

TIF Practices and Clawbacks: Their Use in Wisconsin Communities

Community	Adopted Policy	TIF	Practices	Clawbacks
Eau Claire	No		- Meet job requirements w/in 5 years or pay back funds and interest rates return to market rate	(No response)
Janesville	Yes		- Invest no more than +/- 10 years of future taxes - Require TIF guarantee - Loans are forgiven as new jobs are created	- Have enforced shortfalls in payment guarantees - Downtown low income housing project was unsuccessful; project was sold and new owner covered back TIF guarantee
Sheboygan	No		- Require 5:1 incremental value to cost - Require value guarantee	(No response)
Wausau	No		- Require increment and job guarantee - No cash incentives	- Have not actively enforced clawbacks - Have negotiated a settlement
Stevens Point	No		- Ask for guarantee of increment	- Enforced clawbacks once
Marshfield	No		- Pay for performance (funds paid out after increment collected) - Require increment guarantee	- Enforced clawbacks once: renegotiated development agreement
La Crosse	No		- Provide direct incentives of up to 10% of incremental value - Guarantees tied to jobs	- Have never had a need to enforce clawbacks
Brookfield	No		- None	- NA
Green Bay	No		- Require increment and job guarantee	- Have never had a need to enforce clawbacks
Racine	No		- Require increment and job guarantee - Windfall profit clause in pay-as-you-go TIDs	- Have never had a need to enforce clawbacks
Kenosha	No		- No direct incentives to developers	- NA
Waunakee	Yes (downtown)		- Downtown – Minimum of \$750k new value, allow TIF funding equal to 40% of incremental value, “lookback” provision included - Industrial – require increment and job guarantee	- Have never had a need to enforce clawbacks
Fitchburg	No		- Use a “lookback” provision to recover profit over ROI projections	- NA
Verona	No		-	- NA
Middleton	No		- Look for payback in 5-8 years - Require increment and job guarantee	- Have never had a need to enforce clawbacks
Sun Prairie	No		- Require increment and job guarantee	- Have enforced guarantees for increment generation
Monona	No		- Require guarantee of increment - Phase incentive payments	- Have never had a need to enforce clawbacks
Appleton	Yes		- Payback is set at 15 year max	- Have recovered funds when taxes from increment fell short - Have 2 pending projects that may not be able to pay
Fond du Lac	No		- Invest in infrastructure only (one exception)	- NA
Milwaukee	Yes		- Require assessment, cash flow, and job guarantees as appropriate - Policy provided in previous memo	- Have had to enforce clawbacks