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1. Process

1.1. Why hasn't the development process been more open/transparent and why hasn't more information been provided to the Council and the public?

FDG has been working with the City on the KPW development since 2009.¹ There have been more than 100 public meetings where various aspects of the KPW project have been discussed.² As far as we know, this project has received more public scrutiny than any development project in the City's history – and rightfully so. As the City Council recognized when the land for KPW was annexed to the City from the Town of Rutland, the proposed development benefits Stoughton "in that such annexation and development will increase the City's tax base; provide lands for needed growth of the City; permit the sound planning and development of the Annexation Property; and otherwise promote the public welfare."³

The Detailed Neighborhood Plan for KPW, adopted by the Council in 2012 after a series of public hearings, open houses and other meetings, contemplated that KPW would be developed in several phases, over a period of years. The current effort, which we have been referring to as KPW "Phase 2," was laid out in a public meeting with the Plan Commission in December 2015. In that meeting, FDG laid out the concept plan and proposed a timeline for working through the platting and zoning process, with the goal of securing key City approvals no later than May 2016.⁴

Since it was first presented to the Plan Commission in December 2015, implementation of KPW Phase 2 has been discussed at more than a dozen public meetings. All of the application submittals for Phase 2, including dozens of plans, memos, reports, maps and other items, are posted on the City's website.⁵

¹ 51 x 138 Westside Detailed Neighborhood Plan, adopted 2012, Part I - Planning Context, Considerations, and Strategies, p.1.

² See City of Stoughton agendas and minutes, available at <http://stoughtoncitydocs.com/>.

³ Pre-Annexation Agreement – Kettle Park West Development, April 19, 2013.

⁴ Plan Commission Minutes, Dec. 14, 2015, p. 3.

⁵ See Kettle Park West Open Records, available at: <http://stoughtoncitydocs.com/kettle-park-west>.

1.2. It seems like not much is known about Phase 2. Doesn't the Council need more information before any decisions can be made?

With Phase 2, FDG is proposing to implement the recommended land uses that were adopted by the Common Council in 2012 as part of the 51 x 138 Westside Detailed Neighborhood Plan. The developer gave an informational presentation to the Plan Commission in December 2015, which explained how Phase 2 would implement the recommendations from the 2012 neighborhood plan. Since that time, implementation of Phase 2 has been discussed at more than a dozen public meetings. All of the application submittals for Phase 2, including the plans, memos, reports, maps and other items, are posted on the City's website.⁶ A special meeting of the Committee of the Whole (i.e. all of the Council members sitting together as one large committee for purposes of discussion and debate) was held on March 17th. That meeting was a great opportunity to answer a number of questions and to engage in a discussion with the Council about the project. At the conclusion of the COW meeting, Council President Lawrence urged fellow Council members to submit follow-up questions and/or requests for information. FDG has responded to every request made to date.

1.3. It feels like the City is being rushed to make decisions about Phase 2. What is the urgency?

In its introductory presentation to the Plan Commission in December 2015, FDG explained that, based on its market research and strong interest from other members of the development industry, FDG had an opportunity to begin construction of the long-planned hotel and senior housing in 2016, along with the first of several planned multifamily buildings. In order to take advantage of the current opportunity, FDG would need to secure key approvals by May 2016 so that construction of the necessary public infrastructure could take place in the Summer of 2016, with construction of the buildings planned to start in the fall of 2016, before the onset of winter.

If the approvals for Phase 2 are not in place by mid-2016, development opportunities will have to wait until 2017. Not only will a delay increase the developer's carrying costs (which is FDG's concern), it also means that the opportunity to grow the City's tax base and to provide new housing options and other amenities will be delayed.

For KPW to be as successful as possible—both for the developer and the City—it is important to have all aspects of the development moving forward as soon as possible. The third-party market studies that FDG commissioned demonstrate “very strong” demand for new multifamily, senior and residential development in Stoughton. The housing need, if not met in Stoughton, will be met within other communities. Of the 26 municipalities in Dane County, Stoughton’s residential growth rate from 2000 to 2010 ranks in the bottom quarter.⁷ During that same period, Stoughton saw only 26 new single-family homes constructed. Only Rockdale (10 new homes), Mazomanie (3 new homes) and Blue Mounds (1 new home) fared worse.

Stoughton’s comprehensive plan indicates that the City’s residents have a “strong preference for steady and modest population growth.”⁸ The comp plan recognizes that, from 2000-2025,

⁶ See Kettle Park West Open Records, available at: <http://stoughtoncitydocs.com/kettle-park-west>.

⁷ Housing Needs Assessment - Dane County and Municipalities, Jan. 2015, p. 30, available at: https://www.countyofdane.com/plandev/pdf/Housing_Needs_Assessment_01152015.pdf.

⁸ City of Stoughton Comprehensive Plan, Chapter One: Issues and Opportunities, p. 7.

Stoughton's population is expected to grow by 6,816 – roughly 273 people each year. Development within the City is not currently on pace to keep up with the projected demand.

Significant infrastructure (grading, streets, utilities, etc.) needs to be installed in order to have the multifamily and residential lots within KPW available for construction by early fall. This timing is critical because of the cost of winter construction and the critical months for leasing. If these timeframes are not met, it means these new housing opportunities will wait for another year. The general timeframes are as follows:

- Infrastructure complete by August/September.
- Initial multifamily building under construction in August. The construction period is approximately 9 months which would provide for May to August leasing. These are the critical months for leasing in Dane County.
- Residential lots available in October. Allows builders to have the foundations and framing completed prior to winter.

1.4. Will Phase 2 require any waivers/exceptions/variances from existing City ordinances?

FDG has not requested (and does not anticipate seeking) any waivers/exceptions/variances in connection with the plat and zoning applications that have been submitted to the City for review.

City ordinances require the negotiation of a development agreement for any new development on the scale that is being proposed with KPW Phase. FDG anticipates that there will be a single development agreement for this infrastructure. As was discussed with the Council in the lead-up to the Pre-Annexation Agreement for Kettle Park West back in 2012, the cost of this infrastructure is more than the KPW development alone can carry. For that reason, FDG will be submitting a TIF application to the City, in accordance with all City policies, to cover the cost of some of the public infrastructure required for Phase 2. FDG anticipates that, assuming the TIF request is ultimately approved, the Council will require, as part of that approval, an agreement with FDG relating specifically to the TIF. FDG does not anticipate that it will be necessary to seek amendments to these agreements, once approved.

2. Tax Increment Financing (TIF)

2.1. Some have referred to TIF as an “economic development tool.” Others have painted it as “corporate welfare” or simply a handout to the developer. Why, exactly, is FDG asking for TIF for Phase 2?

During the planning for KPW that took place from 2009 through 2013, there was lengthy discussion about the new public infrastructure that would be necessary in order to make this land ready for development. The detailed cost estimates attached to the Pre-Annexation Agreement approved by the Council three years ago total more than \$12.6M in necessary public improvements, including storm water management facilities, water and sanitary sewer utilities, grading, streets, highway work, engineering fees, and a range of other costs. Ultimately, the total cost of these public improvements is more than KPW alone can bear.

Put simply, without the availability of TIF to pay for the cost of these public improvements, the development would not happen. This is the “but for” test under state law that must be met

before TIF support can be authorized. The Council agreed that this test was met for Phase 1 of the project. If the Council approves the preliminary plat and the zoning for Phase 2, the conversation will then move forward to the TIF.

The application materials FDG will be submitting as part of that next phase of discussion will provide detailed financial analysis of the costs and benefits of Phase 2. If the Council agrees that the development would not happen “but for” the availability of TIF to pay for the public improvements, FDG hopes the Council will follow through on the earlier commitments that were made when the land was annexed to the City by approving the TIF application. If approved, the TIF dollars will be spent on construction of physical public improvements and do not go into the developer’s pocket. This was the case with Phase 1 and it will be the same with Phase 2.

This site has a number of unique challenges which create the need for TIF, including:

- *Useable acreage –Taking into consideration the wetland restoration around the “Kettle,” the required parkland dedication to the City, compliance with storm water regulations and dedication of new roads to provide access to the development, approximately 55% of the site is not available for private development activity. While the cost of these public improvements could perhaps be absorbed by the developer if a greater percentage of the raw land was available to generate income-producing development, the fact that only 45% of the KPW site can ultimately be used for income-producing development means that other sources of funds (e.g. TIF) are necessary to help pay for the required infrastructure.*
- *General Location – The project is located adjacent to two state highways and storm water is required to be pumped through force main to a location that is 2,000+ feet to the east. The combination of these two factors adds significant cost to the project.*

In January 2014, the Council adopted a resolution finding that, without the use of the tax increment financing, Phase 1 of the project would not be commercially feasible. The same can be said of Phase 2. The use of TIF dollars is intended to “close the gap” only to the extent necessary to make the development feasible. The detailed financial underwriting that will be performed by the City’s staff and its outside financial advisors during the TIF review process is designed to verify that this is indeed the case.

2.2. Isn’t TIF intended to be used only to combat blight?

When Wisconsin first enacted TIF enabling legislation in 1975, TIF was intended to stimulate economic growth and employment through “blight elimination” and “urban redevelopment projects.” However, in the 40 years since then, the legislature has recognized the power of TIF to bring about other types of economic development and has expanded the scope of TIF a number of times. Today, state law allows TIF to be used for a variety of purposes, including industrial, commercial, and residential development.⁹

⁹ For more information, please refer to [Tax Incremental Financing Informational Paper](#), Jan. 2013, prepared by the Wisconsin Leg. Fiscal Bureau.

2.3. How much TIF is needed for Phase 2? What will it be used for?

If the Council approves the preliminary plat and the zoning for Phase 2, FDG intends to submit a TIF application seeking support for the extension of Jackson Street, Oak Opening Drive and for the creation of the storm water facilities that will serve Phase 2. These costs are estimated to be around \$4,225,000. The amount of new property tax base that is expected to be generated between Phase 1 and Phase 2 is in excess of \$82,000,000. The new taxes that will be collected on this growth (which would otherwise not happen “but for” the TIF) could reach as much as \$15,000,000 over the 20-year timespan the TIF district is permitted. If the Council approves the TIF and the project moves forward, this additional tax increment would be available to fund other initiatives such as park improvements, Hwy 51 intersection improvements, etc. FDG will work with the City to implement these initiatives, if approved by the Council as part of the TIF project plan.

2.4. Why wasn't TIF for Phase 2 brought up and debated at the same time as the TIF for Phase 1? Why is the developer doing this piecemeal?

Kettle Park West is a large undertaking that has always been envisioned as a multi-phase development. It has also been clear from the very earliest stages of the planning for the development that Tax Increment Financing (TIF) would be required in order to pay for some of the costs of the infrastructure that is necessary to upgrade existing roads and to provide new roads and utilities for the development. The pre-annexation agreement for the development, which was approved by the City Council in the Spring of 2013, included a detailed exhibit prepared by FDG's engineer totaling \$12.6M of infrastructure cost in three phases.¹⁰

The boundaries for the tax increment district adopted by the Council in the fall of 2014 include all of Kettle Park West¹¹. The Project Plan that was adopted by the Council at the same time described the phased approach to development and noted that the TID was intended to facilitate multiple phases:

“The objective of the District creation is to facilitate construction of multiple phases of mixed use development, including the expansion of existing businesses with infrastructure improvements to the project site (on-site improvements) and significant roadway improvements (offsite improvements).”

Because of the phased approach to development, the TIF discussions that took place in 2014-15 focused primarily on Phase 1. It has always been the case that future

¹⁰ *City of Stoughton: Kettle Park West annexation approved, Stoughton Courier Hub, Jul. 3, 2013* (“The city approved a pre-annexation agreement with the developer that called for about \$12.6 million in public improvements over the course of three phases. The developer is seeking up to \$7 million in tax-increment financing to facilitate those improvements in the first phase. Big ticket items include intersection and road improvements along Hwy. 138 and Hwy. 51, stormwater management and professional service fees.”)

¹¹ With the exception of the 40-acre parcel to the west intended for additional single-family development that is not yet part of the Urban Service Area. This is a future phase of development for which no TIF support has been requested or will be requested.

phases of development would require separate consideration and separate approval by the Council.

With each phase, a “but for” analysis must be completed to support the request for TIF assistance. The “but for” analysis is a detailed underwriting process that the City and its financial consultants perform to ensure that TIF support is necessary. This analysis can only be done as actual, verifiable cost estimates for the specific phase in question are available.

2.5. Would the TIF for Phase 2 be added to the TIF for Phase 1? Or is it entirely separate?

When it is ultimately filed according to the City’s adopted procedures for TIF, FDG’s application will be separate from (although very much related to) the TIF for Phase 1. As such, the application for Phase 2 support will include a separate financial analysis showing that the additional TIF dollars requested for Phase 2 will be supported by the additional tax increment that is projected to be created as part of Phase 2. However, because both Phase 1 and Phase 2 are located within the same tax increment district, the total new tax base created within Kettle Park West will be available to support the combined infrastructure costs. In short, the City has the ability to vet the costs and payback of each phase independently of the others even though both phases of development are part of the same tax increment district. If one (or both phases) generate more taxable value than the minimum projections shown in the project plan, the City will be able to close the tax increment district earlier than anticipated, with all of the new tax revenue then flowing to the City’s general fund and to the other taxing jurisdictions.

2.6. What is the anticipated payback period if the City chooses to approve the TIF for Phase II?

The anticipated payback period for Phase 2 will be summarized in the formal application to the City and will be subject to review and verification by the City’s financial consultants. The payback must occur no later than 2034, which is the statutory deadline for closing the TID. At this time, FDG anticipates that the payback on the TIF required to support the public infrastructure for Phase 2 will occur well before the statutory deadline.

2.7. Will the developer guarantee that Kettle Park West will be successful? Does the City have any financial risk?

Yes, as part of the TIF agreement for Phase 1, the City required that the developer fully guarantee that the new taxes generated by the development will be sufficient to pay for the TIF that was invested by the City in Phase 1. In addition, to eliminate financial risk to the City in the event the developer went bankrupt or was otherwise unable to make good on its guarantee, the City required the developer to provide an irrevocable letter of credit for the developer’s bank to stand behind the guarantee. Although negotiations for Phase 2 TIF support have not yet taken place between the developer and the City, the developer fully expects that the City guarantees and other financial assurances will be part of the discussion on Phase 2, just as they were for Phase 1.

2.8. Isn't it true that funding of traditional City services to KPW will be a drain on the City's budget until the TIF is repaid and the new property taxes start flowing to the general fund?

During the TIF payback period, the City's general fund will continue to receive property tax payment from KPW's "base value" (the value of the property at the time the TID was established in 2014 – about \$1M), which the City can use to fund general services such as plowing, etc. Additionally, because all of the infrastructure will be new, there will be little in the way of operating cost burden (e.g. repairs and maintenance) during the payback period. It should also be noted that, because commercial buildings will comprise the bulk of development for the first and second phases of development, these uses will have private waste collection, rather than municipal waste collection, which also helps to hold the City's operating costs down.

2.9. Will the developer's request for TIF for Phase 2 follow all of the City's adopted policies and procedures for TIF, including the most recent policy adopted by the Council this year?

Yes.¹²

2.10. The Phase 2 TIF request will be coming not long after the TIF for Phase 1 was approved. Will TIF approval for Phase 2 weaken the TID and the ability of Phase 1 to be successful?

From the outset, the plans for Kettle Park West contemplated that TIF would be provided in phases. In order for each phase to be successful, the anticipated assessed value of development within that phase must justify the TIF dollars that are invested for that phase. The detailed analysis approved by the Council for Phase 1 showed a payback that was well within the statutory limits for TIF. The TIF request for Phase 2 will likewise show that the assessed value anticipated from Phase 2 supports the amount of TIF requested.

2.11. Will TIF for Phase 2 negatively impact the school district? How does TIF impact the state aid formula for schools?

FDG believes that TIF support for Kettle Park West will ultimately be a significant benefit to the school district. Phase 2 of the Kettle Park West project, which can only move forward if the City Council decides to authorize the investment of additional TIF dollars to pay for necessary public infrastructure, includes a significant amount of new housing for the City of Stoughton, including both single-family and multifamily options. This new housing will help to grow overall enrollment within the district, which will increase state aid to the school district. As far as the direct impact on the school district in the short term as result of the TID, here is information published by the Wisconsin Department of Revenue:

"The state aid formulas also take into consideration the amount of property a district has in TIDs, and makes adjustments accordingly. Beginning in 1993-94

¹² See [Procedures for Requesting TIF Assistance](#), adopted by Resolution No. R-18-05, available on the City's website. See also R-12-2016: Authorizing Council approval of the resolution establishing policies for the use of Tax Incremental Financing (TIF).

the increment value in a school district was not included in the property value that went into the formula. This change maintained the distribution of aids, while helping to preserve the funds available through this state aid program.”¹³

2.12. Does the statute allow TIF to be used for residential development?

Yes, state law allows TIF support for residential development that is included within a “mixed-use TID” so long as the residential property does not exceed 35%, by area, of the TID. The Kettle Park West project complies with this limitation.

2.13. Will TIF support for Phase 2 provide an unfair advantage for the senior housing and hotel providers that will be locating at Kettle Park West, at the expense of existing businesses?

TIF support for Phase 2 is necessary to cover the cost of the public infrastructure that is required in order to make the land available for development at normal market rates. Once those public improvements have been installed, the land will be made available for sale to senior housing and hotel developers at normal market rates. No TIF funds will be used to subsidize the cost of constructing the senior housing or the hotel.

3. Park

3.1. Who will determine the layout, amenities, and necessary parking for the public park that is proposed as part of Phase 2?

The City’s Parks Commission is responsible for determining the facilities and amenities that are installed within the park. The City has adopted a number of park development policies¹⁴ that are intended to guide this decision-making process. The City has also adopted a park plan that lays out the City’s future park needs. City ordinances require that anyone who develops residential housing must: 1) dedicate a certain amount of land to the City for park purposes and 2) make a payment to the City to fund future park improvements, as determined by the Parks Commission and the City Council. Both of these requirements are determined by formulas in the City’s ordinances.

3.2. How much parkland is the developer required to provide?

Based on the proposed plat, the ordinances require that the developer dedicate 15.5 acres of land for park purposes. The current plan shows a total of 18 acres of parkland, 2.5 more than the minimum requirement. In addition to the 15.5 acres of required parkland, the plan for KPW also shows 22.2 acres of “open space,” in the form of storm water ponds and protected wetlands.

¹³ See Wisconsin Tax Incremental Finance Manual, sec. 5.4 Effects on Other Taxing Jurisdictions, published by DOR, rev. 4/12. Available at: <https://www.revenue.wi.gov/pubs/slfs/tif/5-4.pdf>.

¹⁴ Available on the city’s website at <http://www.ci.stoughton.wi.us>.

3.3. Does the size and location of the proposed park meet the needs identified in the City's park plan? Is the City's Parks Director satisfied with the proposal? What about the City's Parks Commission?

Yes, consistent with the City's adopted park development policies, the development initiated the planning process for the park by meeting with the Parks Director to understand the requirements that are contained in the City's adopted park plan. The plan calls for an additional full-size athletic field and the KPW park was designed and sized to accommodate this. The City's Parks Director has stated that the proposed plan satisfies the City's park plan. At its meeting on March 23, 2016, the Parks Committee recommended that the Council accept dedication of the parkland as proposed on the preliminary plat for KPW Phase 2.

3.4. The developer submitted concept plans showing that the park will be improved with youth soccer fields, an informal softball diamond, half-court basketball and youth court games, pickleball, a pavilion with accessible restrooms, two playground areas, parking to accommodate pavilion use and recreational sports club games, and a paved multi-use path (walking and bike). Is this how the park will be developed?

The developer submitted a concept plan to provide an example of how the park could be developed. All of the decisions about how the park will actually be developed are up to the City. The main purpose of the conceptual plan was to show that the park was sufficient to accommodate a variety of recreational needs (consistent with the City's park plan) and to generate some ideas for discussion.

3.5. The proposed preliminary plat shows single-family home sites at the higher elevations along the north and west sides of the park. The developer has said that, because of the site's existing topography, it isn't practical to grade the entire block into a single, flat area. However, the developer certainly moved a lot of dirt in order to level the commercial area for Phase 1. Why can't the developer do the same for the block where the park is located, then eliminate the home sites and increase the size of the park?

The existing terrain in the park site rises from elevation 924 to 944 (going to the NW across the park site) and is rolling terrain. Significant site grading is necessary to accommodate storm drainage and utilities in the adjacent streets and to create a playable field surface. Because this area of the KPW development must match up with established grades for (i) the property to the north, which is located in the Town of Rutland and is not part of the development; (ii) the extension of Jackson Street coming from the east, and (iii) the elevation of the Kettle – none of which the developer has the ability to alter – it is not possible to grade the entire block flat without installing a significant retaining wall system around the park, which is both impractical and undesirable. Furthermore, if additional housing were eliminated from the plat, the size of the required park would be reduced accordingly, ultimately resulting in less parkland for the City.

3.6. The park ought to look and feel like a public park, available to all citizens, not just those who live around the park. How does the existing plan accomplish this goal?

The latest park layout has over 1300 feet of street frontage on the main park site. This was increased substantially over the initial plan presented by the developer, based on feedback received from the Parks Committee. The revised plan also shows dedication of parkland to the south of the main park site (along the west property line of KPW) to provide a linkage to the multi-use paths that run through other parts of the development and to preserve the existing grove of trees in this area. This linear park, is envisioned to accommodate a segment of the City's West Bike Path and provides linkage to STH 138, the kettle wetland conservancy and the primary park site. The linear park also provides the nexus for the West Bike Path to align to the northwest through future open space in Phase 3 and a branch of the path leading east to the park.

3.7. Does the current proposal accommodate the needs of residents living with disabilities?

Yes, the proposed dedication is large and level and can be improved with facilities (as directed by the City's Parks Committee) that meet ADA accessibility standards.

3.8. Is the proposed park location big enough to accommodate a "Dream Park"?

The conceptual park layout presented by the developer showed the intersection of Oak Opening Drive and Jackson Street as the "front door" to the Park, with a 3-season pavilion as the "landmark" park feature. This location was chosen because it is the view terminus for west bound Jackson Street and the eventual landmark view for northbound Oak Opening Drive. The developer has suggested that the pavilion should be an accessible structure with accessible restroom facilities. The location adjoining the north side of the pavilion would be an exceptionally good location for a dream park because of its identifiable and visible location and accessible supporting amenities (pavilion, restrooms, multi-use path, and parking lot).

3.9. Can the visibility and identity of the park as a "city park" be increased with signage?

Yes. In fact, the City's adopted park development policies encourage signage and other identifying features to be used to promote the park as a public park and to provide a separation between the park and adjacent private uses.

3.10. How much is the park facilities fee that the developer is required to pay to the City?

City ordinance requires that the developer pay a park facilities fee of \$309,967.

3.11. How will park improvement fees be used? Who gets to decide how this money is used?

The Park Committee and Common Council will decide how to use the park fee, guided by the public participation process that is described in adopted City policies. The developer will happily participate in that planning process with the City when the time comes.

3.12. What are the differences between the proposed park and the park that was shown in the 51x138 Neighborhood Plan?

The Detailed Neighborhood Plan, adopted in June 2012, established the basic elements for the conceptual development of area of the City – land use, street alignment, open space. The preliminary plat was designed to be consistent with the adopted plan. The total acreage of the park depicted in the adopted plan is 9 acres. The total acreage of the park as currently proposed is 18 acres.

3.13. Some have said that, when residential uses are situated immediately adjacent to a public park, it makes the park feel “landlocked” and causes issues with “comfort and privacy” for both residents and park users. What is the developer’s response to this?

The edges of the park have been significantly opened up in response to comments from the Parks Committee. Adjoining residential uses are a common feature in many of the City’s other public parks. Consistent with the City’s adopted park development policies, this park should be well-marked with signage identifying it as a public park. Also, having homes overlooking the park provides an additional level of public safety through the additional “eyes” that will be watching the park, 24 hours per day. This is a well-known technique for enhancing public safety that is practiced in many communities throughout the country.

3.14. Will park users have to walk between homes to get to the park?

No, a significant portion of the park fronts directly on public right-of-way. The main park entrance was intended to be at the intersection of Oak Opening and Jackson Street; there will be a pedestrian island at this intersection to increase the safety in crossing the street. The changes in elevation between the park and the adjacent homes on the north and west sides should provide park users with a clear indication of the separation between public and private spaces.

3.15. What type of trails are proposed as part of the Kettle Park West development?

The plans submitted by the developer show conceptual alignments for the multi-use trails that traverse the development. These alignments are subject to revision and final approval by the Park Committee.

3.16. Will local sports groups be permitted to use the park?

Yes, local sports groups will be able to use the park, subject to the City’s policies on park usage.

3.17. Will additional parkland be developed as part of Phase 3?

The final phase of KPW is a 40-acre single-family addition to the west. This area is not part of the TID, nor is it located with the boundaries of the Urban Service Area at this time. When this area is ultimately developed, City ordinances in effect at that time will require dedication of park land (or payment of a fee-in-lieu of dedication) and payment of a park facility, just as is being required for the current phase of development.

3.18. Is the park location currently shown on the proposed plat the best location?

The current proposal shows the park located in the area that is most similar to the approved Neighborhood Plan. The location is ideal because it is a large area that can be graded to accommodate the large sports field that is called for in the City's park plan.

4. Access/Traffic

4.1. Has the developer completed an updated Traffic Impact Analysis (TIA) for Phase 2?

Yes, a detailed TIA updated was submitted to the City on February 26, 2016 as part of the application for Preliminary Plat approval. This document provides the basis for the analysis done to supplement the approved TIA for KPW. The City's consultant is reviewing the updated TIA and will be providing comments in the near future.

4.2. Did the scope of the original TIA cover the traffic that was anticipated to be generated by Phases 2 and 3 of KPW?

Yes. However, we note that the traffic that is projected to be generated by Phases 2 and 3 of KPW has decreased from that which was modeled in the original TIA due to change in land uses (e.g. from office to residential), reductions in planned residential density, and increased park land. The decreased intensity, that is now projected, related to the Jackson Street/USH 51 intersection and the secondary access for the Phases 2 and 3 at Roby Road. These reductions in traffic volume are not expected to have a measurable impact on the Commercial Center access points.

4.3. Are traffic signals necessary on Hwy 51 at Jackson Street and at Roby Road in order to accommodate KPW?

The intersection at Jackson and USH51 will be signalized as part of the Commercial Center improvements. The updated Traffic Impact Analysis (TIA) determined that the Jackson/USH51 intersection will function at a Level of Service C or better¹⁵ without either of the Oak Opening Drive access points. The TIA also shows that, even without the KPW development, the existing intersection of Roby Road/Deer Point Road and USH51 will operate at a Level of Service 'F' in years 2025 and 2035 based on DOT traffic projections. A solution to this condition would be to signalize that intersection. Other solutions are possible and may under consideration by the DOT in the USH 51 Corridor Study. The connection of Phase 2 to Oak Opening would add a relatively small amount of traffic to the intersection and would not significantly alter the projection that the intersection will reach a LOS F by year 2025.

¹⁵ "Level of Service" (LOS) is a qualitative measure used to rate the quality of traffic service at a particular location. LOS is used to analyze highways by categorizing traffic flow and assigning quality levels of traffic based on performance measure like speed, density, etc. An LOS of C is the target level for many urban and most rural highways. For an easy to understand description of "Level of Service," please see https://en.wikipedia.org/wiki/Level_of_service. For a more technical description, please refer to the WisDOT's Traffic Impact Analysis Guidelines, available at: <http://wisconsindot.gov/dtsdManuals/traffic-ops/manuals-and-standards/tiaguide.pdf>.

4.4. Public safety is critically important. What do the Police Chief and Fire Chief say about the proposed access points for KPW? What about the City's Public Safety Committee?

Both the Police Chief and Fire Chief agree the northerly connection of Oak Opening and Deer Point Road to USH 51 will adequately serve as KPW's 2nd connection. The Public Safety Committee approved the preliminary plat with a 3-0 vote.

4.5. Can we insist on a connection to KPW from STH 138 along the western edge of the development at Oak Opening Drive?

WisDOT has indicated to the developer that they will not grant an access from STH 138 to Oak Opening Drive at this time. Any access change has to be in the public interest and specifically for the benefit of the traveling public on STH 138. Removal of other access point(s) would be a necessity.¹⁶

4.6. What if the developer would work together with an ad hoc committee of alders to work with WisDOT on the STH 138 connection issue?

This is an excellent suggestion and one that the developer would happily facilitate. In addition to representation from the City Council, the developer would suggest involving the Town of Rutland. This type of coordinated effort would benefit greatly from the City's leadership.

4.7. What is considered to be the primary access point for KPW? Where is the secondary/emergency access?

The intersection of Jackson Street and USH 51 is the primary access. The developer proposes the intersection of USH 51 and Deer Point Road/Oak Opening Drive as the secondary access. Additional access to the KPW Commercial Center is available via access points on STH 138.

4.8. Did the updated TIA anticipate traffic for spectators of games at the park?

No, this is not normally a condition that is modeled since these events occur on off-peak days and times. The only time a park use would be modeled separately would be if it included a major arena or function that could be expected to generate significant attendance. A single adult soccer field or three youth fields would not be expected to generate that attendance and therefore traffic.

4.9. The preliminary plat shows residential lots along Oak Opening Drive, as it extends south toward STH 138, ending in a cul-de-sac. Is a connection to Hwy 138 necessary in order to serve these lots?

These lots along Oak Opening have been designed to work without a connection to STH 138. City ordinances permit development to occur along a road ending in a cul-de-sac so long as the road segment does not exceed 600 feet in length. The plat was designed to meet this requirement. As demonstrated in the revised TIA, the primary and secondary access provided by Jackson Street and Oak Opening Drive is sufficient to serve this development.

¹⁶ See attached email from WisDOT.

5. Residential

5.1. Senior housing doesn't bring in families.

Senior housing brings assessed value without placing a burden on the school system. Families, including seniors, make decisions regarding location based on proximity to many things (i.e. other family members, convenient shopping, parks, etc.). The end result is more potential families for the residential section and activity on a daily basis within the commercial/retail area.

5.2. What are the sizes and prices (or rents) of the proposed residential units?

As indicated in the concept plans, the developer is proposing the following:

- 18 single family cottage homes (around kettle)
- 41 single family lots
- 8 duplexes
- 26 unit town homes
- 228 multifamily apartments

The general prices/rents are still being determined.

5.3. Will apartments be market rate?

Yes, the apartments will be market rate – based on current market prices as opposed to low income housing or subsidized housing.

5.4. Will any of the apartments be restricted to ages 55+?

No, the apartments will not be age-restricted. However, note that the development plan calls for senior housing on Lot 8.

5.5. What kind of multifamily is on lot 20?

Lot 20 is slated to be developed as a 60 to 65-unit apartment building.

5.6. Housing should be built for families with children, “move up homes” in the \$300K range.

The interested builders have indicated that the price range for inventory homes will fall in the \$280,000 - \$350,000 range. Custom pre-solds could come in as high as \$400,000.

5.7. Some in the community have expressed the opinion that the single-family housing at KPW should be entry-level, to accommodate first-time home buyers. What does the developer think about this?

The lot pricing and developer requirements suggest that the housing stock demand will be for move-up and executive level housing. Typical "entry-level" housing is currently prolific in the City and generally requires a much lower lot cost to equalize the costs of new home construction.

5.8. Do we know what level of housing is typical for school families?

Builders typically see families of all shapes and sizes with differing needs. Some families prefer a smaller 3-bedroom ranch style while others prefer larger 4-bedroom 2-story homes.

5.9. Has the developer undertaken market studies that show what type of housing the market is demanding? Can these studies be shared with the Council?

There is very little current data on the sale of new single-family homes and home sites within the City of Stoughton. The City of Stoughton itself has only seen 12 new construction home sales for 2014 (as reported in the MLS) with another 11 new construction homes on the market in October 2015.

Prices for home sites in Kettle Park West Phase 2 are dependent upon the overall budget of the entire community as well as some key comparable communities in Oregon – Legend at Bergamont and Alpine Meadows. Both communities enjoyed consistent lot and new home construction sales and are similar in nature with both lot and new construction home pricing.

Although positioned at opposing price points, Veridian's community, Secret Places, in McFarland (City of Madison) also enjoys a quick 2-3 monthly sales pace.

In summary, the price point for the lot sales will ultimately impact the overall home/lot package price which is estimated to be in the \$280,000 to \$350,000 range and is also consistent with the market data ranges for surrounding McFarland, Oregon, Sun Prairie and Windsor.

5.10. Are the types of housing we are proposing what is called for in market studies? These studies should be shared.

Key aspects of the market studies will be shared on a summary basis with the City. One consistent trend in all of the market studies (residential, multifamily, senior, commercial/retail and hotel) is that Stoughton lags significantly behind other communities in meeting the demands for housing and other facilities. Growth is occurring in the market, but that growth is currently occurring in adjacent communities. Kettle Park West and other similar developments are needed for Stoughton to compete with other communities in Dane County.

5.11. What are the price points for homes and anticipated rents for apartments?

The price points for homes will ultimately be decided upon by the individual builders and prospective client base. A summary of the market information will be provided separately.

6. Other Phase 2 Uses

6.1. Do we really need more senior housing in Stoughton?

The market studies indicate that a significant demand exists for senior housing facilities.

6.2. Where will the seniors come from?

The need for senior housing in Stoughton is consistent with many other communities at this time. With an aging population, in general, and a more transient society, we are seeing increasing numbers of seniors that remain independent from their families.

6.3. Do we really need another hotel in Stoughton? How will a new hotel impact existing hotels?

Focus group of area businesses along with the Mayor and Chamber of Commerce in attendance expressed a real need for a hotel. Chamber of Commerce consistently “turns away” Madison overflow requests. Business leaders suggest that the existing hotels are outdated, difficult to work with, and at least one does not have elevator service available. Business leaders express that they have the need for both overnight guest stays as well as conference rooms. They have been going to Madison for these needs but would stay in town with a limited service hotel. Stoughton encourages site seeing groups, festival attendees, and hosts many school sports for which entire families could enjoy an overnight stay. The Opera House holds many weddings but does not have the availability or resources to support a reception.

6.4. What size conference/banquet facility is to be included in the hotel?

The focus group information has indicated a need for a conference/event center. A comprehensive study has been commissioned to determine the extent of the need and sizing of the facility. All information to date has been very positive.

7. Increased School Enrollment is Needed

7.1. There isn't enough residential density proposed in Phase 2 (or even Phase 3?) to make much difference.

The total units of housing added in Phase 2 is 329 and Phase 2I is 90 single family units. Dane County's average household size for small cities is 2.3, which equates to 536 additional residents for the City of Stoughton. This equates to an increase of approximately 4%. Many of these would be children. Kettle Park West alone could reverse a 10-year decrease student enrollment within the Stoughton School District. In addition, a successful development such as Kettle Park West, could change the reputation of the City of Stoughton as a growing and desirable community for new families.

7.2. What is the anticipated types of residential units won't be occupied by school families.

The existing residential units proposed are similar in nature (in both size, price point, and overall home/lot package pricing) to those in McFarland, Oregon, Sun Prairie, and Windsor. Growth in

these communities, with this type of housing has far surpassed Stoughton's growth in both housing units and school enrollment. See the table below:

City/Village	Housing Growth (2000-2010) (1)	School Enrollment Growth (Last 10 Years) (2)
<i>City of Stoughton</i>	<i>9.8%</i>	<i>-9.4%</i>
<i>City of Fitchburg</i>	<i>22.7%</i>	<i>N/A</i>
<i>City of Verona</i>	<i>55.5%</i>	<i>30.3%</i>
<i>City of Middleton</i>	<i>19.1%</i>	<i>18.2%</i>
<i>Village of McFarland</i>	<i>27.5%</i>	<i>119.1%</i>
<i>Village of Oregon</i>	<i>25.7%</i>	<i>72.4%</i>

Dane County Housing Needs Assessment 2015

With school age population representing 1 in every 4 to 5 residents, an increase of 536 residents would result in 100+ new enrollments within the school district.

7.3. School enrollments are decreasing everywhere, not necessarily because Stoughton doesn't have enough housing for families, but because families are getting smaller.

The 2015 Regional Trends Update is referenced above and a portion of the school enrollment information is provided in the table. The statement above is not accurate based on this report. In fact, the Stoughton School District is the only school district of all Cities in Dane County that had a decreasing school enrollment. School Districts, on average, are growing between 1% and 4% per year.

7.4. Stoughton is losing students to McFarland, Oregon, and Cottage Grove school districts.

The developer believes there is direct relationship to the hardship of finding new housing stock. McFarland, Oregon, and Cottage Grove are prolific with new home construction opportunities. The few lots that have been available for the past several years are builder-restricted and sparse in number.

Reports that provided information regarding population, housing, school and economic growth do not specifically track where an individual community is losing growth to. Given that the City of Stoughton is lagging behind all of the Cities and most of the Villages in Dane County, it is reasonable to conclude that individuals are choosing to live and spend their dollars in other communities.

8. Other Issues

8.1. Opposition to developing what is currently farmland.

Farmland that is adjacent to a growing City is subject being developed. The needs of the community and the land owner must both be considered in this regard. As it relates to Kettle Park West, the land owner voluntarily chose to sell their land.

8.2. Is what we are proposing environmentally sound?

Yes, it meets or exceeds all environmental requirements.

8.3. Does development at this part of Stoughton hurt the vitality of downtown or support the “renaissance” of downtown?

The economic study that was conducted as part of Kettle Park West indicates that with the increased population and visits to this area that many businesses will benefit.

8.4. What are our plans for Phase 3, and are we anticipating a 3rd TIF ask?

Phase 3 is not currently in the urban service area. The plan is to perform the necessary entitlements to bring this section of land into the urban service area by 2017 so that an initial section of Phase 3 can be developed in 2018. If the demand for lots in the next 18 months is greater than anticipated these plans could be accelerated.

8.5. Why add any traffic to intersections that are already failing?

The more important question to the City is what you are planning to do with an intersection that is failing. This development provides the City with an opportunity to correct this situation. The risk of an issue has already been accepted by the City and the State. Delaying a project that can contribute to the City isn't a good solution to mitigate this risk. Correcting the failure is the correct solution.

8.6. Any consideration about transit (busses)?

This is a broader City issue and is outside the scope of developer control.

8.7. What is happening on the other side of Hwy 138 where it looks like we are taking dirt from this (City owned?) property? What is this 13 acre site planned for?

This property is designated for the site of the City's new sub-station.

8.8. How will the back of WalMart be screened for aesthetics of Phase 2?

The City of Stoughton approved the Specific Implement Plan (SIP) that includes the landscape plan to address this issue.

8.9. Did the City of Stoughton give money to Walmart?

No.

8.10. Stoughton's population has increased by only 300 over the past 10 years, so something is needed to draw residents.

- *New home construction!*
- *Amenities – hotels – restaurants*
- *Multifamily housing*
- *Embrace growth and meet demand for new housing and facilities.*
- *The City of Stoughton needs all types of development to grow and compete with neighboring communities.*

8.11. Concern about change, especially of this magnitude.

Yes, Kettle Park West is a significant project that will have a dramatic impact on the future of Stoughton. The City has been carefully vetting all aspects of this project for the past 5 years.

8.12. Could community gardens be developed as part of the apartments or as part of the park?

On-site private recreational facilities (including community gardens) could potentially be incorporated into the privately owned and managed apartment lots... this would be a discussion by the Plan Commission at the time of SIP review and approvals. If the Park Committee wants to lease land for community garden facilities within the park site that would be their decision to make with consideration for impact to the recreational needs of the population.

8.13. Why not build condos instead of apartments?

Not all individuals and families can afford (or prefer) to own their home. It can be difficult to purchase a condominium with less than 20% down payment unless the condominium meets FHA approval status.