

City of Stoughton Policy
for the Creation of Tax Incremental Finance Districts
and the Approval of TIF Projects.

1. *Purpose.* This policy has been prepared to assist the City in determining whether to create a Tax Incremental Finance District, and in determining whether to approve the use of Tax Incremental Financing for particular projects. The authority to approve the use of Tax Incremental Financing is vested solely in the City Council. The City reserves the right to reject any and all projects, including projects that are eligible for the use of Tax Incremental Financing, for any reason or no reason. The City Council reserves the right to approve or disapprove any project as it deems appropriate.
2. *General Goals for the use of Tax Incremental Financing.* The City may consider whether a TIF District or a TIF project serves one or more of the following general goals when deciding whether to create a TIF District, or whether to provide TIF financing for a particular project:
 - A. Eliminate blighting influences, redevelop underutilized lands, and provide suitable sites for industrial, commercial or residential development.
 - B. Achieve or accelerate development on sites that would not be developed without the use of Tax Incremental Financing.
 - C. Increase employment opportunities in the City.
 - D. Increase the tax base for the City and other taxing jurisdictions.
 - E. Assists implementation of the City's Comprehensive Plan.
 - F. Provide affordable housing opportunities.
 - G. Encourage unsubsidized private development in the City.
3. *TIF District Creation.*
 - A. TIF Districts will be created in accordance with the procedures and standards in Wis. Stat. § 66.1105, and as such statute may be amended. (See Appendix A - Department of Revenue TIF Creation Checklist).
 - B. The City Council may, in individual cases, expand the process for creating a TIF District in such manner as it deems appropriate.
4. *TIF Project Approval.* All TIF projects must be approved by the City Council, following review and report by the Finance Committee. The Finance Director shall provide a report to the Finance Committee and the City Council addressing the following issues, which shall be considered by the Finance Committee and City Council before approving any TIF project:

- A. Is the project authorized by the Project Plan for the TIF District?
 - B. Does the project serve one or more of the City's general goals for the use of TIF?
 - C. Is Tax Incremental Financing feasible, in that the TIF District will support the level of TIF investment?
 - D. Is the amount of Tax Increment Financing requested reasonably necessary to make the project financially viable?
 - E. Should a development agreement be required, and what terms should be included in the agreement?
 - F. Is more process (such as additional public hearings or a referendum) appropriate?
 - G. Such other factors as either the Finance Committee or the City Council deem appropriate.
5. *Permissive Referendum.* Before the City may issue bonds or otherwise borrow funds that will be payable over more than 10 years to fund a TIF project, the City Council must first adopt a resolution declaring its intent to borrow the funds. If a number of electors of the city equal to at least 15% of the of the votes cast for governor at the last general election in the city sign and file a petition conforming to the requirements of Wis. Stat. § 8.40 with the city clerk requesting submission of the resolution, the City may not issue bonds or borrow funds for financing the TIF project without calling a special election to submit the question of bonding or borrowing to the city electors for their approval.
6. *Negotiations.* City staff and the city attorney will negotiate development agreements within the parameters established by the City Council, and subject to final approval by the City Council.
7. *Suspension of Policy.* This policy shall be followed in all cases, except where the common council approves deviating from this policy by a vote of two-thirds of the members present.

Tax Incremental District (TID) Application Checklist

Use this checklist as a guide when creating or amending a TID. You are required to provide the listed items to the Wisconsin Department of Revenue (DOR). You do not need to send us your checklist; it is for your use only. For a multijurisdictional TID, visit our [Base Year Packet](#) web page. If you have questions or need additional information, contact us at tif@revenue.wi.gov or visit our [TID web page](#).

| | | Creations | | | Amendments | | | | | | |
|---|--|---|---|------------------------------------|-------------------|---------------------------|--------------------|-----------------------|----------------------------|----------------------------|-----------------------------------|
| Mail to: Attn: Tax Incremental Finance Wisconsin Department of Revenue #6-97 PO Box 8971 Madison WI 53708-8971 | | Courier Delivery: Attn: Tax Incremental Finance Wisconsin Department of Revenue 2135 Rimrock Road #6-97 Madison WI 53713 | | City/Village and Town (sec. 60.23) | Town (sec. 60.85) | Environmental Remediation | Territory Addition | Territory Subtraction | Project Plan or Allocation | Base Value Redetermination | Distressed or Severely Distressed |
| Requirements | | | | | | | | | | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> Provide proof you sent a public hearing notice to the other taxing entities, before you published it – include copies of cover letters sent with the notices or a clerk's certification showing the clerk mailed the notices on time Under state law, you must send a notice by 1st class mail (not by fax or email). In the Public Notice, you must identify cash grants paid to land owners, lessees or developers as part of the development agreement. Note: Cash grants are not eligible project costs for town TIDs (sec. 60.85(1)(h)2), Wis. Stats.) Note: If an allocation is being made, you must identify the Donor TID # and recipient TID # in the Public Notice Notes for distressed/severely distressed TIDs – notice must explain: <ul style="list-style-type: none"> Life of a distressed TID may be extended It may receive excess tax increments from a donor TID Life of the donor district may be extended to provide such increments | X | X | | X | X | X | X | X | | |
| <input type="checkbox"/> | Proof of Publication for Joint Review Board (JRB) – you must post one notice at least five (5) days before any JRB meeting. Include readable copy of published hearing notices and an affidavit of publication from the publishing newspaper showing the publication date. | X | | | X | X | X | X | X | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> Copy of Notice to Property Owners in the TID – you must send a notice at least 15 days before the public hearing. Provide proof of mailing and a copy of the notice with a list of who it was sent to. TID created under sec. 66.1105, Wis. Stats. – if the TID is created as Blighted or in need of Rehabilitation/Conservation work, you need to send a notice only to those property owners whose property was identified as such TID created under sec. 60.85, Wis. Stats. (Town) – send copy of the notice to all property owners in the TID | X | X | | X | | | | | | |
| <input type="checkbox"/> | Proof of Publication for Public Hearing – two consecutive postings at least seven (7) days before the public hearing. Include readable copies of the published public hearing notices and an affidavit of publication from the publishing newspaper showing both publication dates. | X | X | | X | X | X | X | X | | |
| <input type="checkbox"/> | Copy of Planning Commission Resolution or minutes approving creation/amendment of TID | X | X | | X | X | X | | X | | |
| <input type="checkbox"/> | Project Plan Resolution – if you would like, you can incorporate the project plan resolution into the creation/amendment/base redetermination resolution. Submit a copy of the resolution passed by the local legislative body approving the project plan. <ul style="list-style-type: none"> Note for distressed/severely distressed TIDs – plans must reflect either distressed or severely distressed status and updated financial information | X | X | | X | X | X | X | X | | |

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|---|---|---|--|------------------------------------|-------------------|---------------------------|--------------------|-----------------------|----------------------------|----------------------------|-----------------------------------|
| Requirements | | | | City/Village and Town (sec. 60.23) | Town (sec. 60.85) | Environmental Remediation | Territory Addition | Territory Subtraction | Project Plan or Allocation | Base Value Redetermination | Distressed or Severely Distressed |
| <input type="checkbox"/> | <ul style="list-style-type: none"> Copy of Municipal Creation Resolution – must be adopted no less than 14 days after the public hearing (creation only). See the Creation/Amendment Resolution Checklist (PE-222) for all required resolution findings. Territory amendments – contain the same findings as the creation resolution and are used for the same purpose Note for TIDs under sec. 66.1105, Wis. Stats. – resolutions that alter TID boundaries must include findings showing the municipality does not exceed the 12 percent limit for TID capacity Notes for TIDs under sec. 60.85, Wis. Stats. <ul style="list-style-type: none"> must adopt resolution no less than 30 days after the public hearing Resolutions that alter district boundaries must include either of the following findings: <ul style="list-style-type: none"> Equalized value of the district's taxable property plus all existing districts does not exceed 7 percent of the total equalized value of the town's taxable property Equalized value of the district's taxable property plus the value increment of all existing districts within the town does not exceed 5 percent of the total equalized value of the town's taxable property Note for distressed/severely distressed TIDs – must include findings identified in sec. 66.1105(4e), Wis. Stats. | | | X | X | | X | X | X | X | X |
| <input type="checkbox"/> | <ul style="list-style-type: none"> JRB Resolution – if the JRB does not adopt a resolution, send a copy of the JRB meeting minutes with the JRB's approval (Note: Minutes must state that the documents presented to the JRB contain the required information under state law (sec. (4)(gm) or (h) 1., Wis. Stats.), and must confirm that the development described in the documents reviewed by the JRB would not occur without the creation or amendment of a TID) Approval must occur within 30 days (for town and environmental remediation TIDs created under sec. 60.85 or sec. 66.1106, Wis. Stats., not less than 10 days or more than 30 days) after receiving the amendment resolution from the municipality. The JRB must submit its decision to the municipality no later than seven days after making it. For base value redeterminations – resolution must confirm there is a 10 percent decline and that the financial analysis was reviewed. Meeting minutes are not sufficient. DOR email notification – within 60 days of approval | | | X | X | X | X | X | X | X | X |
| <input type="checkbox"/> | Retail percentage – in the municipal resolution or project plan, include an estimate of the percentage of territory within the TID that will be devoted to retail business (sec. 66.1105(5)(b), Wis. Stats.) | | | X | | | X | | | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> Map of the TID with the outer boundaries clearly marked and parcels numbered – you may submit a PDF file. Submit a map of the TID with all parcels numbers marked. It must clearly show boundaries, have streets labeled and should be large enough to easily read parcel numbers. DOR can print 11in. x 17 in. copies of PDF files. The numbers on the map must be identical to those on the TID parcel lists. The county real property listed may be able to assist with the mapping. Note: For amendments, the map must show how the new area is added or subtracted from the original TID. For any overlapping TIDs, include a map showing the parcels and each of the TID boundaries. | | | X | X | X | X | X | | | |

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| Requirements | | | | | | | | | | |
| <input type="checkbox"/> | Assessor Input – it is a best practice to involve both the local and manufacturing assessors in the process of developing the TID so the correct values are used for the base or amendment | | X | X | X | X | X | | | |
| <input type="checkbox"/> | Boundary Description of the TID – submit the district boundary description as adopted in the creation or territory amendment resolution. For a territory amendment, it should be the final TID description including any additions and excluding subtracted parcels. It must be a “metes and bounds” type description describing the district's outer boundaries. Do not only provide a list of lots and blocks. | | X | X | X | X | X | | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> • Copy of Development Agreement – if there is a signed development agreement, the JRB will have a copy and the municipality should have one on file. You are not required to supply DOR with one. • Note: If there is no signed Development Agreement, no cash grants can be paid out | | X | X | | X | X | X | | |
| <input type="checkbox"/> | County Real Property Lister notified – the clerk or assessor must notify the county real property lister of a TID creation or amendment. Include a list of parcels, map and legal description with the notification. | | X | X | X | X | X | | | |
| <input type="checkbox"/> | Copies of Appraisals – if a TID is created simultaneously with a project plan amendment to subtract territory from an existing district without adopting a resolution containing the 12 percent limit under sec. 66.1105(17), Wis. Stats., the municipality must provide DOR with two appraisals from certified appraisers, under sec. 458.01(7), Wis. Stats. <ul style="list-style-type: none"> • Appraisals must contain the current fair market value on the taxable property – within the district that the city proposes to create or that the city proposes to subtract from an existing district • Both appraisals must show – that the value of the taxable property subtracted from an existing district equals or exceeds the amount DOR believes is necessary to ensure the 12 percent limit is met when the proposed district is created | | X | | | | | | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> • Project Plan – submit a paper or electronic copy of the project plan. Be certain that it contains the following items found in PE-215, Common Language Guidelines for Project Plans. • For amendments, if some of the items did not change from the original report, please indicate that on the new project plan • For base value redeterminations, develop a new project plan that shows: <ul style="list-style-type: none"> ○ Calculations showing 10 percent reduction in two consecutive years ○ Value is at least 10 percent below the base value ○ Financial analysis ○ Statement on option selected (sec. 66.1105(5)(i), Wis. Stats. (3, 4 or 5)) ○ Attorney opinion | | X | X | | X | X | X | X | X |
| <input type="checkbox"/> | Resolution approved by the governing body – submit a copy (sec. 66.1106(1m), Wis. Stats.) | | | | X | | | | | |

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| <input type="checkbox"/> | DNR Certification – submit a dated copy of the site investigation report certification from the DNR | | | | | X | | | | | |
| <input type="checkbox"/> | Copy of the DNR remedial action plan approval letter and action plan – plan must contain the following findings (sec. 66.1106(4)(a), Wis. Stats.): <ul style="list-style-type: none"> • Cost estimates for anticipated eligible costs • Schedule for the design, implementation and construction needed to complete the remediation • Statement detailing the purpose and amount of the expenditures already made | | | | | X | | | | | |
| <input type="checkbox"/> | Copy of document, signed by the chief executive officer, showing an attempt was made to recover costs from the person who caused the environmental pollution | | | | | X | | | | | |
| <input type="checkbox"/> | Equalized Value Determination Request – (PE-606) signed by the clerk. Must include the Tax Jurisdiction names and numbers. | | | X | X | X | X | X | | | |
| <input type="checkbox"/> | City/Village Legal Requirements – (PE-605, PE-605S, PE-605ER, PE-605A or PE-605D) | | | X | X | X | X | X | X | X | X |
| <input type="checkbox"/> | Clerk and Assessor Signature Forms – Must complete and sign | | | X | X | X | X | X | | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> • TID Parcel Lists – Locally Assessable Property (PE-608), Manufacturing Real Property (PE-608M) and Municipal-Owned Property (PE-619) • Subtractions – use the subtraction Excel worksheet • Amendments – only include information for the parcels added or subtracted from the TID • Note: You must report annexed property on separate forms and indicate the town from which it is annexed | | | X | X | X | X | X | | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> • TID Base Year Personal Property List – Personal Property (PE-601A) and Manufacturing Personal Property List (PE-608MP) • Subtractions – use the subtraction Excel worksheet • Amendments – only include information for the parcels added or subtracted from the TID • Note: You must report annexed property on separate forms and indicate the town from which it is annexed | | | X | X | X | X | X | | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> • TID Statement of Assessment – (PE-615A) • Note: Only include information for the parcels added to the TID. Do not include municipal-owned or manufacturing information. | | | X | X | X | X | | | | |

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| Requirements | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> | <ul style="list-style-type: none"> Tax Incremental Financing Remittance Fee – transmit all fees electronically through My Tax Account <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 30%;">Type of TID</th> <th style="width: 15%;">Fee</th> <th style="width: 10%;"></th> <th style="width: 30%;">Type of TID</th> <th style="width: 15%;">Fee</th> </tr> </thead> <tbody> <tr> <td>New TID (creation)</td> <td>\$1,000</td> <td></td> <td>Amendment (project plan only)</td> <td>\$0</td> </tr> <tr> <td>Amendment (additions)</td> <td>\$1,000</td> <td></td> <td>Amendment (allocation)</td> <td>\$0</td> </tr> <tr> <td>Amendment (subtractions)</td> <td>\$1,000</td> <td></td> <td>Distressed/severely distressed</td> <td>\$500</td> </tr> <tr> <td>Amendment (add and subtract)</td> <td>\$2,000</td> <td></td> <td>Annual fee</td> <td>\$150</td> </tr> <tr> <td>Amendment (base value redetermination)</td> <td>\$1,000</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <ul style="list-style-type: none"> Submit all these items to the address or email listed above <u>based on the creation year or amendment</u>: <ul style="list-style-type: none"> Municipal resolution signed October 1, 2014 through September 30, 2014; due October 31, 2015 Municipal resolution signed October 1, 2015 through September 30, 2015; due October 31, 2016 Project plans/allocation/distressed – send before December 31 of the year the resolution was adopted | | | Type of TID | Fee | | Type of TID | Fee | New TID (creation) | \$1,000 | | Amendment (project plan only) | \$0 | Amendment (additions) | \$1,000 | | Amendment (allocation) | \$0 | Amendment (subtractions) | \$1,000 | | Distressed/severely distressed | \$500 | Amendment (add and subtract) | \$2,000 | | Annual fee | \$150 | Amendment (base value redetermination) | \$1,000 | | | | X | X | X | X | X | X | X |
| Type of TID | Fee | | Type of TID | Fee | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| New TID (creation) | \$1,000 | | Amendment (project plan only) | \$0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amendment (additions) | \$1,000 | | Amendment (allocation) | \$0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amendment (subtractions) | \$1,000 | | Distressed/severely distressed | \$500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amendment (add and subtract) | \$2,000 | | Annual fee | \$150 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amendment (base value redetermination) | \$1,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |