



Legislation Text

File #: 11537, 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 #30 is closed at the end of 2008 and a final audit is completed, staff estimates that approximately \$403,000 of the total excess increment of will be apportioned among the overlying tax jurisdictions. Staff estimates that approximately \$140,000 would be deposited into the City's General Fund.

Title

Dissolving Tax Incremental District (TID) #30 (East Washington Avenue).

Body

On September 3, 2002, the Madison Common Council adopted Resolution No. 59,674, I.D. No. 31,794 creating Tax Incremental District (TID) #30 (East Washington Avenue) at an area generally located in the area of the East Washington Avenue commercial corridor between USH 30 and USH 51. A project plan was prepared, identifying various types of public improvements and private development that could be undertaken in the TID. TID #30 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 in the TEC Center within the TID and value growth over time added approximately \$8.2 million of value to TID #30. A total of \$153,168 of project costs including \$2,073 of interest and \$151,095 of public improvements has been implemented in the District as follows:

Street Reconstruction	\$62,143
Administrative Cost	<u>\$88,952</u>
Total Public Improvements	\$151,095

By the end of December 31, 2008, the City of Madison will have recovered its costs in TID #30 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 #30 established on January 1,2003 was \$22,543,200. The current equalized value as of January 1, 2007 is \$30,784,200, representing a property value growth of \$8,241,000. The project costs have been recovered in six (6) years.

Staff estimates that \$403,029 of excess tax increment will be apportioned among overlying tax jurisdictions as follows:

Estimated Apportionment of Excess Tax Increment

City of Madison	\$139,851
MMSD	\$197,081
MATC	\$23,367
Dane County	<u>\$42,721</u>
TOTAL	\$403,029

NOW, THEREFORE BE IT RESOLVED THAT Tax Incremental District #30 (East Washington Avenue) 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.