

FISCAL ESTIMATE

1999 Session

ORIGINAL UPDATED

LRB # LRB-0044/1

CORRECTED SUPPLEMENTAL

INTRODUCTION # AB 202

Admin. Rule #

Subject

Authorize Creation of Charter Towns

Fiscal Effect

State: No State Fiscal Effect
Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

Increase Costs - May be Possible to Absorb Within Agency's Budget Yes No

Decrease Costs

Local: No Local Government Costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

The bill allows certain towns that are authorized to exercise village powers to declare themselves, by referendum, to be charter towns. Charter towns can be declared only by towns with populations of at least 2,500 and that have a town plan commission, a comprehensive land use plan, building code and subdivision ordinances and zoning ordinances for construction site erosion control and storm water management. A charter town would not be subject to county zoning ordinances unless adopted by the town and may revoke its approval of any county zoning ordinance. Charter towns would not be subject to extraterritorial zoning jurisdiction or extraterritorial plat approval jurisdiction of a city or village but would continue to be subject to county zoning of wetlands in shorelands.

In addition, certain charter towns would be protected from annexation by a city or village unless the town board approves the proposed annexation. These protected towns must have 1) an equalized value that exceeds \$100 million and 2) 10% of its residents receiving either water or sewage disposal services from off-site facilities, e.g. sanitary, sewerage or utility districts and 3) 24-hour law enforcement services.

The bill allows all towns to exercise the powers of a city to create tax incremental financing (TIF) districts.

(continued on page two)

Long-Range Fiscal Implications

<p>Agency/Prepared by: (Name & Phone No.) Wisconsin Department of Revenue Rebecca Boldt, (608) 266-6785</p>	<p>Authorized Signature/Telephone No. Yeang-Eng Braun (608) 266-2700</p> <p><i>Yeang Eng Braun</i></p>	<p>Date 3/31/99</p>
---	--	-------------------------

FISCAL ESTIMATE

AB 202

Page 2

According to Department of Revenue data, 122 towns have populations over 2,500. These towns could, subject to voter approval, declare themselves charter towns upon enactment of the necessary land use plans, mapping and zoning ordinances. Towns that did not already have land use plans and official maps would incur costs ranging from \$5,000 to \$15,000 for basic land use plans and mapping; more complicated plans and mapping could cost up to \$100,000. Towns that had not already enacted and enforced zoning ordinances would incur personnel costs for the staff required for enforcement. Fees associated with various zoning requirements could defray some costs. As charter towns, they would not be subject to any county zoning, except wetlands in shoreland zoning, or to extraterritorial zoning or extraterritorial plat approval jurisdiction of a city or a village. Adjoining cities would lose zoning authority over affected unincorporated areas within 3 miles of their corporate limits, and adjoining villages would lose zoning authority over affected unincorporated areas within 1.5 miles of their limits.

According to Department of Revenue data and 1990 census data, 18 towns could qualify for protected status to the extent that they meet the criteria related to population, equalized value, percentage of off-site sewerage systems, and 24-hour law enforcement services. Cities and villages adjoining these protected towns would lose the ability to expand their tax base.

It is estimated that under the bill, about 80 TIF districts will be created by towns annually. For the life of the district, the TIF incremental tax base associated with each of these districts will not be available to help finance town operating expenses. The bill will increase department costs related to local administrative assistance, document reviews, certification of base values and determination of subsequent year equalized values of each new district.

YEB 3/31/99

FISCAL ESTIMATE

Detailed Estimate of annual fiscal Effect

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # LRB-0044/1	Admin. Rule #
INTRODUCTION # AB 202	

Subject
 Authorize Creation of Charter Towns

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State Funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringe	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations-Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ _____	\$ See text of fiscal note.
NET CHANGE IN REVENUES	\$ _____	\$ _____

Agency/Prepared by: (Name & Phone No.) Wisconsin Department of Revenue Rebecca Boldt, (608) 266-6785	Authorized Signature/Telephone No. Yeang-Eng Braun (608) 266-2700 <i>Yeang Eng Braun</i>	Date 3/31/99
---	--	------------------------