



Legislation Text

File #: 11538, Version: 1

Fiscal Note

TIF Law requires that, when a municipality recovers all costs incurred within a district, the district must be dissolved and any excess increment apportioned among the overlying tax jurisdictions. When TIF District #31 is closed at the end of 2008 and a final audit is completed, staff estimates that approximately \$179,000 of the total excess increment of will be apportioned among the overlying tax jurisdictions. Staff estimates that approximately \$62,000 would be deposited into the City's General Fund.

Title

Dissolving Tax Incremental District (TID) #31 (Atwood @ Amoth).

Body

On September 17, 2002 the Madison Common Council adopted Resolution 59,757 ID No. 32,125 creating Tax Incremental District (TID) #31 (Atwood @ Amoth) at an area generally located in the area of Atwood Avenue east of Amoth Court. A project plan was prepared, identifying various types of public improvements and private development that could be undertaken in the TID. TID #31 was created as a blighted area TID with a statutory life of 23 years. The Wisconsin Legislature amended TIF Law in 2004 to extend the statutory life of all existing TIDs to 27 years. The City did undertake public improvement projects including non-assessable street and other improvements.

The development of the Kennedy Place apartment project within the TID and value growth over time added approximately \$8 million of value to TID #31. A total of \$428,917 of project costs including \$29,632 of interest payments and \$399,285 public improvements has been implemented in the District as follows:

Streetscape Improvements	\$301,231
Administrative Cost	<u>\$98,054</u>
Total Public Improvements	\$399,295

By the end of December 31, 2008, the City of Madison will have recovered its costs in TID #31 through the increased taxes generated by new development. State Statute requires that when a municipality recovers its cost within the statutory life of the district, the district shall be dissolved.

The Tax Increment Base Value in TID #31 established on January 1, 2002 was \$2,024,300. The current equalized value as of January 1, 2007 is \$11,024,100 representing a property value growth of \$8,999,800. The project costs have been recovered in six (6) years.

Staff estimates that \$178,726 of excess tax increment will be apportioned among overlying tax jurisdictions as follows:

Estimated Apportionment of Excess Tax Increment

City of Madison	\$62,018
MMSD	\$87,397
MATC	\$10,366
Dane County	<u>\$18,945</u>
TOTAL	\$178,726

NOW, THEREFORE BE IT RESOLVED THAT Tax Incremental District #31 (Atwood at Amoth) is hereby

dissolved.

BE IT FURTHER RESOLVED, that the City Treasurer shall distribute any excess increment collected after providing for ongoing expenses of the district, to the affected taxing jurisdictions with proportionate shares to be determined by the final audit by the City of Madison.