



June 4, 2019

Annual Tax Increment District Report – TID No. 9

City of Sun Prairie, Wisconsin



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Annual Tax Increment District Report

City of Sun Prairie, Wisconsin
Tax Increment District No. 9

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. 9 ("District") was created on March 28, 2007 as a mixed use TID. A subsequent amendment approved August 20, 2013 added additional territory to the District. The TID has an expenditure period that ends on March 28, 2022, and has a mandatory termination date of March 28, 2027.

Financial Data:	Base Value	\$12,294,900
	Incremental Value	\$55,373,700
	Est. Year End Fund Balance (2018)	(\$714,542)
	Projected Closure (based on current cash flow)	2026

Notes: Originally created to facilitate development of a 24-hour health care facility within the City (SSM Health Emergency Center), the District has subsequently expanded to allow for further mixed-use development near USH 151 and S. Grand Avenue to include Cabelas, Marcus Theatres and portions of the Prairie Lakes retail area. Notable activity occurring within this District in 2017 and 2018 includes:

- Construction on 435/485 Legacy began, including a building to house Home Goods, TJ Maxx and Five Below, and a smaller 3 tenant out-lot building.
- Construction on 2816 Prairie Lakes Drive was completed, including a space for a second Topsy Cow location.
- The Hilton Garden Inn (124-rooms/10,000 sq. ft. meeting space) was completed.
- SlingshotVR moved into the 2G Engineering building on Capital Drive.

- A new park and ride for the new Madison Metro commuter bus service was designated.
- Developers are informally inquiring about the 3.44-acre lot, but formal proposals have not been submitted.
- Efforts continue to ascertain SSM Health's future development plans.

Construction and economic appreciation in 2017 increased values by \$11,322,500, with more than \$34 million in incremental value projected to be added in 2018 - 2020. As compared to the prior year's forecast, the District is projected to close one year earlier, in 2026.

**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. 9 Development Assumptions²

Construction Year	Actual ¹	Hotel Completion ³	Other Development ⁴	Annual Total
2007	193,600			193,600
2008	(250,600)			(250,600)
2009	(879,000)			(879,000)
2010	666,700			666,700
2011	(1,751,100)			(1,751,100)
2012	508,300			508,300
2013	2,818,500			2,818,500
2014	20,262,600			20,262,600
2015	17,977,500			17,977,500
2016	4,504,700			4,504,700
2017	11,322,500			11,322,500
2018		14,400,100		14,400,100
2019			10,000,000	10,000,000
2020			10,000,000	10,000,000
2021				0
2022				0
2023				0
2024				0
2025				0
TOTALS	55,373,700	14,400,100	20,000,000	89,773,800

NOTES:

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

²Assumptions as to 2018, 2019 and 2020 valuation changes provided by City staff.

³Completion of Iowa Machine Shed hotel project. (Project was partially valued 1/1/2018.)

⁴Includes Sugar River Pizza and multi-tenant building (TJ Maxx, Home Goods, Five Below).

City of Sun Prairie, WI

Tax Increment Projection Worksheet Tax Increment Projection Worksheet



Apply Inflation
Factor to Base?

X

10,803,400	NA
0.00%	
\$23.40	
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

Net Present Value Calculation

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate *	Tax Increment
1 2007	193,600	2008		193,600	2009	21.75	4,211
2 2008	(250,600)	2009		-57,000	2010	22.72	0
3 2009	(879,000)	2010		-936,000	2011	24.36	0
4 2010	666,700	2011		-269,300	2012	25.31	0
5 2011	(1,751,100)	2012		-2,020,400	2013	25.31	0
6 2012	508,300	2013		-1,512,100	2014	26.53	0
7 2013	2,818,500	2014		1,306,400	2015	25.34	33,110
8 2014	20,262,600	2015		21,569,000	2016	25.10	541,294
9 2015	17,977,500	2016		39,546,500	2017	24.54	970,519
10 2016	4,504,700	2017		44,051,200	2018	24.00	1,057,068
11 2017	11,322,500	2018		55,373,700	2019	23.40	1,295,818
12 2018	14,400,100	2019	0	69,773,800	2020	23.40	1,632,799
13 2019	10,000,000	2020	0	79,773,800	2021	23.40	1,866,813
14 2020	10,000,000	2021	0	89,773,800	2022	23.40	2,100,826
15 2021	0	2022	0	89,773,800	2023	23.40	2,100,826
16 2022	0	2023	0	89,773,800	2024	23.40	2,100,826
17 2023	0	2024	0	89,773,800	2025	23.40	2,100,826
18 2024	0	2025	0	89,773,800	2026	23.40	2,100,826
19 2025	0	2026	0	89,773,800	2027	23.40	2,100,826
89,773,800							20,006,586

20,006,586

Future Value of Increment

NOTES:

*Tax rate shown for 2019 and preceding years is actual per DOR Form PC-202 (Tax Increment Collection Worksheet).

City of Sun Prairie, WI

Tax Increment District No. 9
Cash Flow Pro Forma



Year	Revenues						Expenditures						Fund Balance		Debt Principal & Advances			Year
	Tax Increments	Intergov Revenue	Debt Proceeds	Misc Income	Land Sales	Total Revenues	General Obligation Debt Pymts	Debt Issuance Costs	Project Costs	Existing Incentive Payments	Transfer to Other Funds	Total Expenditures	Annual	Cumulative ¹	Advances Due to Other Funds	Debt Principal Outstanding	Total	
2015	33,110	4,755				37,865	186,470		5,036	138,000	43,217	372,723	(334,859)	(1,117,597)	1,198,459	5,890,000	7,088,459	2015
2016	541,294	5,938				547,232	221,775		6,750	62,385	23,854	314,764	232,468	(885,129)	960,122	5,830,000	6,790,122	2016
2017	970,519	31,189		96	300,000	1,301,804	394,725		20,576	603,000	41,146	1,059,447	242,357	(642,772)	686,901	5,595,000	6,281,901	2017
2018	1,057,068	31,648		837		1,089,553	485,438		222,885	453,000	0	1,161,323	(71,769)	(714,542)	758,670	5,265,000	6,023,670	2018
2019	1,295,818	35,625	4,155,000	12,166		5,498,609	657,763	55,737	16,734	4,493,600		5,223,834	274,775	(439,767)	483,895	8,990,000	9,473,895	2019
2020	1,632,799	31,189				1,663,988	1,249,125		13,734	412,000		1,674,859	(10,871)	(450,637)	494,766	7,995,000	8,489,766	2020
2021	1,866,813	31,189				1,898,002	1,357,639		10,734	1,150,000		2,518,373	(620,371)	(1,071,008)	1,115,137	6,865,000	7,980,137	2021
2022	2,100,826	31,189				2,132,015	1,500,691		7,734			1,508,425	623,590	(447,419)	491,548	5,560,000	6,051,548	2022
2023	2,100,826	31,189				2,132,015	1,281,646		6,734			1,288,380	843,635	396,216	0	4,440,000	4,440,000	2023
2024	2,100,826	31,189				2,132,411	1,282,420		6,734			1,289,154	843,257	1,239,473	0	3,285,000	3,285,000	2024
2025	2,100,826	31,189				2,133,254	1,147,743		6,734			1,154,477	978,778	2,218,250	0	2,230,000	2,230,000	2025
2026	2,100,826	31,189				2,134,233	1,152,436		6,734			1,159,170	975,063	3,193,313	0	1,135,000	1,135,000	2026
2027	2,100,826	31,189				2,135,208	1,154,560		16,734			1,171,294	963,914	4,157,227	0	0	0	2027
Total	20,002,375	358,667	4,155,000	13,099	300,000	24,836,188	12,072,431	55,737	347,853	7,311,985	108,217	19,896,223	4,939,966					

Projected TID Closure

NOTES:

¹Fund balance shown for 2017 and preceding years is actual per City's audited financial statements. Balance shown for 2018 per draft Compiled Financial Statements.

Form PE-300	TID Annual Report	2018 WI Dept of Revenue
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Municipality/TID					
Co-muni code 13282	Municipality SUN PRAIRIE		County DANE	Due date 07-01-2019	Report type ORIGINAL
TID number 009	TID type 6	TID name TID 09	Creation date 03-28-2007	Mandatory termination date 03-28-2027	Expected termination date 12-31-2026

Section 1 : Beginning Balance	
TID fund balance at beginning of fiscal year	\$-642,772

Section 2. Revenue	
Does this TID receive allocated funds from another TID?	No
Allocation from another TID	Allocation amount
N/A	\$0
Subtotal allocation from another TID amount	\$0
Developer guarantee name	Developer guarantee amount
Subtotal developer guarantee amount	\$0
Transfer from other fund source	Transfer from other fund amount
Subtotal transfer from other fund amount	\$0
Other grant sources	Other grant amount
Subtotal other grant source amount	\$0
Other revenue sources	Other revenue amount
Misc Revenue	\$489
Subtotal other revenue source amount	\$489
Tax increment	\$1,057,068
Investment income	\$347
Debt proceeds	\$0
Special assessments	\$0
Exempt computer aid	\$31,648
Sale of property	\$0
Total Revenue (deposits)	\$1,089,552

Form PE-300	TID Annual Report	2018 WI Dept of Revenue
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Section 3. Expenditures	
Developer grant name	Developer grant amount
Marcus Theaters Corporation	\$75,000
Cabela's Wholesale	\$78,000
Prairie Development Ltd.	\$300,000
Subtotal developer grant amount	\$453,000
Does this TID allocate funds to another TID?	No
Allocation to another TID	Allocation amount
N/A	\$0
Subtotal allocation to another TID	\$0
Transfer to other fund name	Transfer to other fund amount
Subtotal transfer to other fund amount	\$0
Other expenditure name	Other expenditure amount
Subtotal other expenditures amount	\$0
Capital expenditures	\$206,978
Administration	\$15,757
Professional services	\$0
Interest and fiscal charges	\$155,438
DOR fees	\$150
Discount on long-term debt	\$0
Debt issuance costs	\$0
Principal on long-term debt	\$330,000
Environmental costs	\$0
Real property assembly costs	\$0
Total Expenditures	\$1,161,323

Section 4. Ending Balance	
TID fund balance at end of fiscal year	\$-714,543
Future costs	\$16,971,232
Future revenue	\$19,719,807
Surplus or deficit	\$2,034,032

Form PE-300	TID Annual Report	2018 WI Dept of Revenue
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Preparer/Contact Information	
Preparer name Kristin L. Vander Kooi	Preparer title Accounting Manager
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Submission Information	
You successfully submitted your form. Save and/or print a copy for your records.	
Co-muni code	13282
TID number	009
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