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MEMORANDUM

TO: Common Council
FROM: Jason Kaczmarek, Finance Director/Comptroller
DATE: February 17, 2021
SUBJECT: TID 9 Termination (Pioneer Neighborhood)

The extension to Tax Incremental District (TID) 9 as approved in 2020 is now expiring and the Wisconsin Department of Revenue (DOR) is asking for the City to approve a final termination resolution. Item #16 in your agenda packet today is the formal resolution to close the TID and distribute any excess increment.

Pursuant to 66.1105 Wis. Stats. TID's are required to close once enough revenue has generated to cover all the project costs or the maximum life of the TID has been reached. However, certain extensions are available. Last March (2020) the City's TID #9 (Pioneer Neighborhood) accumulated enough revenue to warrant closing. At that time, the Council chose to take advantage of a 1-year *affordable housing* extension allowed under 66.1105(6)(g) Wis. Stats.

The extension further benefited the City by securing \$333,218 in tax increment for affordable housing. This money would not have been available had the City decided to close the TID in 2020. The money has been segregated and the Economic Development Department is tasked with planning the best use of these funds in the City.

As mentioned above, TID 9 is now required to be closed. A final audit of the TID will be completed as part of the closing process. The audit and a final accounting report will be sent to the DOR once completed.

If you have any questions on this process, feel free to reach out to me.

Sincerely,

Jason Kaczmarek
Finance Director/Comptroller

CC: Rebecca Grill, City Administrator
Patrick Schloss, Economic Development Executive Director