

2011 DRAFTING REQUEST

Bill

Received: **01/31/2012**

Received By: **mshovers**

Wanted: **Soon**

Companion to LRB:

For: **Joel Kleefisch (608) 266-8551**

By/Representing: **Stephanie**

May Contact:

Drafter: **mshovers**

Subject: **Local Gov't - tax incr financing**

Addl. Drafters:

Extra Copies: **EVM**

Submit via email: **YES**

Requester's email: **Rep.Kleefisch@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Allow extra boundary amendments for tax incremental district (TID) #3 in the city of Middleton

Instructions:

See Attached. Allow extra boundary adjustments for TID #3 in Middleton

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mshovers 01/31/2012	csicilia 02/01/2012		_____			Local
/1			jfrantze 02/01/2012	_____	sbasford 02/01/2012		Local
/2	mshovers 02/02/2012	csicilia 02/03/2012	jfrantze 02/03/2012	_____	lparisi 02/03/2012	ggodwin 02/06/2012	

FE Sent For:

<END>

→ 02-06-2012

("12")

see attached

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/?	mshovers 01/31/2012	csicilia 02/01/2012		_____			Local
/1			jfrantze 02/01/2012	_____	sbasford 02/01/2012		Local
/2	mshovers 02/02/2012	csicilia 02/03/2012	jfrantze 02/03/2012	_____	lparisi 02/03/2012		

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Extra Copies: **EVM**

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Requester's email: **Rep.Kleefisch@legis.wisconsin.gov**

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/?	mshovers 01/31/2012	csicilia 02/01/2012		_____			Local
/1			jfrantze 02/01/2012	_____	sbasford 02/01/2012		

FE Sent For:

1/2 MES 2/2/12
1/2 cjs 2/3
12
jm+jd 2/3 <END>

2011 DRAFTING REQUEST

Bill

Received: 01/31/2012

Received By: mshovers

Wanted: Soon

Companion to LRB:

For: Joel Kleefisch (608) 266-8551

By/Representing: Stephanie

May Contact:

Drafter: mshovers

Subject: Local Gov't - tax incr financing

Addl. Drafters:

Extra Copies: EVM

Submit via email: YES

Requester's email: Rep.Kleefisch@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Allow extra boundary amendments for tax incremental district (TID) #3 in the city of Middleton

Instructions:

See Attached. Allow extra boundary adjustments for TID #3 in Middleton

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1/1	mshovers	1 ijs 2/1 12		2/1			
1/1 WFS 1/31/12							

FE Sent For:

<END>

Shovers, Marc

From: Kundert, Stephanie
Sent: Tuesday, January 31, 2012 11:24 AM
To: Shovers, Marc
Cc: Rep. Kleefisch
Subject: Dane County TIF legislative proposal

Importance: High

Attachments: Dane County TIF bill language.DOC

Hi Marc,

Per our conversation, please find attached the proposed language concerning a requested extension to a TIF district in the City of Middleton. If possible, we would like a "rush" included on this request. If you have any questions or concerns, please do not hesitate to contact me.

Thanks so much!

Stephanie



Dane County TIF
bill language....

Stephanie L. Kundert
Office of Representative Joel Kleefisch
Member, Joint Committee on Finance
38th Assembly District
321 East, State Capitol
Madison, WI 53708
608.266.8552
stephanie.kundert@legis.wisconsin.gov

Amendment to Section 66.1105(4)(h):

Amend subsection 2 to read, in its entirety:

Except as provided in subs. 4., 5., 7., ~~8. and 9.~~, the planning commission may adopt an amendment to a project plan under subd. 1. to modify the district's boundaries, not more than 4 times during the district's existence, by subtracting territory from the district in a way that does not remove contiguity from the district or by adding territory to the district that is contiguous to the district and that is served by public works or improvements that were created as part of the district's project plan. A single amendment to a project plan that both adds and subtracts territory shall be counted under this subdivision as one amendment of a project plan.

Deleted: and

Add a subsection 9 to read, in its entirety:

9. Notwithstanding the limitation in subd. 2., the planning commission in the City of Middleton may adopt an amendment to a project plan under subd. 1 to modify the boundaries of tax incremental district number 3 not more than 7 times during the district's existence. A single amendment to a project plan that both adds and subtracts territory shall be counted under this subdivision as one amendment of a project plan.

Amendment to Section 66.1105(6)(a):

Add a subsection 3 to read, in its entirety:

3. Thirty-seven years after the tax incremental district is created if the district is tax incremental district number 3 and is located in a city in Dane County that was originally incorporated as a village in 1905, has a population of 17,442 and is partially located in the Pheasant Branch Creek watershed.



TODAY

State of Wisconsin
2011 - 2012 LEGISLATURE

3983/1



LRB 4841/1

MES 6:00:00

2011 BILL

Rm NR
insert

WANTED:
Wed.

D-NOTE

gen

1 AN ACT ... relating to: increasing the allowable number of project plan
amendments, ^{T I D N} _{= = = =} for tax incremental district number 3 in the city of Middleton

2

and lengthening the time during which tax increments may be allocated

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50 percent of the area to be included in the TID is blighted, in need of rehabilitation or conservation, suitable for industrial sites, or suitable for mixed-use development. Currently, towns and counties also have a limited ability to create a TID under certain circumstances. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, approval of the city's or village's proposed TID by a joint review board that consists of members who represent the overlying taxation districts, and adoption of a resolution by the common council or village board that creates the TID as of a date provided in the resolution.

Generally under current law a local planning commission may amend the project plan of a TID, by adding or subtracting territory from the district, not more than four times during the TID's existence.

Under this bill, with regard to TID number 3 in the city of Middleton, the local planning commission may amend the project plan of the TID not more than seven times

and BOR may allocate tax increments for up to 37 years after the TID's creation.

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For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 66.1105 (4) (h) 2. of the statutes is amended to read:

2 66.1105 (4) (h) 2. Except as provided in subds. 4., 5., 7., ~~and 8.,~~ and 9. the

3 planning commission may adopt an amendment to a project plan under subd. 1. to

4 modify the district's boundaries, not more than 4 times during the district's

5 existence, by subtracting territory from the district in a way that does not remove

6 contiguity from the district or by adding territory to the district that is contiguous

7 to the district and that is served by public works or improvements that were created

8 as part of the district's project plan. A single amendment to a project plan that both

9 adds and subtracts territory shall be counted under this subdivision as one

10 amendment of a project plan.

x ✓

History: 1975 c. 105, 199, 311; 1977 c. 29 ss. 724m, 725, 1646 (1), (3); 1977 c. 418; 1979 c. 221, 343; 1979 c. 361 s. 112; 1981 c. 20, 317; 1983 a. 27, 31, 207, 320, 405, 538; 1985 a. 29, 39, 285; 1987 a. 27, 186, 395; 1989 a. 31, 336; 1993 a. 293, 337, 399; 1995 a. 27 ss. 3330c to 3337, 9116 (5), 9130 (4); 1995 a. 201, 225, 227, 335; 1997 a. 3, 27, 237, 252; 1999 a. 9; 1999 a. 150 ss. 457 to 472; Stats. 1999 s. 66.1105; 2001 a. 5, 11, 16, 104; 2003 a. 34, 46, 126, 127, 194, 320, 326; 2005 a. 6, 3, 46, 328, 331, 385; 2007 a. 2, 10, 21, 41, 43, 57, 73, 96; 2009 a. 5, 28, 67, 170, 176, 310, 312; 2011 a. 10, 12, 32, 40, 41, 77; s. 13.92 (2) (i).

11 **SECTION 2.** 66.1105 (4) (h) 9. of the statutes is created to read:

12 66.1105 (4) (h) 9. Notwithstanding the limitation in subd. 2., the planning

13 commission in the city of Middleton may adopt an amendment to a project plan under

14 subd. 1. to modify the boundaries of ^Ttax ^Iincremental ^Ddistrict ^Nnumber 3 not more than

15 7 times during the district's existence. A single amendment to a project plan that

16 both adds and subtracts territory shall be counted under this subdivision as one

17 amendment of a project plan.

✓ x

18 **SECTION 3.** 66.1105 (6) (a) 10. of the statutes is created to read:

✓ ✓

BILL

1

66.1105 (6) (a) 10. Thirty-seven years after the tax incremental district is

2

created if the district is ^{T I} tax incremental ^{D N} district number 3 in the city of Middleton.

3

(END)

P-NOTE



2011 SENATE BILL 359

January 3, 2012 – Introduced by Senator LASEE, cosponsored by Representative JACQUE. Referred to Committee on Judiciary, Utilities, Commerce, and Government Operations.

1 **AN ACT to create** 66.1105 (6) (am) 2. e. of the statutes; **relating to:** extending
2 the expenditure period for a tax incremental district in the village of Denmark.

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50 percent of the area to be included in the TID is blighted, in need of rehabilitation or conservation, suitable for industrial sites, or suitable for mixed-use development. Currently, towns and counties also have a limited ability to create a TID under certain circumstances. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, approval of the city's or village's proposed TID by a joint review board that consists of members who represent the overlying taxation districts, and adoption of a resolution by the common council or village board that creates the TID as of a date provided in the resolution.

Also under current law, once a TID has been created, the Department of Revenue (DOR) calculates the "tax incremental base" value of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a "value increment" is created. That portion of taxes collected on the value increment in excess of the base value is called a "tax increment." The tax increment is placed in a special fund that may be used only to pay back the project costs of the TID.

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P. 10/2

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3983/?dn

MES.g...:....

- date -

g
g's

Representative Kleefisch:

You may wish to check with the city of Middleton, or DOR, to determine whether the expenditure period needs to be extended in s. 66.1105 (6) (am). Also, the predrafted language in proposed s. 66.1105 (6) (a) 3., which I created in subd. 10., refers to "a city in Dane County that was originally incorporated as a village in 1905, has a population of 17,442, and is partially located in the Pheasant Branch Creek watershed" is unnecessary. The bill may simply refer to the city of Middleton, as is done in created s. 66.1105 (4) (h) 9. This is a single-subject bill, with the subject expressed in the title. Consequently, identifying the particular city affected by the bill will not violate the constitutional provisions relating to private and local bills which embrace more than one subject.

That language

Marc E. Shovers
Managing Attorney
Phone: (608) 266-0129
E-mail: marc.shovers@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3983/1dn
MES:cjs:jf

February 1, 2012

Representative Kleefisch:

You may wish to check with the city of Middleton, or DOR, to determine whether the expenditure period needs to be extended in s. 66.1105 (6) (am). Also, the predrafted language in proposed s. 66.1105 (6) (a) 3., which I created in subd. 10., refers to "a city in Dane County that was originally incorporated as a village in 1905, has a population of 17,442, and is partially located in the Pheasant Branch Creek watershed" is unnecessary. The bill may simply refer to the city of Middleton, as is done in created s. 66.1105 (4) (h) 9. This is a single-subject bill, with the subject expressed in the title. Consequently, identifying the particular city affected by the bill will not violate the constitutional provisions relating to private and local bills which embrace more than one subject.

Marc E. Shovers
Managing Attorney
Phone: (608) 266-0129
E-mail: marc.shovers@legis.wisconsin.gov

Shovers, Marc

From: Kundert, Stephanie
Sent: Thursday, February 02, 2012 9:30 AM
To: Shovers, Marc
Cc: Julian, Jamie; Burri, Lance
Subject: LRB 3983 addition

Good Morning Marc,

I hope this finds you well. I wanted to follow-up with you on LRB 3983 and request that the following language be added to address your concerns with s. 66.1105 (6) (am):

SECTION 4:

66.105 (6) (am) 2. e. of the statutes is created to read:

e) Expenditures for project costs for Tax Increment District No. 3 in the City of Middleton. Such expenditures may be made no later than 32 years after the District is created and may be made through December 31, 2025.

I've included Senator Grothman's staff on this e-mail as Senator Grothman will be introducing the Senate companion of this bill (and for your reference with including this information in the language of that companion bill).

Thanks so much, Marc! Once we have this language inserted into the bill, that should be the final, introducible draft.

Please don't hesitate to contact me if you have any questions or concerns!

Stephanie

Stephanie L. Kundert

Office of Representative Joel Kleefisch

Member, Joint Committee on Finance

38th Assembly District

321 East, State Capitol

Madison, WI 53708

608.266.8552

stephanie.kundert@legis.wisconsin.gov



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-3983/1
MES:cjs:jf

2011 BILL

Wanted:
Fri.

Stays

fmr

SA

need

1 AN ACT *to amend* 66.1105 (4) (h) 2.; and *to create* 66.1105 (4) (h) 9. and 66.1105
2 (6) (a) 10. of the statutes; **relating to:** increasing the allowable number of
3 project plan amendments, and lengthening the time during which tax
4 increments may be allocated, ^{and expenditures for project costs may be} for Tax Incremental District Number 3 in the city
5 of Middleton. _{made}

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50 percent of the area to be included in the TID is blighted, in need of rehabilitation or conservation, suitable for industrial sites, or suitable for mixed-use development. Currently, towns and counties also have a limited ability to create a TID under certain circumstances. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, approval of the city's or village's proposed TID by a joint review board that consists of members who represent the overlying taxation districts, and adoption of a resolution by the common council or village board that creates the TID as of a date provided in the resolution.

Also under current law, once a TID has been created, the Department of Revenue (DOR) calculates the "tax incremental base" value of the TID, which is the

BILL

equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a "value increment" is created. That portion of taxes collected on the value increment in excess of the base value is called a "tax increment." The tax increment is placed in a special fund that may be used only to pay back the project costs of the TID.

The project costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. DOR authorizes the allocation of the tax increments until the TID terminates or, generally, 20 years, 23 years, or 27 years after the TID is created, depending on the type of TID and the year in which it was created. Also under current law, a city or village may not generally make expenditures for project costs later than five years before the unextended termination date of the TID. Under certain circumstances, the life of the TID, the expenditure period, and the allocation period may be extended.

Generally under current law a local planning commission may amend the project plan of a TID, by adding or subtracting territory from the district, not more than four times during the TID's existence.

Under this bill, with regard to TID number 3 in the city of Middleton, the local planning commission may amend the project plan of the TID not more than seven times, and DOR may allocate tax increments for up to 37 years after the TID's creation.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

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The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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- 2 66.1105 (4) (h) 2. Except as provided in subds. 4., 5., 7., and 8., and 9., the
- 3 planning commission may adopt an amendment to a project plan under subd. 1. to
- 4 modify the district's boundaries, not more than 4 times during the district's
- 5 existence, by subtracting territory from the district in a way that does not remove
- 6 contiguity from the district or by adding territory to the district that is contiguous
- 7 to the district and that is served by public works or improvements that were created
- 8 as part of the district's project plan. A single amendment to a project plan that both

BILL

1 adds and subtracts territory shall be counted under this subdivision as one
2 amendment of a project plan.

3 **SECTION 2.** 66.1105 (4) (h) 9. of the statutes is created to read:

4 66.1105 (4) (h) 9. Notwithstanding the limitation in subd. 2., the planning
5 commission in the city of Middleton may adopt an amendment to a project plan under
6 subd. 1. to modify the boundaries of Tax Incremental District Number 3 not more
7 than 7 times during the district's existence. A single amendment to a project plan
8 that both adds and subtracts territory shall be counted under this subdivision as one
9 amendment of a project plan.

10 **SECTION 3.** 66.1105 (6) (a) 10. of the statutes is created to read:

11 66.1105 (6) (a) 10. Thirty-seven years after the tax incremental district is
12 created if the district is Tax Incremental District Number 3 in the city of Middleton.

13

(END)

INS
3-12

INS 3-12

Section #. 66.1105 (6) (am) 2. ^e of the statutes is ~~amended~~ ^{created} to read:

Middleton

66.1105 (6) (am) 2. ^e Expenditures for project costs for Tax Incremental District Number ³ ~~2~~ in the city of ~~Racine~~ Such expenditures may be made no later than 32 years after the district is created and may be made through ~~2010~~ 2025

~~History: 1975 c. 105, 199, 311, 1977 c. 29 ss. 724m, 725, 1646 (1), (3); 1977 c. 418; 1979 c. 221, 343; 1979 c. 361 s. 112; 1981 c. 20, 317; 1983 a. 27, 31, 207, 320, 405, 538; 1985 a. 29, 39, 285; 1987 a. 27, 186, 395; 1989 a. 31, 336; 1993 a. 293, 337, 399; 1995 a. 27 ss. 3330c to 3337, 9116 (5), 9130 (4); 1995 a. 201, 225, 227, 335; 1997 a. 3, 27, 237, 252; 1999 a. 9; 1999 a. 150 ss. 457 to 472; Stats. 1999 s. 66.1105; 2001 a. 5, 11, 16, 104; 2003 a. 34, 46, 126, 127, 194, 320, 326; 2005 a. 6, 13, 46, 328, 331, 385; 2007 a. 2, 10, 21, 41, 43, 57, 73, 96; 2009 a. 5, 28, 67, 170, 176, 310, 312; 2011 a. 10, 12, 32, 40, 41, 77; s. 13.92 (2) (i).~~

Parisi, Lori

From: Kundert, Stephanie
Sent: Friday, February 03, 2012 4:54 PM
To: LRB.Legal
Subject: Draft Review: LRB 11-3983/2 Topic: Allow extra boundary amendments for tax incremental district (TID)#3 in the city of Middleton

Please Jacket LRB 11-3983/2 for the ASSEMBLY.

Barman, Mike

From: Barman, Mike
Sent: Monday, February 06, 2012 1:13 PM
To: Kundert, Stephanie
Subject: RE: LRB 3983/2 fiscal note

Stephanie,

I submitted your "early FE" request (un-introduced draft) on LRB-3983/2 to DOA for agency assignment.

Please let me know if I can be of further assistance,

Mike Barman (Lead Program Assistant)
State of Wisconsin - Legislative Reference Bureau
Legal Section - Front Office
1 East Main Street, Suite 200, Madison, WI 53703
(608) 266-3561 / mike.barman@legis.wisconsin.gov

From: Kundert, Stephanie
Sent: Monday, February 06, 2012 12:41 PM
To: Barman, Mike
Cc: Shovers, Marc
Subject: LRB 3983/2 fiscal note
Importance: High

Hi Mike,

I hope you are doing well. I need to request a fiscal estimate for LRB 3983/2, please, pertaining to TID Number 3 in the City of Middleton. Thank you!

Stephanie

Stephanie L. Kundert
Office of Representative Joel Kleefisch
Member, Joint Committee on Finance
38th Assembly District
321 East, State Capitol
Madison, WI 53708
608.266.8552
stephanie.kundert@legis.wisconsin.gov