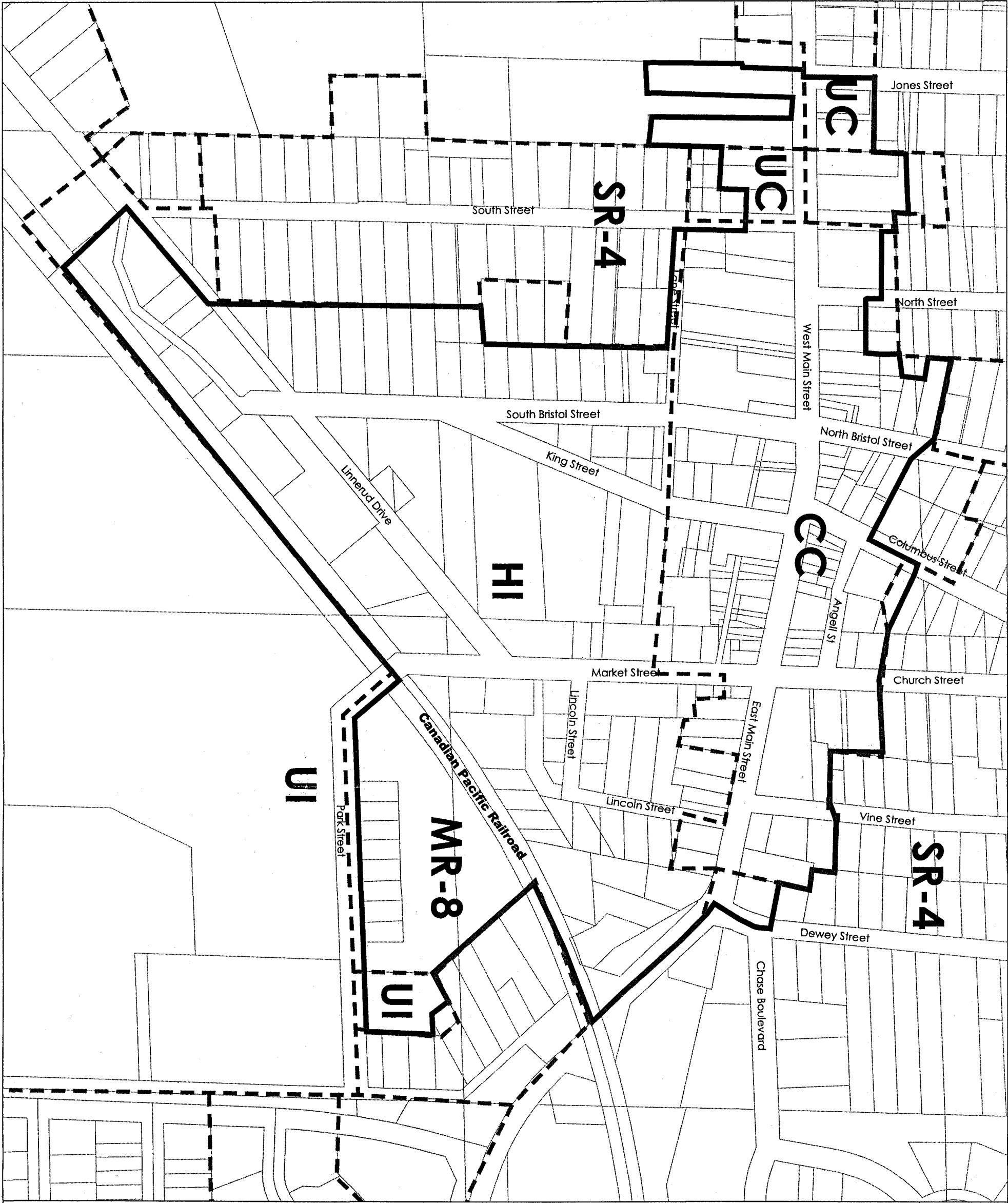
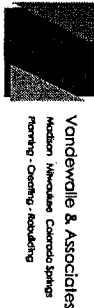
CITY OF SUN PRAIRIE
TID #8

MAP 4
EXISTING ZONING



November, 2001

Sources: City of Sun Prairie, Dane County
Regional Planning Commission, Vandeville
& Associates Site Inventory.



Section IV. Proposed Public Works and Estimated Costs

This section describes the proposed public works projects and their estimated costs. These are referred to as "project activities." Table One allocates the projects and their respective costs over a proposed seven-year spending period. These project activities and costs are estimates and may be adjusted and refined. The adjustments and refinements may include changing the year in which a project activity is undertaken and reallocating the cost of specific projects within the limitation of the total estimated project costs. Adjustments to the proposed project plan will be made on the recommendation of the City Plan Commission to be reviewed and adopted by the City Council.

The project plan for TID No. 8 should be considered as a local enabling tool that allows the City Plan Commission and the City Council to implement the project activities described herein. Each project activity and expenditure will require specific action by the City Council, even though it is included in this project plan. It is recommended that a Project Management Team (PMT) be created, as part of the implementation of this project plan, and include at least one member from the City Plan Commission, City Council, City staff and consultants. The PMT will be responsible for overall project management, conditioned on the review and approval of the City Council and/or the City Plan Commission. The PMT's duties may include the following:

- * Implementing this project plan;
- * Conducting more detailed planning and engineering studies;
- * Developing more refined land use and circulation plans for implementation;
- * Developing environmental standards for which development within the district will need to conform to;
- * General guidance and referral of actions to other City Committees and the City Council;
- * Establishing and managing an economic development master fund;
- * Identifying and applying for additional non-TIF revenue sources;
- * Public infrastructure construction oversight;
- * Developing and implementing a business marketing plan;
- * Developer recruitment;
- * Business recruitment.

The proposed project activities within this project plan have been comprehensively planned and prioritized. The year-by-year prioritization, included in Table One, has been established on the basis of providing public works improvements that have the greatest chance of stimulating immediate economic development. Scheduling of project activities will be monitored to ensure that the projected economic stimulation is occurring prior to proceeding with other project activities. This monitoring will occur on an annual basis. If economic conditions are not altered by the proposed project activity, other project activities may be delayed and/or removed from the project schedule.

The goal of the proposed project activities is to provide the necessary public improvements to attract and stimulate private reinvestment and redevelopment. There are several comprehensive categories to the proposed project activities. The first category concerns improvements in transportation circulation throughout the Downtown. Specifically, transportation improvements include the upgrading and alteration of key streets and roadways, increased and accessible

parking, improved traffic way-finding and improved pedestrian circulation paths/sidewalks. The second category concerns streetscape improvements on Main Street which will redefine the character of the Downtown and improve and facilitate pedestrian access to the Downtown, including pedestrian way-finding, lighting, landscaping, street furniture and pavements. Finally, the third category is the redevelopment of the Downtown.

Map Four identifies the location of the proposed public improvements and potential redevelopment activities. The project activities are numbered and keyed to Table One and should be referred to in order to determine the program year and estimated project cost for each activity. For a more detailed description of each proposed project, please consult the *Business District Revitalization Plan*.

The anticipated non-project costs in private sector development, as itemized in Table Two, could total \$58,110,760.

City of Sun Prairie

TIF District No. 8

Table 1: Proposed Public Improvements

Project Description	Estimated and Actual Budget Costs (in \$1,000s)															
	2002		2003		2004		2005		2006		2007		2008		Total Est Cost	
	TIF	Non-TIF	TIF	Non-TIF	TIF	Non-TIF	TIF	Non-TIF	TIF	Non-TIF	TIF	Non-TIF	TIF	Non-TIF	TIF	Non-TIF
1 Streetscape/Pedestrian Enhancements																
a. Bristol Street (Main to Linnerud)			\$300												\$300	\$
b. Market Street (Main to the Park)	\$300		\$300												\$600	\$
c. Linnerud (Market to Main)					\$200										\$200	\$
d. Linnerud (Bristol to Market)							\$200								\$200	\$
2 Signage and Wayfinding	\$50		\$50		\$50										\$150	\$
3 General Landscape Enhancement			\$50		\$50		\$50								\$150	\$
4 Strawberry Park Improvements			\$500		\$500										\$1000	\$
5 Parking																
a. Surface parking lot south of Main	\$350														\$350	\$
b. Single deck parking structure north of Main											\$1600				\$1600	\$
6 Transit Center Matching Fund													\$500		\$500	\$
7 Linnerud Drive extension from Market St. to near Main/Dewey Street			\$300		\$150										\$450	\$
8 Lincoln Drive cul-de-sac					\$277										\$277	\$
9 Traffic signal at Main/Dewey Streets							\$85								\$85	\$
10 Burying overhead utility lines			\$400		\$400		\$400		\$400						\$1600	\$
11 Extension of bikepath from Market to Main					\$46										\$46	\$
12 Marketing/Special Events Programming	\$30		\$30		\$30		\$30		\$30		\$30		\$30		\$210	\$
13 Miscellaneous Projects																
a. Administration, legal	\$40		\$25		\$25		\$25		\$25		\$25		\$25		\$190	\$
b. Marketing/business recruitment	\$75		\$75		\$75		\$75		\$75		\$75		\$75		\$525	\$
c. Economic/Redevelopment Fund	\$1000		\$1500		\$1000		\$1000		\$1000		\$1000		\$1000		\$7500	\$
d. Economic Development Advising	\$35		\$15		\$15		\$15		\$15		\$15		\$15		\$125	\$
Total Annual Cost:	\$1880		\$3545		\$2818		\$1880		\$1545		\$2745		\$1645		\$16058	\$

City of Sun Prairie

TIF District No. 8

Table 2: Development Increment Assumptions

10/22/2001 15:19

POTENTIAL DEVELOPMENT INCREMENT	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	TOTAL BY SITE
South Bristol Street Redevelopment														
a. Residential Space (140 units (1,500 SF/unit) @ \$100/SF @ 91% value)		\$1,911,000	\$2,784,600	\$2,839,200	\$2,893,800	\$2,948,400	\$3,003,000	\$3,057,600	\$3,112,200					\$22,549,800
b. Commercial/Retail/Residential Space (12,500 SF @ \$100/SF @ (91% value)		\$1,137,500												\$1,137,500
East Main Commercial/Residential														
a. Commercial/Retail/Residential Space (115,500 SF @ \$100/SF @ 91% value)			\$1,751,750	\$3,573,570	\$1,821,820	\$1,856,855	\$1,891,890							\$10,895,885
b. Residential Space (20 units \$1,500 SF/unit) @ \$100/SF @ 91% value)			\$1,392,300	\$1,419,600										\$2,811,900
Market Street Commercial/Residential														
a. Commercial/Office/Residential Space (54,000 SF @ \$100/SF @ 91% value)				\$1,253,070	\$1,277,640	\$1,302,210	\$1,326,780							\$5,159,700
b. Residential Space (20 units \$1,500 SF/unit) @ \$100/SF @ 91% value)				\$1,446,900	\$1,474,200									\$2,921,100
Canning Company Retail														
a. Commercial/Retail/Residential Space (70,000 SF @ \$100/SF @ 91% value)			\$3,185,000	\$747,150										\$3,932,150
Sports Complex Retail														
a. Commercial/Retail Space (200,000 @ \$30/SF @ 91% value)			\$2,784,600	\$2,839,200										\$5,623,800
Transit Center Retail														
a. Commercial/Retail Space (30,000 SF @ \$75/SF @ 91% value)					\$1,044,225	\$1,064,700								\$2,108,925
Existing Downtown Redevelopment and Rehabilitation Improvements/Additions		\$20,000	\$750,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$970,000
SUBTOTAL DEVELOPMENT INCREMENT ASSUMPTIONS BY CONSTRUCTION YEAR	\$0	\$3,068,500	\$12,648,250	\$14,138,690	\$8,531,685	\$7,192,165	\$6,241,670	\$3,077,600	\$3,132,200	\$20,000	\$20,000	\$20,000	\$20,000	\$58,110,760

Map 5
Proposed Public Improvements



Section V. Sources of Non-Tax Revenues

The project plan for TID No. 8 is written with non-tax revenues anticipated to offset project costs. Non-tax revenues are defined as revenues from sources other than tax increments. The PMT will identify potential funding sources for individual projects within the project plan. It will be the PMT's responsibility, with City Council approval, to annually submit applications for the identified funding sources and to develop any special assessment formulas as part of a funding strategy as each specific project is implemented. Funding strategies will be recommended to the appropriate Council or commission with final action to be taken by the City Council. Other sources of revenue include, but are not limited to, the following:

State and Federal Grants

There are numerous State and Federal grants that are available for revitalization projects. Some of these include, but are not limited to, the Community Development Block Grant (CDBG) program, historic tax credits, low interest loans, Community Based Economic Development (CBED) program and other programs administered through the State of Wisconsin Department of Commerce.

Private Donation Program

Upon design and engineering of public infrastructure improvements, it is anticipated that a formal private donation program will be established. This program will allow the private sector to participate in funding some of the improvements through purchasing specialty streetscape amenities (furniture, trees, trash receptacles, etc.) as well as larger items (clock tower, fountain, plaza area). A "buy a brick" program will be instituted so all residents can participate. The corporate community will also be approached to fund the large gift items.

Land Sales Revenues

The City is anticipating purchasing land, demolishing structures and preparing land for redevelopment activities. The City will then issue Requests for Proposals (RFPs) to seek developer interest. It is anticipated that the City will receive land sales revenues from purchases made by developers for these redevelopment activities.

Until specific projects are defined, pre-engineered, and designed, formal grant applications will not be made. It is anticipated, however, that the City will be successful in obtaining some funding due to the nature and scope of the proposed projects.

The total scope of activities is estimated within the project cost estimates in Table One. Any non-tax revenues received will help to reduce the applicable TIF project expenditures that, in turn, will assist in reducing the total amount of TIF project costs. This reduction may allow the City Council more flexibility in determining the timeframe for other project expenditures.

Section VI. Economic Feasibility Analysis

Table Two lists the development assumptions for new increment developed within TID No. 8. The economic feasibility analysis for TID No. 8 is presented in the revenue projections in Table Three and the expenditure analysis is presented in Table Four.

The revenue projections in Table Three are based upon market assumptions of the development increment that will occur if TID No. 8 is aggressively marketed. The development increments, assumed in Table Three, are considered realistic and conservative. The projections assume an estimated total of \$57,110,760 of *net* new increment (new increment less tax base loss due to demolition) developed by 2014.

The total net development increment of \$57,110,760 is based on the assumptions presented by category and value in Table Two. These development assumption values are conservative and are based on development presently taking place within the region as well as on discussions with potential developers and current landowners. Conservative estimates have been made and are considered realistic for purposes of the economic feasibility analysis.

The assumptions on when development will occur, or "the rate of absorption," are based on a review of market conditions that exist beginning in 2002. If the state of the national economy takes a downswing, these projections on absorption will need to be modified. It is expected and recommended that the City Plan Commission and the City Council annually review the financial condition of TID No. 8.

As indicated earlier in this project plan, non-tax revenue is used to determine economic feasibility of TID No. 8 at this time. Therefore, if development occurs according to the anticipated development schedule and if project costs are expended per Table One, TID No. 8 is feasible contingent upon receipt of non-tax revenues (i.e., land sales, grants, assessments, etc.).

The expenditure analysis presented in Table Four compares the project cost projections, outlined in Table One, to the development increment projections, outlined in Table Two, and calculates when project pay-back would occur. The expenditure analysis assumes that TID No. 8 will be responsible for the cost of interest repayment, conservatively calculated at 6%.

Based on the assumptions in Tables One and Two, TID No. 8 is feasible and will retire in the year 2020.

While the preliminary economic feasibility analysis projects that TID No. 8 is feasible, the City should still be cautious of spending at the levels projected in Table One. The City should annually analyze the fiscal condition of TID No. 8 as to the accuracy of the development assumptions. Decisions to continue spending should be based on this annual review.

Financing for the proposed project activities will be done primarily as General Obligation Bonds, revenue bonds, or loans. The amount of borrowing or the finance strategy is yet to be determined. The accounting for TID No. 8 will be done as a separate fund. The City will make the final decision, in consultation with the City's financial consultant, as to where and how to borrow funds on a case by case basis.

Capital appreciation bonds, a new instrument, have the potential for reducing capitalized interest. At a future date, the City may choose to issue bonds as outlined in Wisconsin Statutes 66.1331 and 66.1333 to induce the type of development desired in the project area. Through the Community Development Authority, the City also has the authority to issue lease revenue bonds should this financing vehicle be useful in accomplishing the objective of this project plan.

City of Sun Prairie

TIF District No. 8

Table 3: Revenue Analysis

10/30/2001

Base Value Year	2002	Rate of Inflation	1.50 %
Base Value Amount	\$10,031 ...in \$1,000s	Interest Rate	6.00 %
Net Value Tax Rate	0.0251		

Construction Year 12/30	Development Increment Base	Tax Base Loss	Total Value	Inflation Factor	Total Current Value	Total Increment Value	Tax Revenue
2002	\$0	\$0	\$10,031	1.0000	\$10,031	\$0	\$0
2003	\$3,069	\$250	\$12,850	1.0150	\$13,042	\$3,011	\$0
2004	\$15,717	\$250	\$25,248	1.0302	\$26,011	\$15,980	\$0
2005	\$29,855	\$250	\$39,136	1.0457	\$40,924	\$30,893	\$76
2006	\$38,387	\$250	\$47,418	1.0614	\$50,328	\$40,297	\$401
2007	\$45,579	\$0	\$54,610	1.0773	\$58,831	\$48,800	\$775
2008	\$51,821	\$0	\$60,852	1.0934	\$66,538	\$56,507	\$1,011
2009	\$54,899	\$0	\$63,930	1.1098	\$70,952	\$60,921	\$1,224
2010	\$58,031	\$0	\$67,062	1.1265	\$75,545	\$65,514	\$1,418
2011	\$58,051	\$0	\$67,082	1.1434	\$76,701	\$66,670	\$1,528
2012	\$58,071	\$0	\$67,102	1.1605	\$77,874	\$67,843	\$1,643
2013	\$58,091	\$0	\$67,122	1.1779	\$79,066	\$69,035	\$1,672
2014	\$58,111	\$0	\$67,142	1.1956	\$80,276	\$70,245	\$1,702
2015	\$58,111	\$0	\$67,142	1.2136	\$81,480	\$71,449	\$1,732
2016	\$58,111	\$0	\$67,142	1.2318	\$82,702	\$72,671	\$1,762
2017	\$58,111	\$0	\$67,142	1.2502	\$83,943	\$73,912	\$1,792
2018	\$58,111	\$0	\$67,142	1.2690	\$85,202	\$75,171	\$1,823
2019	\$58,111	\$0	\$67,142	1.2880	\$86,480	\$76,449	\$1,854
2020	\$58,111	\$0	\$67,142	1.3073	\$87,777	\$77,746	\$1,886
2021	\$58,111	\$0	\$67,142	1.3270	\$89,094	\$79,063	\$1,918
2022	\$58,111	\$0	\$67,142	1.3469	\$90,430	\$80,399	\$1,950
2023	\$58,111	\$0	\$67,142	1.3671	\$91,787	\$81,756	\$1,983
2024	\$58,111	\$0	\$67,142	1.3876	\$93,163	\$83,132	\$2,017
2025	\$58,111	\$0	\$67,142	1.4084	\$94,561	\$84,530	\$2,051
Totals		\$1,000					\$32,218

Notes: All amounts are in \$1,000s

Two year lag between construction and collection of taxes.

City of Sun Prairie

TIF District No. 8

Table 4: Expenditure Analysis

10/30/2001

Construction Year 12/30	Tax Revenue	Non-tax Revenue	Total Revenue	Cumulative revenue	Project Costs (Nominal \$)	Account Balance 1-Jan	Debt Service	Account Balance 31-Dec	Annual Amount Borrowed
2002	\$0	\$0	\$0	\$0	\$1,880	(\$1,880)	\$113	(\$1,993)	(\$1,993)
2003	\$0	\$0	\$0	\$0	\$3,545	(\$5,538)	\$332	(\$5,870)	(\$3,877)
2004	\$0	\$261	\$261	\$261	\$2,818	(\$8,427)	\$506	(\$8,932)	(\$3,062)
2005	\$76	\$653	\$729	\$990	\$1,880	(\$10,083)	\$605	(\$10,688)	(\$1,756)
2006	\$401	\$915	\$1,316	\$2,306	\$1,545	(\$10,918)	\$655	(\$11,573)	(\$884)
2007	\$775	\$653	\$1,428	\$3,734	\$2,745	(\$12,890)	\$773	(\$13,663)	(\$2,090)
2008	\$1,011	\$385	\$1,396	\$5,130	\$1,645	(\$13,912)	\$835	(\$14,747)	(\$1,084)
2009	\$1,224	\$150	\$1,374	\$6,505		(\$13,372)	\$802	(\$14,175)	\$0
2010	\$1,418	\$150	\$1,568	\$8,072		(\$12,607)	\$756	(\$13,364)	\$0
2011	\$1,528	\$150	\$1,678	\$9,750		(\$11,685)	\$701	(\$12,387)	\$0
2012	\$1,643	\$150	\$1,793	\$11,544		(\$10,593)	\$636	(\$11,229)	\$0
2013	\$1,672	\$150	\$1,822	\$13,366		(\$9,406)	\$564	(\$9,971)	\$0
2014	\$1,702	\$150	\$1,852	\$15,218		(\$8,119)	\$487	(\$8,606)	\$0
2015	\$1,732	\$150	\$1,882	\$17,100		(\$6,724)	\$403	(\$7,128)	\$0
2016	\$1,762	\$150	\$1,912	\$19,012		(\$5,216)	\$313	(\$5,528)	\$0
2017	\$1,792	\$150	\$1,942	\$20,954		(\$3,586)	\$215	(\$3,801)	\$0
2018	\$1,823	\$100	\$1,923	\$22,877		(\$1,878)	\$113	(\$1,991)	\$0
2019	\$1,854	\$0	\$1,854	\$24,731		(\$137)	\$8	(\$145)	\$0
2020	\$1,886	\$0	\$1,886	\$26,617		\$1,741	\$0	\$0	\$0
2021	\$1,918	\$0	\$1,918	\$28,535		\$0	\$0	\$0	\$0
2022	\$1,950	\$0	\$1,950	\$30,485		\$0	\$0	\$0	\$0
2023	\$1,983	\$0	\$1,983	\$32,468		\$0	\$0	\$0	\$0
2024	\$2,017	\$0	\$2,017	\$34,485		\$0	\$0	\$0	\$0
2025	\$2,051	\$0	\$2,051	\$36,536		\$0	\$0	\$0	\$0
Totals	\$32,218	\$4,318	\$36,536		\$16,058				(\$14,747)

31-Dec

30-Dec

Notes: All amounts are in \$1,000s

Non-tax revenues may include revenues from CIP, grants, special assessments, and donations.

Section VII. Consistency of Activities within TID No. 8 with the City Zoning Ordinance, Master Plan, and Other Development Ordinances.

The development of TID No. 8 is consistent with local plans. This project plan is consistent with and provides the funding mechanism for implementing the *Comprehensive (Master) Plan*, the *Business District Revitalization Plan*, the *Redevelopment District No. 2 Project Plan* and other City plans. Any changes to the current zoning will be requested on a parcel-by-parcel or project-by-project basis as part of developer agreements.

Section VIII. Statement on Relocation

It is anticipated that acquisition may occur within TID No. 8 that may cause displacement of some residents or businesses. If such displacements occur due to the implementation of the project activities listed in this project plan, the City will conform to the requirements set forth in the State of Wisconsin Relocation Laws by the Department of Workforce Development.

Appendix A. Blighted Area Finding

This Blighted Area Finding was made for Redevelopment Area No. 2 project plan, City of Sun Prairie. It has been restated here to assist in making the TID No. 8 Project Plan stand alone as a implementable document.

Urban redevelopment is done to effect removal of blight and to promote economic development, enhance community character and increase quality of life.

Vandewalle & Associates, a Madison-based urban planning and economic development consulting firm, evaluated the property proposed for inclusion in the redevelopment plan and determined that the properties contained in the redevelopment area meet the statutory requirement of a redevelopment district.

This redevelopment plan finds that not less than a preponderance or substantial number of the properties within the proposed redevelopment area are blighted and in need of rehabilitation within the meaning of the criteria set forth in Sections 66.1331 and 66.1333, Wis. Stats. in that they demonstrate deteriorating architecture, obsolete and vacant buildings that are a physical hazard, inappropriate land uses, economically obsolete uses, environmental concerns, poor or unsafe access and circulation for vehicles and pedestrians or other statutory factors meeting the definition of blight that do not comply with adopted City planning documents.

Some properties that are in good physical condition, are properly maintained and meet the land uses appropriate for the area, may be included in the district. The purpose for inclusion of these "non-blighted" properties is to comprehensively address the redevelopment district in the long-range planning process and encourage other property owners to upgrade their properties in order to accomplish the goals and objectives of this redevelopment district.

The criterion for defining conditions of blight in this analysis is the statutory definition of "blighted area" appearing in Sections 66.1331 and 66.1333, Wis. Stats., which read as follows:

Section 66.1331, Wis. Stats.

Blighted area means any area, including a slum area, in which a majority of the structures are residential or in which there is a predominance of buildings or improvements, whether residential or nonresidential, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

Section 66.1333(2m)(b), Wis. Stats.

"Blighted area" means any of the following:

1. *An area, including a slum area, in which there is a predominance of buildings or improvements, whether residential or non-residential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.*
2. *An area which by reason of the presence of a substantial number of substandard, slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use.*
3. *An area which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.*

(bm) *"Blighted property means any property within a city, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, light, air or sanitation, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime, and is detrimental to the public health, safety, morals or welfare, or any property which by reason of faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair market value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provisions of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use, or any property which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.*

General Description of Site

The following pages include a parcel-by-parcel analysis of the general condition of existing structures and improvements. A detailed physical analysis has been undertaken as a part of the redevelopment process. Implementation of the redevelopment plan, including such activities such as appraisals and environmental examinations, may identify additional information that will substantiate the blight findings found in this analysis. The blight finding made in this report is primarily based on the broader conditions within the overall district. These conditions emphasize inconsistent land use patterns, properties not being used to their highest and best use, visually and/or physically blighted properties, environmental concerns, obsolete land ownership, substandard buildings that are hazardous to the public welfare and transportation problems that are substantially impairing the sound growth and expansion of this area of the community. Some or all of these areas of blight, as defined above, may be present in the redevelopment area.

Parcel Analysis and Assessment

The following Table 5 is a review of the parcels within TID No. 8. Parcels have been reviewed and critiqued on an individual ownership basis.

Conclusions

Based on the above findings, it is determined that a preponderance or substantial number of properties within the redevelopment area are blighted and in need of rehabilitation within the meaning of the criteria set forth in Sections 66.1331 and 66.1333, Wis. Stats. for the following reasons:

- ñ Economic blight due to properties not developed for their highest and best use.
- ñ Inadequate street lay out that impedes internal circulation and access through the redevelopment area to Main Street.
- ñ Vacant and/or obsolete manufacturing facilities.
- ñ Potential of environmental concerns due to historical uses.
- ñ Physical and/or visual deterioration of the structures and site improvements of a significant number of properties.
- ñ Inappropriate land use within the context of the surrounding area for a significant number of properties including, but not limited to, the properties located on Market Street south from Main Street to the railroad tracks and east along Linnerud Drive.

It is determined that physical and economic conditions exist that, if left unattended, would continue to impair and impede the sound and safe growth of the City of Sun Prairie. Only through comprehensive redevelopment of a majority of this area, will the deterioration of the subject properties substantially slow down and reverse, thereby contributing to the overall vitality of the community.



OFFICE OF THE CITY ADMINISTRATOR

300 East Main Street, Sun Prairie, WI 53590-2222
(608) 825-1111
FAX (608) 825-1111

November 1, 2001

JoAnn C. Orfan, Mayor
City of Sun Prairie

Re: TIF No.8, City of Sun Prairie, Wisconsin

Dear Mayor Orfan:

The City of Sun Prairie is proposing to create Tax Increment Financing District No. 8 (TID #8) for the purpose of constructing public purpose improvements which will encourage redevelopment opportunities to eliminate blighted conditions, create jobs, diversify tax base and promote other economic development activities in the historic downtown area. Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed tax increment district boundaries and project plan will be considered.

The public hearings are scheduled for Tuesday, November 27, 2001 beginning at 6:00 p.m. Prior to the public hearing, the Joint Review Board is requested to meet at 5:45 p.m. to elect a chairperson and a member-at-large. Enclosed please find the agenda for that meeting. We ask that you send a representative of your taxing jurisdiction to the Joint Review Board meeting at 5:45 p.m. If your representative cannot attend the Joint Review Board meeting, please assign an alternative representative so that we can be assured of a quorum and proceed with the process of creating the TIF district. We also encourage that representative to attend the Plan Commission public hearing immediately after to hear public input.

Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF SUN PRAIRIE



Patrick A. Cannon
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda



OFFICE OF THE CITY ADMINISTRATOR

300 East Main Street, Sun Prairie, WI 53590-2222
(608)825-1115
FAX (608)825-1118

November 1, 2001

Dr. Timothy Culver
Sun Prairie Area School District
509 Commercial Avenue
Sun Prairie, WI 53590

Re: TIF No.8, City of Sun Prairie, Wisconsin

Dear Dr. Culver:

The City of Sun Prairie is proposing to create Tax Increment Financing District No. 8 (TID #8) for the purpose of constructing public purpose improvements which will encourage redevelopment opportunities to eliminate blighted conditions, create jobs, diversify tax base and promote other economic development activities in the historic downtown area. Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed tax increment district boundaries and project plan will be considered.

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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF SUN PRAIRIE


Patrick A. Cannon
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda



OFFICE OF THE CITY ADMINISTRATOR

300 East Main Street, Sun Prairie, WI 53590-2227
(608) 825-1103
FAX (608) 825-1103

November 1, 2001

Dr. Beverly Simone
Director
MATC
310 Price Place
Madison, WI 53704

Re: TIF No.8, City of Sun Prairie, Wisconsin

Dear Dr. Simone:

The City of Sun Prairie is proposing to create Tax Increment Financing District No. 8 (TID #8) for the purpose of constructing public purpose improvements which will encourage redevelopment opportunities to eliminate blighted conditions, create jobs, diversify tax base and promote other economic development activities in the historic downtown area. Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed tax increment district boundaries and project plan will be considered.

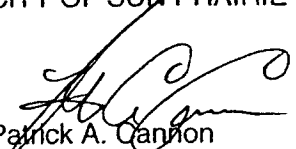
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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF SUN PRAIRIE


Patrick A. Cannon
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

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OFFICE OF THE CITY ADMINISTRATOR

300 East Main Street, Sun Prairie, WI 53590-22.
(608) 825-1111
FAX (608) 825-1111

November 1, 2001

Ms. Kathleen Falk
Dane County Executive
210 Martin Luther King Jr. Blvd.
City County Building
Madison, WI 53709

Re: TIF No.8, City of Sun Prairie, Wisconsin

Dear Ms. Falk:

The City of Sun Prairie is proposing to create Tax Increment Financing District No. 8 (TID #8) for the purpose of constructing public purpose improvements which will encourage redevelopment opportunities to eliminate blighted conditions, create jobs, diversify tax base and promote other economic development activities in the historic downtown area. Section 66.1105, Wis. Stats., requires the City to notify all of the affected taxing jurisdictions. Enclosed is a copy of the legal notice advertising the public hearings at which the proposed tax increment district boundaries and project plan will be considered.

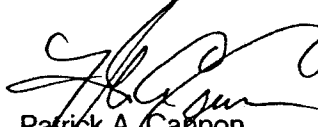
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Please give your representative a copy of this letter as well as the notice and the agenda.

We will be contacting you to obtain the name and address of your representative as well as to confirm attendance at this meeting.

Sincerely,

CITY OF SUN PRAIRIE



Patrick A. Cannon
City Administrator

Enclosure: Public Hearing Notice
Joint Review Board Agenda

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PROOF OF PUBLICATION

STATE OF WISCONSIN }
County of Dane } ss.

Wayne Toske, being duly sworn, both depose and say that he is the publisher of The Star, a newspaper published at the City of Sun Prairie, in the County of Dane, State of Wisconsin, and that an advertisement of which the annexed is a true copy, taken from said paper, was published therein on

November 8, 2001
November 15, 2001

(Signed)

Wayne P. Toske
Publisher

Subscribed and sworn before me this 2nd day of

January, 2002.

Penny K. Wiesner

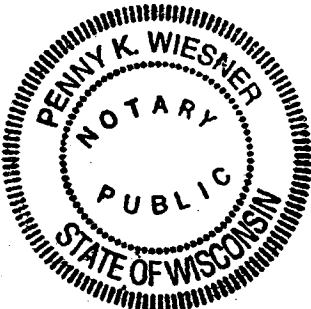
Notary Public, State of Wisconsin

My Commission expires 2/23, 2003.

No. Lines 28 No. Times 2 Affidavit Fees \$ x

Printers Fees \$ 31.23

Total \$ 31.23



**PUBLIC NOTICE
CITY OF SUN PRAIRIE
TO WHOM IT MAY CONCERN:**

At a meeting of the City of Sun Prairie Plan Commission to be held on or about 6:00 p.m., Tuesday, November 27, 2001 at City Hall, City of Sun Prairie, a Public Hearing will be held on the boundary for the City of Sun Prairie Tax Increment District #8.

At a meeting of the City of Sun Prairie Plan Commission to be held on or about 6:10 p.m., Tuesday, November 27, 2001 at City Hall, City of Sun Prairie, a Public Hearing will be held on the proposed project plan for the City of Sun Prairie Tax Increment District #8.

A copy of the proposed boundary map and project plan is available and will be provided upon request at the City Clerk's office at City Hall, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday.

At the Public Hearing, interested parties will be afforded a reasonable opportunity to express their views on the proposed amendment.

Diane Hermann-Brown, City Clerk
PUB. The Star: November 8 & 15, 2001



OFFICE OF THE CITY ADMINISTRATOR

300 East Main Street, Sun Prairie, WI 53590-2.
(608) 825-1
FAX (608) 825-1

October 30, 2001

REINHOLD INC
18897 SE LOXAHATCHEE RIVER RD.
JUPITER, FL 33458

Re: Tax Increment District No. 8
City of Sun Prairie, Wisconsin
Tax Parcel #0811-054-6826-7

Dear Sir/Madam:

The City of Sun Prairie is proposing to create Tax Increment District No. 8 (TID #8). The reason for the creation of TID #8 is to construct public improvements in the historic downtown as identified in the *Business District Revitalization* plan for the purpose of stimulating new development and redevelopment.

As part of creating TID #8, the Wisconsin Statutes require that a finding be made that at least 50% of the property located within the district be classified as "in need of conservation or rehabilitation work" or "blighted." Examples of this finding can be lack of parking, need for wayfinding signage, traffic circulation and pedestrian safety, buildings that are structurally in need of rehabilitation, land uses that no longer conform to abutting land uses and similar activities.

It is also a requirement of the Wisconsin Statutes that all of the property owners within the proposed TIF boundary be notified of the public hearing describing the TIF project plan and the proposed projects.

The public hearings at which the boundary or project plan will be discussed have been scheduled for November 27, 2001 beginning at 6:00 p.m. at City Hall. You are invited to attend the public hearings and ask questions or make comments pertaining to the proposed TIF District and project plan. A general explanation of TIF will be given at the public hearing.

The proposed tax increment financing district should not affect the valuation of your property. The plan is designed to make improvements that will contribute to the revitalization of this designated area.

If you have any questions prior to the public hearings, please call City Hall, (608) 825-1193, or the TIF consultant, Susan Hoeft, Vandewalle & Associates, (608) 255-3988.

Sincerely,

CITY OF SUN PRAIRIE

Patrick A. Cannon
City Administrator

Enclosure: Public Hearing Notice

CITY OF SUN PRAIRIE

TID NO. 8

JOINT REVIEW BOARD

INITIAL MEETING

November 27, 2001

5:30 pm

MINUTES

1. Call to order at 5:48 pm by David Hanneman, Dane County representative.
2. Members present: Caren Diedrich, Sun Prairie School District; Kevin Myren, MATC; David Hanneman, Dane County. Absent: John Bogle, City of Sun Prairie. Also present: Susan Hoeft, Vandewalle & Associates and members of the public.
3. Election of Chairperson. Diedrich made a motion to elect David Hanneman chair person; Myren seconded the motion; unanimous vote.
4. Election of Fifth Member-at-Large. The City presented the name of John Weishar as the fifth member-at-large. Diedrich made the motion to nominate Weishar as fifth member-at-large; Myren seconded the motion; unanimous vote.
5. Explanation of TID No. 8 project plan. Susan Hoeft briefly presented the project plan as noticed in the paper to the Joint Review Board Members. Diedrich asked general questions regarding Tax Increment Financing.
6. The next meeting is scheduled for January 16, 2002 at 12:00 noon at City Hall.
7. Weishar moved to adjourn; Diedrich seconded the motion; unanimous vote.

Minutes of the
Sun Prairie Plan Commission Meeting

November 27, 2001

Sun Prairie City Council Chambers

6:00 p.m.

Donald R. Hooser, Acting Chairperson present and presiding called the Plan Commission Meeting to order at 6:00 p.m. The meeting was held in the Municipal Building, Council Chambers, 300 East Main Street.

Roll Call

Commissioners Present:	Harms, Matzke, Olness, Penn
Commissioners Absent:	Bogle, Bohling, Oehrlein, Orfan, Wiehl
Staff Members Present:	Evert, Krebs, Roll
Staff Members Absent:	None
Council Members Present:	Hooser

Donald R. Hooser, Acting Chairperson made a motion to move Item #5 on the Agenda to Item #3. Seconded by Commissioner Olness, and passed by acclamation.

1. **Citizens Appearances:** Commissioner Matzke had a few updates from the School Board.
 1. People have been asking when next referendum will be? Right now we are thinking it will be Spring 2004.
 2. Phil Frei is working on a long-range plan out to the year 2020.
 3. We have set-up a Committee to look into future needs of a High School: 5-10 years out.
2. **Approval of Minutes:** November 13, 2001 Plan Commission Meeting

Commissioner Penn moved to approve the minutes for the Plan Commission Meeting of November 13, 2001. Seconded by Commissioner Harms, and passed by acclamation.

PLAN COMMISSION REPORTS:

3. Public Meeting: SUSAN AND MICHAEL HARTMAN

Case Number: PC0111-08

Assistant City Planner Beth Krebs entered the following report on behalf of the Technical Review Committee pertaining to a request of approval of an ETJ Certified Survey Map that would create four lots east of Town Hall Drive located in part of Lot 1 CSM No. 6648, in part of the NW ¼ of the NW ¼ of Section 10, T8N, R11E, Town of Sun Prairie, Dane County, Wisconsin.

Overview:

The applicants, Susan and Michael Hartman, are requesting approval of an ETJ Certified Survey Map that would create four lots east of Town Hall Drive located in part of Lot 1 CSM No. 6648, in part of the NW ¼ of the NW ¼ of Section 10, T8N, R11E, Town of Sun Prairie, Dane County, Wisconsin. The existing house and barn are located on proposed Lot 1 and proposed Lot 2, 3 and 4 would be sold for residential use. In order to create the lots a rezon is necessary. The applicants are proposing to rezone Lots 1, 2, and 3 from Dane County RH-3 Rural Homes to Dane County RH-1 Rural Homes and Lot 4 from Dane County RH-3 Rural Homes to Dane County R-1A Residential.

Staff Comments:

The Town Board of the Town of Sun Prairie will consider approval of the rezon and the Certified Survey Map on Monday November 26, 2001.

Dane County has received a rezon petition (#8286) from Michael and Susan Hartman to rezone Lot 1, 2, and 3 from Dane County RH-3 Rural Homes to Dane County RH-1 Rural Homes and Lot 4 from Dane County RH-3 Rural Homes to Dane County R-1A Residential. The Dane County Zoning and Natural Resources Committee will hold a public hearing and consider the rezon request at its November 27, 2001 meeting.

The City of Sun Prairie has written a letter to the Dane County Zoning and Natural Resources Committee dated November 8, 2001 objecting to the rezone request and expressing concerns about the rezone being proposed. Staff believes the rezone request is not consistent with the recommendations of the City of Sun Prairie Master Plan 2020. Staff has concerns about premature development of the area. Additional unsewered development adjacent to the Sun Prairie Urban Service Area creates problems for the City's long term urban development and the extension of municipal sewer and water.

The Wisconsin Department of Transportation has reviewed this proposed Certified Survey Map and does not object to the CSM and so approves it in accordance with the provision of Chapter TRANS 233, Wisconsin Statutes Administrative Code.

According to the City's Subdivision Ordinance, the subdivider shall record a copy of the approved Certified Survey Map together with the approving resolution with the Register of Deeds for Dane County within thirty (30) days after the date of the last approval of the Certified Survey Map and within 24 months after the first approval. If the City Council approves this Certified Survey Map, the approved Certified Survey Map shall be recorded within 30 days of the Council approval date.

Staff Recommendation:

Staff recommends conditional approval of the ETJ Certified Survey Map. The ETJ CSM complies with the City's Subdivision Ordinance provided the applicant complies in full with the following conditions of approval:

1. Approval of this Certified Survey Map is contingent upon the applicant receiving approval of their rezone request for petition #8286 from Dane County and the Town of Sun Prairie. If Dane County and the Town of Sun Prairie approve the rezone request, the applicant shall provide verification of such approval prior to the City signing off on the final Certified Survey Map.
2. Prior to the City signing the final Certified Survey Map, the applicant shall provide verification that the Town of Sun Prairie has approved the Certified Survey Map.
3. The applicant shall deed restrict the lots to prevent any further divisions of the subject property. The Town of Sun Prairie and the City of Sun Prairie shall be granted authority through the deed restriction to enforce the prohibition on further divisions of the property. The applicant shall place a note on the Certified Survey Map indicating that the lots shall be deed restricted to prevent further divisions of the property.

Commissioner Olness moved to approve Case #PC0111-08 which approves an ETJ Certified Survey Map that would create four lots east of Town Hall Drive located in part of Lot 1 CSM No. 6648, in part of the NW ¼ of the NW ¼ of Section 10, T8N, R11E, Town of Sun Prairie, Dane County, Wisconsin.

Seconded by Commissioner Matzke.

Motion was made by Donald R. Hooser and seconded by Commissioner Penn to amend the rules to allow Rob Crothers to speak.

Discussion

Rob Crothers – Sun Prairie, WI – Representing the Hartmans

A request from the Hartmans.

- If County and Scribner have to approve the CSM it won't be recorded within 30 days. Can that requirement be waived?
- Item #3 – Deed Restriction. We can't predict what may happen 5 years down the road. They understand that any further divisions would have to come before this body and this body could deal with those divisions if it is requested in the future.

City Planner Roll said the issue is that the City is opposed to this project. There is little or nothing the City can do to stop this land division. The Master Plan 2020 recommends urban development in the future. Further discussions would exacerbate the problem.

Mr. Crothers asked is this deed restriction in perpetuity?

City Planner Roll said the City could rescind the deed restriction. The Town and City are party to the deed restriction and both the Town and City would have to approve any request to rescind it.

Mr. Crothers said you don't have the teeth to stop the divisions? Is that what you are saying? You are trying to put some teeth into this.

Planner Roll said yes, we have the authority to place conditions on this approval.

Commissioner Harms said just so I understand, the deed restriction is intended to keep them from further dividing the land but it doesn't prevent them from doing anything in the future?

City Planner Roll said the Town and the City could rescind the deed restriction and then the Hartman's could divide the land.

Commissioner Matzke asked when would that land potentially be sewerred?

Mr. Roll said Master Plan 2020 lists the area as 10-15 years. There needs to be an interceptor sewer to serve the lands in that area.

Commissioner Matzke said wouldn't 4 lots prevent the City from sewerred those lands?

City Planner Roll said potentially, but more homes unsewerred would compound the problem. The annexation process plays into it too. If the City is surrounded by unsewerred development it prohibits the City from expanding and it has impacts on the City. Master Plan 2020 shows it as rural area and 10-15 year development area. This is not consistent with the development staging plan or the land use plan.

Motion passed upon roll call by the following vote:

AYE:	Harms, Hooser, Matzke, Olness, Penn
NAY:	None
ABSTAIN:	None
ABSENT:	Bogle, Bohling, Oehrlein, Orfan, Wiehl

4. Public Hearing: CITY OF SUN PRAIRIE

Case Number: PC0112-15

City Planner Rick Roll conducted a public hearing for the proposed boundary for the City of Sun Prairie's Tax Increment Financing District Number 8.

Overview

Attached to this report is a copy of the proposed project plan and boundary for the City of Sun Prairie Tax Increment Financing District #8. Ms. Susan Hoeft, Vandewalle & Associates, will present the proposed project plan and boundary to the Plan Commission and the public on November 27, 2001. Public hearings to consider adoption of the proposed boundary and project plan for Tax Increment Financing District #8 will also be held before the Plan Commission on November 27, 2001.

In early 2001, the City of Sun Prairie adopted a Business District Revitalization Plan as the first step in its efforts to revitalize the downtown area of Sun Prairie. In addition, during the summer of 2001, the City created and adopted the City of Sun Prairie Redevelopment District No. 2. This Redevelopment District enables the Community Development Authority of the City to carry out various downtown redevelopment activities.

The proposed creation of Tax Increment Financing District #8 would allow the City to undertake the public improvements necessary to stimulate private reinvestment and redevelopment within the Downtown area of the City of Sun Prairie. The purpose of the proposed Tax Increment Financing District #8 is to provide the necessary improvements in public infrastructure to eliminate blight, encourage economic development, and increase property values.

The project plan has been prepared in compliance with Section 66.1105(4)(f), Wis. Stats. The project plan establishes a need for the project, lists the proposed improvements within Tax Increment Financing District #8, provides an estimated time schedule for completion of the project as well as an estimated budget. The project plan is to be adopted by the City Council on the recommendation of the Plan Commission. The project plan will be the official plan and guide for public and private sector development within the boundaries of Tax Increment Financing District #8.

Implementation of the project plan and construction of the proposed improvements listed will require a case-by-case authorization by the City Council. Public expenditures for projects listed in the project plan should and will be based on market conditions and the status of development at the time the project is scheduled for construction. The City Council is not mandated to make the public expenditures in the project plan. The public expenditures are an itemization of TIF-eligible project costs that the City may undertake.

as well as a guide for the Plan Commission and City Council to assist them in the decision making process for public expenditures. Redistribution of project costs within the total budget estimate will not require amendments to the project plan provided that the project meets the purpose and intent of Tax Increment Financing District #8.

Staff finds that the development of Tax Increment District #8 is consistent with local plans. The project plan is consistent with and provides the funding mechanism for implementing the City of Sun Prairie Master Plan 2020, the Business District Revitalization Plan, the Redevelopment District No. 2 Plan and other City Plans. Any changes to the current zoning will be requested on a parcel-by-parcel or project-by-project basis as part of developer agreements.

Staff Recommendation

Staff recommends that the Plan Commission recommend that the City Council approve:

1. The proposed boundary for Tax Increment Financing District No. 8., and;
2. The proposed Project Plan for Tax Increment Financing District No. 8.

Susan Hoeft presented an overhead of the TID #8 boundary. The boundary includes all of the historic downtown area. The boundary allows us to maximize the potential to redevelop with TIF funds and get increment.

City Planner Roll read a staff report for the TID #8 boundary.

Commissioner Olness moved to approve Case #PC0112-15 which approves a proposed boundary for the City of Sun Prairie's Tax Increment District Number 8.

Seconded by Commissioner Penn.

No one spoke on the boundary as it was presented for the public hearing.

Motion passed upon roll call by the following vote:

AYE:	Harms, Hooser, Matzke, Olness, Penn
NAY:	None
ABSTAIN:	None
ABSENT:	Bogle, Bohling, Oehrlein, Orfan, Wiehl

5. Public Hearing: CITY OF SUN PRAIRIE

Case Number: PC0112-16

City Planner Rick Roll conducted a public hearing on the proposed project plan for the City of Sun Prairie's Tax Increment District Number 8.

Overview

Attached to this report is a copy of the proposed project plan and boundary for the City of Sun Prairie Tax Increment Financing District #8. Ms. Susan Hoeft, Vandewalle & Associates, will present the proposed project plan and boundary to the Plan Commission and the public on November 27, 2001. Public hearings to consider adoption of the proposed boundary and project plan for Tax Increment Financing District #8 will also be held before the Plan Commission on November 27, 2001.

In early 2001, the City of Sun Prairie adopted a Business District Revitalization Plan as the first step in its efforts to revitalize the downtown area of Sun Prairie. In addition, during the summer of 2001, the City created and adopted the City of Sun Prairie Redevelopment District No. 2. This Redevelopment District enables the Community Development Authority of the City to carry out various downtown redevelopment activities.

The proposed creation of Tax Increment Financing District #8 would allow the City to undertake the public improvements necessary to stimulate private reinvestment and redevelopment within the Downtown area of the City of Sun Prairie. The purpose of the proposed Tax Increment Financing District #8 is to provide the necessary improvements in public infrastructure to eliminate blight, encourage economic development, and increase property values.

The project plan has been prepared in compliance with Section 66.1105(4)(f), Wis. Stats. The project plan establishes a need for the project, lists the proposed improvements within Tax Increment Financing District #8, provides an estimated time schedule for completion of the project as well as an estimated budget. The project plan is to be adopted by the City Council on the recommendation of the Plan Commission. The project plan will be the official plan and guide for public and private sector development within the boundaries of Tax Increment Financing District #8.

Implementation of the project plan and construction of the proposed improvements listed will require a case-by-case authorization by the City Council. Public expenditures for projects listed in the project plan should and will be based on market conditions and the status of development at the time the project is scheduled for construction. The City Council is not mandated to make the public expenditures in the project plan. The public expenditures are an itemization of TIF-eligible project costs that the City may undertake

as well as a guide for the Plan Commission and City Council to assist them in the decision making process for public expenditures. Redistribution of project costs within the total budget estimate will not require amendments to the project plan provided that the project meets the purpose and intent of Tax Increment Financing District #8.

Staff finds that the development of Tax Increment District #8 is consistent with local plans. The project plan is consistent with and provides the funding mechanism for implementing the City of Sun Prairie Master Plan 2020, the Business District Revitalization Plan, the Redevelopment District No. 2 Plan and other City Plans. Any changes to the current zoning will be requested on a parcel-by-parcel or project-by-project basis as part of developer agreements.

Staff Recommendation

Staff recommends that the Plan Commission recommend that the City Council approve:

1. The proposed boundary for Tax Increment Financing District No. 8., and;
2. The proposed Project Plan for Tax Increment Financing District No. 8.

Susan Hoeft presented the public improvements proposed to be constructed. Susan presented a chart of the Developer Increment Assumptions.

Susan Hoeft presented a Revenue Analysis.

Susan Hoeft presented an Expenditure Analysis.

City Planner Roll presented the Staff Report with previous item. Staff recommends approval.

Public Hearing

David Henne – 117 Lane Street – Sun Prairie, WI 53590

Owns land on South Bristol. Why are we starting on S. Bristol street. It seems that we are adding residential units on S Bristol in 2003. If it is going to why start there? This will displace a lot of people.

Susan Hoeft said based on the phasing plan in Business District Revitalization Plan, the dates are not cast in stone. Because of the demolition that would need to take place for Wisconsin Porcelain or Chiquita it may impact the time schedule.

Richard Royle – Royle Enterprises - 112 Market Street – Sun Prairie, WI 53590

What is the status of Chiquita and Wisconsin Porcelain? What is the potential for developing Chiquita and Wisconsin Porcelain?

Susan Hoeft we know Chiquita is phasing out and Porcelain is going out. There have been rumors floating around. The City can't begin formal discussions with them yet.

Mr. Royle asked any numbers flying around is a rumor?

Susan said yes.

Jack Williams – New Wisconsin Porcelain Owner

Own properties between King and Market Street. WP Liquidating owns other buildings. Could you change that on the maps?

Steve McHose – 2850 Northwynde Passage - Sun Prairie, WI 53590

Owns properties at the end of Bristol Street. Looks like street has been reconstructed. The new street as constructed is different from what's on the map. What is going to happen at the end of Bristol Street? What will, may or may not happen with the grainery and feed mill?

City Planner Roll said the map is showing street r/w. The road may be constructed differently. That's platted r/w.

The plan that shows the most detail we know of at this point is the Master Plan in the Downtown Revitalization Plan. There aren't any specifics that we know of yet.

Commissioner Harms moved to approve Case #PC0112-16 which approves a proposed project plan for the City of Sun Prairie's Tax Increment District Number 8.

Seconded by Commissioner Penn.

Discussion

Commissioner Harms said it seems that the catalyst is the non-tax revenue source. Is it realistic to think this money will be available?

Susan Hoeft said no the initial money might not come from Federal or State grants. The primary source is land sales revenue. State and Federal grants would be in addition to land sales revenue. We are counting land sales revenue.

Commissioner Harms said does the City borrow the money for land sales?

Susan said yes. TIF borrowing.

Commissioner Olness said you mentioned density is key. Did you mean residential density?

Susan said office and retail square footage and residential units.

Commissioner Olness asked if they are anticipating a lot of apartments?

Susan said we prefer higher value units, owner occupied. Anticipating higher value units.

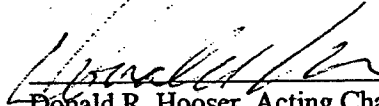
Motion passed upon roll call by the following vote:

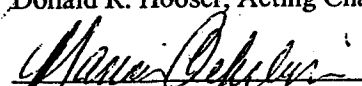
AYE:	Harms, Hooser, Matzke, Olness, Penn
NAY:	None
ABSTAIN:	None
ABSENT:	Bogle, Bohling, Oehrlein, Orfan, Wiehl

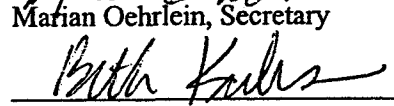
ADJOURNMENT

Upon motion of Commissioner Olness the meeting was adjourned at 7:20 p.m. Seconded by Commissioner Penn motion passed unanimously by acclamation.

I hereby certify that the foregoing was action of the Plan Commission Meeting on the 27th day of November 2001.


Donald R. Hooser, Acting Chairperson


Marian Oehrlein, Secretary


Beth Krebs, Recorder

Minutes approved as distributed at the December 11, 2001 Plan Commission meeting.

TIF 8 - Initial
Resolution

**A RESOLUTION CREATING
TAX INCREMENTAL
FINANCING DISTRICT NUMBER 8
CITY OF SUN PRAIRIE, WISCONSIN**

Presented: December 27, 2001

Adopted: December 27, 2001

File Number: 8924

Resolution No: 01/217

RESOLUTION

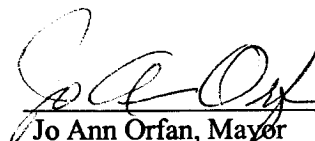
WHEREAS, the Plan Commission has held a public hearing on the creation of a Tax Incremental Financing District and the proposed boundaries thereof; and

WHEREAS, the Chief Executive Officers of the local School District, Dane County Board, and other entities having power to levy taxes on property located within the proposed Tax Incremental Financing District have been notified, including the School Board of any school district which includes property within the proposed district pursuant to Section 66.1105(4)(a), Wisconsin State Statutes.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Sun Prairie, Dane County, Wisconsin, hereby creates Tax Incremental Financing District #8, City of Sun Prairie, described on the attached map; and

- A. That not less than 50% of the real property within Tax Incremental Financing District #8 is a blighted area or in need of rehabilitation or conservation work, as defined in Section 66.1337(2m)(b), Wisconsin State Statutes; and
- B. That the improvements contemplated in Tax Incremental Financing District #8, City of Sun Prairie will significantly enhance the value of substantially all real property in Tax Incremental Financing District #8; and
- C. That the project costs directly serve to eliminate blight and/or rehabilitate or conserve the area consistent with the purpose for which Tax Incremental Financing District #8 is created; and
- D. The aggregate value of equalized taxable property in Tax Incremental Financing District #8 does not exceed 7% of the total value of equalized taxable property within the City.

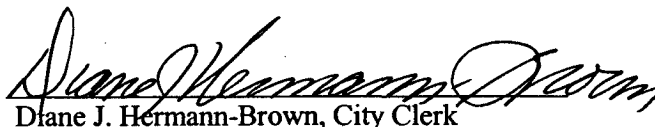
APPROVED:


Jo Ann Orfan, Mayor

Approved adopted and recorded:

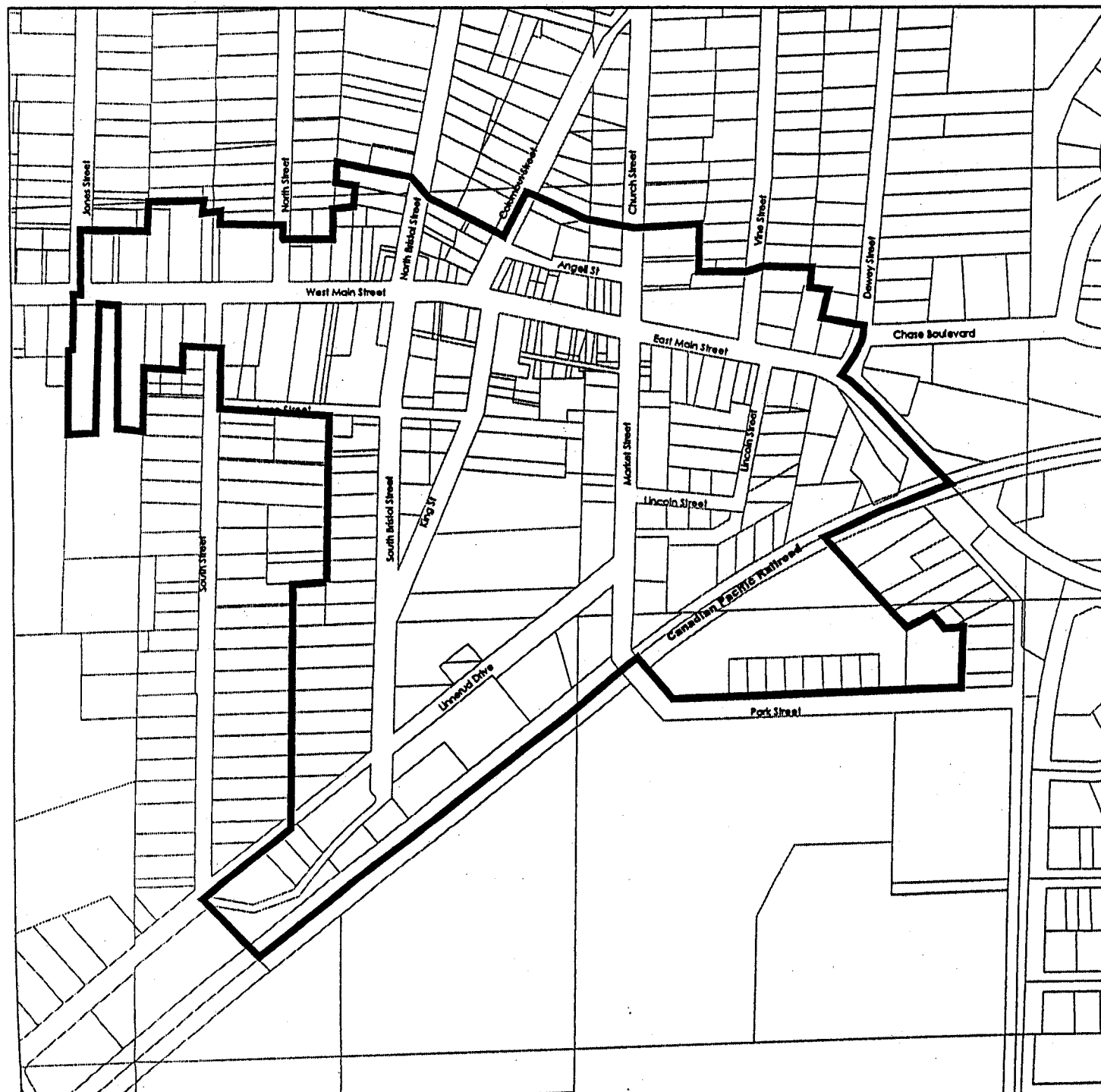
December 27, 2001

This is to certify that the foregoing resolution was adopted by the Common Council of the City of Sun Prairie at a meeting held on the 27th day of December 2001.


Diane J. Hermann-Brown, City Clerk

CITY OF SUN PRAIRIE
TID #8

MAP 1
DISTRICT BOUNDARY



200 0 200 Feet

November, 2001

Source: City of Sun Prairie

 Vandewalle & Associates
Professional Surveyors and Engineers

**A RESOLUTION APPROVING
TAX INCREMENTAL DISTRICT
NUMBER 8 PROJECT PLAN
CITY OF SUN PRAIRIE, WISCONSIN**

Presented: December 27, 2001

Adopted: December 27, 2001

File Number: 8925

Resolution No: 01/218

RESOLUTION

WHEREAS, pursuant to Section 66.1105, Wisconsin Statutes, the City of Sun Prairie has created Tax Incremental Financing District #8, City of Sun Prairie; and

WHEREAS, the City of Sun Prairie Plan Commission has prepared and adopted a project plan for Tax Incremental Financing District #8, which:

1. Includes a statement listing the kind, number and location of all proposed public works or improvements within such district;
2. Contains an economic feasibility study;
3. Contains a detailed list of estimated project costs;
4. Contains a description of the methods of financing all estimated projected costs and the time when such costs of monetary obligations related thereto are to be incurred;
5. Includes a map showing existing uses and conditions of real property in such district;
6. Includes a map showing proposed improvements and uses therein;
7. Shows proposed changes of:
 - a. Zoning ordinances
 - b. Master plan
 - c. Official map
 - d. Building codes
 - e. City ordinances
8. Contains a list of estimated non-project costs;
9. Contains a statement of a proposed method for the relocation of any person to be displaced; and

WHEREAS, the Plan Commission has held a public hearing and has notified the Chief Executive Officers of all local government entities having the power to levy taxes on property within the district, including the school board of any school district which includes property within the district pursuant to Section 66.1105(4)(a), Wis. Stats; and

WHEREAS, the City Plan Commission has submitted such project plan to the City Council of the City of Sun Prairie; and

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Sun Prairie, Dane County, Wisconsin, finds that:

1. Such project plan for Tax Incremental Financing District #8, City of Sun Prairie, is feasible; and
2. Such project plan is in conformity with the City Master Plan and other policies and laws of the City of Sun Prairie; and

BE IT FURTHER RESOLVED that the City Council of the City of Sun Prairie approves such project plan for Tax Incremental Financing district #8 pursuant to the provisions of Section 66.1105, Wisconsin State Statutes.

APPROVED:


Jo Ann Orfan, Mayor

Approved adopted and recorded:

December 27, 2001

This is to certify that the foregoing resolution was adopted by the Common Council of the City of Sun Prairie at a meeting held on the 27th day of December 2001.


Diane J. Hermann-Brown, City Clerk

J/clerk.01/resolutions.r1120.pwc.

JOINT REVIEW BOARD

TIF DISTRICT NO. 8

CITY OF SUN PRAIRIE

INFORMATION AND PROJECTIONS

Wisconsin state law requires that certain information and projections be provided to the Joint Review Board. The contents are listed in Section 66.1105(4m)(c)(1), Wis. Stats.

- (i) *The local legislative body shall provide the joint review board with the following information and projections:*
1. *The specific items that constitute the project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.*

Response:

Activities for TIF District No. 8 are listed in Table 1 of the project plan. The total cost of all activities is estimated to be approximately \$16,058,000 which is to be paid with tax increments. An estimated total new development increment of \$58,110,760 is anticipated to be generated over the life of the district with an estimated minimum tax base loss of \$1,000,000, dependent upon what properties are demolished and what properties are rehabilitated..

2. *The amount of the value increment when the project costs in subd. 1 are paid in full and the tax incremental district is terminated.*

Response:

Allowing for a one and one-half (1.5%) percent real estate inflation factor, the total increment value of the TIF District is estimated to be approximately \$84,530,000 when the district is terminated.

3. *The reasons why the project costs in subd. 1 may not or should not be paid by the owners of property that benefits by improvements within the tax incremental district.*

Response:

The costs associated in the TID #8 project plan are typical of public improvement costs associated with downtown redevelopment activities. The primary areas of public purpose improvement costs are in eliminating blighted

conditions due to uses that are no longer viable in a Downtown, traffic and pedestrian circulation and safety improvements, streetscape, wayfinding, as well as redevelopment funding for new business and, especially, real estate development and redevelopment. This area is located immediately south of the historic Main Street. Sun Prairie has a significant downtown with a large inventory of significant historic structures. TID No. 8 also includes abandoned or to be abandoned manufacturing sites that are no longer viable from a manufacturing and economic standpoint. The two primary businesses have or will pull out all operations by summer, 2002, creating a significantly blighted area. The blight is visual, structural, potentially environmental and economic and does not contribute to the overall welfare of the Downtown. Redevelopment of this area would greatly enhance the Downtown and provide enormous redevelopment opportunities for housing and retail/commercial ventures.

The Business Revitalization Plan was completed with a redevelopment district and plan is scheduled adopted by the CDA and City Council. These plans, with past, current and future extensive public input, have and will identify the physical and economic components for downtown revitalization and offer recommendations that will assist in implementing the economic redevelopment goals and objectives. To comprehensively complete the proposed improvements out of the tax levy of the City would be impossible and totally burdensome to the entire City. It would also be economically crippling for the individual property owners within the District itself. Consequently, this is one reason why the property owners within the district should not bear the entire burden of these costs.

There will be customers, including residents, drawn into the entire TIF business district through the use of the new improvements. Spillover spending will occur outside the district as a result of increased visitors to the district. Consequently, businesses and owners outside the TIF will also benefit from this improvement. These two issues are the major reasons why the TIF district should bear some of the cost while other sources of revenues should be used as a supplemental form of revenue.

A substantial reason why the property owners within the district should not bear the entire cost of the improvements is the benefits that the entire City will receive from the proposed improvements. Consequently, it would be unfair to the individual property owners to bear the financial burden of these improvements alone.

4. *The share of the projected tax increments in subd. 1 estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.*

Response:

The financial feasibility study for TIF District No. 8 indicates that approximately most of the direct project costs listed in Table 1 associated with the district are anticipated be paid by tax increments generated within the district. The statutes require that the City provide the share of the projected tax increments that would be paid by the taxable property owners within TID #8.

If all development in the TIF would occur without the use of TID financing, the taxes from that development are assumed to gross approximately \$20,558,000 over the estimated 18 year retirement period of the district. If this were the case, the tax revenues would be divided as follows:

State of Wisconsin	1%	\$ 205,580
Dane County	15%	3,083,700
Sun Prairie School District	43%	8,839,940
Madison Area Technical College	7%	1,439,060
City of Sun Prairie	34%	6,989,720

(Discrepancies may occur due to rounding)

If the premise is that development would occur without the use of TIF, each of these taxing jurisdictions would receive their proportionate share of the taxes levied on the new development. However, if the premise is that the development would not occur as projected in the project plan without the use of TIF financing, the overlying taxing jurisdictions would not be receiving this estimated tax revenue over the 23 year period.

5. *The benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the project tax increments in subd. 4.*

Response:

The activities of TIF District No. 8 will benefit all property taxpayers who use the historic Downtown in Sun Prairie. Not only will the area that carries very little tax base at the present time increase significantly in value, tremendous blight will be eliminated with the redevelopment of these sites. New jobs, housing opportunities, business opportunities and spin-off development will result as implementation of the TID and Redevelopment Plan proceeds. In addition, better business mix with new businesses locating in the redevelopment sites will help to stabilize and encourage new business along Main Street. Current property owners will be encouraged to reinvest in their buildings which will economically benefit the region.

As stated above, as a result of these activities, more jobs will be created, a better business mix will result with more consumer spending and increased consumer traffic in the downtown. This, in turn, stabilizes and increases property values that will encourage investment and reinvestment in the remainder of the business district as well as the community. A more vital downtown will also assist in the orderly development of the community and surrounding area. These benefits all help to compensate the owners in the overlying taxing jurisdictions.

JOINT REVIEW BOARD

TIF DISTRICT NO. 8

CITY OF SUN PRAIRIE

DECISION CRITERIA

Under the Wisconsin Statutes, Joint Review Boards must base their decision to approve or deny a proposed tax incremental district plan and boundary designation on the following criteria:

- A. *Whether the development expected in the tax incremental district would occur without the use of tax incremental financing;*
- B. *Whether the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value are insufficient to compensate for the cost of improvements; and*
- C. *Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying tax districts.*

This report has been prepared to address those criteria by providing some information and data on the impact of TIF District No. 8 on the City of Sun Prairie. The criteria are addressed in turn below.

- A. TIF District No. 8 is created for the purpose of stimulating new development and redevelopment within the district boundaries. At the present time, there has been very little development or redevelopment in the historic downtown. There has been significant discussion, planning and public input regarding upgrading the downtown and business district since the last TID was created in the early 1980s. With creation of this TID and implementation of the Business Revitalization Plan for the Downtown, the City will be able to more fully direct the development and redevelopment activities within this area for the optimum value to the City. This, in turn, can best be done with the use of TID financing and strict development controls.
- B. The economic benefits anticipated for TID #8 include the stabilization of the viability of existing properties as a result of high quality, new development and redevelopment within the district. Basic uses and services are sought elsewhere out of the subject area by residents of Sun Prairie and, consequently, there has been significant development on the west end of the City. Implementation of the project costs in the TID project plan will create a more accessible environment that would encourage the type of development sought by City officials and residents. These uses would diversify the tax base, create jobs, eliminate blight, add to the tax base by

redeveloping currently underutilized properties in a fashion that all City residents would benefit from.

New jobs will be a direct result of reinvestment in the downtown and business district area. Improvement of business mix and numbers of businesses will also assist and be termed "economic benefits". However, the sum of all of these benefits will be far from sufficient in offsetting any costs associated with this type of project. Assessing businesses and building owners for the anticipated \$16,058,000 of costs (plus debt service) would totally cripple business and building owners as well as residents located within this district. These entities would not be able to carry the cash flow burden and still keep a viable business or real estate. It is necessary for the TIF district to help offset these costs and provide economic stimuli for redevelopment.

The project plan for TIF District No. 8 shows that projected taxable private improvements in the district during the life of the district, in combination with other sources of revenues, are sufficient to pay for the cost of the public improvements. Tables 3 and 4 of the project plan illustrate the flow of revenues and expenditures in the district. The tables demonstrate that sufficient tax and other non-tax revenues are anticipated to be generated to amortize the cost of improvements by the end of the TID.

The City will review the financial status of the TIF prior to expending any funds. Projects may be altered or postponed, dependent upon the availability of financing.

- C. Creation of TID #8 will encourage the orderly growth of the downtown CBD by completing the construction of public infrastructure improvements relating to traffic circulation, streetscape, wayfinding and parking. In addition, redevelopment funding will provide a source of funding that can assist in redevelopment activities through land assemblage, relocation, financing options and similar redevelopment activities.

City residents as well as residents in the overlying taxing jurisdictions will all benefit from the improvements proposed to be completed within TID #8. All of the improvements will be available and/or used by all persons visiting businesses and public spaces within the TIF district and abutting properties. Increased use of the downtown will also benefit not only the City but the overlying taxing jurisdictions with increased spending, needs for hospitality and other retail services which will, in turn, create jobs for regional residents to capture. Increased revenues, in addition to taxes, will contribute to sound economic growth in the region and will benefit the entire region. It is the City's position that all of these benefits outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

RESOLUTION APPROVING CITY COUNCIL RESOLUTIONS
CREATING TIF DISTRICT NO. 8
AND ADOPTING THE PROJECT PLAN

CITY OF SUN PRAIRIE, WISCONSIN

WHEREAS, the Joint Review Board, Tax Incremental District No. 8, City of Sun Prairie, Wisconsin, has reviewed the public record, planning documents and resolution related to the project plan for TIF District No. 8, City of Sun Prairie, Wisconsin; and

WHEREAS, the Joint Review Board, Tax Incremental District No. 8, City of Sun Prairie, Wisconsin has received in an open meeting additional information from the City of Sun Prairie staff regarding the project plan for Tax Incremental District No. 8, City of Sun Prairie, Wisconsin.

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board finds:

1. The development expected in TIF District No. 8, City of Sun Prairie, Wisconsin, would not occur without the use of tax incremental financing;
2. The economic benefits of TIF District No. 8, City of Sun Prairie, Wisconsin, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements;
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Adopted this 16th day of January, 2002.

JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT No. 8
CITY OF SUN PRAIRIE, WISCONSIN

David Hanneman, Chair