2013 DRAFTING REQUEST

Bill

Received:	**3/7/2013**	Received By:	**mshovers**
Wanted:	**As time permits**	Same as LRB:	
For:	**John Spiros (608) 266-1182**	By/Representing:	**Katherine by Tim, Sen. Petrowski**
May Contact:		Drafter:	**mshovers**
Subject:	**Local Gov't - tax incr financing**	Addl. Drafters:	
		Extra Copies:	**EVM**

Submit via email: **YES**
Requester's email: **Rep.Spiros@legis.wisconsin.gov**
Carbon copy (CC) to:

Pre Topic:

No specific pre topic given

Topic:

Allow extra project plan amendment, extend life and expenditure period, of TID # 3 in Wausau

Instructions:

See attached. Assembly companion of LRB -1657/1. Extend the life and expenditure period, and allow one additional project plan amendment, to TID # 3 in Wausau. Based on 2011 Act 139 (SB 440 (LRB -3983/2)

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	mshovers 3/7/2013	kfollett 3/7/2013	phenry 3/7/2013	_____ _____			
/1				_____ _____	sbasford 3/7/2013	sbasford 3/7/2013	Local

FE Sent For:

At Intro.

<END>

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Jacket for Assembly

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Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	mshovers	11/5f	3/7				
/1 NES	3/7/13	3/7	ph	✓			

FE Sent For:

<END>

Shovers, Marc

From: Fiocchi, Tim
Sent: Thursday, March 07, 2013 10:55 AM
To: Shovers, Marc
Cc: Bates, Katherine
Subject: LRB -1657/1 Topic: Allow extra project plan amendment, extend life and expenditure period, of TID # 3 in Wausau

Hi Mark,

After further discussion we will be introducing the /1 version of this bill. If you could please send Katherine in Rep. Sprios' office their own jacket they will be introducing the bill in the Assembly.

Tim Fiocchi
Chief of Staff, Senator Jerry Petrowski
29th Senate District
(608) 266-2502

State of Wisconsin
2013 – 2014 LEGISLATURE

-1831/1

LRB-~~1657/1~~
MES:kjf:jm

RMNR

2013 BILL

Jacket for (A)

AN ACT ***to amend*** 66.1105 (4) (h) 2.; and ***to create*** 66.1105 (4) (h) 10., 66.1105 (6) (a) 11. and 66.1105 (6) (am) 2. f. of the statutes; **relating to:** increasing the allowable number of project plan amendments, and lengthening the time during which tax increments may be allocated and expenditures for project costs may be made, for Tax Incremental District Number 3 in the city of Wausau.

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.

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 Wausau, the local planning commission may amend the project plan of the TID not more than five times, expenditures for project costs may be made for up to 37 years after the TID was created, 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.

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., 8., ~~and~~ 9., <u>and 10.,</u> 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

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.

SECTION 2. 66.1105 (4) (h) 10. of the statutes is created to read:

66.1105 **(4)** (h) 10. Notwithstanding the limitation in subd. 2., the planning commission in the city of Wausau may adopt an amendment to a project plan under subd. 1. to modify the boundaries of Tax Incremental District Number 3 not more than 5 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.

SECTION 3. 66.1105 (6) (a) 11. of the statutes is created to read:

66.1105 **(6)** (a) 11. Thirty–seven years after the tax incremental district is created if the district is Tax Incremental District Number 3 in the city of Wausau.

SECTION 4. 66.1105 (6) (am) 2. f. of the statutes is created to read:

66.1105 **(6)** (am) 2. f. Expenditures for project costs for Tax Incremental District Number 3 in the city of Wausau. Such expenditures may be made no later than 37 years after the district is created and may be made through 2031.

(END)