



The Derby District – Letter of Intent

Sun Prairie Planning Division
City Hall
300 E. Main Street
Sun Prairie, WI 53590

Introduction

This plan for The Derby District is presented to the City of Sun Prairie for initial concept review only. This early-stage review was intended to introduce the overall vision, (not details) neighborhood framework, generalized layouts and uses, and long-term development strategy for the site, rather than to seek final approvals or detailed entitlements.

We also held three neighborhood town hall meetings, which were not required, to receive feedback from the neighbors and public. Numerous changes were made to address concerns

The site plan is for a new, mixed-use neighborhood planned on 136 acres located at One QBE Way. It is currently zoned Suburban Office (SO) and is improved by 3 large office buildings, each roughly 100,000 square feet. The site is generally bounded by Windsor Street (Hwy 19) to the south, Saint Albert the Great Drive to the north, and County Highway C to the west. The size, location, and existing infrastructure of the site provide a unique opportunity to thoughtfully transition a former but now vacant office campus into a new cohesive, well-planned, mixed-use neighborhood that aligns with the City's Comprehensive Plan, land use policies, and long-term growth objectives.

The proposed neighborhood includes a coordinated mix of luxury and workforce multi-family residences, senior housing with independent living, assisted living, and memory care options, retail uses organized in a Hilldale-style, outdoor walkable district, plus office, daycare, and other neighborhood-serving commercial uses and services. There will be apartments above many of the retail buildings. These uses are intentionally integrated to function as a complete neighborhood allowing residents, employees, and visitors to meet daily needs within a connected and walkable environment. And they can even bike over to enjoy a performance at the central park and band shell, or to work, or home on miles of bike trails!



Retail uses within The Derby District are intended to serve both the immediate and surrounding neighborhoods by providing everyday goods, services, and neighborhood-oriented services and products. To support long-term flexibility and implementation efficiency, the retail uses are proposed to be governed by a standard PUD-G retail zoning consistent with the City of Sun Prairie's zoning ordinance and will be governed by an HOA that will provide holiday programming and regular maintenance. We will also have an architectural community to review all design proposals and ensure compliance. This will ensure compliance with adopted design standards, management requirements, and approved site plans.

Vision

The Derby District is envisioned as a high-quality neighborhood that can evolve over time in response to market conditions while maintaining a consistent and predictable planning framework. The concept emphasizes walkability, internal connectivity, activated streets, and high-quality open spaces that serve the neighborhood and surrounding area, along with thoughtful landscaped berms and buffers and transitions between uses and adjacent properties, consistent with City ordinances related to site design, transportation, and neighborhood compatibility.

The internal roadway system within The Derby District is intended to function as a neighborhood-serving network that prioritizes safety, walkability, and access while discouraging unnecessary cut-through traffic. A priority of different streets is provided based upon need. A couple of existing internal roads are proposed to remain private that comply with city ordinances while other roads are public. The roads are functional, well-maintained, and integrated into the overall neighborhood circulation plan.

All new streets constructed as part of the development are intended to be built to City of Sun Prairie standards and specifications, ensuring consistency with adopted design criteria, emergency access requirements, and long-term functionality. New streets will integrate seamlessly into the broader neighborhood framework while maintaining a clear distinction between existing private infrastructure and new public-standard improvements. We intend to maintain and operate the existing office buildings, but once the aging facilities require it, we may proceed with demolition and build additional workforce and market rate housing.

Requiring full reconstruction or upgrading of all existing private infrastructure to current public standards would necessitate extensive demolition and replacement, resulting in an estimated \$50 million in additional costs without a corresponding



public benefit and thereby raising the cost of housing substantially. Preserving this infrastructure allows resources to be directed toward reasonably priced housing, of a variety of income levels.

To provide long-term flexibility, the development team is willing to record a deed restriction allowing the Sun Prairie Common Council, at its sole discretion, to convert designated private roads to public streets after a period of fifteen (15) years, if you wish. But again, the very few private streets and the private common driveways comply with city ordinances. This approach preserves optionality for future Councils while avoiding premature and costly infrastructure upgrades that are not currently warranted and ensures that current development decisions do not limit future city policy choices.

Team

The team, including our carefully selected Civil Engineers (Wyser Engineering) and Architects (JLA) remain committed to working collaboratively to deliver The Derby District as a durable, well-functioning neighborhood that aligns with the City of Sun Prairie's ordinances, planning goals, and long-term vision, while delivering a new and innovative neighborhood that the public will love. We have no doubt that this plan is an award winner, and those city officials that contribute to its success will be remembered.



Exhibit I

Density and Number of Apartment Buildings

The current concept plan illustrates two potential build-out scenarios. We are seeking approval of the masterplan in concept only. This is only a conceptual review. Final density will be governed by zoning, design standards, infrastructure capacity, and subsequent entitlement approvals. The intent is to provide a mix of multi-family housing income levels, including market-rate and workforce as well as senior housing. The proposed density is approximately 20% less than Irongate across Hwy 19. In 10 to 15 years, we expect the office buildings and major infrastructure to be past its useful life; the office buildings may be taken down to accommodate further phases of our neighborhood.

Workforce and Affordable Housing

The twenty percent workforce housing figure (is substantial) and reflects our plans based on current financing and feasibility considerations.

Landscape Buffer and Tree Preservation Along St. Albert the Great Drive

Preservation of existing mature trees and establishment of a substantial permanent landscaped buffer along St. Albert the Great Drive is a priority, which is why we intend to re-use the existing access drives. The concept plan anticipates retaining existing tree lines and supplementing them with additional landscaping. Final buffer widths and tree preservation areas will be coordinated with City planning and engineering staff in accordance with applicable ordinances.

No Gated Community

The limited-access points shown in the concept are intended to manage traffic circulation and prevent neighborhood cut-through traffic. We understand the City's concerns regarding gated communities and are prepared to not have gates even though this is contrary to neighborhood feedback. The Council can make the decision.

Existing Buildings on the Site

The existing buildings on the property are being retained for adaptive reuse, interim uses, and phased redevelopment (for 10 to 15 years in the future). The existing structures would be integrated into the broader master plan in a manner that supports long-term flexibility and orderly redevelopment.



Hotel Uses

The hotel components shown are intended to reflect potential long-term market demand over a multi-phase build-out. We have STAR hotel demand reports and other research that points to a strong demand.

The number, scale, and timing of any hotel development would be informed by further research, our entire neighborhood is based on demand and need. However, we do have Hilton interested.

Public Park Dedication and Open Space

Sun Prairie ordinances require park dedication or an approved alternative for developments or payment of a fee. The neighborhood does have significant open space which will be maintained by the HOA (vs. city taxpayers). The fee payment in lieu of public park dedication can be used at other cities parks. While the current concept does not designate a specific parcel as public park land, it includes extensive open space, green corridors, and publicly visible amenities. We anticipate working with City Parks and Planning staff to determine whether park impact fees, land dedication, or a combination approach is most appropriate. Specifically, we plan on creating substantial bike and pedestrian pathways as well as green space for all to access. Remember, not all parks are square plots of land. Bike/ped paths are park land too.

Additionally, there are several parks within walking distance. Namely, Shonas Highlands Park, Gateway Park, Orfan Park, and West Wynde Park. Also, within a 1-to-2-mile radius you also have Liberty Park, Renstone Park, Vanderburg Hights Park, Windy Ridge Park, Ledges Park, and Token Creek Preserve Park.

Private Amenities

Amenities such as the Clubhouse pool and recreational facilities are private, maintained by the HOA, and are not intended to preclude specifics later. Final amenity programming will be refined through later phases of review.

Road Infrastructure and City Standards

We acknowledge that some existing private roads do not meet current City standards (if made public) but they do comply with Private Common Driveway City ordinance. Infrastructure improvements will be addressed through formal engineering review as the project advances. The concept plan does not seek specific road details, but rather to identify a framework for future improvements and phasing.



Keeping some of existing roads private will save the project significant savings (\$50+ million) which would allow us to address workforce housing concerns and keep rents lower. If the roads are made public, the costs will be higher, driving up rents and then city assistance will be needed.

However, in order to comply there are a number of public roads proposed. But it's your decision.

1. We propose a compromise: Keep some existing roads private for 15 years and during that time we'll reserve HOA funds for expanding the roads, while making one public, with all new roads being public. The outlots for the roads will be sized to accommodate the public roads later.

2. New road construction can be built to city standards but ask that we be allowed to make them narrower. But let's discuss that at the SIP level. We don't intend to allow street parking, just like Middleton Hills, which everyone loves.



Exhibit II

Why can't we build condos?

Condominiums are currently not financially feasible under Fannie Mae rules. We know of no lenders that will make us a condo construction loan. Plus, senior citizens do not want to deal with the steps in townhome condos and younger buyers cannot afford the much higher construction costs.

Why can't you stop traffic from going onto St. Albert the Great Drive?

Our goal is to reduce cut-through traffic. We are evaluating traffic-calming measures and circulation controls that limit access to St. Albert, but the best way is with a gate, but it's up to the Council to decide that. We are no longer proposing a gate.

Why don't you re-use the current buildings?

Yes, we plan to reuse the existing buildings as multi-tenant office buildings, but long-term the buildings may be removed because their systems (like HVAC) are aging and eventually in 10 to 15 years the systems won't be repairable.

Can you create a landscape buffer along the existing single-family homes?

Yes. The plan includes a 3 ft to 5 ft berm and landscaped buffer along the east property line by the existing single-family homes. Likewise, the existing trees along St. Albert the Great Drive will remain.

Can you keep those wonderful mature trees along St Albert?

Yes. We value those trees and have updated the plan to preserve mature trees along St. Albert the Great Drive. We do wish to remove weeds and non-native plants as well as plant new trees.

Can you not create additional roadways?

We intend to add as few new roadways as possible, and all traffic impacts will be evaluated through a Traffic Impact Analysis as required under City ordinance prior to construction.

Why are you proposing to re-use the existing driveways?

Reusing a couple existing access points reduces infrastructure costs and allows the Derby Neighborhood to deliver workforce housing while still meeting City safety and engineering standards. New roads will also be built.

Can you help with the shortage of workforce housing?

Yes. We intend to designate approximately 20% of multi-family units as workforce



housing. This is not a requirement, but something we believe should be included in the plan, subject to costs not being ballooned elsewhere.

Can you build a walkable retail district?

Yes. The neighborhood is designed to be somewhat like Hilldale, walkable, with ground-floor retail, some apartments above, pedestrian-scaled streets, and public spaces. We intend to incorporate miles of bike and pedestrian pathways that connect to existing pathways to this awesome retail district.

Can neighbors use the pickleball courts?

Yes. While details will be finalized later, we anticipate designated open hours that allow neighborhood use for a small annual fee to cover maintenance costs.

Will neighbors be allowed to attend neighborhood events at central green space?

Yes. The central green is intended to host neighborhood events that are welcoming to the broader Sun Prairie community, including nearby neighbors.

How will you address the stormwater concern?

Stormwater facilities will exceed minimum City requirements and are designed to improve existing conditions, reduce runoff impacts, and address neighbor concerns in coordination with City engineering standards. You'll note the dozens of stormwater zones on the plan.

Will this development be green focused?

Yes. Sustainability is a core component of our neighborhoods. We will evaluate green infrastructure, energy efficiency, and environmental best practices consistent with City policies and design feasibility. We intend to include solar panels, EV chargers, and other green features. We are the only developer to receive the Governor's Award in Energy Efficiency and recognition by the Madison City Council and Mayor.

Why do we need this development? We already have many of these uses?

Sun Prairie is growing and that can be scary. Sun Prairie had a high school. Did Sun Prairie need another one? Yes, because the city is growing. Your children need a place to live, or they will be forced to leave and live elsewhere. Sun Prairie needs more than 500 housing units per year to keep pace with demand. Growth in schools, employment, and population supports this need. This neighborhood provides housing, jobs, and tax base in a coordinated, master-planned manner. And the city needs new tax base in order to take pressure of the single-family homes.



Can you guarantee there will be no affordable housing in this development?

We do not intend to pursue tax-credit-financed affordable housing on site. Workforce housing is being provided voluntarily.

What type of residents do you anticipate renting to?

A diverse mix, including young professionals, empty nesters, single parents, couples, seniors, and residents seeking a walk-work-play environment.

Won't this hurt my property value?

Our experience shows high-quality mixed-use development supports surrounding property values and generates tax revenue while placing limited demand on local schools. Less than 3% of our portfolio (residents) need district schooling. And many of our residents will purchase and move into homes in the immediate neighborhood, supporting home values.

Will you complete a traffic impact analysis before any development?

Yes. A Traffic Impact Analysis will be completed as part of project due diligence as required by City ordinance.

What happens if the market for apartments does not materialize?

Market data from a city study shows a persistent housing shortage. The project is phased, allowing evaluation of each phase before proceeding.

How can you create a more substantial impact on the corner of 19 and C?

We envision a four-story landmark building with a large clock tower and stepped-back upper floor that marks the gateway to the neighborhood. Like what you see when you arrive at Middleton Center in Middleton.

Will you be creating new driveways?

Our intent is to minimize new driveways and use existing access points as permitted under the law.

Will you have enough parking?

Yes. The neighborhood will include underground parking in the multi-family buildings and will not require any off-street parking.



Do homeowners or tenants pay hydrant rent/fire protection in these developments?

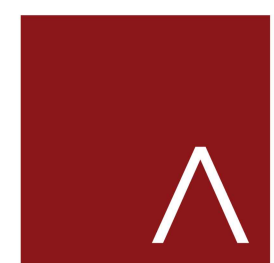
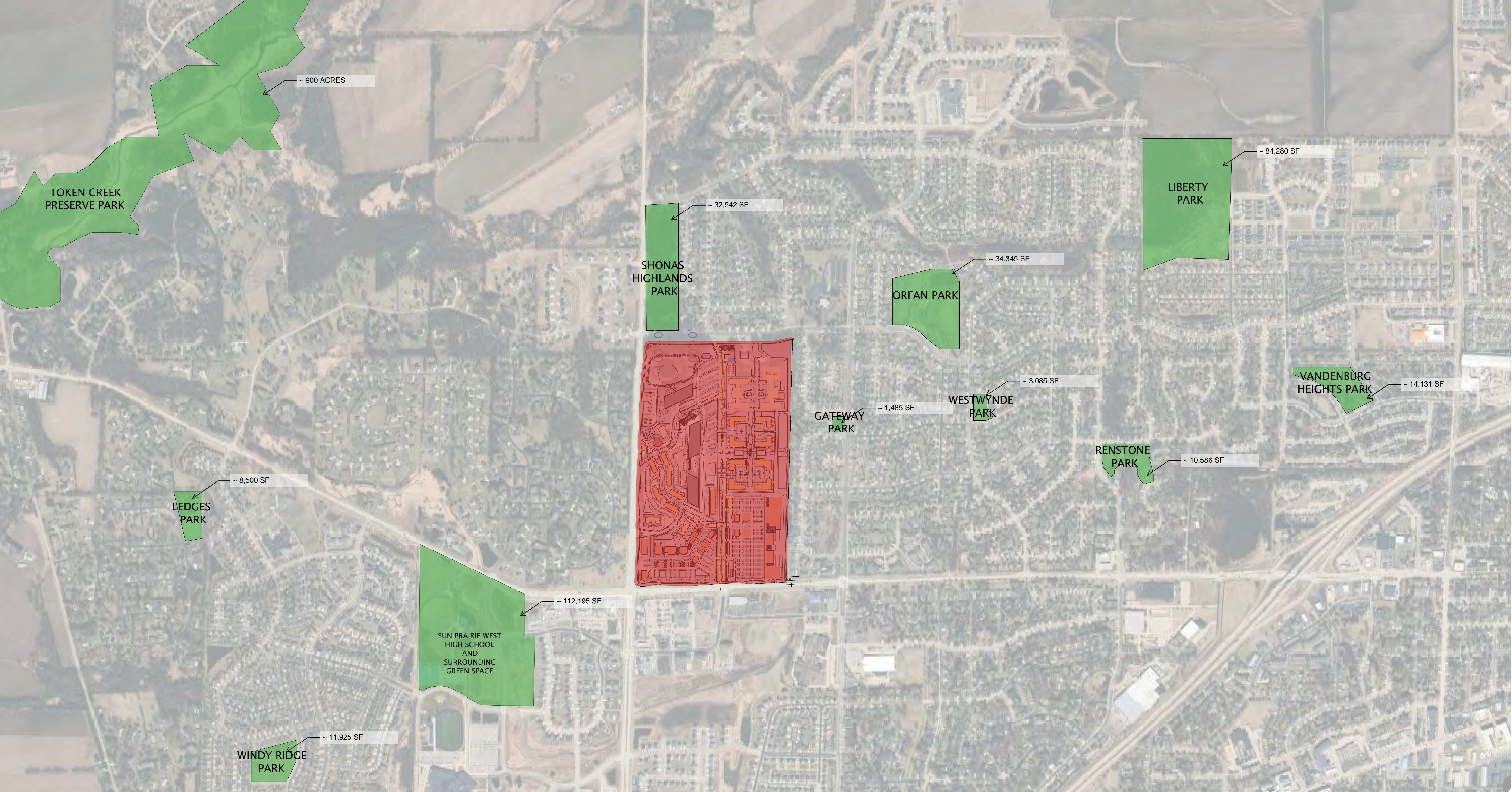
Fire protection costs are included through utility billing and are paid by tenants or property owners.

Who is responsible for garbage pick-up?

Garbage service is the responsibility of the property owner and does not create additional costs for the City.

Who is responsible for snow removal and maintenance of the streets?

If the streets are public, the responsibility for snow removal are with the city. For the private common driveways under ordinance, snow removal will be handled and paid by the HOA. At a time when the city's budget is tight, it may be a wise financial decision to keep as many streets private as possible.

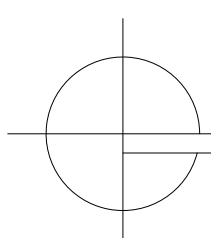


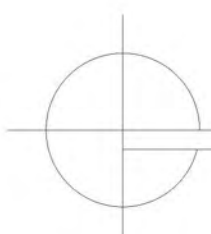
JLA
ARCHITECTS

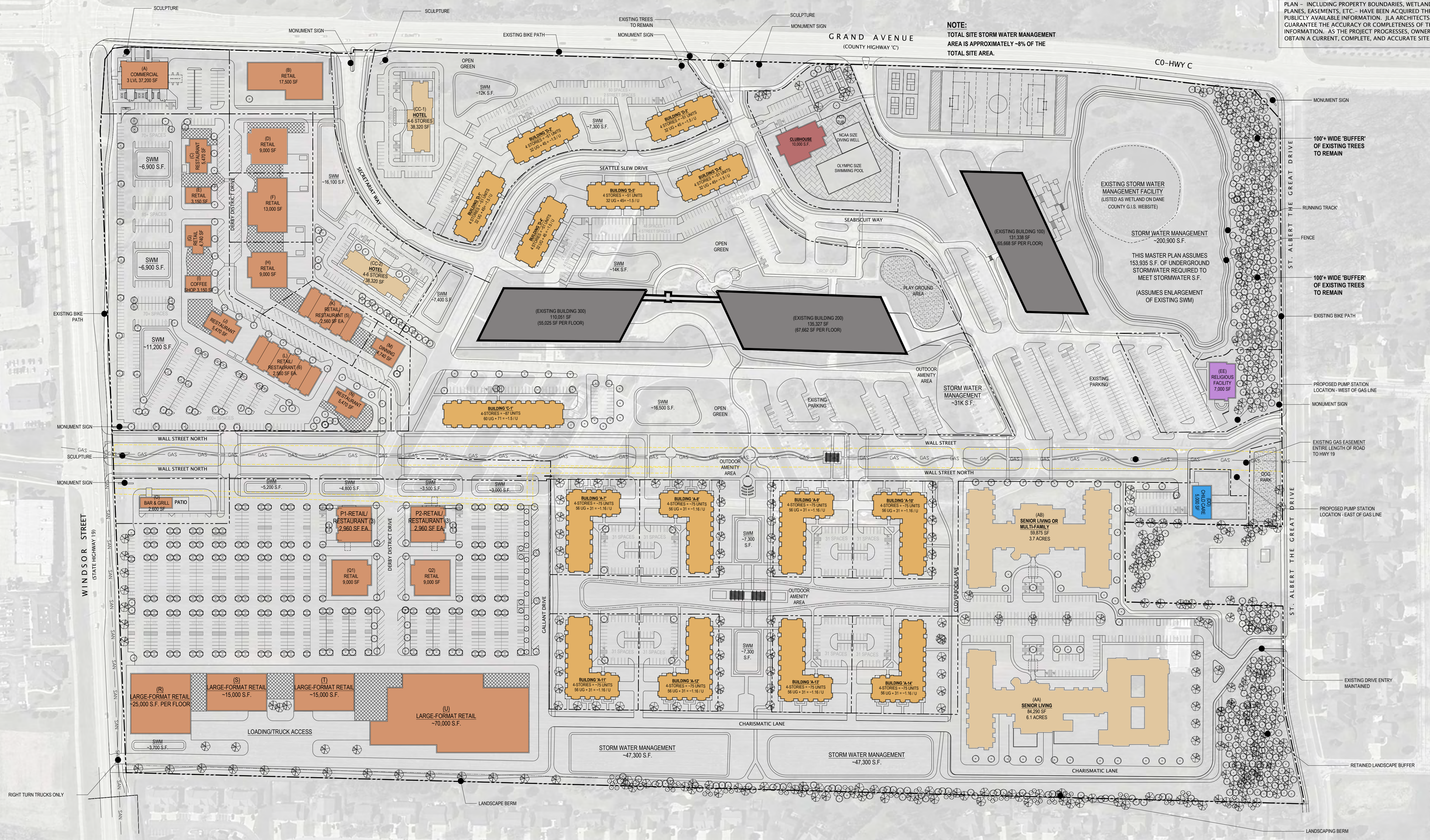
DERBY DISTRICT – SUN PRAIRIE, LLC

CONCEPTUAL MASTERPLAN– VICINITY MAP

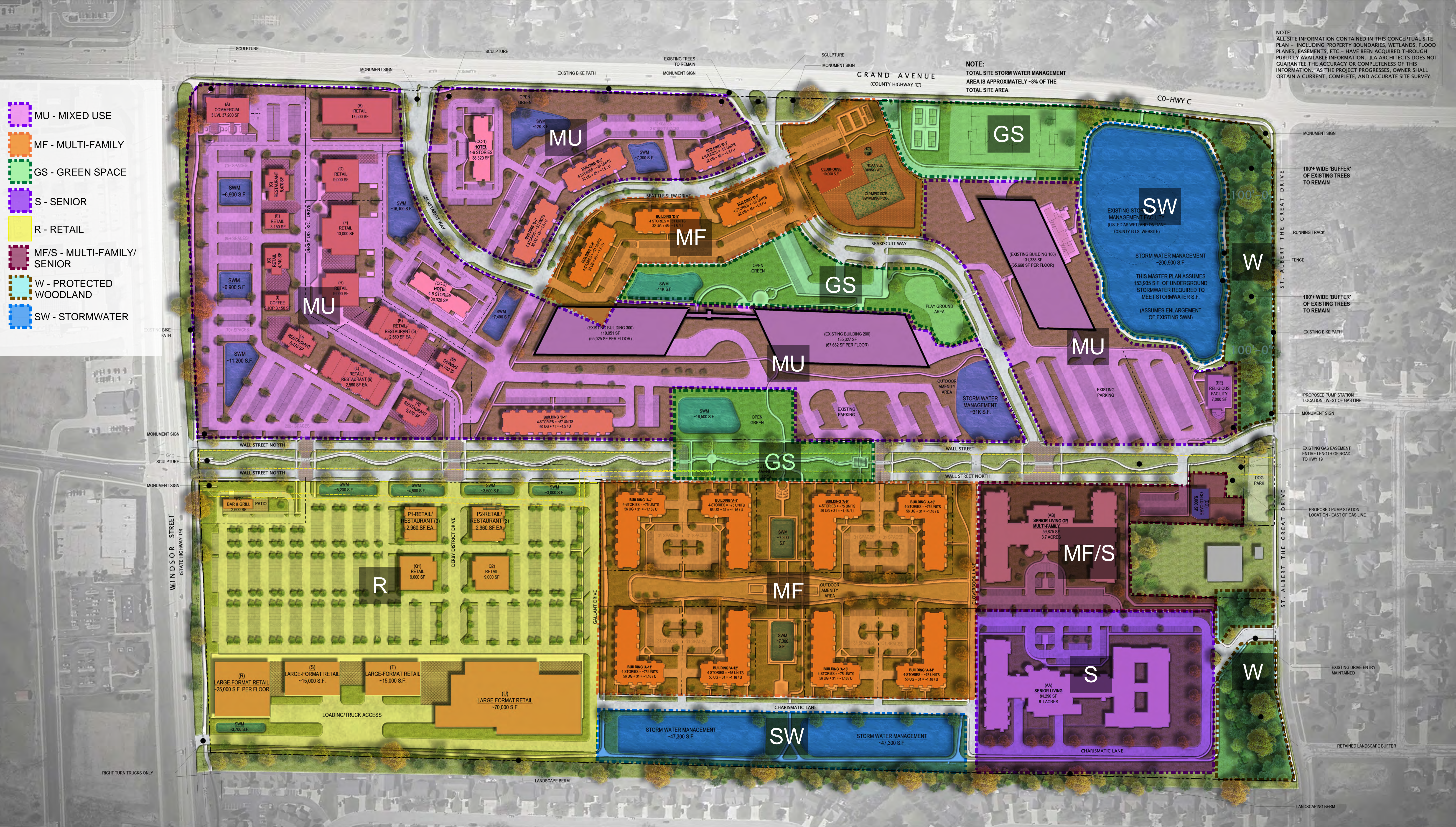
JANUARY 21, 2026
N.T.S. @ 22x34







- MU - MIXED USE
- MF - MULTI-FAMILY
- GS - GREEN SPACE
- S - SENIOR
- R - RETAIL
- MF/S - MULTI-FAMILY/ SENIOR
- W - PROTECTED WOODLAND
- SW - STORMWATER



NOTE:
ALL SITE INFORMATION CONTAINED IN THIS CONCEPTUAL SITE PLAN - INCLUDING PROPERTY BOUNDARIES, WETLANDS, FLOOD PLANES, EASEMENTS, ETC. - HAVE BEEN ACQUIRED THROUGH PUBLICLY AVAILABLE INFORMATION. JLA ARCHITECTS DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF THIS INFORMATION. AS THE PROJECT PROGRESSES, OWNER SHALL OBTAIN A CURRENT, COMPLETE, AND ACCURATE SITE SURVEY.

DERBY DISTRICT DEVELOPMENT MATERPLAN - OPTION 2

January 21, 2026



CONCEPTUAL MASTERPLAN - OPTION 2																	
BUILDING TYPE		GROSS AREA PARKING	GROSS RESIDENTIAL AREA FINISHED	GROSS COMMMERICAL AREA	NET AREA RESIDENTIAL	NET AREA AMENITY	TOTAL NET AREA (S.F.)	EFFICIENCY	TOTAL UNITS	TOTAL BEDROOMS	COVERED PARKING	SURFACE PARKING	TOTAL RESIDENTIAL PARKING	TOTAL COMMERCIAL PARKING	PARKING RATIO		
															PER 1,000	PER UNIT	PER BR
	A-7	18,400	73,600		61,850	750	62,600	84.0%	75	99	56	31	87			1.16	0.88
	A-8	18,400	73,600		61,850	750	62,600	84.0%	75	99	56	31	87			1.16	0.88
	A-9	18,400	73,600		61,850	750	62,600	84.0%	75	99	56	31	87			1.16	0.88
	A-10	18,400	73,600		61,850	750	62,600	84.0%	75	99	56	31	87			1.16	0.88
	A-11	18,400	73,600		61,850	750	62,600	84.0%	75	99	56	33	89			1.19	0.90
	A-12	18,400	73,600		61,850	750	62,600	84.0%	75	99	56	33	89			1.19	0.90
	A-13	18,400	73,600		61,850	750	62,600	84.0%	75	99	56	33	89			1.19	0.90
	A-14	18,400	73,600		61,850	750	62,600	84.0%	75	99	56	33	89			1.19	0.90
	C-1	23,250	82,800		69,966	1,250	71,216	84.5%	87	106	60	53	113			1.30	1.07
	D-1	12,000	48,000		40,050	750	40,800	83.4%	51	59	32	45	77			1.51	1.31
	D-2	12,000	48,000		40,050	750	40,800	83.4%	51	59	32	45	77			1.51	1.31
	D-3	12,000	48,000		40,050	750	40,800	83.4%	51	59	32	45	77			1.51	1.31
	D-4	12,000	48,000		40,050	750	40,800	83.4%	51	59	32	45	77			1.51	1.31
	D-5	12,000	48,000		40,050	750	40,800	83.4%	51	59	32	45	77			1.51	1.31
	D-6	12,000	48,000		40,050	750	40,800	83.4%	51	59	32	45	77			1.51	1.31
	CLUB			10,000		10,000						21		21	2.10		
	SUB-TOTALS	242,450	959,600	10,000	805,066	21,750	816,816	83.9%	993	1252	700	600	1279	21		1.29	1.02
RETAIL	A-BANK/CU			37,200								83		83	2.23		
	B-RETAIL			17,500								68		68	3.89		
	C-RETAIL			5,470								25		25	4.57		
	D-RETAIL			9,000								40		40	4.44		
	E-RETAIL			3,150								20		20	6.35		
	F-RETAIL			13,000								40		40	3.08		
	G-RETAIL			4,740								24		24	5.06		
	H-RETAIL			9,000								40		40	4.44		
	I-COFFEE			3,150								20		20	6.35		
	J-RESTAURANT			5,470								40		40	7.31		
	K-RETAIL/RESTAURANT			12,800								60		60	4.69		
	L-RETAIL/RESTAURANT			15,360								60		60	3.91		
	M-DINING			4,740								20		20	4.22		
	N-RESTAURANT			5,470								20		20	3.66		
	O-BAR &GRILL			2,600								15		15	5.77		
	P1-RETAIL/RESTAURANT			9,000								40		40	4.44		
	P2-RETAIL/RESTAURANT			9,000								40		40	4.44		
	Q1-RETAIL			9,000								40		40	4.44		
	Q2-RETAIL			9,000								40		40	4.44		
	R-LARGE FORMAT RETAIL			25,000								125		125	5.00		
	S-LARGE FORMAT RETAIL			15,000								75		75	5.00		
	T-LARGE FORMAT RETAIL			15,000								75		75	5.00		
	U-LARGE FORMAT RETAIL			70,000								358		358	5.11		
	SUB-TOTALS			309,650								1,368		1,368	4.42		
SENIOR	AA - SENIOR CENTER		87,690									115		115	1.31		
	AB - SENIOR LIVING OR MULTI-FAMILY		59,875									72		72	1.20		
	SUB-TOTALS		147,565				-					187		187	1.27		
	CC1-HOTEL			38,320								58		58	1.51		
	CC2-HOTEL			38,320								58		58	1.51		
	DD-CHILD CARE			5,000								24		24	4.80		
	EE-REG. FACILITY			7,000								127		127	18.14		
	EXISTING - BUILDING 100			131,338	(65,668 SF PER FLOOR)							405		405	3		
	EXISTING - BUILDING 200			135,327	(67,662 SF PER FLOOR)												
	EXISTING - BUILDING 300			110,051	(55,025 SF PER FLOOR)												
	SUB-TOTALS			465,356								672		672	1.44		
GRAND TOTALS		GROSS AREA PARKING	GROSS AREA FINISHED	GROSS COMMERCIAL AREA FINSHIED	NET AREA RESIDENTIAL	NET AREA AMENITY	TOTAL NET AREA (S.F.)	RESIDENTIAL EFFICIENCY	TOTAL UNITS	TOTAL BEDROOMS	COVERED PARKING	SURFACE PARKING (1)	TOTAL RESIDENTIAL PARKING (1)	TOTAL COMMERCIAL PARKING	PARKING RATIO		
		242,450	1,107,165	785,006	805,066	21,750	816,816	83.9%	993	1,252	700	2,827	1,279	2,248	PER 1,000	PER UNIT	PER BR

NOTES:

- 1 DENSITY CALCULATION IS BASED ON BUILDABLE AREA
- 3 COMMERCIAL PARKING UNIT IS PER 1,000 SF
- 4 SENIOR SF AND PARKING IS SEPARATE FROM OVERALLS
- 5 22 SINGLE FAMILY HOME LOTS NOT INCLUDED IN TABLE
- 6 HOTELS SF IS BASED ON 4- STORY BUILDING.

KEY METRICS	
823	average N.S.F. per unit
1115	average G.S.F per unit
346	s.f. per covered parking space