

**RESOLUTION #2021-03
EXTENDING THE LIFE OF TAX INCREMENTAL DISTRICT NO. 5
(TID NO. 5) FOR ONE YEAR TO FUND AFFORDABLE HOUSING
PROGRAMS AND PROJECTS WITHIN THE CITY OF
PRAIRIE DU CHIEN, WISCONSIN**

WHEREAS, Section 66.1105(6)(g) of Wisconsin Statutes provides that “after the date on which a tax incremental district created by a city pays off the aggregate of all its project costs, and notwithstanding the time at which such a district would otherwise be required to terminate under sub (7), a city may extend the life of the district for one year for the purpose of improving its housing stock,” and

WHEREAS, Section 66.1105(6)(g) further states that such an extension of the life of a tax incremental district must be by resolution of the Common Council, such resolution to specify how the city intends to improve its housing stock through the use of TIF funds realized from such extension, and further that at least 75 percent of such funds must be used to benefit affordable housing (housing costing no more than 30 percent of the household’s gross monthly income) in the city with the remaining funds to be used to improve overall housing stock; and

WHEREAS, the City of Prairie du Chien Tax Incremental District No. 5 is a TIF District created effective September 28, 1994, to assist in industrial and commercial development on the south end of Prairie du Chien; and

WHEREAS, TID No. 5 will pay off the aggregate of all its project costs using increment received in 2022 from 2021 taxes; and

WHEREAS, TID No. 5 is at the end of its statutory life as of September 28, 2021, and therefore is required to be terminated; and

WHEREAS, TID No. 5 through the highly successful implementation of its project plan has resulted in the creation of over \$7,000,000 of new taxable increment; and

WHEREAS, the Joint Review Board (JRB), with representation from all the taxing jurisdictions, voted unanimously at the JRB meeting on January 19, 2021, to recommend to the Common Council of the City of Prairie du Chien to extend the life of TID No. 5 for one year for the purposes of affordable housing; and

WHEREAS, the City of Prairie du Chien wishes to exercise its ability under Section 66.1105(6)(g) of Statutes to extend the life of Tax Incremental District No. 5 for one year to fund activities that benefit affordable housing and improve its housing stock; and

WHEREAS, the need for additional affordable housing in Prairie du Chien has been well documented through numerous reports and studies, most notably the *Prairie du Chien Housing Needs Assessment*; and

WHEREAS, this housing need is an ongoing barrier to population growth, community enhancement, and economic development; and

WHEREAS, the redevelopment of vacant, underutilized, or blighted properties as affordable housing especially in or near Prairie du Chien's downtown is a priority of the Common Council; and

WHEREAS, the support and expansion of Prairie du Chien's current program to improve existing housing stock in the City is also a priority of the Common Council;

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Prairie du Chien does hereby extend the life of Tax Incremental District No. 5 by one year (twelve months), to September 28, 2022, using increment received in 2023 from 2022 taxes, for the express purpose of funding programs and projects to increase and improve affordable housing and to improve housing stock; and

BE IT FURTHER RESOLVED that the Common Council does hereby direct that the revenue from this one-year extension of Tax Incremental District No. 5 be utilized as follows:

- 1) No less than seventy-five percent of the revenue to be used for affordable housing with precedence being given to projects and programs that redevelop vacant, underutilized, or blighted properties in or near Prairie du Chien's downtown. These funds will be utilized in collaboration and consultation with the Redevelopment Authority and

may be used to provide grants or loans, to purchase properties, to remove property barriers to the development of affordable housing projects, and to provide other assistance necessary to make affordable housing projects financially feasible. These funds should to the fullest extent possible leverage funds from other sources to maximize the projects supported. Additionally, loans should be prioritized over grants in order for the City to create a long-term source of housing funds.

- 2) No more than twenty-five percent of the revenue to be used to improve the overall housing stock of Prairie du Chien. These funds will be used in tandem with the City's existing housing fund and will be managed by Community Development Alternatives (CDA), the housing fund administrator. CDA in conjunction with City staff shall develop rules and application materials for use of these funds.

BE IT FURTHER RESOLVED that a copy of this resolution be filed with the Wisconsin Department of Revenue, as notification of this action; and

BE IT FURTHER RESOLVED that a copy of this resolution be provided to all members of the TID Joint Review Board, also as notification of this action.

Adopted this 23rd day of February 2021.

Resolution introduced and adoption moved by: _____

Motion for adoption seconded by: _____

By a vote of: _____ in favor, _____ against, and _____ abstain.

David Hemmer, Mayor of the City of Prairie du Chien

Chad Abram, City Administrator of the City of Prairie du Chien