

September 6, 2024

PROJECT PLAN AMENDMENT

# Village of Prairie du Sac, Wisconsin

Tax Incremental District No. 5

Prairie Fields Development



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Prepared by:

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**BUILDING COMMUNITIES. IT'S WHAT WE DO.**

## KEY DATES

Organizational Joint Review Board Meeting Held:	Scheduled for 9/9/24
Public Hearing Held:	Scheduled for 9/9/24
Approval by Plan Commission:	Scheduled for 9/9/24
Adoption by Village Board:	Scheduled for 9/10/24
Approval by the Joint Review Board:	Scheduled for TBD

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# **SECTION 1:**

## **Executive Summary**

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### **DESCRIPTION OF DISTRICT**

Tax Incremental District (“TID”) No. 5 (“District”) is a 68- acre Mixed Use District created on May 22, 2018. The District was created to:

- To promote commercial development along USH-12 and County Road PF. This includes the provision of infrastructure including water and sanitary sewer service, and internal site improvements within the district boundaries.

The district has not been amended to date.

### **Purpose of Amendment**

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

- Add territory to the District as permitted under Wis. Stat. § 66.1105(4)(h)2. This is the first of four permitted territory amendments available to the District.
- Amend the categories, locations or costs of project costs to be made as permitted under Wis. Stat. § 66.1105(4)(h)1. (“Project”).

### **Estimated Total Project Cost Expenditures**

The Village anticipates making total expenditures of approximately \$10.98 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$6.50 million in development incentives for on-site infrastructure and other improvements, \$2.95 million in improvements to the north side of Sauk Prairie Road necessary for the development to occur and \$1.5 million in total for interest on long-term debt, on-going administration expenses, and financing costs.

### **Incremental Valuation**

The Village projects that new land and improvements value of approximately \$67.79 million will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

## **Expected Termination of District**

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

## **Summary of Findings**

As required by Wis. Stat. § 66.1105, and as documented in this Plan and the That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the Village. In reaching this determination, the Village has considered:

A review of the Project’s sources and uses, and cash flow proforma was completed for each development component – condos, workforce housing, and senior housing. Based on each development component’s projected return on investment necessitates TIF assistance over the remaining term of the TID. The Developer has requested that the Village provide incentive payments on a pay as you go basis with an estimated present value of \$6,500,000. (Projected future value payments of \$11,114,444). Provision of the requested assistance would improve each development component’s return on investment. The condos would achieve a 10.25% of cost, workforce housing would achieve an average annual cash-on-cash of 9.5%, and the senior housing would achieve an average annual cash-on-cash of 8.9%. For sale developments typically need to provide a return in the range of 9 to 10% of cost, whereas rental developments like the type proposed typically need to achieve a 9 to 10% average annual cash-on-cash during the term of the TIF assistance to attract the necessary investment capital. Based on Ehlers review, provision of pay as you go incentives in the amount requested is necessary to provide an acceptable return on investment and indicates that “but for” the incentives, the project would not likely proceed.

The Developer’s representation that the Project is not economically viable without public participation based on extraordinary costs associated with demolition of structures and redevelopment of existing sites.

The substantial investment needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax incremental financing, the Village is unable to fully fund this program of infrastructure improvements.

- 1. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the Village has considered the following information:**

That the Developer is likely to purchase goods and services from local suppliers in construction of the Project, and induced effects of employee households spending locally for goods and services from retailers, restaurants and service companies.

2. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.** As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the Village finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
3. Not less than 50% by area of the real property within the District, as amended, is suitable for mixed use development as defined by Wis. Stat. § 66.1105(2)(cm).
4. Based on the foregoing finding, the District remains designated as a mixed-use district.
5. The Project Costs relate directly to promoting mixed use development in the District, consistent with the purpose for which the District is created. Lands proposed for newly-platted residential development comprise no more than 35% of the real property area within the amended District. Costs related to newly-platted residential development may be incurred based on the proposed development [having a density of at least three (3) units per acre as defined in Wis. Stat. § 66.1105(2)(f)3.a.
6. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
7. The equalized value of taxable property within the territory to be added to the District, plus the incremental value of all existing tax incremental districts within the Village does not exceed 12% of the total equalized value of taxable property within the Village.
8. The Plan for the District is feasible and is in conformity with the Master Plan of the Village.
9. The Village estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).

10. That for those parcels to be included within the District that were annexed by the City within the three-year period preceding adoption of this Resolution, the City pledges to pay the Town of Prairie du Sac an amount equal to the property taxes the town last levied on the territory for each of the next five years.

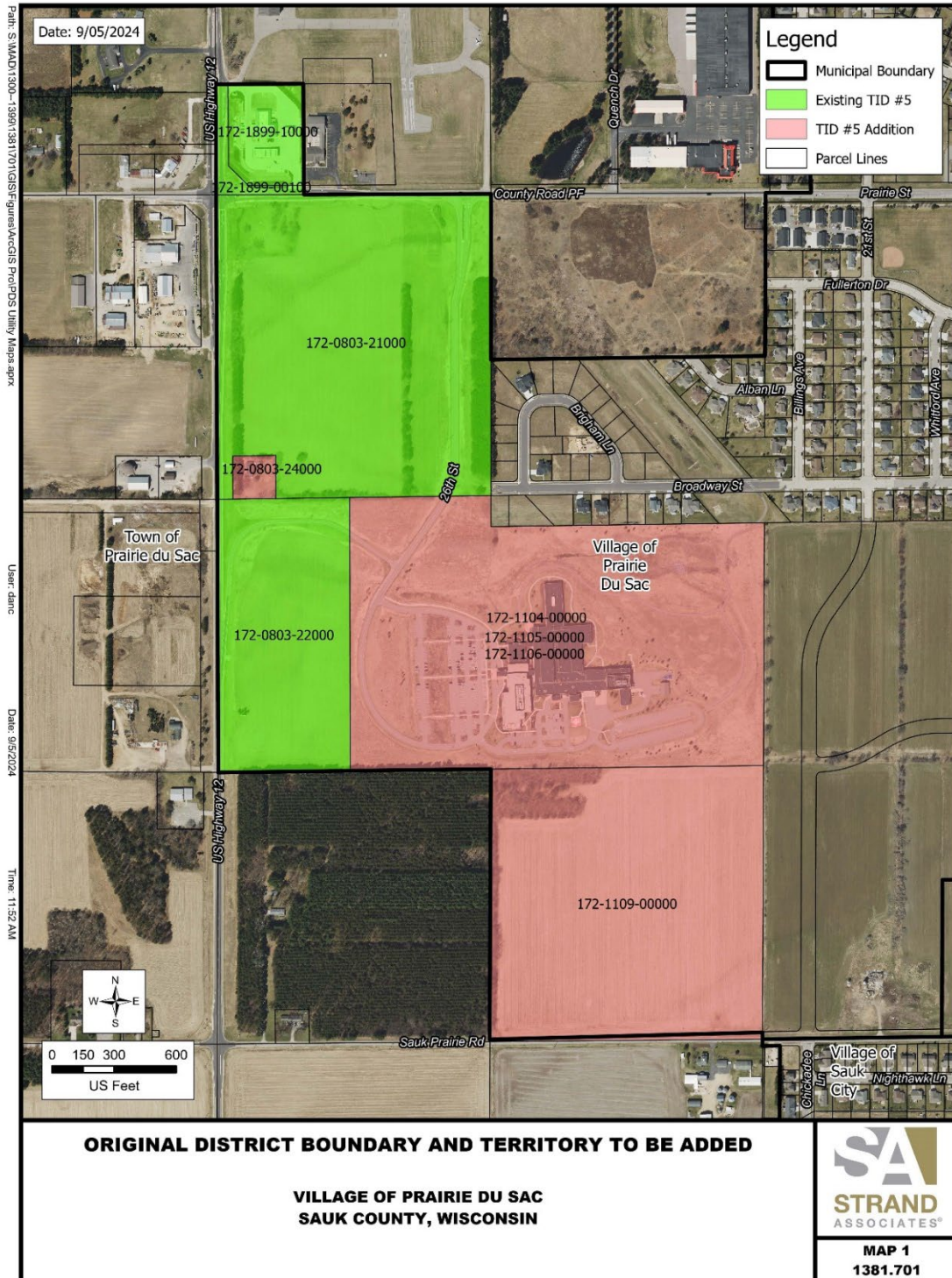
## **SECTION 2: Preliminary Map of Original District Boundary and Territory to be Added**

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Map Found on Following Page.



The hospital has multiple tax keys associated with it as there are hospital condo properties all on the parcel, so there are not separate parcel boundaries for the property, but rather multiple tax key numbers on one parcel.





## **SECTION 3:**

### **Map Showing Existing Uses and Conditions Within the Territory to be Added**

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Map Found on Following Page.

# SECTION 4: Preliminary Identification of Parcels to be Added

**Parcel Data**

Map Reference Number	Parcel Number	Acres	Suitable Acres			
			Commercial/ Business	Previously- Platted Residential	Newly-Platted Residential	Industrial
Existing TID Area		68.03	68.03	0.00	0.00	0.00
N/A	ROW Areas	0.00				
1	172-0803-24000	1.00				
2	172-1106-00000	1.80				
3	172-1104-00000	53.08				
4	172-1105-00000	1.40				
5	172-1109-00000	40.00			40.00	
<b>TOTALS</b>		<b>165.31</b>	<b>68.03</b>	<b>0.00</b>	<b>40.00</b>	<b>0.00</b>

Percentage of TID Area Suitable for Mixed Use Development (at least 50%) 65%

Percentage of TID Area Not Suitable for Development 35%

Percentage of TID Area Suitable for Newly Platted Residential Development (no more than 35%) 24%

**Calculation of Estimated Base Value<sup>1</sup>**

Parcel	Assessed Value			Equalized Value <sup>2</sup>		
	Land	Improvement	Total	Land	Improvement	Total
172-0803-24000	0	0	0	0	0	0
172-1106-00000	0	0	0	0	0	0
172-1104-00000	0	0	0	0	0	0
172-1105-00000	0	0	0	0	0	0
172-1109-00000	0	0	0	0	0	0
<b>TOTALS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

1) Estimated based on values as of January 1, 2024.

2) Calculation based on aggregate assessment ratio of 100.00%.

# SECTION 5: Equalized Value Test

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

The equalized value of the increment of existing tax incremental districts within the Village, plus the value of the territory proposed to be added to the District, totals \$8.04 million. This value is less than the maximum of \$80.59 million in equalized value that is permitted for the Village.

<b>Village of Prairie du Sac, Wisconsin</b> <b>Tax Increment District No. 5 Amendment</b> <b>Valuation Test Compliance Calculation</b>		
<b><u>Calculation of Village Equalized Value Limit</u></b>		
Village TID IN Equalized Value (Jan. 1, 2024)	\$	671,594,000
TID Valuation Limit @ 12% of Above Value	\$	80,591,280
<b><u>Calculation of Value Subject to Limit</u></b>		
Estimated Base Value of Territory to be Included in District	\$	-
Plus: Assumed change for Jan. 1, 2025 assessment	\$	-
Incremental Value of Existing Districts (Jan. 1, 2024)	\$	8,037,700
Less: Value of Parcels Removed from District	\$	-
Less: Value of Underlying TID Parcels	\$	-
<b>Total Value Subject to 12% Valuation Limit</b>	<b>\$</b>	<b>8,037,700</b>
<b>Total Percentage of TID IN Equalized Value</b>		<b>1.20%</b>
<b>Residual Value Capacity of TID IN Equalized Value</b>	<b>\$</b>	<b>72,553,580</b>

## **SECTION 6: Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District**

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

With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

The “Statement of Kind, Number and Location of Proposed Public Works and Other Projects” set forth in the original District Project Plan approved on May 22, 2018 is amended to add the following Project Costs that the Village has made, expects to make, or may need to make, in conjunction with the implementation of the District’s Plan or this Plan Amendment.

### **Property, Right-of-Way and Easement Acquisition**

#### ***Property Acquisition for Development***

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

sale or lease of that property, the net amount shall be considered “real property assembly costs” as defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

### **Property Acquisition for Conservancy**

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

### **Acquisition of Rights-of-Way**

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

### **Acquisition of Easements**

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

## **Site Preparation Activities**

### **Environmental Audits and Remediation**

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

### **Demolition**

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

### **Site Grading**

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The Village

may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the Village for site grading are eligible Project Costs.

## **Utilities**

### **Sanitary Sewer System Improvements**

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

### **Water System Improvements**

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

### **Stormwater Management System Improvements**

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

### **Electric Service**

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

### **Gas Service**

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

### **Communications Infrastructure**

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



## **Streets and Streetscape**

### **Street Improvements**

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

### **Streetscaping and Landscaping**

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

## **Community Development**

### **Cash Grants (Development Incentives)**

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

## **Miscellaneous**

### **Rail Spur**

To allow for development, the Village may incur costs for installation of a rail spur or other railway improvements to serve development sites located within the District.

### **Projects Outside the Tax Increment District**

Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the Village may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the Village's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District. The Village intends to make the following project cost expenditures outside the District:

Sauk Prairie Road improvements including: street, water and sewer, and storm water improvements.

### **Professional Service and Organizational Costs**

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

### **Administrative Costs**

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

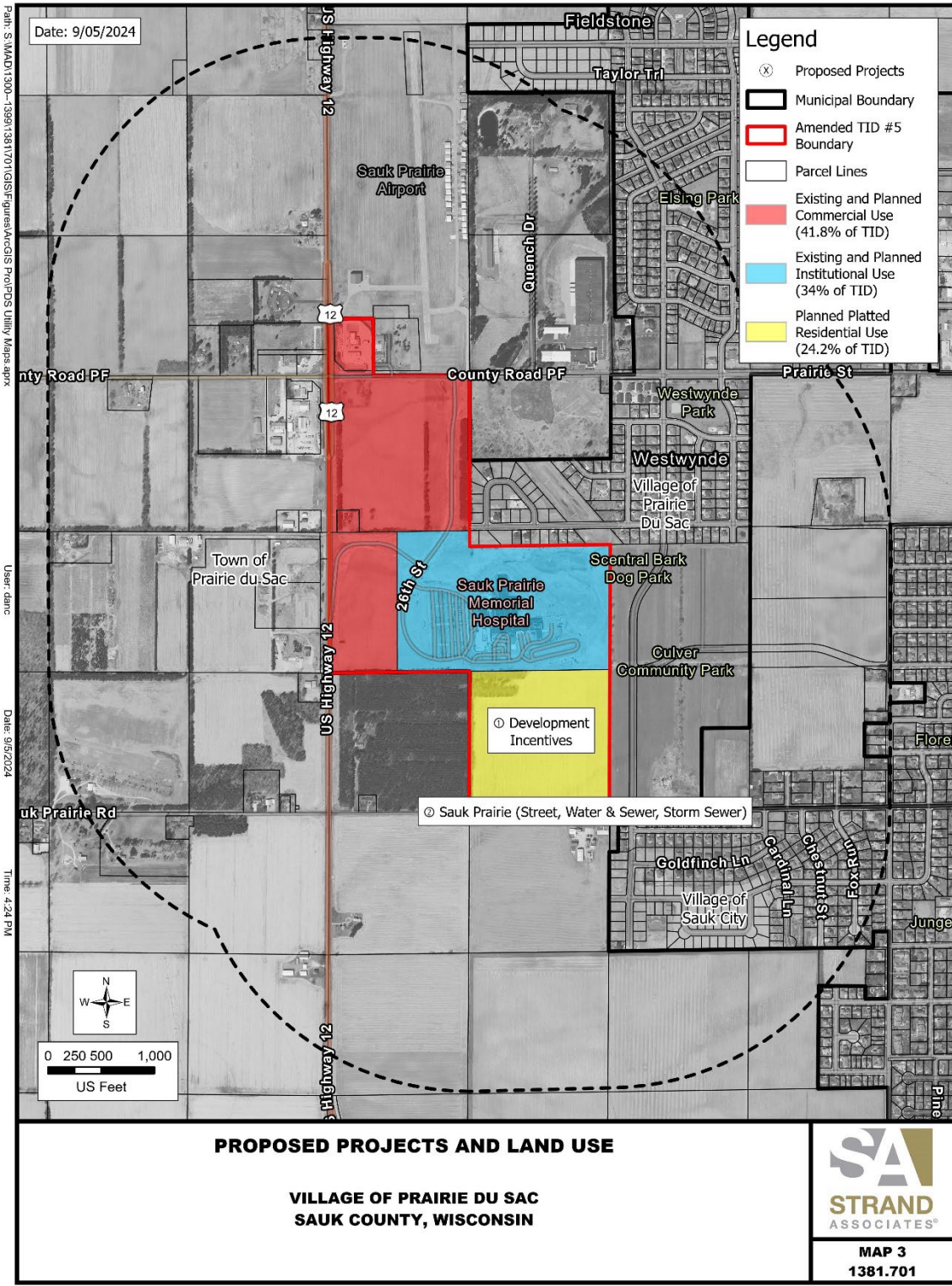
### **Financing Costs**

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

## **SECTION 7: Map Showing Proposed Improvements and Uses Within the Territory to be Added**

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Map Found on Following Page.



## **SECTION 8: Detailed List of Estimated Project Costs**

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

Project List Found on Following Page.

# Village of Prairie du Sac, Wisconsin

## Tax Increment District No. 5 Amendment

### Detailed List of Estimated Project Costs

Project ID	Project Name/Type	Est. Cost			Totals	1/2 Mile	Est. Timing
		Phase I	Phase II	Ongoing			
1	Development Incentives	6,500,000			6,500,000		2024
2	Sauk Prairie Rd - Streets		990,439		990,439	990,439	2026
3	Sauk Prairie Rd - Water and Sewer		881,239		881,239	881,239	2026
4	Sauk Prairie Rd - Storm Sewer		485,260		485,260	485,260	2026
5	Sauk Prairie Rd - Engineering & Contingency		589,234		589,234	589,234	2026
6	Interest on Long Term Debt			1,365,495	1,365,495		
7	Financing Costs			113,950	113,950		
8	Ongoing Planning & Administrative Costs			50,000	50,000		
Total Projects		<u>6,500,000</u>	<u>2,946,172</u>	<u>1,529,445</u>	<u>10,975,617</u>	<u>2,946,172</u>	

Notes:

1. Sauk Prairie Road improvements are from USH 12 to Lueders Rd and include the north side of the road only. Cost estimates provided by Strand Associates, Inc., August, 2024.

**SECTION 9:  
Economic Feasibility Study, Description of the Methods  
of Financing Estimated Project Costs and the Time When  
Related Costs or Monetary Obligations are to be Incurred**

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

**Key Assumptions**

The Project Costs the Village plans to make are expected to create \$71.10 million in incremental value by 2028. Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming the Village’s current equalized TID Interim tax rate of \$17.11 per thousand of equalized value, and 2.00% economic appreciation, and a -0.50% annual decline to the tax rate, the Project would generate \$15.83 million in incremental tax revenue over the 20-year term of the District as shown in **Table 2**.



## Table 1 - Development Assumptions

Village of Prairie du Sac, Wisconsin Tax Increment District No. 5 Amendment Development Assumptions											
Construction Year		Actual	Condo Housing Total Value	Workforce Housing Total Value	Senior Housing Total Value	Annual Total	Construction Year				
1	2018	651,900				651,900	2018	1			
2	2019	2,019,100				2,019,100	2019	2			
3	2020	1,177,400				1,177,400	2020	3			
4	2021	24,400				24,400	2021	4			
5	2022	161,500				161,500	2022	5			
6	2023	(728,600)				(728,600)	2023	6			
7	2024					0	2024	7			
8	2025		14,560,033	3,055,800		17,615,833	2025	8			
9	2026		14,560,033	6,111,600	2,972,825	23,644,458	2026	9			
10	2027		14,560,033	3,055,800	5,945,650	23,561,483	2027	10			
11	2028				2,972,825	2,972,825	2028	11			
12	2029					0	2029	12			
13	2030					0	2030	13			
14	2031					0	2031	14			
15	2032					0	2032	15			
16	2033					0	2033	16			
17	2034					0	2034	17			
18	2035					0	2035	18			
19	2036					0	2036	19			
20	2037					0	2037	20			
<b>Totals</b>		<b>3,305,700</b>	<b>43,680,099</b>	<b>12,223,200</b>	<b>11,891,300</b>	<b>71,100,299</b>					

Notes:  
 1. Development assumptions and timing provided by the developer of the Prairie Springs development and were further vetted by the Village's assessor.

## Table 2 – Tax Increment Projection Worksheet

Village of Prairie du Sac, Wisconsin Tax Increment District No. 5 Amendment Tax Increment Projection Worksheet								
Type of District	Mixed Use				Base Value	0		
District Creation Date	May 22, 2018				Economic Change Factor	2.00%		
Valuation Date	Jan 1,	2018			Apply to Base Value			
Max Life (Years)	20				Base Tax Rate	\$17.11		
Expenditure Period/Termination	15	5/22/2033			Rate Adjustment Factor	-0.50%		
Revenue Periods/Final Year	20 2039							
Extension Eligibility/Years	Yes 3							
Eligible Recipient District	No							
Construction	Year	Value Added	Valuation Year	Economic Change	Total Increment	Revenue Year	Tax Rate <sup>1</sup>	Tax Increment
1	2018	651,900	2019	0	651,900	2020	\$20.83	13,579
2	2019	2,019,100	2020		2,671,000	2021	\$20.81	55,584
3	2020	1,177,400	2021		3,848,400	2022	\$20.37	78,403
4	2021	24,400	2022		3,872,800	2023	\$18.68	72,361
5	2022	161,500	2023		4,034,300	2024	\$17.11	69,029
6	2023	-728,600	2024	80,686	3,386,386	2025	\$17.03	57,653
7	2024	0	2025	67,728	3,454,114	2026	\$16.94	58,512
8	2025	17,615,833	2026	69,082	21,139,029	2027	\$16.86	356,303
9	2026	23,644,458	2027	422,781	45,206,268	2028	\$16.77	758,151
10	2027	23,561,483	2028	904,125	69,671,876	2029	\$16.69	1,162,620
11	2028	2,972,825	2029	1,393,438	74,038,138	2030	\$16.60	1,229,303
12	2029	0	2030	1,480,763	75,518,901	2031	\$16.52	1,247,620
13	2030	0	2031	1,510,378	77,029,279	2032	\$16.44	1,266,209
14	2031	0	2032	1,540,586	78,569,865	2033	\$16.36	1,285,076
15	2032	0	2033	1,571,397	80,141,262	2034	\$16.27	1,304,223
16	2033	0	2034	1,602,825	81,744,087	2035	\$16.19	1,323,656
17	2034	0	2035	1,634,882	83,378,969	2036	\$16.11	1,343,379
18	2035	0	2036	1,667,579	85,046,548	2037	\$16.03	1,363,395
19	2036	0	2037	1,700,931	86,747,479	2038	\$15.95	1,383,710
20	2037	0	2038	1,734,950	88,482,429	2039	\$15.87	1,404,327
<b>Totals</b>		<b>71,100,299</b>		<b>17,382,130</b>		<b>Future Value of Increment</b>		<b>15,833,093</b>
Notes:								
1) Tax rates shown through the 2024 revenue year are actual per DOR Form PC-202 (Tax Increment Collection Worksheet).								

## Financing and Implementation

The development incentives are anticipated to be paid on a pay-as-you-go basis through the issuance of a Municipal Revenue Obligation (MRO). The annual MRO payments are equal to 80% of the tax increment generated from the Prairie Fields development with an assumed 6.00% interest rate factor. The public infrastructure improvements along Sauk Prairie Road are anticipated to be financed with the General Obligation Note. **Table 3** provides a summary of the District's financing plan.

Based on the Project Cost expenditures as included within the cash flow exhibit (**Table 4**), the District is projected to accumulate sufficient funds by the year 2039 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

### Table 3 - Financing Plan

Village of Prairie du Sac, Wisconsin Tax Increment District No. 5 Amendment Estimated Financing Plan				
	DEBT ISSUES	MUNICIPAL REVENUE OBLIGATIONS		Totals
	G.O. Promissory Note 2026	Municipal Revenue Obligation (MRO) Year	Municipal Revenue Obligation (MRO) 2024	
Projects				
Phase I		700,150		700,150
Phase II	2,946,172		6,500,000	9,446,172
Phase III				0
Phase IV				0
Phase V				0
<b>Total Project Funds</b>	<u>2,946,172</u>	<u>700,150</u>	<u>6,500,000</u>	<u>10,146,322</u>
Estimated Finance Related Expenses				
Municipal Advisor	31,700			
Bond Counsel	22,000			
Disclosure Counsel	14,300			
Rating Agency Fee	15,000			
Paying Agent	850			
Underwriter Discount	10.00 30,100			
<b>Total Financing Required</b>	3,060,122			
Estimated Interest	3.50%	(51,558)		
Assumed spend down (months)	6			
Rounding	1,436			
<b>Net Issue Size</b>	<b>3,010,000</b>	<b>700,150</b>	<b>6,500,000</b>	<b>10,210,150</b>
Notes:				

## Table 4 - Cash Flow

Village of Prairie du Sac, Wisconsin															
Tax Increment District No. 5 Amendment															
Cash Flow Projection															
Year	Projected Revenues				Projected Expenditures							Balances			Year
	Tax Increments	Intergov. Revenues	Debt Proceeds	Total Revenues	2026 G.O. Promissory Note \$3,010,000 Issue Total	MRO #1 Year Kwik Trip \$700,150	MRO #2 2,024 Prairie Fields \$6,500,000	Capital	Financing Costs	Ongoing Planning & Administration	Total Expenditures	Annual	Cumulative	Liabilities Outstanding	
2023	72,361			72,361	0	67,474				2,000	69,474	2,887	(9,679)	721,981	2023
2024	69,029	394		69,423	0	66,423				3,000	69,423	(0)	(9,679)	10,852,278	2024
2025	57,653	40,000		97,653	0	82,668				3,000	85,668	11,985	2,306	10,769,610	2025
2026	58,512	77,000	3,010,000	3,145,512	0	84,167	0	2,946,172	113,950	3,000	3,147,289	(1,777)	530	15,060,938	2026
2027	356,303	150,000		506,303	177,848	85,692	237,535			3,000	504,074	2,228	2,758	14,559,864	2027
2028	758,151	6,500		764,651	118,565	87,244	558,306			3,000	767,115	(2,463)	295	13,795,749	2028
2029	1,162,620			1,162,620	118,565	59,226	881,163			3,000	1,061,954	100,667	100,961	12,736,795	2029
2030	1,229,303			1,229,303	118,565	90,431	933,780			3,000	1,145,776	83,527	184,489	11,594,020	2030
2031	1,247,620			1,247,620	118,565	92,066	947,693			3,000	1,161,324	86,296	270,784	10,435,696	2031
2032	1,266,209			1,266,209	118,565	74,064	961,814			3,000	1,157,443	108,767	379,551	9,281,253	2032
2033	1,285,076			1,285,076	118,565		976,145			3,000	1,097,710	187,366	566,917	8,186,543	2033
2034	1,304,223			1,304,223	402,983		990,689			3,000	1,396,672	(92,448)	474,468	6,792,872	2034
2035	1,323,656			1,323,656	401,625		1,005,450			3,000	1,410,075	(86,419)	388,049	5,385,796	2035
2036	1,343,379			1,343,379	390,075		1,020,432			3,000	1,413,507	(70,128)	317,921	3,803,715	2036
2037	1,363,395			1,363,395	402,963		1,035,636			3,000	1,441,599	(78,204)	239,718	2,443,079	2037
2038	1,383,710			1,383,710	414,713		648,079			3,000	1,065,791	317,919	557,636	1,445,000	2038
2039	1,404,327			1,404,327	1,473,900					3,000	1,476,900	(72,573)	485,063	0	2039
<b>Totals</b>	<b>15,833,093</b>	<b>273,894</b>	<b>3,010,000</b>	<b>19,116,987</b>	<b>4,375,495</b>	<b>789,455</b>	<b>10,196,720</b>	<b>2,946,172</b>	<b>113,950</b>	<b>50,000</b>	<b>18,471,793</b>				<b>Totals</b>

Notes:

1. The Prairie Fields MRO is equal to 80% of the increment generated by that development annually with an assumed 6.00% interest rate.

PROJECTED CLOSURE YEAR

**LEGEND:**  
 CALLABLE MATURITIES  
 END OF EXP. PERIOD

## **SECTION 10:**

### **Annexed Property**

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A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. That for those parcels to be included within the District that were annexed by the City within the three-year period preceding adoption of this Resolution, the City pledges to pay the Town of Prairie du Sac an amount equal to the property taxes the town last levied on the territory for each of the next five years.

## **SECTION 11: Estimate of Property to be Devoted to Retail Business**

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



## **SECTION 12: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and Village Ordinances**

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### **Zoning Ordinances**

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

### **Master (Comprehensive) Plan and Map**

The proposed Plan Amendment is in general conformance with the Village's Comprehensive Plan identifying the area as appropriate for a combination of commercial and residential development.

### **Building Codes and Ordinances**

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

## **SECTION 13:**

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

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

## **SECTION 14:**

### **How Amendment of the Tax Incremental District Promotes the Orderly Development of the Village**

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This Plan Amendment promotes the orderly development of the Village by creating opportunities for mixed use development, providing necessary public infrastructure improvements, and providing appropriate financial incentives for private development projects. Through use of tax increment financing, the Village can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as increased employment opportunities and needed additional housing units within the Village.

## **SECTION 15:**

### **List of Estimated Non-Project Costs**

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

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

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

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

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**NEED WET SIGNATURE & DATED LEGAL OPINION ON ATTORNEY  
LETTERHEAD**

**SAMPLE**

Village President  
Village of Prairie du Sac  
335 Galena St  
Prairie du Sac, Wisconsin 53578-1008

RE: Project Plan Amendment for Tax Incremental District No. 5

Dear Village President:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the Village Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105. As Village Attorney for the Village of Prairie du Sac, I have been asked to review the above-referenced project plan amendment for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the amended Project Plan for the Village of Prairie du Sac Tax Incremental District No. 5 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

Village Attorney

## SECTION 17:

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

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

<h2 style="margin: 0;">Village of Prairie du Sac, Wisconsin</h2> <h3 style="margin: 0;">Tax Increment District No. 5 Amendment</h3> <p style="margin: 0;">Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlying district would pay by jurisdiction.</p>						
Revenue Year	Sauk County	Village of Prairie du Sac	Sauk Prairie School District	Madison Area Technical College	Total	Revenue Year
2020	2,567	4,488	6,008	517	13,579	2020
2021	10,506	18,371	24,592	2,115	55,584	2021
2022	14,819	25,913	34,689	2,983	78,403	2022
2023	13,677	23,916	32,015	2,753	72,361	2023
2024	13,047	22,814	30,541	2,626	69,029	2024
2025	10,897	19,055	25,508	2,194	57,653	2025
2026	11,059	19,339	25,888	2,226	58,512	2026
2027	67,344	117,760	157,643	13,556	356,303	2027
2028	143,297	250,573	335,436	28,845	758,151	2028
2029	219,745	384,251	514,390	44,234	1,162,620	2029
2030	232,349	406,290	543,893	46,771	1,229,303	2030
2031	235,811	412,344	551,997	47,468	1,247,620	2031
2032	239,325	418,488	560,222	48,175	1,266,209	2032
2033	242,891	424,724	568,569	48,893	1,285,076	2033
2034	246,510	431,052	577,041	49,621	1,304,223	2034
2035	250,183	437,475	585,638	50,361	1,323,656	2035
2036	253,910	443,993	594,364	51,111	1,343,379	2036
2037	257,694	450,608	603,220	51,872	1,363,395	2037
2038	261,533	457,323	612,208	52,645	1,383,710	2038
2039	265,430	464,137	621,330	53,430	1,404,327	2039
<b>Totals</b>	<b>2,992,594</b>	<b>5,232,911</b>	<b>7,005,194</b>	<b>602,394</b>	<b>15,833,093</b>	
Notes:						
1) School District taxes collected represent composite of collections for the Sauk Prairie School District.						