

CLOSURE OF TAX INCREMENT DISTRICT 25

City of Madison Tax Increment District (TID) 25 was established in 1995 for the development of South Capitol and East Wilson projects, including the Hilton Hotel. 2017 is the last year for which capital expenditures of the TID are allowed, and 2023 is the last year for the TID to remain in operation.

TID 25 currently has a balance of \$16.7 million from taxes collected but not distributed per the TIF agreement, of which \$1.9 million would be allocated to the County for other priorities if the TID were closed in 2014. Dane County has one of five seats on the TIF Review Board, which has approval authority for changes to the TID 25 plan. Changes to the TID 25 plan jeopardize the existing reserve balance and put the City of Madison taxpayers in the position of covering losses due to a project's failure to repay the TIF loan. The Madison Metropolitan School District has requested the City of Madison to close TID 25 and to be paid \$7.6 million from the fund reserves.

NOW THEREFORE BE IT RESOLVED, that the County of Dane shall request the County's representative and all other members of the Joint Review Board to close TID 25 on or before December 31, 2014 and return to Dane County its share of the TIF reserve.

BE IT FINALLY RESOLVED that a copy of this request shall be sent to the City of Madison Mayor and Common Council.