City of Stoughton, 207 S Forrest Street, Stoughton WI 53589

RESOLUTION OF THE COMMON COUNCIL

Termination of Tax Incremental District (TID) No. 3 and authorization to distribute excess increment to overlying taxing jurisdictions.

Committee Action: Finance Committee passed on July 28, 2020 by a vote of 5-0

Fiscal Impact: Distribution of excess increment

File Number:	R-130-2020	**Date Introduced:**	August 25, 2020

WHEREAS, the City of Stoughton created TID No. 3 on January 1, 1993, and adopted a project plan in the same year; and

WHEREAS, all TID No. 3 projects were completed in the prescribed time allowed; and

WHEREAS, sufficient increment was collected as of the 2019 tax roll, payable in 2020, to cover TID No. 3 project costs; and

NOW THEREFORE BE IT RESOLVED, that the City of Stoughton Common Council shall adopt this termination resolution by September 10, 2020 and the City Clerk shall notify the Wisconsin Department of Revenue (DOR) within sixty (60) days of this resolution that the TID has been terminated; and

BE IT FURTHER RESOLVED, that the City Clerk shall sign the required DOR final accounting form (PE-223) agreeing on a date by which the City shall submit final accounting information to DOR; and

BE IT FURTHER RESOLVED, that the City Treasurer shall distribute any excess increment collected after providing for ongoing expenses of the TID, to the affected taxing districts with proportionate shares to be determined by the final audit by the City's auditors, Baker Tilly.

Adopted this 25th day of August, 2020

Resolution introduced and adoption moved by Alderperson: _____

Motion for adoption seconded by Alderperson: _____

On roll call motion passed by a vote of _____ ayes to _____nays

ATTEST:

_____ _____

Tim Swadley, Mayor Holly Licht, City Clerk

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Tim Swadley, Mayor

Holly Licht, City Clerk

CITY OF STOUGHTON
FINANCE DEPARTMENT
207 S Forrest, Stoughton, WI 53589

(608) 873-6677 www.ci.stoughton.wi.us

Date: July 14, 2020

To: Finance Committee

From: Ryan Wiesen
Assistant Finance Director

Subject: TID No. 3 Termination

In 2019, the City of Stoughton extended TID No. 3 by one year to tax year 2020 (payable in 2021). The extension permits the city to use the 2021 increment revenue of approximately $490,000 to fund affordable housing initiatives.

Now is the time for the city to terminate TID No. 3. Attached is a resolution drafted according to Wisconsin Department of Revenue guidelines. The resolution terminates the district after the 2020 tax year and the subsequent housing initiative and final audit costs.

TID No. 3 is projected to have a surplus of around $350,000 at termination. The surplus will be given to the underlying tax districts according to their proportion of the total tax levy as audited by the city audit firm Baker Tilly.

It is also anticipated that the closure of TID No. 3 will increase the City's 2021 general (TID Out) equalized value by approximately $22,000,000 and 2021 base tax levy by approximately $65,000.