



PUBLIC NOTICE

Finance Committee

Tuesday, January 13, 2026 at 5:00 PM

City Hall, 410 E Leffler St, Dodgeville, WI

AGENDA

I. CALL TO ORDER AND ROLL CALL

Meeting called to order at 5:00 PM

Members present: Johnson-Solberg, DeVoss, Sersch

Also present: Mayor Hottmann

II. APPROVAL OF MINUTES

1. Approval of minutes from November 17, 2025

Motion by DeVoss, Seconded by Johnson-Solberg. Motion carries unanimously 3-0.

III. NEW BUSINESS

2. Discussion of the TID 3 analysis by Ehlers as presented at the Joint Review Board meeting in December, and TID 3 infrastructure needs.

Mayor Hottmann reviewed the TID #3 analysis previously presented at the **Joint Review Board meeting on December 31** (held via Zoom). Participants included representatives from the County, Technical College, School District, and City.

A. Current TID #3 status and key figures

Mayor Hottmann summarized the current conditions of TID #3 and emphasized the need for additional development to avoid closure in a negative position.

Key figures discussed:

- **Base value (creation / no development):** \$1,867,900
- **Increment value (as of Jan. 1, 2025):** \$12,988,400
- **Current negative fund balance:** approximately **-\$338,793**
- **Expenditure period ends: 2035** (no additional infrastructure expenses after this date)
- **Projected TID closure: 2040**

Discussion noted the “construction year → valuation year → revenue year” timing lag (often ~2 years before full tax increment is realized). Mayor Hottmann explained that if no further development occurs, the TID could ultimately close owing money to the taxing jurisdictions (an estimate of roughly **\$815,000** was referenced).

B. Potential amendment to TID boundaries

Mayor Hottmann reviewed maps showing that some overlapping areas had previously been in **TID #2**, and explained a potential need to **amend the TID #3 project plan** to add additional parcels.

Key points:

- The purpose of an amendment would be to allow acquisition and/or future development costs and tax increment to be captured within TID #3.
- Mayor Hottmann stated that, per consultant guidance, the TID amendment would need to occur **before** a related property transaction if the City intends to treat acquisition costs as TID expenses.
- Members discussed annexation had questions on requirements for township land before inclusion in a TID, and the City's obligation to pay equivalent taxes to the Town for **three years** following annexation.

C. Development scenarios reviewed

Mayor Hottmann reviewed multiple projections illustrating the effect of adding development to TID #3:

- Scenario showing **two projects** generating a minimum of **\$125,000/year** in tax increment, moving the TID into a positive financial position earlier than the “do nothing” case presented earlier.
- Scenario including **pay-as-you-go (PAYGO) incentives** for developers, still showing the TID returning to a positive position, with additional debt service reflected due to infrastructure borrowing.

Mayor Hottmann emphasized that these incentives are funded by TID increment and are intended to catalyze additional growth, not increase the general tax burden.

D. Conceptual site plan and infrastructure approach

Mayor Hottmann discussed a conceptual layout for redevelopment of the former truck stop area, including extending a City street and utilities to create two commercial lots. A “dead-end” approach was discussed for the roadway—constructing only what is needed to serve the initial projects, with future extension contingent on later development.

Infrastructure borrowing was discussed for both projects combined: approximately **\$515,000** (with explanation that costs could be tracked internally even if borrowed via the City's broader

borrowing mechanism) and be reimbursed by the TID when reaching positive financial status.

5. Upfront Assistance / Next Steps (Closed Session Planning)

Mayor Hottmann stated the next step is to prepare developer agreements to support the Idle Sites grant application and to finalize incentive commitments.

Items discussed as needed to keep projects moving:

- Authorization to engage **Boardman & Clark (Julia Potter)** to draft developer agreements for the two projects.
- Potential **upfront assistance** requests:
 - **\$20,000** to help advance project 2 for predevelopment activities (discussed as potentially supportable via City room tax funds).
 - **\$100,000** upfront support request for project 1 (discussed as potentially included in the City's next borrowing and ultimately repaid from TID revenues once positive).

Mayor Hottmann indicated the Common Council would handle portions of the negotiations in **closed session** and noted an upcoming closed session discussion **next Tuesday**.

6. Action Taken (Committee Recommendation)

The committee discussed the value of forwarding a clear recommendation to the Common Council.

Motion: Recommend to the Common Council that the City proceed with:

- Moving forward on developer agreements,
- Engaging Boardman & Clark / Julia Potter for legal drafting,
- Proceeding with the proposed PAYGO structure and upfront incentive framework for both projects, with the intent to fund via TID-related borrowing and/or applicable room tax revenues.
- **Motion by Sersch, Seconded by DeVoss. Motion carried unanimously 3-0.**

IV. OLD BUSINESS

V. ADJOURN

3. Motion to Adjourn by DeVoss, seconded by Johnson-Solberg. Motion carried unanimously 3-0. 6:25 PM.

Any person who has a qualifying disability, as defined by the Americans with Disabilities Act, that requires the meeting or material at the meeting to be in an accessible location or format, must contact the City

Clerk at the address listed above or call 930-5228, prior to the meeting so that any necessary arrangements can be made to accommodate each request.