2013 DRAFTING REQUEST

Bill

Received:	**12/27/2013**	Received By:	**mshovers**
Wanted:	**As time permits**	Same as LRB:	
For:	**André Jacque (608) 266-9870**	By/Representing:	**Jamie**
May Contact:		Drafter:	**mshovers**
Subject:	**Local Gov't - tax incr financing**	Addl. Drafters:	
		Extra Copies:	**EVM, John Soper @ Rep. Stroebel**

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

Pre Topic:

No specific pre topic given

Topic:

Authorize certain towns to create tax incemental districts (TID) and participate in multi-jurisdictional TIDs

Instructions:

See attached. Based on AB 478 (LRB -3376), and also allow such towns to create multi-jurisdictional TIDs

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	mshovers 2/5/2014	scalvin 2/5/2014		_____ _____			
/1			rschluet 2/5/2014	_____ _____	srose 2/5/2014	sbasford 2/11/2014	State S&L

FE Sent For:

at intro 2/20

<END>

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/?	mshovers						
/1		MES 2/5/14	2/5/14				

FE Sent For:

<END>

Shovers, Marc

From: Julian, Jamie
Sent: Wednesday, February 05, 2014 9:48 AM
To: Shovers, Marc
Cc: Soper, John
Subject: DRAFT REQUEST: Allowing towns to create multi-jurisdictional TIDs

Hi Marc,

Could you please forward this bill to me and also to Rep. Stroebel 's office (John Soper)?

Thank you,

Jamie Julian

Office of Rep. André Jacque
2nd Assembly District

Room 123 West
State Capitol
P.O. Box 8952
Madison, WI 53709

(608) 266-9870

From: Julian, Jamie
Sent: Thursday, December 19, 2013 11:48 AM
To: Shovers, Marc
Subject: DRAFT REQUEST: Allowing towns to create multi-jurisdictional TIDs

Hi Marc:

If my memory is correct, I believe the request below morphed into a simple amendment to another bill.

Representative Jacque would like to have this returned as a stand-alone bill.

Let me know if my original email is unclear or you have any questions.

Thank you and enjoy the holiday season!

Jamie Julian

Office of Rep. André Jacque
2nd Assembly District

Room 123 West
State Capitol
P.O. Box 8952
Madison, WI 53709

From: Julian, Jamie
Sent: Tuesday, October 15, 2013 3:12 PM
To: Shovers, Marc
Subject: DRAFT REQUEST: Allowing towns to create multi-jurisdictional TIDs

Hi Marc:

Rep. Jacque would like to expand 2011 Wisconsin Act 77 (created the ability for adjacent municipalities to form multi-jurisdictional TIFs (MJ-TIDs) across their corporate boundaries in order to engage in joint effort marketing and avoid direct competition between each other for incentives to businesses for those area.)

As you know, town TIFs are current specifically excluded - state statute, 66.1105(18)(c)4, - "No town may be part of a multijurisdictional tax incremental district."

Rep. Brooks' recent bill, LRB 3376, gives certain towns the authority to exercise all of the powers of a city or village to create a TID within the town if they have a population of at least 5,000/prior year equalized value of at least $500 million.

Rep. Jacque would like a stand-alone bill drafted as soon as convenient that will allow towns eligible under the Brooks bill to participate in MJ-TIDs to encourage cooperation and planning along their boundary areas

Thank you and let me know if you have any questions or need any clarification on this!

Sincerely,

Jamie Julian

Office of Rep. André Jacque
2nd Assembly District

Room 123 West
State Capitol
P.O. Box 8952
Madison, WI 53709

(608) 266-9870

State of Wisconsin
2013 – 2014 LEGISLATURE

LRB–4199/1
MES...:...

PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION

Today

AN ACT ...; **relating to:** expanding the authority of towns to create tax incremental financing districts and authorizing certain towns to participate in multijurisdictional tax incremental financing districts.

INS ANL

Analysis by the Legislative Reference Bureau

Also under current law, any number of cities and villages (municipalities) may jointly create a multijurisdictional TID (MJTID). Towns may not participate in a MJTID. To create a MJTID, municipalities must enter into an intergovernmental cooperation agreement to create the MJTID. The agreement must specify a number of things, including the proposed membership of the joint review board; a binding procedure to resolve disputes; a procedure to dissolve the MJTID before it would otherwise be required to terminate; a description of the responsibilities of each municipality's clerk, treasurer, and assessor; specification of a lead municipality for purposes of completing and submitting required documents; and procedures that will be followed to amend the project plan or boundaries of the MJTID. A copy of the agreement must be sent to DOR.

With regard to an MJTID, the district must be contiguous, its borders must contain territory in all municipalities that are a party to the agreement, and at least one parcel in each municipality must touch at least one parcel in at least one of the other municipalities. The agreement must specify that the MJTID's application to DOR will be submitted to DOR as one complete application and that the MJTID will terminate at one time as a single entity. Generally, the current law provisions that apply to all TIDs apply to MJTIDs.

Under this bill, the type of towns that are authorized in this bill to exercise all of the powers of a city or village to create a TID with the town may participate in a MJTID.

For further information see the ***state and 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:

INS 2–

SECTION 1. 66.1105 (18) (c) 4. of the statutes is amended to read:

66.1105 **(18)** (c) 4. No town, other than a town that is defined in s. 60.23 (32) (e) 1., may be part of a multijurisdictional tax incremental district.

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, 137, 139; 2011 a. 260 s. 81; 2013 a. 2, 32, 90; s. 13.92 (1) (bm) 2., (2) (i).

SECTION 2. Effective date.

(1) This act takes effect on October 1, 2014.

(END)

State of Wisconsin
2013 – 2014 LEGISLATURE

LRB-3376/1
MES:sac:rs

2013 ASSEMBLY BILL 478

November 1, 2013 – Introduced by Representatives BROOKS, KERKMAN, KESTELL, A. OTT, BALLWEG, BIES, JACQUE, MURTHA, ENDSLEY, MURPHY, PETRYK, BERNIER, SPIROS, TITTL, SCHRAA, PRIDEMORE and RIPP, cosponsored by Senators PETROWSKI, GROTHMAN and SCHULTZ. Referred to Committee on State and Local Finance.

AN ACT ***to renumber*** 60.23 (32); and ***to create*** 60.23 (32) (b) of the statutes; **relating to:** expanding the authority of towns to create tax incremental financing districts.

INS ANL p.1 of 2

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

INS ANL p.2 of 2

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.

Under the current law limitations on towns to use tax incremental financing (TIF), a town may create a TID for projects related to tourism, agriculture, manufacturing, or forestry. A town may also use TIF for residential projects, but only to the extent that the residential project has a necessary and incidental relationship to a tourism, agricultural, manufacturing, or forestry project, and for retail projects to the extent that the retail development is related to the retail sale of a product that is produced due to an agricultural, forestry, or manufacturing project.

A town may also create a TID in limited circumstances under which the town enters into a cooperative plan with a city or village under which part or all of the town will be annexed or attached by the city or village.

This bill authorizes certain towns to exercise all of the powers of a city or village to create a TID within the town. To create a TID under the bill, a town must have a population of at least 5,000 and the equalized value of all taxable property within the town must be at least $500 million in the year before the year in which the town proposes to create the TID.

~~For further information see the *state and 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:

INS 2-1 p.1 of 2

~~**SECTION 1.** 60.23 (32) of the statutes is renumbered 60.23 (32) (a).~~

SECTION ~~2~~ 1. 60.23 (32) (~~b~~ e) of the statutes is created to read:

60.23 **(32)** (~~b~~ e) 1. In this paragraph, "town" means a town in which the equalized value of all taxable property in the town, in the year before the year in which the town adopts a resolution under s. 66.1105 (4) (gm), is at least $500 million.

ins 2-1 p.2 of 2

2. Subject to subd. 3., a town with a population of at least 5,000 may exercise all powers of cities under s. 66.1105 to create a tax incremental district. If the town board exercises the powers of a city under s. 66.1105, it is subject to the same duties as a common council under s. 66.1105 and the town is subject to the same duties and liabilities as a city under s. 66.1105.

3. a. If a town creates a tax incremental district under s. 60.85, the town may not take any action with regard to that district except by acting under s. 60.85.

b. If a town creates a tax incremental district under par. (a), the town may not take any action with regard to that district except by acting under par. (a).

(END)

Basford, Sarah

From: Julian, Jamie
Sent: Tuesday, February 11, 2014 8:48 AM
To: LRB.Legal
Subject: Draft Review: LRB -4199/1 Topic: Authorize certain towns to create tax incemental districts (TID) and participate in multi-jurisdictional TIDs

Please Jacket LRB -4199/1 for the ASSEMBLY.