CITY OF STOUGHTON
FINANCE DEPARTMENT
207 S Forrest, Stoughton, WI 53589

(608) 873-6677 www.ci.stoughton.wi.us

Date: March 18, 2021

To: Finance Committee

From: Jamin Friedl

Subject: Release of KPW Phase I Municipal Revenue Obligation

The development agreement for the commercial phase of the Kettle Park West development entitles the developer to receive a TIF-funding Municipal Revenue Obligation (the "Commercial Phase MRO") to pay the cost of site grading work within that phase, up to $550,000. When issued, the Commercial Phase MRO is payable over the remaining life of the TIF District, without interest.

The Commercial Phase MRO has not yet been issued. Instead, the developer assigned it to the City to secure the developer's park-dedication related obligations. The development agreement for the residential phase of the Kettle Park West Development required the developer to annex about 4 acres of land in the town of Rutland to the City, and to convey that land to the City as an addition to the 6.3 acres already dedicated for park purposes. The Commercial Phase MRO was assigned to the City to protect the City in the event the 4 acres is not annexed and conveyed to the City.

The annexation of the 4 acre parcel has been completed. We expect the 4 acres to be conveyed to the City shortly. Once that has occurred, we will issue the Commercial Phase MRO to the developer.

This memo is provided for informational purposes only. No action by the Council is required on this matter.

Respectfully,

Jamin Friedl