CITY OF STOUGHTON, 207 S FORREST ST, STOUGHTON, WISCONSIN

RESOLUTION OF THE COMMON COUNCIL

Authorizing the Mayor and City Attorney to negotiate a development agreement with Emmi Roth USA for the installation of solar panels on their new building within the terms described in the Term Sheet attached as Exhibit A.

Committee Action: Finance Committee recommended approval ___ on 10-24-2023

TIME SENSITIVE ITEM

Fiscal Impact: _____

File Number:	R-170-2023	**Date Introduced:**	**October 24, 2023**

RECITALS

WHEREAS, the City of Stoughton created Tax Increment District (TID) #6 in 2015 to promote industrial development within the City, and invested $2.9 million in infrastructure to make sites suitable for industrial development; and

WHEREAS, Emmi Roth, USA selected a "shovel ready" site served by TID #6 infrastructure as the site for its corporate headquarters, production, and cold storage facilities. Construction on the facilities began in the Fall of 2022 and will be complete by the end of 2023, at an estimated cost of $82 million. The expected increase in property value because of the development is $29 million; and

WHEREAS, Emmi Roth, USA experienced significant cost overruns during construction and was forced to eliminate desired building components to reduce costs. A solar energy generating facility was one of the components cut from the construction budget; and

WHEREAS, the City of Stoughton's TID policy encourages renewable energy production within its TIDs; and

WHEREAS, Emmi Roth, USA submitted a request for tax incremental financing (TIF) to the City of Stoughton requesting $3.5 million to install the planned solar energy generating facility and the City Council directed the Mayor to evaluate the TIF request and return with a recommendation; and

WHEREAS, the City's financial advisory firm evaluated the TIF request in light of the financial condition of TID #6 and the borrowing capacity of the City, and worked with the City Attorney, Mayor and staff to prepare a recommended term sheet to support installation of a solar array on the Emmi Roth, USA facility that is feasible within the constraints of TID #6 and the City's borrowing capacity;

NOW THEREFORE, BE IT RESOLVED, that the Common Council of the City of Stoughton authorizes the Mayor and City Attorney to negotiate a development agreement with Emmi Roth, USA within the terms approved by this City Council as described in Exhibit A to this resolution.

Council Action: ☐ **Adopted** ☐ **Failed** **Vote** _____

Mayoral Action: ☐ **Accept** ☐ **Veto**

Mayor Tim Swadley _____ Date _____

Council Action: _____ ☐ **Override** **Vote** _____