

# Stoughton TID Restructure

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GWB Professional Services

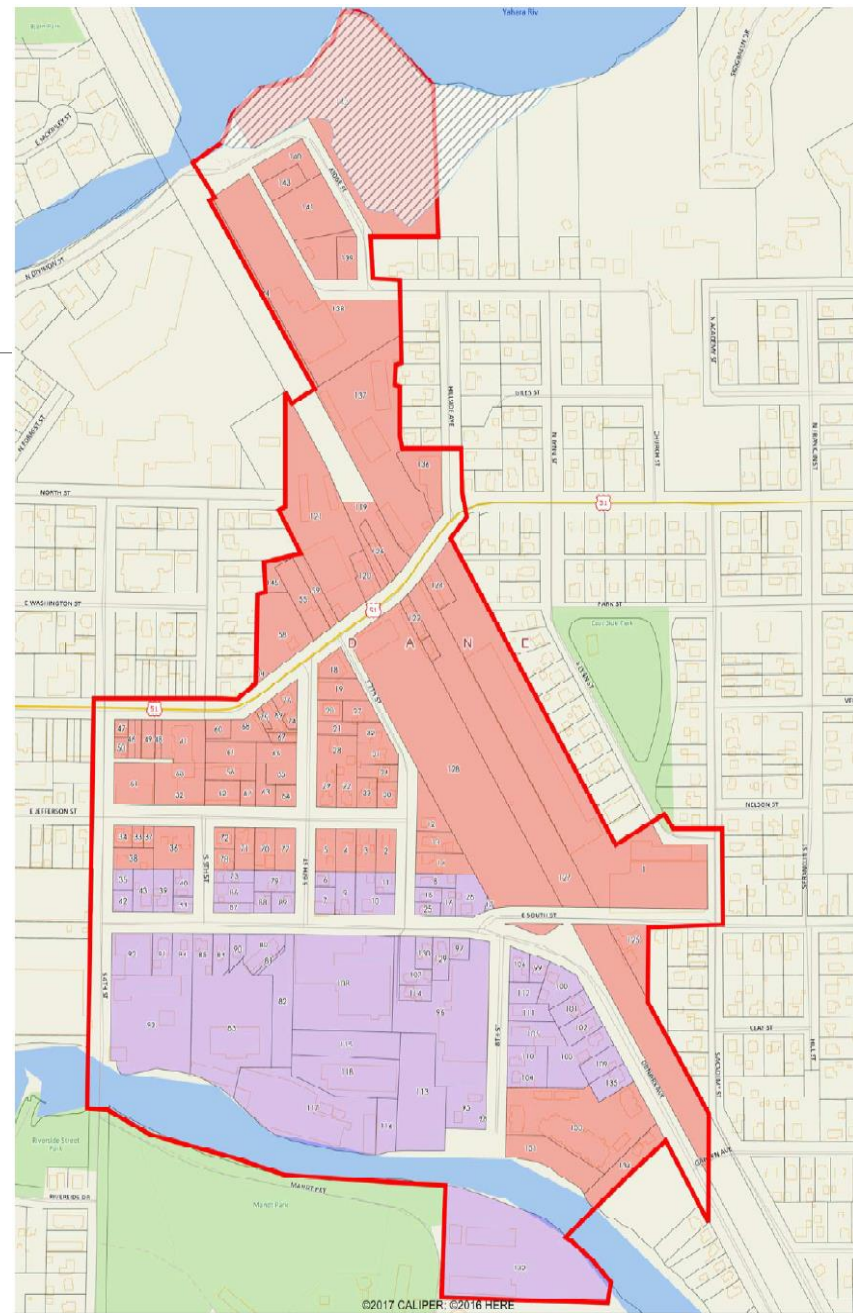
Project Management ♦ Community Development ♦ Planning

5813 Piping Rock Rd., Madison, WI 53711

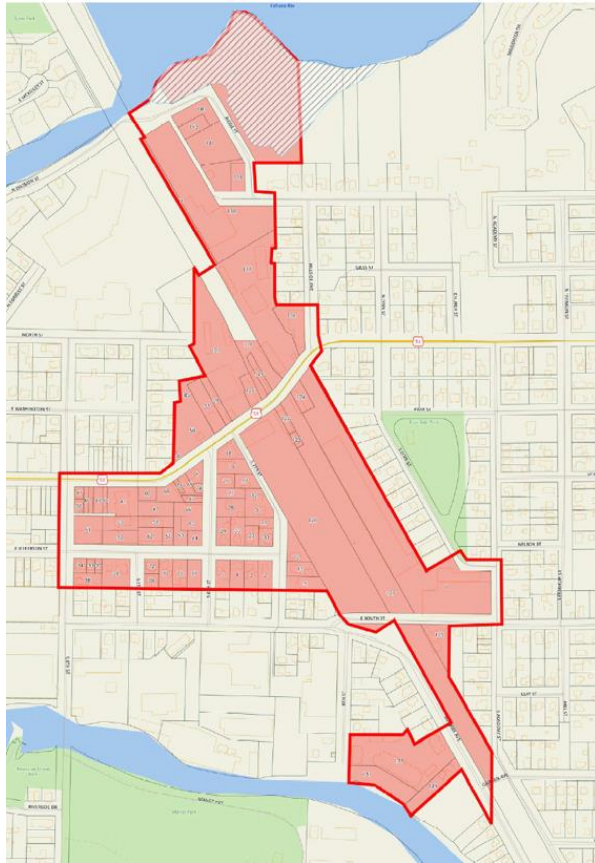
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# Scope of Restructure

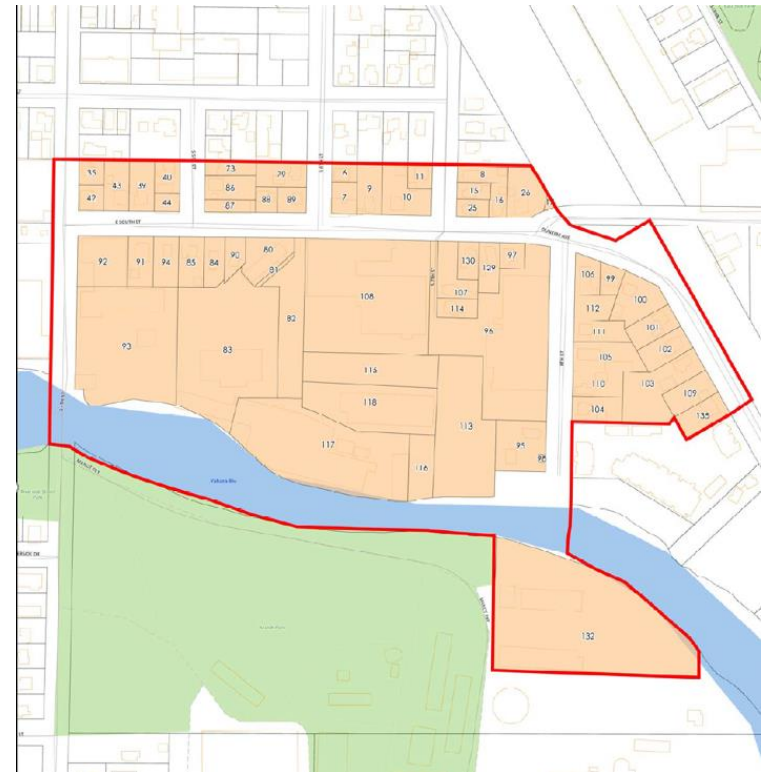
- Subtract Riverfront Redevelopment Area from TID #5 and Extend Life by 3 Years
- Create new TID #8



# Scope of TID Restructure



Amended TID #5



New TID #8

# Scope of TID Restructure

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## Benefits of Restructure:

- Erase TID #5 decrement;
- Provide an additional 3 years to recover expenses;
- Re-set the clock for the Riverfront Redevelopment area  
– full 27 years to carry out redevelopment vs 18 years;

TID #5 Current Incremental Value – (\$1,815,400)

Projected Incremental Value After Subtraction - \$891,732

Projected Annual Incremental Revenue - \$19,734

Estimated Annual Debt Service Expense - \$77,434

Additional Incremental Value Needed to Service Debt - \$4.5 million in next 8 – 10 years

# Proposed TID #8 Costs

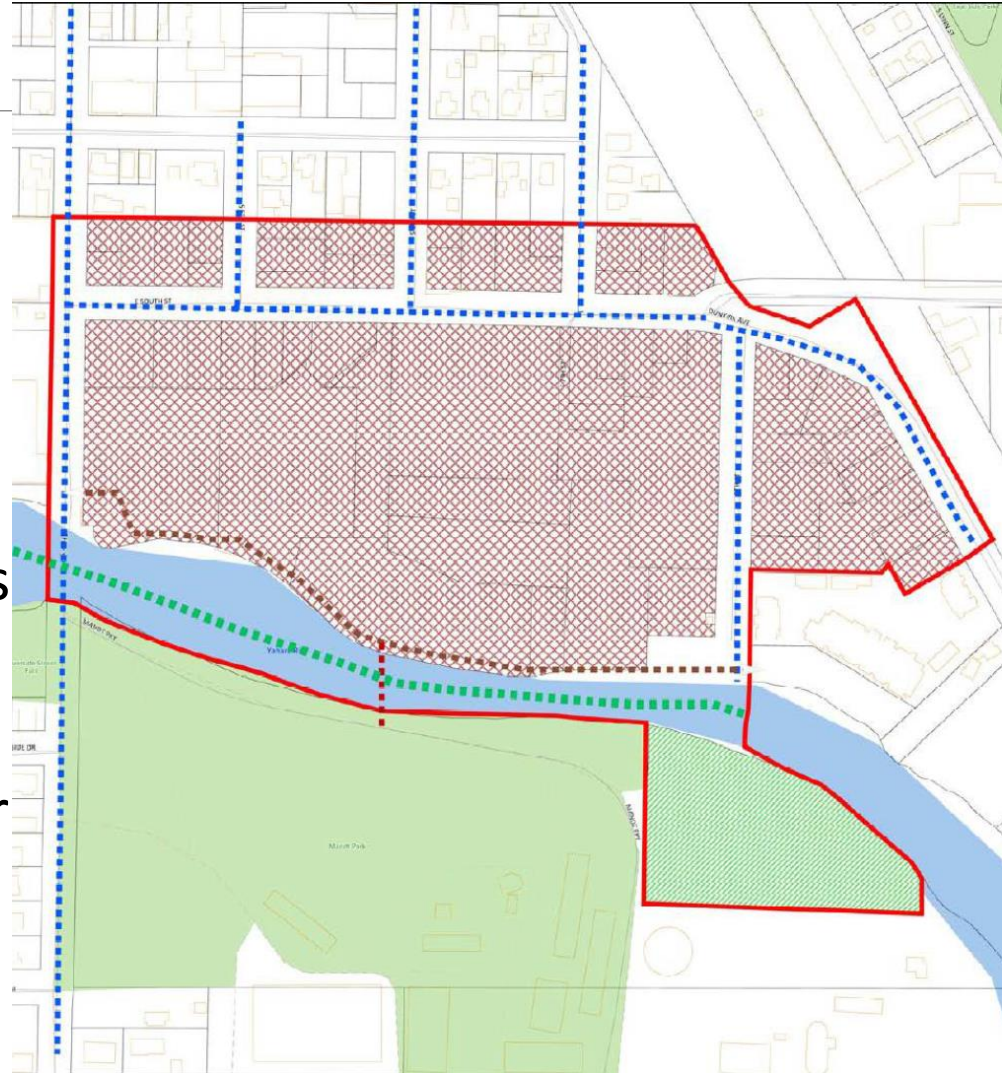
**Table #2: City of Stoughton TID #8 Planned Project Costs**

<b>Proposed Improvements</b>	<b>Total Cost</b>	<b>Others' Share</b>	<b>TID Share</b>
A. Capital Costs	\$7,397,048	\$1,998,356	\$5,398,692
B. Property Assembly Costs	\$2,500,000	\$0	\$2,500,000
C. Cash Grants	\$7,000,000	\$0	\$7,000,000
D. Professional Services	\$600,000	\$0	\$600,000
E. Discretionary Payments	\$100,000	\$0	\$100,000
G. Administration Costs	\$100,000	\$0	\$100,000
H. TIF Organizational Costs	\$33,500	\$0	\$33,500
Inflation	\$132,000	\$0	\$132,000
<b>Subtotal</b>	<b>\$17,862,548</b>	<b>\$1,998,356</b>	<b>\$15,864,192</b>
K. Financing Costs ( <i>less Capitalized Interest</i> )			\$5,125,515
Capitalized Interest			\$681,261
<b>Total TID Expenditure</b>			<b>\$21,670,968</b>

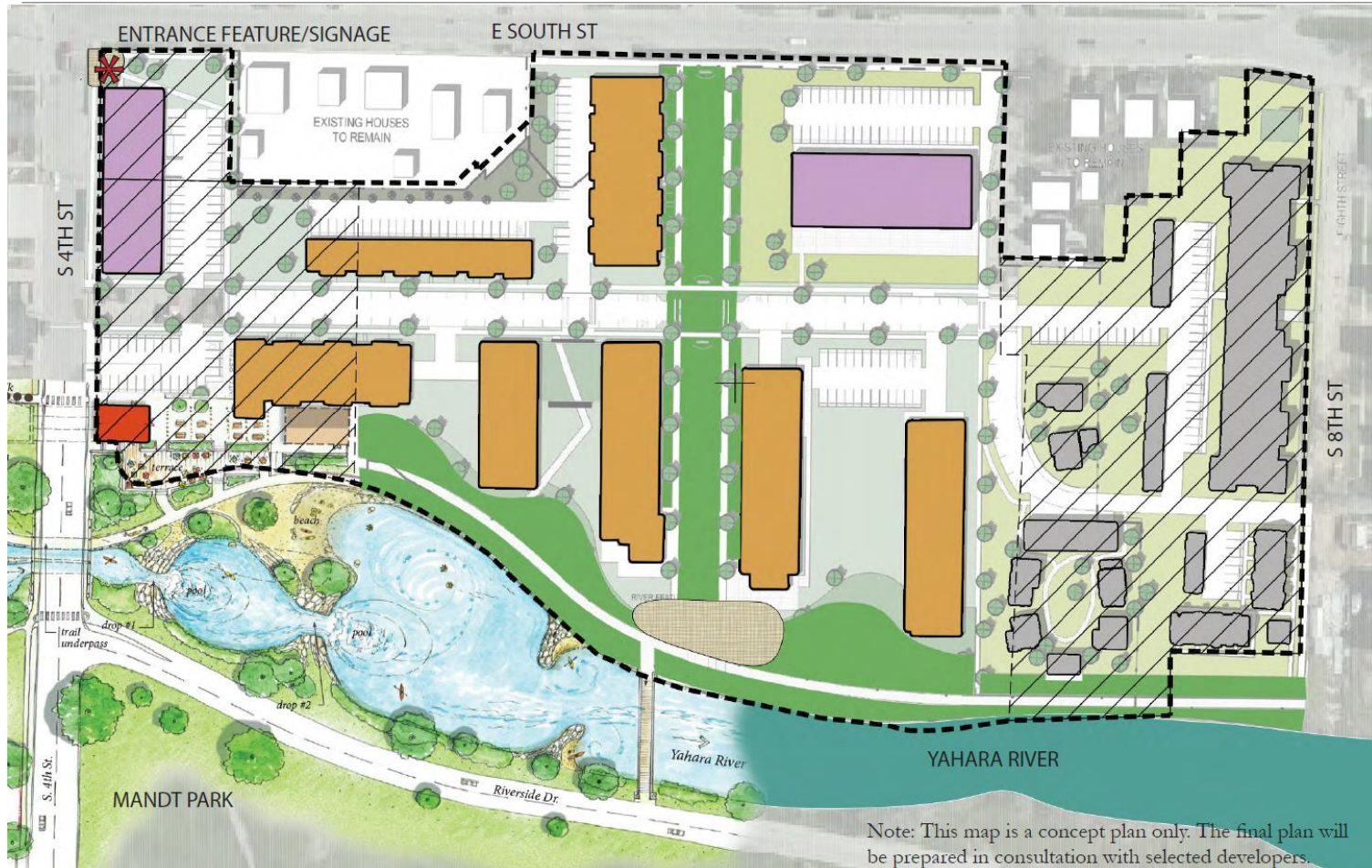


# Proposed TID #8 Projects

- Redevelopment Assistance
- Demolition & Remediation
- General Streets & Utilities Improvements
- Land Write-down
- Riverwalk Trail Improvements
- River & Riverbank Improvements (includes some funding for Whitewater Park)



# Proposed TID #8 Increment



# Proposed TID #8 Increment

Building #	# Units	Dimensions		Footprint S.F.	Floors	Gross Square Feet Bldg	Net Square Feet Bldg	S.F. per Unit	Surface Parking Stalls	Under-Building Parking Stalls	Net Square Feet Surface Parking	Estimate of Assessed Value
		Width ft.	Length ft.									
1	32	60	180	10,800	3	32,400	24,300	759	30	32	11,400	\$ 4,860,000
2	13	230	33	7,590	2	15,180	11,385	876	25	0	9,500	\$ 2,277,000
3	15	75	190	14,250	2	28,500	21,375	1,425	36	0	13,680	\$ 4,275,000
4 Res	19	150	66	9,900	3	29,700	22,275	1,172	32	0	12,160	\$ 4,455,000
4 Retail	1	85	35	2,975	1	2,975	2,231	2,231	shared w/ PP	0	-	\$ 446,250
5	21	60	150	9,000	3	27,000	20,250	964	0	28	-	\$ 4,050,000
6	32	60	210	12,600	3	37,800	28,350	886	0	44	-	\$ 5,670,000
7	32	60	225	13,500	3	40,500	30,375	949	12	42	4,560	\$ 6,075,000
8	33	60	216	12,960	3	38,880	29,160	884	12	35	4,560	\$ 5,832,000
9 BLKSMTH	0	172	78	13,416	1	13,416	10,062	#DIV/0!	45.00	0	17,100	\$ 1,341,600
10 PP				-		-	-	-			-	\$ -
11	42	66	330	21,780	2	43,560	32,670	778	55	0	20,900	\$ 6,534,000
12	8	33	166	5,478	1	5,478	4,109	514	11	0	4,180	\$ 821,700
13	8	33	166	5,478	1	5,478	4,109	514	11	0	4,180	\$ 821,700
<b>Total</b>	<b>256</b>			<b>139,727</b>		<b>320,867</b>	<b>240,650</b>		<b>269</b>	<b>181</b>	<b>102,220</b>	<b>\$47,459,250</b>



# Proposed TID #8 Land Uses

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Summary of Land Uses		
Buildings	139,727	20%
Surface Parking	102,220	15%
Street ROW	85,800	13%
Riverfront Path	66,000	10%
Promenade	41,580	6%
Open Space	248,565	36%
Area in Use	683,892	15.70

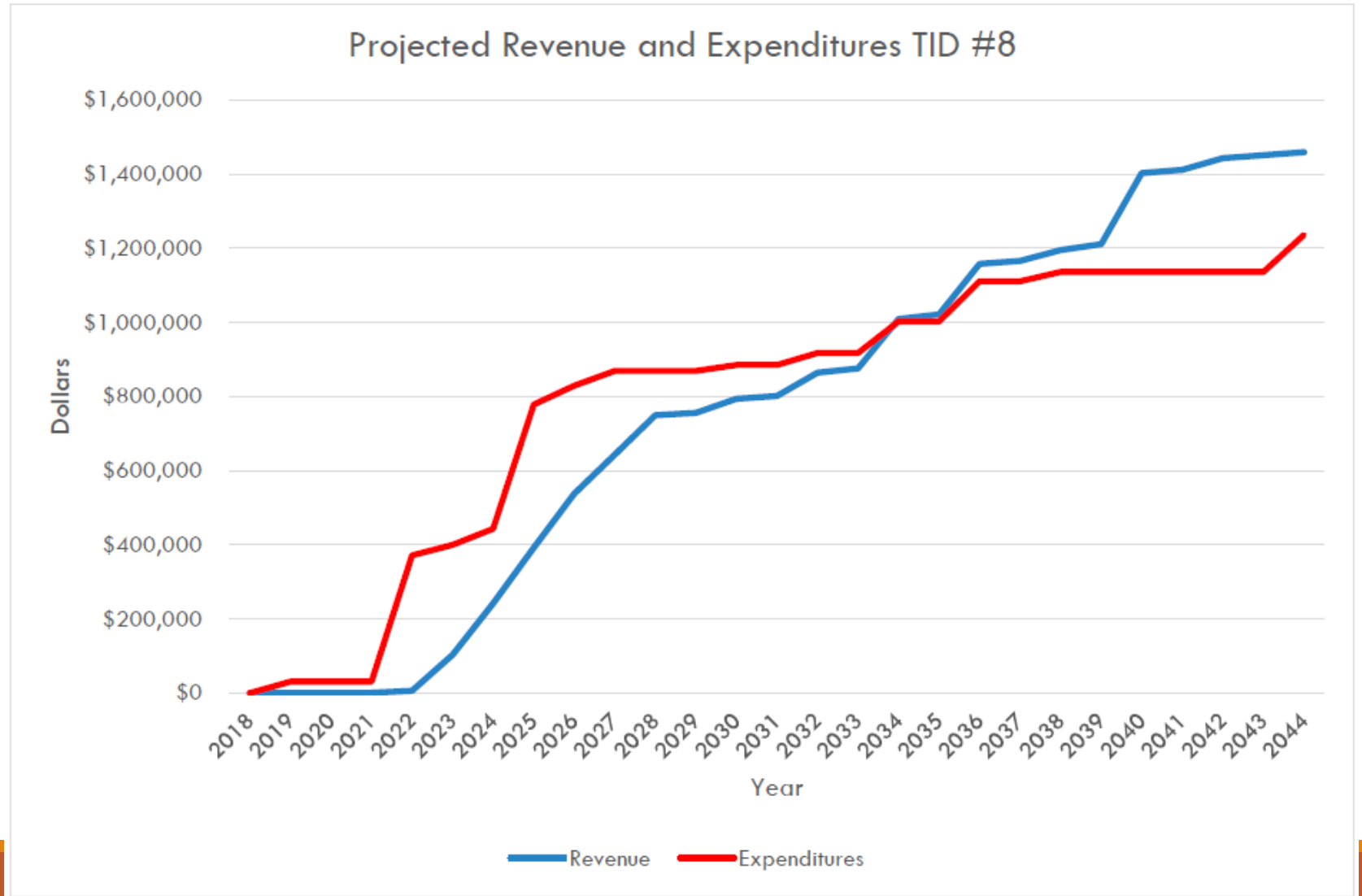
# Proposed TID #8 Timing

Year	Previous Valuation	Inflation Increment	TIF Increment		Total Valuation	Cumulative Increment	TIF Tax Rate	TIF Revenue
			Construction	Land				
2018	\$6,930,300	\$0	\$0	\$0	\$6,930,300	\$0	0.022130	\$0
2019	\$6,930,300	\$34,652	\$0	\$0	\$6,964,952	\$34,652	0.022130	\$0
2020	\$6,964,952	\$34,825	\$4,050,000	\$202,500	\$7,202,276	\$271,976	0.022130	\$0
2021	\$7,202,276	\$36,011	\$5,894,017	\$294,701	\$11,582,988	\$4,652,688	0.022130	\$767
2022	\$11,582,988	\$57,915	\$6,397,114	\$319,856	\$17,854,776	\$10,924,476	0.022130	\$6,019
2023	\$17,854,776	\$89,274	\$6,221,065	\$311,053	\$24,652,217	\$17,721,917	0.022130	\$102,964
2024	\$24,652,217	\$123,261	\$4,619,477	\$230,974	\$31,227,517	\$24,297,217	0.022130	\$241,759
2025	\$31,227,517	\$156,138	\$0	\$0	\$36,003,131	\$29,072,831	0.022130	\$392,186
2026	\$36,003,131	\$180,016	\$0	\$0	\$40,802,624	\$33,872,324	0.022130	\$537,697
2027	\$40,802,624	\$204,013	\$1,506,982	\$75,349	\$41,081,986	\$34,151,686	0.022130	\$643,382
2028	\$41,081,986	\$205,410	\$0	\$0	\$42,794,378	\$35,864,078	0.022130	\$749,595
2029	\$42,794,378	\$213,972	\$2,624,623	\$131,231	\$43,139,581	\$36,209,281	0.022130	\$755,777
2030	\$43,139,581	\$215,698	\$0	\$0	\$45,979,902	\$39,049,602	0.022130	\$793,672
2031	\$45,979,902	\$229,900	\$5,797,352	\$289,868	\$46,499,669	\$39,569,369	0.022130	\$801,311
2032	\$46,499,669	\$232,498	\$0	\$0	\$52,529,519	\$45,599,219	0.022130	\$864,168
2033	\$52,529,519	\$262,648	\$5,898,994	\$294,950	\$53,087,116	\$46,156,816	0.022130	\$875,670
2034	\$53,087,116	\$265,436	\$0	\$0	\$59,251,546	\$52,321,246	0.022130	\$1,009,111
2035	\$59,251,546	\$296,258	\$1,023,467	\$51,173	\$59,598,977	\$52,668,677	0.022130	\$1,021,450
2036	\$59,598,977	\$297,995	\$0	\$0	\$60,920,439	\$53,990,139	0.022130	\$1,157,869
2037	\$60,920,439	\$304,602	\$8,351,387	\$417,569	\$61,642,610	\$54,712,310	0.022130	\$1,165,558
2038	\$61,642,610	\$308,213	\$0	\$0	\$70,302,210	\$63,371,910	0.022130	\$1,194,802
2039	\$70,302,210	\$351,511	\$1,077,734	\$53,887	\$70,707,608	\$63,777,308	0.022130	\$1,210,783
2040	\$70,707,608	\$353,538	\$0	\$0	\$72,138,880	\$65,208,580	0.022130	\$1,402,420
2041	\$72,138,880	\$360,694	\$0	\$0	\$72,499,574	\$65,569,274	0.022130	\$1,411,392
2042	\$72,499,574	\$362,498	\$0	\$0	\$72,862,072	\$65,931,772	0.022130	\$1,443,066
2043	\$72,862,072	\$364,310	\$0	\$0	\$73,226,383	\$66,296,083	0.022130	\$1,451,048
2044	\$73,226,383	\$366,132	\$0	\$0	\$73,592,515	\$66,662,215	0.022130	\$1,459,070
<b>Total</b>		<b>\$5,907,416</b>	<b>\$53,462,211</b>	<b>\$2,673,111</b>				<b>\$20,691,536</b>

# Proposed TID #8 Cash Flow

Year	Beginning Balance	Revenues					Expenses			Annual Surplus (Deficit)	Balance After Surplus to Principal
		Capital Interest & Debt Reserve	TIF Revenues	Interest Income	Other	Total Revenues	Debt Service	Developer Payments 15%	Cash Payments		
2018	0	0	0	0	0	0	0	0	\$0	0	0
2019	0	0	0	0	0	0	0	0	\$30,712	(30,712)	(30,712)
2020	(30,712)	0	0	0	0	0	0	0	\$30,712	(30,712)	(61,423)
2021	(61,423)	0	767	0	0	767	0	0	\$30,712	(29,945)	(91,368)
2022	(91,368)	340,631	6,019	0	0	346,650	340,631	0	\$30,712	(24,693)	(116,060)
2023	(116,060)	340,631	102,964	0	0	443,595	340,631	28,354	\$30,712	43,899	(72,162)
2024	(72,162)	340,631	241,759	0	0	582,389	340,631	71,681	\$30,712	139,367	67,205
2025	67,205	0	392,186	1,344	0	393,530	626,605	121,181	\$30,712	(384,967)	(317,762)
2026	(317,762)	0	537,697	0	0	537,697	626,605	171,993	\$30,712	(291,612)	(609,374)
2027	(609,374)	0	643,382	0	0	643,382	626,605	211,943	\$30,712	(225,878)	(835,252)
2028	(835,252)	0	749,595	0	0	749,595	626,605	211,943	\$30,712	(119,665)	(954,917)
2029	(954,917)	0	755,777	0	0	755,777	626,605	211,943	\$30,712	(113,483)	(1,068,400)
2030	(1,068,400)	0	793,672	0	0	793,672	626,605	227,768	\$30,712	(91,413)	(1,159,812)
2031	(1,159,812)	0	801,311	0	0	801,311	626,605	227,768	\$30,712	(83,774)	(1,243,586)
2032	(1,243,586)	0	864,168	0	0	864,168	626,605	259,924	\$30,712	(53,073)	(1,296,659)
2033	(1,296,659)	0	875,670	0	0	875,670	626,605	259,924	\$30,712	(41,571)	(1,338,230)
2034	(1,338,230)	0	1,009,111	0	0	1,009,111	626,605	345,156	\$30,712	6,638	(1,331,592)
2035	(1,331,592)	0	1,021,450	0	0	1,021,450	626,605	345,156	\$30,712	18,977	(1,312,615)
2036	(1,312,615)	0	1,157,869	0	0	1,157,869	626,605	453,565	\$30,712	46,988	(1,265,627)
2037	(1,265,627)	0	1,165,558	0	0	1,165,558	626,605	453,565	\$30,712	54,676	(1,210,951)
2038	(1,210,951)	0	1,194,802	0	0	1,194,802	626,605	478,643	\$30,712	58,842	(1,152,109)
2039	(1,152,109)	0	1,210,783	0	0	1,210,783	626,605	478,643	\$30,712	74,824	(1,077,285)
2040	(1,077,285)	0	1,402,420	0	0	1,402,420	626,605	478,643	\$30,712	266,461	(810,825)
2041	(810,825)	0	1,411,392	0	0	1,411,392	626,605	478,643	\$30,712	275,432	(535,393)
2042	(535,393)	0	1,443,066	0	0	1,443,066	626,605	478,643	\$30,712	307,106	(228,286)
2043	(228,286)	0	1,451,048	0	0	1,451,048	626,605	478,643	\$30,712	315,088	86,802
2044	86,802	0	1,459,070	1,736	0	1,460,806	626,605	478,643	\$130,712	224,846	311,648
Total		1,021,892	20,691,536	3,080	0	21,716,508	13,553,995	6,952,365	898,500	311,648	

# Proposed TID #8 Cash Flow





# TID Restructure FAQs

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## **1) Why is the RDA holding two public hearings on June 26th?**

*State TIF law requires a separate hearing for the actions associated with each District.*

## **2) How will TID 5 pay for itself and its expenses if TID 8 is created?**

*TID 5 is currently unable to pay its existing debt of \$1+ million. The expected increment planned for the riverfront redevelopment area would need to occur in the next 6 years for TID 5 to come close to paying off by the time it expires – even with a 3 year extension. TID 5 will still need an additional \$4.5 million in increment over the next 8 – 10 years, even after the restructure.*

# TID Restructure FAQs

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## **4) What is the relationship between TID 8 and the proposed Riverfront Project?**

*TID 8 will be the financing tool to pay the public improvements necessary to make the site ready to develop and the extraordinary private costs of developing on contaminated, blighted land with high ground water and poor soils. The taxes paid on the higher post-development property values is the source of revenue to cover the public expenses of making the site productive again.*

# TID Restructure FAQs

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**5) How much public money will have to be invested in TID 8 over the next couple of years?**

*Approximately \$15 million in capital investment will be required. With this comes an additional \$5.8 million in financing costs and about \$4 million in TID administrative costs. The City is expected to finance approximately \$8.5 million of this, nearly \$1 million will be paid out of cash flow and the developer will finance the rest through a PAYGO agreement.*