



PLANNING STAFF REPORT

MEMO DATE: May 16, 2019

MTG. DATE: MAY 20, 2019

TO: Village of Cottage Grove Plan Commission

CC: Village Board of Trustees
Matt Giese – Village Administrator
Lisa Kalata – Village Clerk
Lee Boushea – Village Attorney
Michael Maloney – Village Engineer

FROM: [Erin Ruth, AICP – Village Planning Director](#)

RE: **Cottage Grove Business Development, LLC Annexation**

BACKGROUND

Property Owner: Cottage Grove Business Development, LLC

Location: NW of Highways N and TT

Area: Approximately 63 acres

Agent: Paul Wagner – Greywolf Partners, Inc.

OVERVIEW

The applicant is requesting annexation of approximately 63 acres located NW of Highways N and TT, formerly known as the Duschack Property, which is currently within the Town of Sun Prairie.

The applicant recently purchased the property and wishes to annex into the Village. The property is adjacent to the boundary of TID #10. If annexation is approved, the Village should consider adding the property to TID #10 via an amendment to the TID #10 Project Plan.



COMPREHENSIVE PLAN CONSISTENCY

The Comprehensive Plan's Future Land Use Map shows the proposed area as a mix of Planned Business and Planned Mixed Use, which allows a mix of light industrial, office, or commercial uses. The property owner is currently engaged in preparing a master plan for the area and additional parcels to the north that will reflect those uses.

OTHER CONSIDERATIONS

1. The proposed annexation area is surrounded on three sides (north, east, and south) by current Village of Cottage Grove territory. The proposed annexation would infill the current 'balloon on a string' configuration and improve the contiguity of this northern area to the remainder of the Village.
2. In 2018, the Village of Cottage Grove created a new TIF district (TID #10) in the portion of the Village located north of Highway TT. The Village and the property owner desire to add the proposed annexation area to TID #10, as this area is seen as the primary area for adding regional employment opportunities and commercial tax base to the Village. The Village's financial consultants (Ehlers) anticipate that after this summer, the Village will surpass the statutory 12% limit and will not be able to amend districts to add territory. Therefore, there is a sense of urgency to annex the territory and amend the TID this summer.
3. The proposed annexation area is located within the Sun Prairie School District. The many Town of Sun Prairie residents that also reside in the Sun Prairie School District will benefit from added tax base in the area when it develops even if the property is no longer in the Town.
4. The Village acknowledges that the proposed annexation will leave two properties (a gas station/convenience store/sandwich shop and an adjacent single-family home) as a Town island. It is the Village's understanding that the petitioners reached out to those property owners and they were not interested in joining the annexation petition. While it may be beneficial for those properties to ultimately annex into the Village to simplify service provision, the Village also recognizes that the combined assessed value of those properties exceeds \$1.1 million, providing nearly \$3,000 per year in tax revenue to the Town. Since the two parcels do not necessarily need to be included in the development of the surrounding area, and since the properties provide tax benefits to the Town, the Village does not see a need to force the property owners to annex against their will but would consider any future petitions from those owners should they choose to come forward.

STAFF RECOMMENDATION

Staff recommends that the proposed Cottage Grove Business Development, LLC Annexation Ordinance 06-2019 be **APPROVED**.