



## Council Agenda Item

Meeting Date:	TBD
Agenda Item:	Summary of 2025 Annual Joint Review Board Reports for Active Tax Incremental Districts
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### BACKGROUND

(Enter the who, what when, where, why)

The 2025 annual reports for the City's five active Tax Incremental Districts (TIDs), which were prepared by the city's TIF advisors (Ehlers), have been submitted per state statute and reviewed by the Joint Review Board (JRB), which met on December 3, 2025. This memo summarizes the key findings: status, cash flow, and projected closure dates.

#### *Summary of Each TID*

##### **TID 10**

- Created August 3, 2021 as a mixed-use district located within the northeast of the city.
- As of Jan 1, 2025: increment value of \$15,370,900.
- 2024 year-end fund balance: \$138,500.
- Based on current cash flow projections, closure is projected in 2036 (expenditure period end), although final year could be 2042 per statutory maximum.
- The cash flow schedule shows that the district is currently cash-flowing. For example, revenues significantly exceed expenditures in recent years and the fund balance is positive.

Conclusion: TID 10 is healthy with positive cash flow, growing increment value, and a mid-2030s projected close.

##### **TID 11**

- Also created August 3, 2021 as a mixed-use TID located within the southeast area of the city.
- As of Jan 1, 2025: increment value \$4,726,900, with 2024 year-end fund balance \$15,344.
- Projected closure (based on cash flow) is 2040, two years ahead of the 2042 statutory closure date.
- The cash flow projection indicates the district is generating some positive increments, with revenues exceeding administrative and project expenditures overall. Ending fund balance is small but positive.

Conclusion: TID 11 is modest in size but remains active and cash-flowing. There is a large amount of land available in this district that could support future development opportunities.

##### **TID 12**

- Created August 3, 2021 as a rehabilitation district, located in the city's downtown.
- As of Jan 1, 2025: increment value \$19,007,800. 2024 year-end fund balance is \$39,786.
- Projected closure (based on cash flow) is 2032, well ahead of the statutory closure date of 2049.
- The TID is currently cash-flowing: although there were property value adjustments due to demolitions and transfer to public ownership, the net impact has stabilized — 2024 shows positive values, and the fund balance remains positive.

Conclusion: TID 12 is performing adequately, with a relatively healthy increment base and a projected closure within the next decade.

TID 13

- Created August 3, 2021 as a mixed-use district in the southwest of the city.
- As of Jan 1, 2025: increment value \$5,051,900. The 2024 year-end fund balance is slightly negative (– \$813).
- Projected closure is 2042, the final year of increment collection.
- The negative fund balance signals a cash-flow shortfall — for 2024, expenditures appear to have outpaced revenue.
- This TID is not officially “distressed,” but the negative ending fund balance is a slight concern.

Conclusion: TID 13 is the only district currently showing a negative fund balance. While not formally labeled distressed, the negative balance warrants monitoring. It should be noted that this TID includes over 330 acres of currently undeveloped ag land, allowing for ample future development opportunities which would help address the TID’s cash flow.

TID 14

- Created August 3, 2021 as a mixed-use district in the city’s northwest side.
- As of Jan 1, 2025: increment value \$30,724,200. 2024 year-end fund balance is \$230,926.
- Based on current cash-flow projections, projected closure is 2039, three years ahead of the statutory closure in 2042.
- The district is cash-flowing: the 2024 balance is positive, reflecting increment revenues exceeding expenditures, and projections show continued viability.
- It was noted in the JRB meeting that the Hale Farm project will likely require an amendment to this TID.

Conclusion: TID 14 is the largest of the five (by increment value) and appears stable, with healthy cash flow and a projected close date at the end of the 2030s.

Key Take-Aways & Council Observations

- Cash flow status: Four of the five TIDs (10, 11, 12, 14) are clearly cash-flowing, with positive fund balances and stable increment revenue. TID 13 is currently showing a negative fund balance, but there is ample opportunity for growth in this TID.
- Projected early closure: Based solely on current cash flow, four of the districts are currently projected to close ahead of their statutory maximum lifespans. This could allow the city to retire TID-related obligations sooner and return increment to the taxing jurisdictions earlier than planned.
- Overall health: The TID portfolio remains healthy. The aggregate increment across districts appears strong (with particularly robust performance in TID 14), and the majority of districts continue to deliver on expected cash flow.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS  
(Dates, committees, action taken)

- The Joint Review Board meeting was held on December 2, 2025. An overview of the five current TIDs was presented and was approved by the JRB during that meeting.

FINANCIAL IMPACT  
(If none, state N/A)

Tax Increment Financing (TIF) remains a critically important tool for economic growth for municipalities in Wisconsin. Responsible use of TIF can help ensure that the City of Whitewater remains competitive in attracting and facilitating new development and redevelopment across residential, commercial, and industrial sectors.

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STAFF RECOMMENDATION

This memo is presented for informational purposes. No formal action is required at this time.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

N/A

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