



MEMO

PLANNING AND COMMUNITY DEVELOPMENT

To: Joint Review Board
From: Adrienne Nelson, Associate Planner
Date: April 6, 2026
Re: TID 6 Termination

Background

Established on May 2, 2006, Tax Increment District (TID) No. 6 has reached the end of its allowable statutory life and is required to be closed in accordance with Wisconsin Department of Revenue (DOR) Tax Increment Financing regulations. This is not an elective or early closure, rather, it is a required action based on the age of the district.

Under DOR rules, the City's Common Council must adopt a TID closure resolution no later than May 2, 2026. Staff is recommending that the resolution not be adopted prior to April 15, 2026, as an earlier adoption would result in the City forfeiting the final year of tax increment otherwise available in calendar year 2027. Adopting the resolution within this statutory window allows the City to receive the full, final year of increment before closure takes effect. Staff plans to bring the required closure resolution before the Common Council on April 21, 2026.

TID No. 6 has been one of the City's stronger performing districts and includes the NEW Prosperity Industrial Park. Early tenants in this industrial park, such as Albany International and Liebovich Steel & Aluminum, contributed to sustained incremental value growth. The district has successfully met its economic development objectives and is positioned for compliant closure, which will take effect for the 2028 budget year.

Effect of Closure Dates

There are two upcoming Common Council dates where this resolution could be passed to ensure the May 2, 2026, deadline is met:

If the resolution is passed at the April 8, 2026, Common Council meeting, the TID will terminate in 2026 and be removed from that year's tax/assessment roll. The last TID equalized value, established on August 15, 2025, will be \$63,668,300.

If the resolution is passed at the April 21, 2026, Common Council meeting, the TID will terminate in 2027 and be removed from that year's tax/assessment roll. The last TID equalized value will be established on August 15, 2026.

Due to this being a donor TID, there is no planned surplus revenue that would be returned to the overlying taxing jurisdictions.

Supporting Documents

- TIF termination timeframes table. The yellow highlighted row shows applicable dates if the TID is closed at the April 8, 2026, Common Council meeting. The pink highlighted row shows applicable dates if the TID is closed at the April 21, 2026, Common Council meeting.
- Meeting minutes from the September 11, 2019, and October 30, 2019, Joint Review Board meetings, where the possibility of designating TID 6 as a donor TID to TIDs 4 and 5 was discussed.
- Resolution 2019-5217. This is the resolution that appealed Resolution 2019-5205 and amended the project plan so that TID 6 could become a donor TID to TIDs 4 and 5.
- TID 6 project plan amendment. This plan amendment includes a table showing the projected TID debt vs. revenue for TIDs 6, 5, 4, and ERTIF 1. Per this plan, the 2026 increment was to be allocated to the recipient TIDs.

Recommendation:

When the TID 6 project plan amendment was passed in 2019, the plan laid out a projected debt vs. revenue that included the final year of increment for 2026. If the resolution is passed at the April 8, 2026, Common Council meeting there will be a shortfall. Therefore, staff is recommending approval of the resolution to the Common Council for adoption at the April 21, 2026 meeting.

