

# Stoughton Trailers Headquarters and Neighborhood Development

*Project Update and Request for Action*

*November 28, 2023*

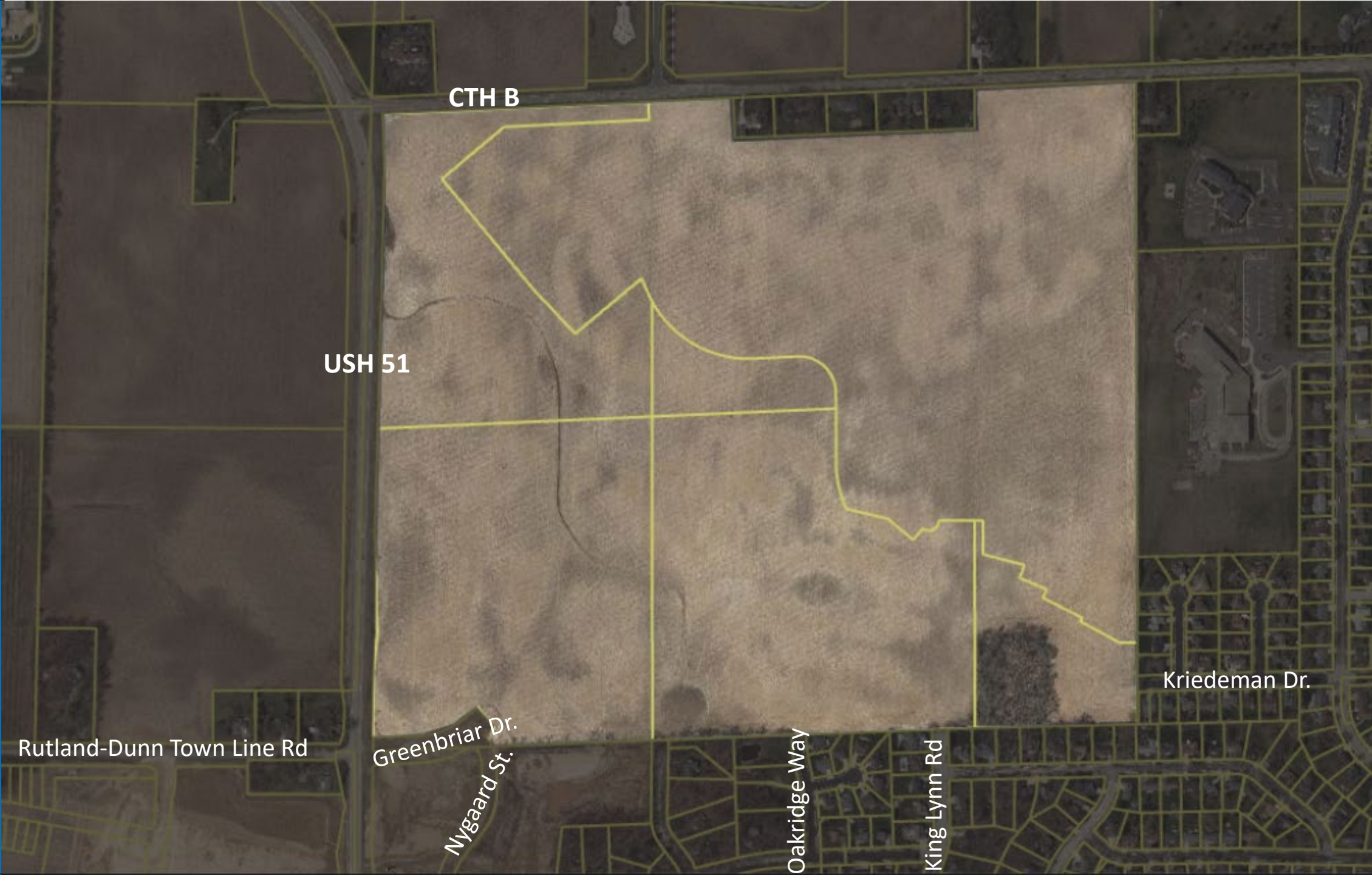


**Project  
Area**





182  
Acres



CTH B

USH 51

Kriedeman Dr.

Rutland-Dunn Town Line Rd

Greenbriar Dr.

Nygaard St.

Oakridge Way

King Lynn Rd



# The Vision

Spring 2023



Rutland-Dunn Town Line Rd

USH 51

Greenbriar Dr.

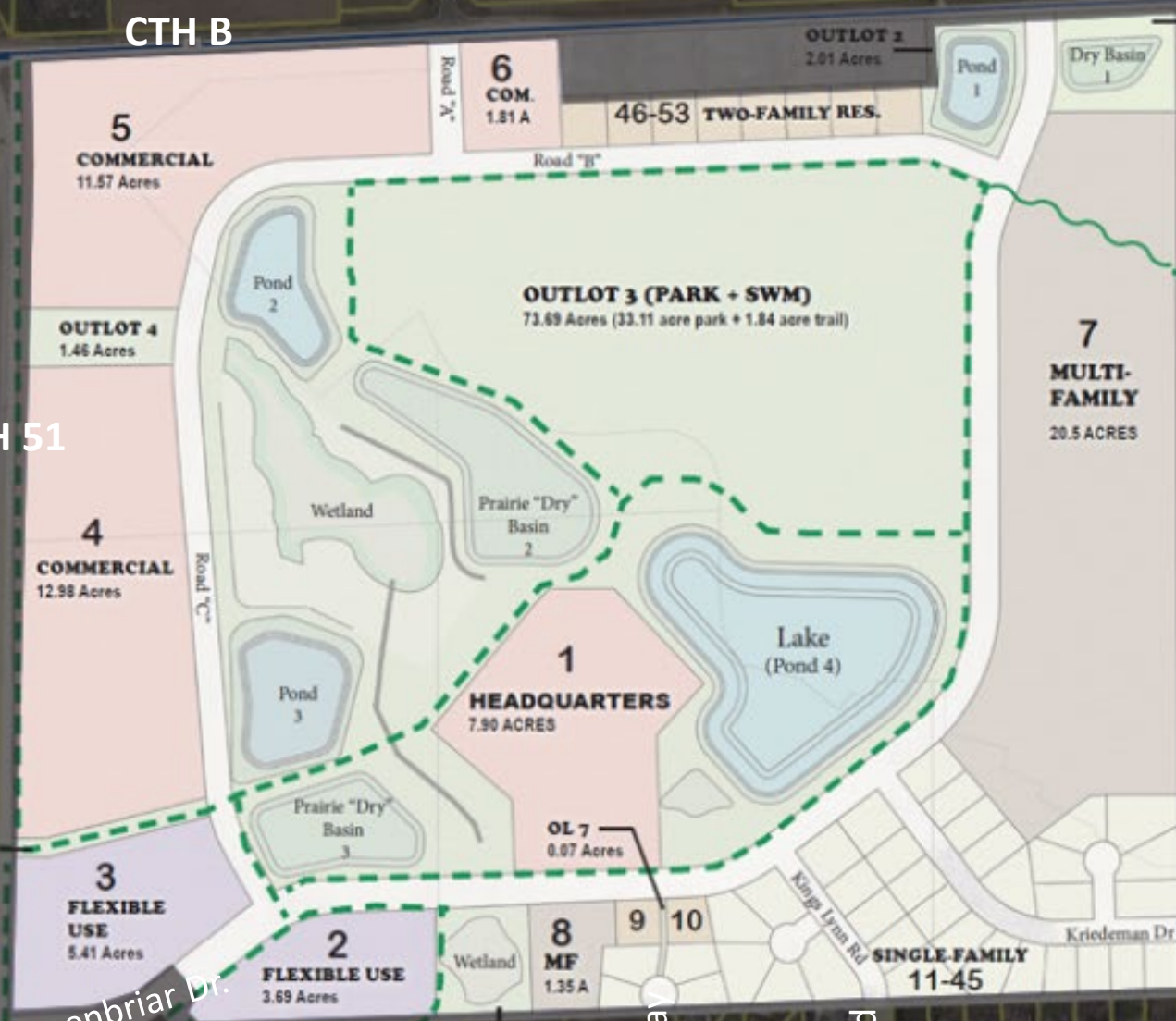
Nygaard St.

CTH B

Oakridge Way

King Lynn Rd

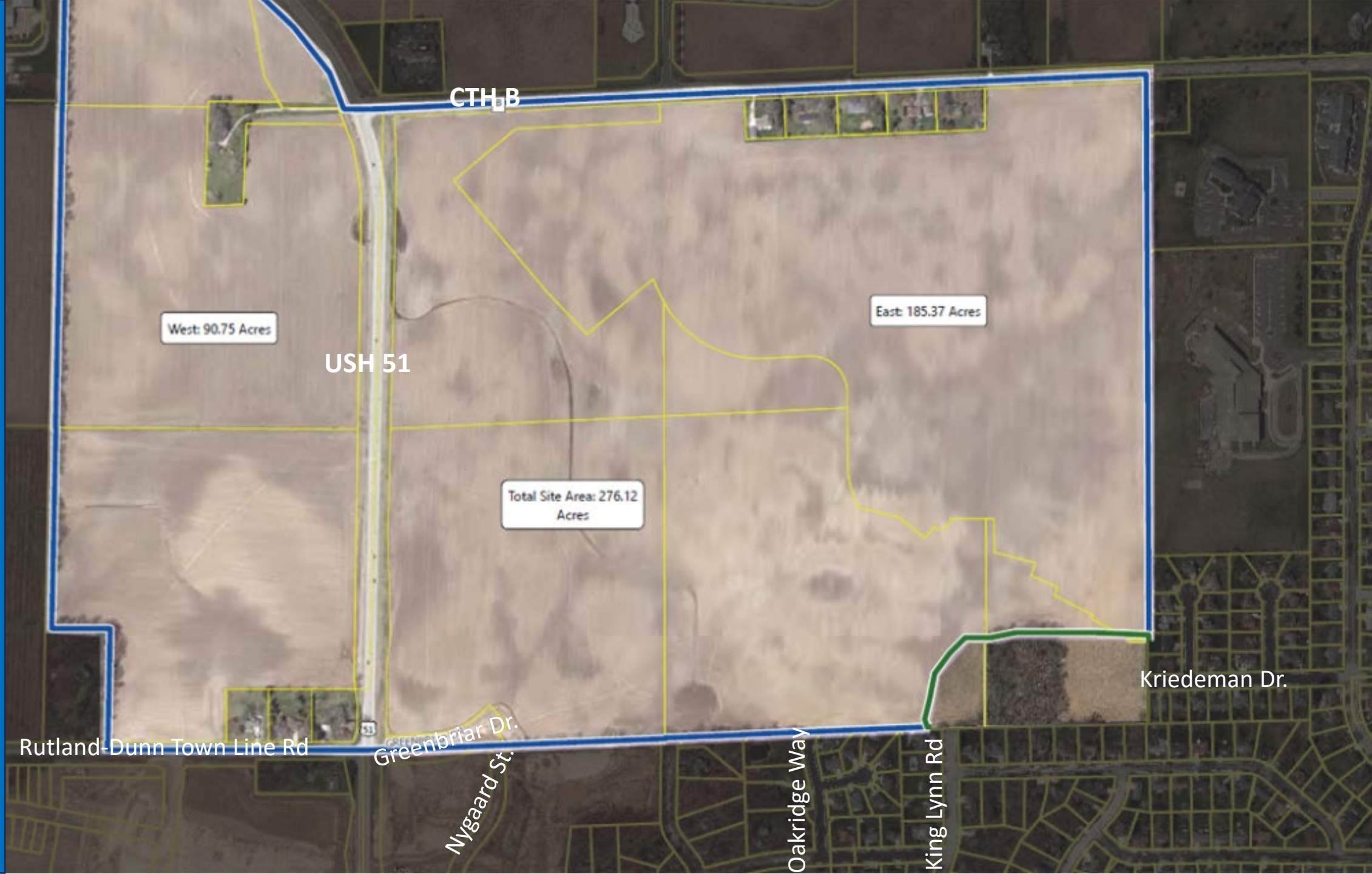
Kriedeman Dr.



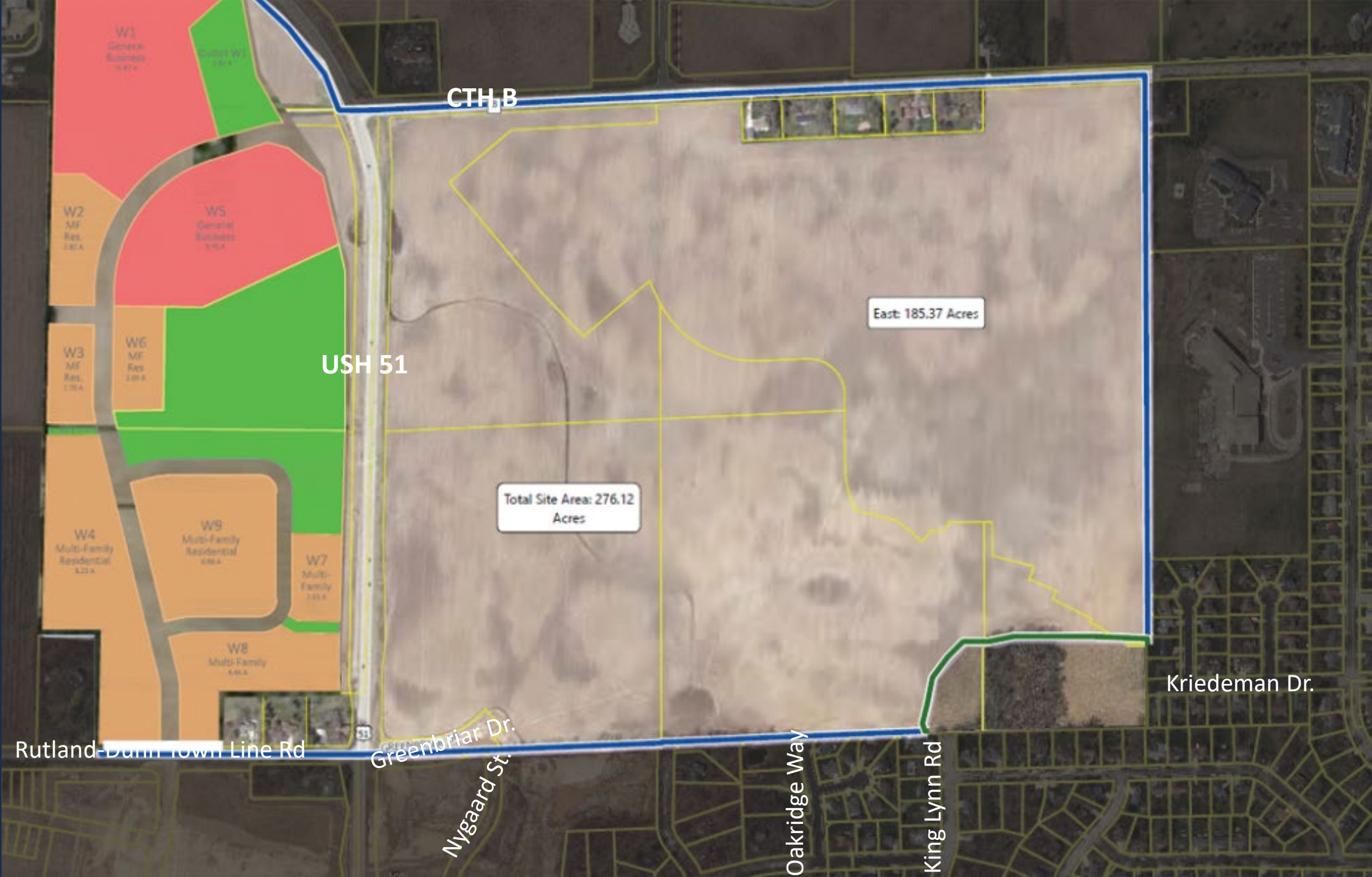


Urban  
Service  
Area  
Amend-  
ment

Spring-  
Summer  
2023



**Urban Service Area Amendment**  
**Spring-Summer 2023**





CSM  
Land  
Division

Summer-  
Fall 2023





CSM  
Land  
Division

Summer  
- Fall  
2023





Phase 1  
Design

Summer  
- Fall  
2023





HQ  
Design

Summer  
– Fall  
2023



CTH B

USH 51

CENTRAL  
INFILTRATION  
BASIN

LARGE  
DETENTION  
POND

SW  
INFILTRATION  
BASIN

SW  
DETENTION  
POND

W PATH

GREENBRIAR DRIVE

Rutland-Dunn Town Line Rd

Greenbriar Dr.

Nygaard St.

Oakridge Way

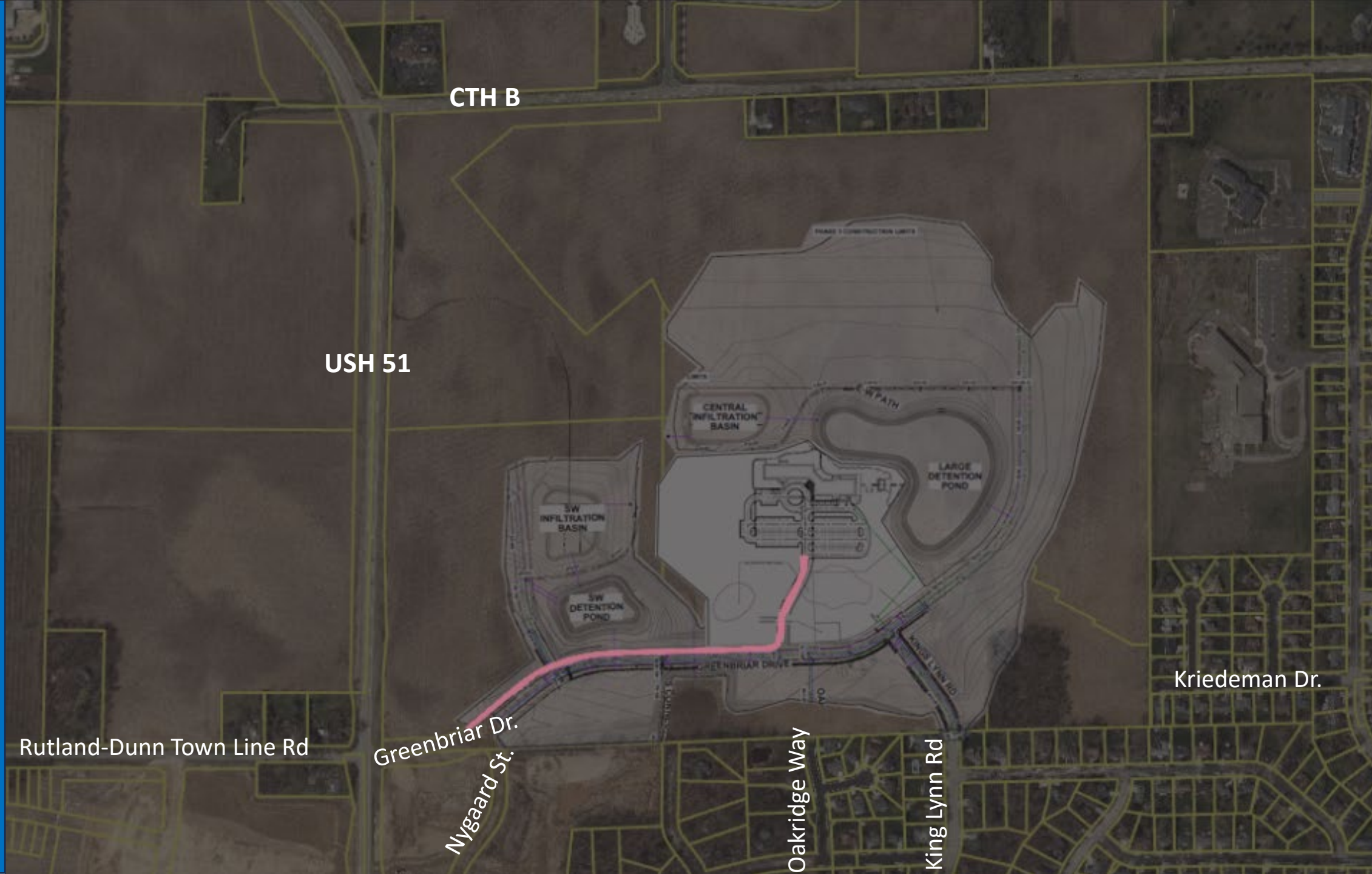
King Lynn Rd

Kriedeman Dr.



First Steps

Winter – Spring 2024



CTH B

USH 51

Rutland-Dunn Town Line Rd

Greenbriar Dr.

Nygaard St.

Oakridge Way

King Lynn Rd

Kriedeman Dr.

SW INFILTRATION BASIN

SW DETENTION POND

CENTRAL 'INFILTRATION' BASIN

LARGE DETENTION POND

E-W PATH

PHASE 2 CONSTRUCTION LIMITS

Phase 1  
New  
Value

2025-  
2027





Phase 2  
New  
Value

2026-  
2031



Phase 3  
New  
Value

??





# Timing

- 2023**      December – Final Phase 1 Construction Plans to City
- 2024**      January – City Approvals: Phase 1 Construction Plans, Erosion Control Permit  
February – TIF Creation, MRO Approval, Development Agreement, Letter of Credit  
March – Begin earth moving and access road construction  
April – Begin HQ construction  
Spring – Phase 1 entitlements  
Summer-Fall – Phase 2 entitlements  
September – Infrastructure site restoration work
- 2025**      Spring – HQ construction complete  
March-October – Lift station and Local Road A construction (tent.)
- 2026**      March-October – Remaining Phase 2 infrastructure

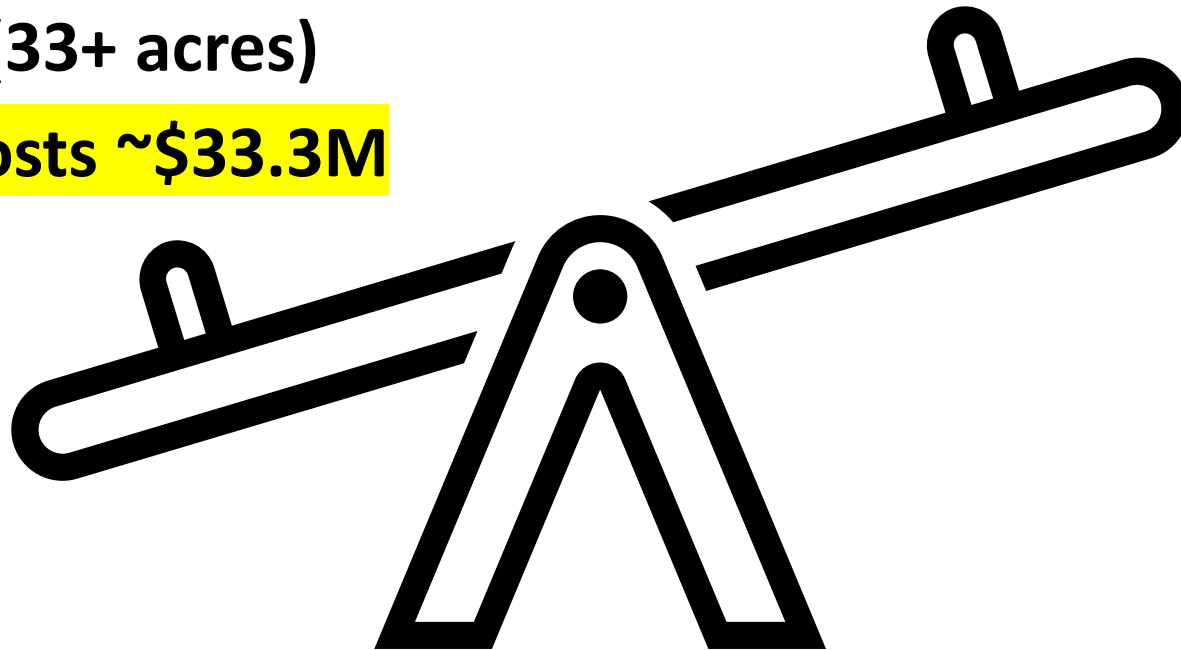
## Extraordinary Costs

- Wetlands and Stormwater Management (~48 acres)
- Site Fill (\$3.5M)
- Sewer Lift Station (\$1.5M)
- Proposed Community Park (33+ acres)

**Total Costs ~\$33.3M**

**Lot Sales (~70 acres)**

**Total Revenue ~\$17.3M**







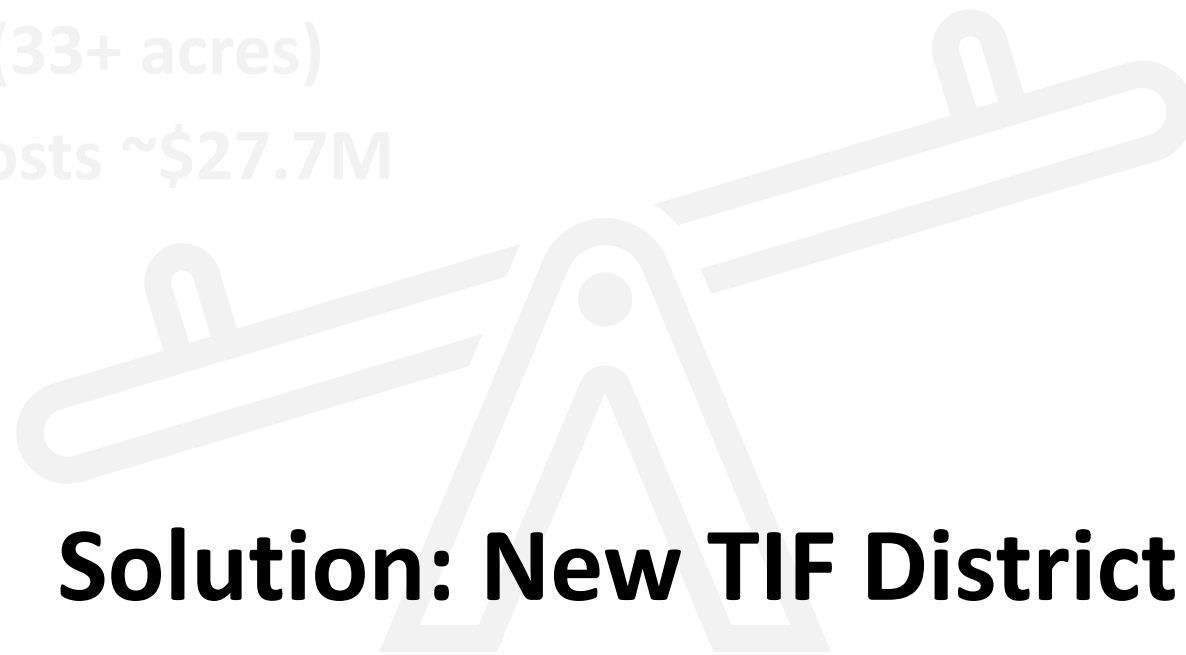
## Extraordinary Costs

- Wetlands and Stormwater Management (~48 acres)
- Site Fill (\$3.5M)
- Sewer Lift Station (\$1.5M)
- Proposed Community Park (33+ acres)

Total Costs ~\$27.7M

Lot Sales (~70 acres)

Total Revenue ~\$17.3M



**Solution: New TIF District**



## **Phase 1:**

- **Kings Lynn and Greenbriar Extensions**
- **Stormwater Infrastructure**
- **Headquarters**
- **10 residential lots**

## **Assumption:**

- **100% of increment for development costs**

## **Outcomes:**

- **Loss of \$785,000 after 20 years**
- **Rate of Return: - 0.96%**





## Phase 1:

- Kings Lynn and Greenbriar Extensions
- Stormwater Infrastructure
- Headquarters
- 10 residential lots

## Assumption:

- 100% of increment for development costs

## Outcomes:

- Loss of \$785,000 after 20 years
- Rate of Return: - 0.96%



## **Phase 2:**

- **Wastewater Lift Station**
- **Remaining Streets**
- **Remaining Ponds**
- **All other lots ready for development**
- **Park**

## **Assumption:**

- **90% of increment for development costs**

## **Outcomes:**

- **Return of \$27.9M after 20 years**
- **Rate of Return: 13.6%**
- **Phases 1+2 Rate of Return: 9.3%**





## Phase 2:

- Wastewater Lift Station
- Remaining Streets
- Remaining Ponds
- All other lots ready for development
- Park

## Assumption:

- 90% of increment for development costs

## Outcomes:

- Return of \$27.9M after 20 years
- Rate of Return: 13.6%
- Phases 1+2 Rate of Return: 9.3%

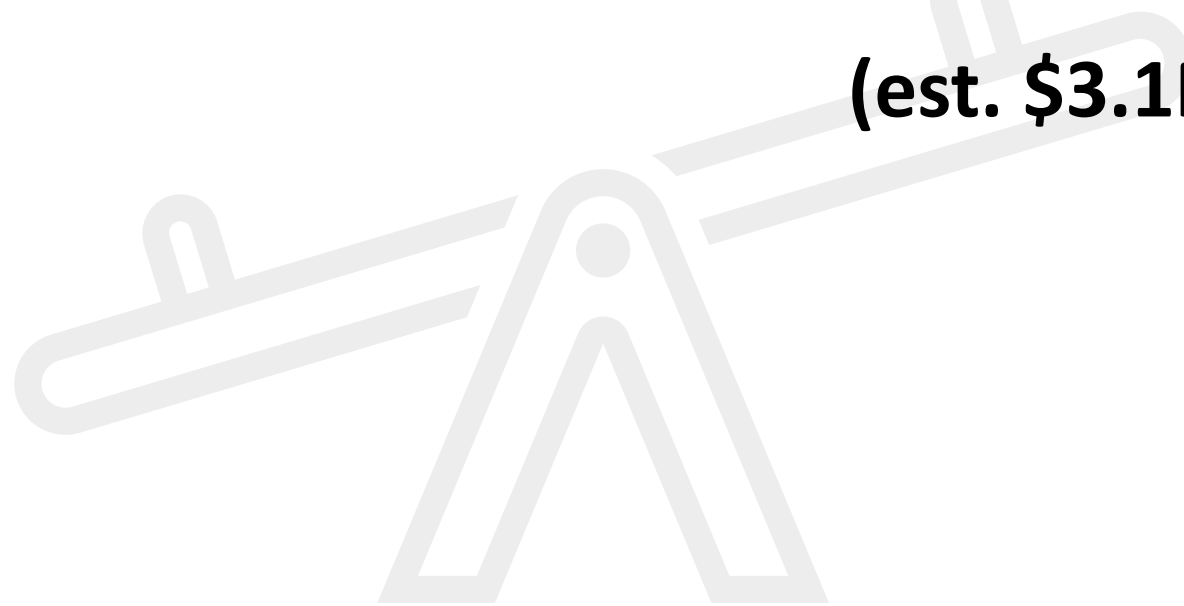


## **Added Challenge 1:**

**City needs funds for  
bike/ped underpass  
construction in 2026 –  
est. \$1.16M**

## **Proposed Solution**

- **City bonds to cover cost**
- **Use TID increment from Phase 2 for west-side share of cost (est. \$3.1M)**







## **Added Challenge 2:**

**Infrastructure in this development is designed/sized to serve lands west of Hwy 51**

- **Bike/Ped underpass**
- **Wastewater lift station**
- **Wastewater pipe upsizing**

## **Proposed Solution:**

**City establishes cost-recovery mechanisms to be applied to future west-side development, e.g.:**

- **TIF obligation**
- **Sewer connection fees**

# Comparison to Original TIF Request



	June 2023	November 2023	What changed?
<b>Estimated Costs</b>	\$32,698,029	\$33,308,369	- Infrastructure increased (fill needs, lift station, materials, etc.) - Land cost corrected down - Removed park fees
<b>Estimated Revenues</b>	\$18,236,847	\$16,723,447	Land sales revenue projection reduced
<b>Estimated Gap</b>	\$14,097,182	\$16,584,922	\$2.5M (18%) ↑
<b>Value Projected</b>	\$139,023,224	\$147,768,900	HQ projected value doubled to near \$16M
<b>Increment Generated</b>	\$43,528,901	\$38,222,238	Mil rate dropped to \$16.71
<b>Increment Requested</b>	80% (\$34,823,121)	91.6% (\$35,011,255)	\$188K (0.5%) ↑



# Our Asks

- 1) Direct staff/consultant to prepare TIF District**

# Our Asks

- 1) Direct staff/consultant to prepare TIF District**
- 2) Direct staff/consultant to prepare development agreement**



# Our Asks

- 1) Direct staff/consultant to prepare TIF District**
- 2) Direct staff/consultant to prepare development agreement**
- 3) Direct staff/consultant to recommend cost recovery mechanisms for improvements that benefit lands west of HWY 51**

# Our Asks

- 1) Direct staff/consultant to prepare TIF District**
- 2) Direct staff/consultant to prepare development agreement**
- 3) Direct staff/consultant to establish a cost recovery mechanism for improvements that benefit lands west of HWY 51**
- 4) Approve a term sheet regarding TIF increment designated to development costs.**
  - 100% of Phase 1 increment**
  - 90% of Phase 2 increment**