



MEMO

Department

To: Finance and Personnel

From: Finance Director Van Rossum

Date: 01/19/2026

Re: Tax Increment District (TID) No. 6 – Upcoming Closure Timeline and Planning

Background information:

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 Common Council must adopt a TID closure resolution no later than May 2, 2026. At the same time, staff is intentionally 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 forward for consideration at the April 21, 2026 Common Council meeting.

TID No. 6 has been one of the City's stronger-performing districts and includes the New Property Industrial Park, with early anchor tenants such as Albany International and Liebovich Steel & Aluminum contributing to sustained incremental value growth. The district has successfully met its economic development objectives and is positioned for compliant closure.

Closure of TID No. 6 will take effect for the 2028 budget year.

Strategic Plan:

The required closure of TID No. 6 supports the City's Strategic Plan objectives related to long-term financial sustainability, disciplined fiscal management, and tax base growth. Upon closure, the district's incremental value will return to the general tax base, enhancing the City's flexibility when managing levy limit increases and providing tools to better control or reduce the mill rate over time.

This action reflects the successful completion of the TID's intended purpose and responsible stewardship of economic development tools.

Budget: There is no direct budgetary cost associated with the adoption of the TID closure resolution. Returning the increment to the general tax base beginning with the 2028 budget will have a positive impact on future levy capacity and overall financial flexibility.

As part of the closure process, the City is required to complete a final financial audit of TID No. 6 and submit several statutory forms to the Wisconsin Department of Revenue. The required TID audit will be completed by April 21, 2027, in accordance with DOR timelines. This audit expense will be covered by the TID 6 Fund.

Staff Recommended Action:

Staff recommend passing the Resolution on to the Common Council to adopt at the April 21, 2026 meeting.

Tax Incremental District (TID) Termination Resolution

City _____ of _____ Kaukauna _____ TID 6 Resolution _____ 2026-xx
(town, village, city) (municipality) (number) (number)

WHEREAS, the City _____ of _____ Kaukauna _____ created TID 6 on 05 02 , 2006 , and adopted
a project plan in the same year, and (month) (day) (year)

WHEREAS, all TID 6 projects were completed in the prescribed allowed time; and:

☒ WHEREAS, sufficient increment was collected as of the 2025 tax roll, payable 2026 , to cover TID 6
project costs. (year) (year)

☐ WHEREAS, insufficient increment was collected to cover project costs.

THEREFORE BE IT RESOLVED, that the City _____ of _____ Kaukauna _____ terminates TID 6 ; and

BE IT FURTHER RESOLVED, that the City _____ Clerk shall notify the Wisconsin Department of Revenue (DOR),
within sixty (60) days of this resolution or prior to the deadline of April 15, 2027 , whichever comes first, that the TID
has been terminated; and (year)

BE IT FURTHER RESOLVED, that the City _____ Clerk shall sign the required DOR Final Accounting Submission
Date 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 as
determined in the final audit by the City _____ 's auditor, _____ .
(auditor name)

☐ BE IT FURTHER RESOLVED, that the City _____ of _____ Kaukauna _____ shall accept all remaining debts for
TID 6 as determined in the final audit by the City _____ auditor, _____ .
(auditor name)

Adopted this 21 day of _____ April _____ , 2026
(day) (month) (year)

Resolution introduced and adoption moved by alderperson _____
(name)

Motion for adoption seconded by alderperson _____
(name)

On roll call motion passed by a vote of _____ ayes to _____ nays
(number) (number)

ATTEST:

(Mayor/Head of Government Signature)

(Clerk Signature)