

May 1, 2017

Annual Tax Increment District Report – TID No. 8

City of Sun Prairie, Wisconsin



Prepared by:

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Annual Tax Increment District Report

City of Sun Prairie, Wisconsin
Tax Increment District No. 8

Purpose: State law requires municipalities with an active Tax Incremental District (TID) to electronically file an Annual Report for each TID by July 1 of each calendar year. This is a summary of that filing to be used at the annually required meeting of the standing Joint Review Board.

District Summary: Tax Increment District No. 8 ("District") was created on December 27, 2001 as a blighted area TID. A subsequent amendment approved on August 3, 2004 added additional territory to the District. The TID has an expenditure period that ends on December 27, 2023, and has a mandatory termination date of December 27, 2028.

Financial Data:	Base Value	\$22,279,000
	Incremental Value	\$71,633,100
	Year End Fund Balance	(\$1,126,283)
	Projected Closure (based on current cash flow*)	2025

* The City expects to make additional projects costs through the end of the District's expenditure period. The projected closure year identified is based on current cash flow projections only.

Notes: Project costs incurred by the City within this District have facilitated implementation of the City's Downtown Revitalization Plan. In 2016 the City completed reconstruction of Market and Park Streets, and added bike trails and sidewalks: part of the City's comprehensive plan for the area. In April of 2017, the City entered into a development agreement with 132 Market Street, Company for development of a 7,675-sq. ft. multi-use commercial building at 132 Market Street that will house a restaurant and micro-brewery. Construction will be completed in 2018, and the facility will have a guaranteed minimum assessed value of \$2,300,000 in consideration of public financial participation in the form of a \$50,000 development incentive. Other notable activity within the District included opening of Salvatore's Tomato Pies in 2016, a reinstituted façade grant program for downtown businesses, and completion of environmental testing on the Market Street site.



**Joint Review Board
Action:**

Resolution acknowledging filing of Annual TID Report and compliance with annual meeting requirements.

Attachments:

- TID Boundary Map
- TID Cash Flow Projection (Detail)
- State Submittal





City of Sun Prairie, WI

Tax Increment District No. 8 Development Assumptions



Construction Year	Actual ¹	Full Mile Beer Company & Kitchen ²	Other New Construction ³	Annual Total
2002	329,300			329,300
2003	3,901,700			3,901,700
2004	17,337,600			17,337,600
2005	7,779,600			7,779,600
2006	15,437,700			15,437,700
2007	12,349,900			12,349,900
2008	(933,700)			(933,700)
2009	2,286,000			2,286,000
2010	(3,066,500)			(3,066,500)
2011	(1,037,300)			(1,037,300)
2012	10,857,600			10,857,600
2013	(149,600)			(149,600)
2014	871,300			871,300
2015	5,669,500			5,669,500
2016			600,000	600,000
2017				0
2018		2,300,000		2,300,000
2019				0
2020				0
2021				0
2022				0
2023				0
2024				0
2025				0
2026				0
2027				0
TOTALS	71,633,100	2,300,000	600,000	74,533,100

NOTES:

¹Annual change in incremental value as certified by the Wisconsin Department of Revenue.

²Minimum valuation guarantee.

³Estimated new construction value for 2016 and 2017 provided by City staff.

City of Sun Prairie, WI

Tax Increment Projection Worksheet



Apply Inflation
Factor to Base?



22,279,000
NA
0.00%
\$24.54
0.00%
0.00%
0.00%

Actual Base Value
Pre-Amendment Base Value (Actual)
Property Appreciation Factor
Current Tax Rate (Per \$1,000 EV)
Tax Rate Adjustment Factor (Next 2 Years)
Tax Rate Adjustment Factor (Following 2 Years)
Tax Rate Adjustment Factor (Thereafter)

Discount Rate 1 for NPV Calculation
Discount Rate 2 for NPV Calculation

5.00%
7.00%

Net Present Value Calculation

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment	Cumulative @ 5.00%	Cumulative @ 7.00%
1	2002	329,300	2003	329,300	2004	23.66	7,790	6,730	6,359
2	2003	3,901,700	2004	4,231,000	2005	21.60	91,408	81,931	76,094
3	2004	17,337,600	2005	21,568,600	2006	21.64	466,762	447,651	408,889
4	2005	7,779,600	2006	29,348,200	2007	21.15	620,744	910,860	822,517
5	2006	15,437,700	2007	44,785,900	2008	21.28	952,847	1,588,030	1,415,902
6	2007	12,349,900	2008	57,135,800	2009	21.75	1,242,639	2,429,097	2,139,129
7	2008	(933,700)	2009	56,202,100	2010	22.70	1,275,698	3,251,424	2,833,024
8	2009	2,286,000	2010	58,488,100	2011	24.36	1,424,668	4,126,046	3,557,253
9	2010	(3,066,500)	2011	55,421,600	2012	25.31	1,402,460	4,946,035	4,223,552
10	2011	(1,037,300)	2012	54,384,300	2013	26.03	1,415,688	5,734,343	4,852,134
11	2012	10,857,600	2013	65,241,900	2014	26.53	1,730,725	6,652,184	5,570,323
12	2013	(149,600)	2014	65,092,300	2015	25.34	1,649,714	7,485,401	6,210,111
13	2014	871,300	2015	65,963,600	2016	25.10	1,655,417	8,281,685	6,810,110
14	2015	5,669,500	2016	71,633,100	2017	24.54	1,757,962	9,087,028	7,405,593
15	2016	600,000	2017	72,233,100	2018	24.54	1,772,687	9,860,446	7,966,780
16	2017	0	2018	72,233,100	2019	24.54	1,772,687	10,597,034	8,491,254
17	2018	2,300,000	2019	74,533,100	2020	24.54	1,829,132	11,320,884	8,997,025
18	2019	0	2020	74,533,100	2021	24.54	1,829,132	12,010,264	9,469,707
19	2020	0	2021	74,533,100	2022	24.54	1,829,132	12,666,817	9,911,466
20	2021	0	2022	74,533,100	2023	24.54	1,829,132	13,292,106	10,324,325
21	2022	0	2023	74,533,100	2024	24.54	1,829,132	13,887,618	10,710,175
22	2023	0	2024	74,533,100	2025	24.54	1,829,132	14,454,774	11,070,782
23	2024	0	2025	74,533,100	2026	24.54	1,829,132	14,994,921	11,407,798
24	2025	0	2026	74,533,100	2027	24.54	1,829,132	15,509,348	11,722,767
25	2026	0	2027	74,533,100	2028	24.54	1,829,132	15,999,278	12,017,130
26	2027	0	2028	74,533,100	2029	24.54	1,829,132	16,465,878	12,292,235
74,533,100							37,531,216		

Future Value of Increment





Year	Revenues							Expenditures							Fund Balance		Debt Service Principal & Payables			Year
	Tax Increments	Intergov Revenue	Public Charges	Debt Proceeds	Debt Service Reserve Applied ¹	Misc Revenue	Total Revenues	Total LRB Debt Service	G.O. Debt Service	Incentive Payments	Deposit to Adv Rfdg Escrow	Transfers Out	Project Costs	Total Expenditures	Annual	Cumulative ²	Payable to General Fund	Debt Principal Outstanding	Total	
2015	1,649,714	23,253	15,545			83	1,688,595	1,423,529	122,464	112,735		2,912	20,797	1,682,437	6,157	(1,080,269)	1,079,581	9,290,000	10,369,581	2015
2016	1,655,417	93,100		1,460,041		20,315	3,228,873	1,467,973	123,430	111,955	931,287		640,244	3,274,888	(46,014)	(1,126,283)	1,125,595	12,820,000	13,945,595	2016
2017	1,757,962	25,000	16,000			5	1,798,967	1,514,978	202,400	133,739		3,937	36,432	1,891,485	(92,518)	(1,218,800)	1,218,113	11,365,000	12,583,113	2017
2018	1,772,687	20,000				16,000	1,808,687	1,529,378	169,084	133,000			41,425	1,872,887	(64,199)	(1,283,000)	1,282,312	9,885,000	11,167,312	2018
2019	1,772,687	20,000				16,000	1,808,687	1,535,203	223,050	183,739			208,425	2,150,417	(341,729)	(1,624,729)	1,624,041	8,325,000	9,949,041	2019
2020	1,829,132	20,000				16,000	1,865,132	1,537,393	207,500	133,739			35,425	1,914,057	(48,925)	(1,673,653)	1,672,966	6,755,000	8,427,966	2020
2021	1,829,132	20,000				16,000	1,865,132	1,535,153	211,950	133,739			32,425	1,913,267	(48,135)	(1,721,788)	1,721,100	5,155,000	6,876,100	2021
2022	1,829,132	20,000				16,000	1,865,132	1,539,068	216,100	133,739			29,425	1,918,332	(53,200)	(1,774,988)	1,774,300	3,515,000	5,289,300	2022
2023	1,829,132	20,000				16,000	1,865,132	1,544,548	210,100	133,739			28,425	1,916,812	(51,680)	(1,826,667)	1,825,980	1,840,000	3,665,980	2023
2024	1,829,132	20,000			1,551,360	16,000	3,416,492	1,551,360	210,050	133,739			28,425	1,923,574	1,492,918	(333,749)	333,062	120,000	453,062	2024
2025	1,829,132	20,000				16,000	1,865,132		62,100	133,739			28,425	224,264	1,640,868	1,307,119	0	60,000	60,000	2025
2026	1,829,132	20,000				16,000	1,865,132		60,600					60,600	1,804,532	3,111,651	0	0	0	2026
2027	1,829,132	20,000				16,000	1,865,132							0	1,865,132	4,976,783	0	0	0	2027
2028	1,829,132	20,000				16,000	1,865,132							0	1,865,132	6,841,914	0	0	0	2028
2029	1,829,132	20,000				16,000	1,865,132							0	1,865,132	8,707,046	0	0	0	2029
Total	26,899,787	381,353	31,545	1,460,041	1,551,360	212,403	30,536,489	15,178,579	2,018,828	1,477,602	931,287	6,849	1,129,873	20,743,017	9,793,472					

Projected TID Closure

NOTES:
¹CDA Lease Revenue Bonds secured by a pledge of tax incremental revenue from the District have an associated debt service reserve fund of \$1,551,360 reported as restricted cash in the CDA Fund. These funds are available to make the final debt service payment.
²Fund balance shown for year ending 2015 per City audited financial statements. Fund balance for year ending 2016 per draft compiled financial statements.

Wisconsin Dept of Revenue Print Friendly FAQ

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2. Select the printer where you would like the form to print
3. If you would like to avoid printing these instructions, begin printing from page 2

TID Annual Report (PE-300)

Co-muni code

13282

Municipality

CITY of SUN PRAIRIE

Year

2016

Due date

July 03, 2017

TID #

008

Report type

AMENDED

TID type

2 - Blight post-95

TID name

N/A

Creation date

12-27-2001

Mandatory termination date

12-27-2028

Beginning Balance

Fund balance at beginning of fiscal year ?

*

-1,080,269

Section 2a. Expenditures

Developer grants  

- 1	*	SP REAL ESTATE LLC	*	111,955
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Subtotal	111,955
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Does this TID allocate funds to another TID?
☐ Yes
☒ No

TID number and amount allocated  

- 1	*	Select ... ▼	*	0
-----	---	--	---	---

Subtotal	0
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Other expenditures  

- 1	*	Name or description	*	Amount
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Subtotal	0
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Section 2b. Expenditures

Capital expenditures ?	621,135
Administration ?	14,095
Professional services ?	5,013
Interest and fiscal charges ?	280,657
Discount on long-term debt	<i>Amount</i>
Debt issuance costs	17,032
Principal on long-term debt	2,225,000
Environmental costs	0
Real property assembly costs ?	0
Developer grants subtotal	111,955
Allocation to other TIDs subtotal	0
Other expenditures subtotal	0
Total Expenditures ?	3,274,887

Section 3a. Revenues

Does this TID receive allocated funds from another TID?

☐ Yes
☒ No

TID number and amount received from each TID  

 1	Select ... 	0
---	---	---------------

Subtotal

0

Development guarantees  

 1	Name or description	Amount
---	--------------------------------	-------------------

Subtotal

0

Transfer from other funds  

 1	Name or description	Amount
---	--------------------------------	-------------------

Subtotal

0

Other grant sources  

 1	STATE LOCAL ROAD GRANT	66,144
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Subtotal

66,144

Other revenue sources  

 1	PREMIUM ON LONG-TERM DEBT	85,041
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 2	PROCEEDS FROM LONG-TERM DEBT	1,375,000
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Subtotal

1,460,041

Section 3b. Revenues

Tax increment ?	★ 1,655,417
Investment income ?	0
Special assessments	0
Exempt computer aid ?	26,956
Miscellaneous revenue	20,315
Sale of property	0
Allocation amount from other TIDs subtotal	0
Developer guarantees subtotal	0
Transfer from other funds subtotal	0
Other grant sources subtotal	66,144
Other revenue sources subtotal	1,460,041
Total Revenues ?	3,228,873

Section 4. Ending Balance

Balance at end of fiscal year ?

-1,126,283

Future project costs ?

★ 15,565,690

Surplus or deficit (amount not included in future project costs) ?

-16,691,973

Section 5. Preparer/Contact Information

Preparer Information

Name	Title
★ Connie M DeKemper	★ Director of Administrative Services
Email	Phone
★ cdekemper@cityofsunprairie.com	★ (608) 825-1192

Check here if the preparer is the same as the contact person ☐

Contact Person

Name 	Title
★ Connie M DeKemper	★ Director of Administrative Services
Email	Phone
★ cdekemper@cityofsunprairie.com	★ (608) 825-1192

Confirmation

You successfully submitted your report. Print a copy for your records.

Co-muni code	13282
TID number	008
Recording time	04-25-2017 02:22 PM
Confirmation	TIDAR201613282A1493148140693
Submission type	AMENDED