CITY OF STOUGHTON
FINANCE DEPARTMENT
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Date: December 3, 2020

To: Plan Commission

From: Ryan Wiesen
Assistant Director of Finance

Subject: TIF 4 Amendment to donate excess increment to TIF 5 and 8 and public hearing request.

TIF 4's expenditure period is ending in March 2021 and all project costs are expected to be cover by tax increment at that time. State law requires the city to close the TIF at that time unless an allocation amendment is approved prior to March 2021.

An allocation amendment will permit TIF 4 to donate excess increment to TIF 5 and 8. The allocation amendment will allow TIF 4 to collect tax revenue through tax year 2026, payable 2027 and generate approximately $1,055,000 in excess increment. TIF 5 and 8 will use the TIF 4 contributions to limit the city's need to subsidize the TIF 5 and 8 via general property taxes or loans.

TIF 5 is projected to receive $783,000. TIF 8 is projected to receive $271,000. The actual amounts contributed will vary depending on final costs in TIF 4, tax base development in the TIFs, and actual expenditures incurred in TIF 5 and 8 in future years.

Ehlers will be preparing the allocation amendment for the city. Below is a brief timeline of the actions needed to approve the allocation amendment. The first step is for the plan commission to call a public hearing on January 11, 2020 to consider the allocation amendment.

December 14, 2020, 6:00 pm: Plan Commission makes motion to call for a public hearing.
January 11, 2021, 5:30 pm: Joint Review Board reviews plan, appoints chair and public member and sets meeting date.
January 11, 2021, 6:00 pm: Plan Commission public hearing on amendment. Review and approval.
January 12, 2021, 7:00 pm: Common Council reviews and adopts resolution approving the amendment.
January to February 2021: Joint Review Board meets and approves amendment.