



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1708/P2
MES:cde

DOA:.....Quinn, BB0241 - TIF district project plan stress tests (TID)

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

1. Tax incremental district project plan stress tests

This bill requires another item that must be included in a tax incremental district's project plan.

Under the current tax incremental financing program, a city or village may create a TID in part of its territory to foster development under certain conditions. Currently, towns and counties also have a limited ability to create a TID under certain limited 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.

Currently, a project plan must include a number of elements, such as information regarding the kind, number, and location of all proposed public works or improvements within the district, an economic feasibility study, a detailed list of estimated project costs, and a description of financing methods for the project costs. This bill requires the project plan to also include alternative economic projections of

the TID's finances and feasibility under different economic situations, including a slower pace of development and lower rate of property value growth than expected in 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:

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

66.1105 (4) (f) Adoption by the planning commission of a project plan for each tax incremental district and submission of the plan to the local legislative body. The plan shall include a statement listing the kind, number and location of all proposed public works or improvements within the district or, to the extent provided in sub. (2) (f) 1. k. and 1. n., outside the district, an economic feasibility study, a detailed list of estimated project costs, and a description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred. The project plan shall also contain alternative projections of the district's finances and economic feasibility under different economic situations, including the pace of development in the district being slower than expected and the rate of property value growth in the district being lower than expected. The plan shall also include a map showing existing uses and conditions of real property in the district; a map showing proposed improvements and uses in the district; proposed changes of zoning ordinances, master plan, if any, map, building codes and city ordinances; a list of estimated nonproject costs; and a statement of the proposed method for the relocation of any persons to be displaced. The plan shall indicate how creation of the tax incremental district promotes the orderly development of the city. The city shall

include in the plan an opinion of the city attorney or of an attorney retained by the city advising whether the plan is complete and complies with this section.

SECTION 9330. Initial applicability; Local Government.

(1) TAX INCREMENTAL DISTRICT PROJECT PLANS; ALTERNATIVE FINANCIAL SCENARIOS.

The treatment of s. 66.1105 (4) (f) first applies to a tax incremental district that is created on October 1, 2019, or whose project plan is amended on October 1, 2019.

(END)