

1999 DRAFTING REQUEST

Bill

Received: **11/24/98**

Received By: **shoveme**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-7597**

By/Representing: **Wong**

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Subject: **Munis - miscellaneous**
Munis - tax incrmntal financing

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Topic:

DOA:.....Wong - Environmental remediation tax incremental financing

Instructions:

See Attached

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**Issue: Modify Environmental Remediation Tax Incremental Financing
(ER TIF) District – s. 66.462, Wis. Stats.**

Background

The State of Wisconsin created a new type of Tax Incremental Financing (TIF) district – an Environmental Remediation or ER TIF – as part of the 1997-99 biennial budget. The purpose of the ER TIF is to provide political subdivisions – cities, villages, towns or counties – with an additional tool to finance the investigation and cleanup of environmentally contaminated properties, often referred to as brownfields. The ER TIF

functions as a mechanism to reimburse those political subdivisions for their costs, after the cleanup is complete. The political subdivision must own the property at the time the cleanup takes place and cannot have caused the contamination. The ER TIF has the potential to be a powerful incentive to cleanup brownfields, particularly at those properties overlooked by the private sector.

Proposals

The following proposals are offered:

- ① ■ Expand definition of “eligible costs” [s. 66.462(1)(c), Stats.] to include: cancellation of delinquent taxes, penalties, or special assessments & charges; property acquisition costs; demolition costs, including asbestos removal; emergency or interim actions (e.g., tank, barrel or other removal actions); and Phase I and II environmental assessments. *modified*
covered by “investigation”
- ② ■ Modify “period of certification” [s. 66.462(1)(i), Stats.] to: expand period of certification to 23 years, with the political subdivision having the ability to estimate the “present value of operation and maintenance costs” as an eligible cost, if those costs will be incurred beyond the 23-year certification period. *?*
- ③ ■ Modify “use of environmental remediation tax increments” [s. 66.462(2), Stats.] to: allow a political subdivision to create a TIF on a property where it incurs eligible costs, regardless of whether or not they own the property.
- ④ ■ Modify “certification” requirements [s. 66.462(4)(a)] to: allow the political subdivision to seek from the Department of Revenue authority to create the TIF once the Department of Natural Resources has approved the ch. NR 716 site investigation report. The timing of the approval of the ER TIF by the joint review board will need to be evaluated based on this proposal.
- ⑤ ■ Create new authority for ER TIF creation in DNR-approved “economic revitalization zones (ERZs)” (also, please see the Area-Wide Groundwater Proposals in Chapter ??? for more information on ERZs):
 - allow multiple properties to be in ER TIF;
 - allow political subdivisions to establish ER TIFs after establishment of an ERZ – do not tie creation of ER TIF to approval of cleanup documents;
 - allow political subdivision to use ER TIF revenues to provide grants or loans to properties within the ER TIF as long as they are for an “eligible cost;”

-
- limit any funds provided to non-political subdivisions to those persons who commenced site investigation within two years of an ERZ creation and had the remedial action plan for the property approved within five years of commencing the site investigation or creating the ERZ; and
 - support DOR's budget request to avoid "double reimbursement" concerns; DOR is proposing budget amendments to the ER TIF to clarify that if a political subdivision receives remediation funds from other federal, state, or local sources (e.g., PECFA or Commerce grants), they must reduce the "eligible" ER TIF costs by that amount; in other words, they cannot receive a Commerce grant to remediate the property and then claim those same costs as ER TIF eligible.

Comments

Type of Changes: Statutory

Resources: None

Wisconsin Department of Revenue Comments

Issue: *Environmental Remediation Tax Incremental Financing (TIF) District – s.66.462, Wis. Stats.*

Proposal 1: Expand definition of “eligible costs”.

The Department supports limited expansion of ER TIF eligible costs to include demolition and other costs specific to remediation; however, the Department opposes the inclusion of delinquent taxes, penalties, and special assessments as eligible costs under ER TIF. Current law provides a procedure for the recovery of delinquent taxes from the proceeds of a tax sale. That the sale proceeds are insufficient to cover the delinquent taxes is often due to delayed action by the municipality or county in taking tax title to the property; the proposal may encourage further delay. More importantly, the proposal would result in taxpayers paying for the delinquent taxes twice – first through the county levy and second as a TIF cost.

Proposal 3: Modify “use of remediation tax increments”.

The Department is mindful of the need for flexibility in regard to transfers of ownership in the remediation process. However, the proposal to include remediation costs of private property departs from the original intent of the ER TIF – to be a financing tool for municipalities wishing to remediate abandoned property. If this proposal is adopted, additional safeguards are needed to prevent public subsidy of costs that should be borne by responsible parties.

Proposal 4: Modify “certification” requirements.

The Department assumes this proposal to mean that the ER TIF life begins after approval of a site investigation report rather than after the remediation is complete. The Department recommends that the approval be contingent on an approved remedial action plan with cost estimates as well as a site investigation report. This would provide the Joint Review Board with the data necessary to make an informed decision.

Proposal 5: ER TIF within “economic revitalization zones”.

- Allow multiple parcels

Parcels within an ER TIF boundary must be part of the same overlying taxing jurisdictions. The Department would prefer that the ER TIF district be made up of contiguous parcels. Expanding ER TIF boundaries to include multiple parcels suggests the need for prudent limits. These could be based on value limits akin to the regular TIF 5%/7% value limitations; alternatively, these could be based on the number of parcels within a municipality.

- Do not tie creation of TIF to approval of clean-up documents.

The Department believes that clean up documents, whether prior to the clean up (approved site investigation reports and approved remediation action plans with cost estimates) or

subsequent to the remediation (close out DNR letter with costs quantified) are required for the Joint Review Board to make an informed decision of the viability of the ER TIF.

Resources: The expansion of ER TIFs to include greater eligible costs and multiple, possibly non-contiguous, parcels will increase DOR administrative costs. An additional 1.0 FTE Property Assessment Specialist and 0.5 FTE Property Assessment Technician are needed to handle the additional workload.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1007/P1

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DOA:.....Wong - Environmental remediation tax incremental financing
FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

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1 AN ACT ..., relating to: modifying the environmental remediation tax
2 incremental financing program. ✓

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT ✓

OTHER LOCAL GOVERNMENT ✓

Under current law, a city, village, town or county (political subdivision) ✓ may create an environmental remediation tax incremental district (ERTID) to defray the costs of remediating contaminated property that is owned by the political subdivision. The mechanism for financing costs that are eligible for remediation is very similar to the mechanism under the tax incremental financing (TIF) ✓ program. If the remediated property is transferred to another person and is then subject to property taxation, environmental remediation (ER) tax incremental financing may be used to allocate some of the property taxes that are levied on the property to the political subdivision to pay for the costs of remediation.

Under this bill, ~~ER~~ tax incremental financing may be used to defray the costs of remediating contaminated property that is owned by private persons.

Before the political subdivision may use ER tax incremental financing, however, it must create a joint review board that is similar to the current law tax incremental district (TID) joint review board, or a city or village may use an existing TID joint review board, to review the political subdivision's proposal to remediate environmental pollution. If the joint review board approves the proposal, the

political subdivision may proceed with its plan. An ERTID[✓] joint review board is made up of one representative chosen by the school district that has power to levy taxes on the property that is remediated, one representative chosen by the technical college district that has power to levy taxes on the property, one representative chosen by the county that has power to levy taxes on the property that is remediated, one representative chosen by the political subdivision and one public member.

A political subdivision that has incurred "eligible costs" to remediate environmental pollution on a parcel of property may apply to the department of revenue (DOR) to certify the "environmental remediation tax incremental base" (ERTIB)[✓] of the parcel. DOR is required to certify the ERTIB if the political subdivision submits to DOR all of the following: 1) a statement that the political subdivision has incurred eligible costs, detailing the purpose and amount of the expenditures, and including certification of the department of natural resources (DNR)[✓] that the ER has been completed; 2) a statement that all taxing jurisdictions with authority to levy general property taxes on the parcel of property have been notified that the political subdivision intends to recover its ER costs by using an "ER tax increment"; and 3) a statement that the political subdivision has attempted to recover its ER[✓] costs from the responsible party.

Under the bill, the environmental remediation does not need to be completed before a political subdivision may ask DOR to certify the[✓] ERTIB. The political subdivision is required, under the bill, to submit to DOR a statement that the political subdivision has incurred some eligible costs and includes with the statement a detailed proposed remedial action plan that contains cost estimates for anticipated eligible costs. The political subdivision is also required to include certification from DNR that the department has approved the site investigation report that relates to the parcel.

"Eligible costs" are capital costs, financing costs and administrative and professional service costs for the removal, containment or monitoring of, or the restoration of soil or groundwater affected by, environmental pollution. Eligible costs are reduced by any amounts received from persons who are responsible for the discharge of a hazardous substance on the property to pay remediation costs and by the amount of net gain on the sale of the property by the political subdivision. The "ERTIB" of the property is the property's equalized value on the January 1 preceding the date on which DNR certifies that the property has been properly remediated.

The bill changes the definition of eligible costs to include cancellation of delinquent taxes, penalties or special assessments and charges, property acquisition costs, demolition costs including asbestos removal, removing and disposing of certain abandoned containers. The bill also expands from 16 to 23[✓] years the period of certification which is the maximum number of years that DOR may certify the ERTIB and eligible costs may be paid.

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:

1 **SECTION 1.** 66.462 (1) (c) of the statutes is amended to read:

2 66.462 (1) (c) “Eligible costs” means capital costs, financing costs and
3 administrative and professional service costs for the investigation, removal,
4 containment or monitoring of, or the restoration of soil or groundwater affected by,
5 environmental pollution, including monitoring costs incurred within 2 years after
6 the date on which the department of natural resources certifies that environmental
7 pollution on the property has been remediated, ✓cancellation of delinquent taxes,
8 penalties or special assessments and charges, property acquisition costs, demolition
9 costs including asbestos removal, removing and disposing of abandoned containers,
10 as defined in s. 292.41 (1), ✓ except that for any parcel of land “eligible costs” shall be
11 reduced by any amounts received from persons responsible for the discharge, as
12 defined in s. 292.01 (3), of a hazardous substance on the property to pay for the costs
13 of remediating environmental pollution on the property and the amount of net gain
14 from the sale of the property by the political subdivision.

15 History: 1997 a. 27.

SECTION 2. 66.462 (1) (i) of the statutes is amended to read:

16 66.462 (1) (i) “Period of certification” means a period of not more than 16 ✓23
17 years beginning after the department certifies the environmental remediation tax
18 incremental base of a parcel of property under sub. (4) or a period before all eligible
19 costs have been paid, whichever occurs first.

20 History: 1997 a. 27.

SECTION 3. 66.462 (2) of the statutes is amended to read:

1 66.462 (2) USE OF ENVIRONMENTAL REMEDIATION TAX INCREMENTS. A political
2 subdivision that develops, and whose governing body approves, a written proposal
3 to remediate environmental pollution [✓] on property owned by the political subdivision
4 may use an environmental remediation tax increment to pay the eligible costs of
5 remediating environmental pollution on property that is not part of a tax
6 incremental district created under s. 66.46 and that is owned by the political
7 subdivision at the time of the remediation and then transferred to another person
8 after the property is remediated, [✓] as provided in this section. No political subdivision
9 may submit an application to the department under sub. (4) until the joint review
10 board approves the political subdivision's written proposal under sub. (3).

11 *History: 1997 a. 27.*

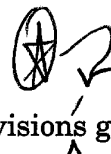
11 **SECTION 4.** 66.462 (4) (a) of the statutes is amended to read:

12 66.462 (4) (a) The political subdivision submits a statement that it has incurred
13 some eligible costs, and includes with the statement a detailed proposed remedial
14 action plan that contains cost estimates for anticipated eligible costs, [✓] with respect
15 to the parcel of property and the statement details the purpose and amount of the
16 expenditures already made and includes a dated certificate issued by the
17 department of natural resources that certifies that ~~environmental pollution on the~~
18 ~~parcel of property has been remediated~~ the department ^{of revenue} (has approved the site
19 investigation report that relates to the parcel in accordance with rules promulgated
20 by the department of natural resources.

21 *History: 1997 a. 27.*

21 **SECTION 9358.** [✓] **Initial applicability; other.**

22 (1) ENVIRONMENTAL REMEDIATION TAX INCREMENTAL FINANCING. [✓] The treatment of
23 sections 66.462 (1) (c) [✓] and (i), [✓] 66.462 (2) ^{and} [✓] 66.462 (4) (a) of the statutes first applies to
24 an environmental remediation tax incremental financing district, the written



1 remediation proposal for which is approved by the political subdivisions governing
2 body on the effective date of this subsection. ✓

3 (END) ✓

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

LRB-1007/P1dn

MES.....

↑
Jlg

of environmental pollution,

Please review this bill carefully to ensure that it meets your intent. I have a number of concerns regarding your proposals, and I did not execute a number of them for reasons I will explain in this drafter's note.

Your first proposal is to expand the definition of "eligible costs" in s. 66.462 (1) (c). I have followed your instructions for the most part, but I did not include "Phase I and Phase II environmental assessments." It seems to me that this concept is already covered in the definition under "... costs for the investigation, removal, containment or monitoring ...". I also substituted "removing and disposing of abandoned containers, as defined in s. 292.41 (1)" for your requested language "emergency or interim actions." Finally, I have some concerns over the inclusion of "cancellation of delinquent taxes, penalties or special assessments and charges." This inclusion ignores other current law procedures for recovering delinquent taxes and could result in taxpayers paying for the delinquent taxes twice — once through the county levy and then again as a TIF cost. Is this your intent?

Your second proposal is to modify "period of certification" in s. 66.462 (1) (i). I increased the period from 16 to 23 years, but I don't know what you mean by "[giving] the political subdivision the ability to estimate the 'present value of operation and maintenance costs' as an eligible cost, if those costs will be incurred beyond the 23-year certification period."

I did not execute your fifth proposal, to create new authority for ERTIF in "DNR-approved 'economic revitalization zones.'" The instructions seem incomplete (there is no description of these "zones"), and I don't really understand the purpose of this new authority. Under current law, political subdivisions may create ERTIFs wherever they want to, as long as they follow the statutory procedures. A political subdivision does not need new authority to create an ERTIF in an "economic revitalization zone."

Finally, it seems to me that there is a possibility that this bill, as drafted, could be challenged as a violation of the public purpose doctrine. Your third proposal is to "allow a political subdivision to create a TIF [on private property]." In general, expenditures of state funds must be for a public purpose of a statewide concern. It could be argued that allowing a political subdivision to spend public funds to remediate contaminated private property violates section 4, article IV of the U.S. Constitution, which prohibits the raising of taxes for anything but a public purpose. See *Heimerl v. Ozaukee County*,

①

256 Wis. 151, 158 (1949). It could also be argued that such a use of public funds *is* for a public purpose because the remediation addresses a public health concern. To avoid a public purpose doctrine challenge, you may wish to consider additional safeguards to prevent public funds from being spent for costs that should be borne by the private parties who are responsible for the environmental contamination.

Marc E. Shovers
Senior Legislative Attorney
266-0129

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

LRB-1007/P1dn
MES:jlg:ijs

November 30, 1998

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Marc E. Shovers
Senior Legislative Attorney
266-0129

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

LRB-1007/P1dn
MES:jlj:ijs

2

November 30, 1998

*instructions for P2,
based on
12/8 conversation
w/ DOA's
Mayer Wong*

Please review this bill carefully to ensure that it meets your intent. I have a number of concerns regarding your proposals, and I did not execute a number of them for reasons I will explain in this drafter's note.

Your first proposal is to expand the definition of "eligible costs" in s. 66.462 (1) (c). I have followed your instructions for the most part, but I did not include "Phase I and Phase II environmental assessments." It seems to me that this concept is already covered in the definition under "... costs for the investigation, removal, containment or monitoring ..." of environmental pollution. I also substituted "removing and disposing of abandoned containers, as defined in s. 292.41 (1)" for your requested language "emergency or interim actions." Finally, I have some concerns over the inclusion of "cancellation of delinquent taxes, penalties or special assessments and charges." This inclusion ignores other current law procedures for recovering delinquent taxes and could result in taxpayers paying for the delinquent taxes twice — once through the county levy and then again as a TIF cost. Is this your intent?

*DOA
don't
want
this*

*DOA
agrees
remove*

Your second proposal is to modify "period of certification" in s. 66.462 (1) (i). I increased the period from 16 to 23 years, but I don't know what you mean by "[giving] the political subdivision the ability to estimate the 'present value of operation and maintenance costs' as an eligible cost, if those costs will be incurred beyond the 23-year certification period."

*ignore
other law*

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*ignore
DOA isn't
creating
these
zones*

*they are
allowing
ERTIF to
be used on
multiple
in 4.0
state*

Finally, it seems to me that there is a possibility that this bill, as drafted, could be challenged as a violation of the public purpose doctrine. Your third proposal is to "allow a political subdivision to create a TIF [on private property]." In general, expenditures of state funds must be for a public purpose of a statewide concern. It could be argued that allowing a political subdivision to spend public funds to remediate contaminated private property violates section 4, article IV, of the U.S. Constitution, which prohibits the raising of taxes for anything but a public purpose. See *Heimerl v. Ozaukee County*,

*delete
3rd
proposal*

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Marc E. Shovers
Senior Legislative Attorney
266-0129



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1007/P1
MES:jl:ms

RMP

DOA:.....Wong - Environmental remediation tax incremental financing
FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

SOON

1 AN ACT ^{do not gen} ...; relating to: modifying the environmental remediation tax
2 incremental financing program.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

OTHER LOCAL GOVERNMENT

Under current law, a city, village, town or county (political subdivision) may create an environmental remediation tax incremental district (ERTID) to defray the costs of remediating contaminated property that is owned by the political subdivision. The mechanism for financing costs that are eligible for remediation is very similar to the mechanism under the tax incremental financing (TIF) program. If the remediated property is transferred to another person and is then subject to property taxation, environmental remediation (ER) tax incremental financing may be used to allocate some of the property taxes that are levied on the property to the political subdivision to pay for the costs of remediation.

~~Under this bill, ER tax incremental financing may be used to defray the costs of remediating contaminated property that is owned by private persons.~~

Before the political subdivision may use ER tax incremental financing, however, it must create a joint review board that is similar to the current law tax incremental district (TID) joint review board, or a city or village may use an existing TID joint review board, to review the political subdivision's proposal to remediate environmental pollution. If the joint review board approves the proposal, the

political subdivision may proceed with its plan. An ERTID joint review board is made up of one representative chosen by the school district that has power to levy taxes on the property that is remediated, one representative chosen by the technical college district that has power to levy taxes on the property, one representative chosen by the county that has power to levy taxes on the property that is remediated, one representative chosen by the political subdivision and one public member.

A political subdivision that has incurred "eligible costs" to remediate environmental pollution on a parcel of property may apply to the department of revenue (DOR) to certify the "environmental remediation tax incremental base" (ERTIB) of the parcel. DOR is required to certify the ERTIB if the political subdivision submits to DOR all of the following: 1) a statement that the political subdivision has incurred eligible costs, detailing the purpose and amount of the expenditures, and including certification of the department of natural resources (DNR) that the ER has been completed; 2) a statement that all taxing jurisdictions with authority to levy general property taxes on the parcel of property have been notified that the political subdivision intends to recover its ER costs by using an "ER tax increment"; and 3) a statement that the political subdivision has attempted to recover its ER costs from the responsible party.

Under the bill, the environmental remediation does not need to be completed before a political subdivision may ask DOR to certify the ERTIB. The political subdivision is required, under the bill, to submit to DOR a statement that the political subdivision has incurred some eligible costs and includes with the statement a detailed proposed remedial action plan that contains cost estimates for anticipated eligible costs. The political subdivision is also required to include certification from DNR that the department has approved the site investigation report that relates to the parcel.

"Eligible costs" are capital costs, financing costs and administrative and professional service costs for the removal, containment or monitoring of, or the restoration of soil or groundwater affected by, environmental pollution. Eligible costs are reduced by any amounts received from persons who are responsible for the discharge of a hazardous substance on the property to pay remediation costs and by the amount of net gain on the sale of the property by the political subdivision. The "ERTIB" of the property is the property's equalized value on the January 1 preceding the date on which DNR certifies that the property has been properly remediated.

The bill changes the definition of eligible costs to include ~~property acquisition costs, delinquent taxes, penalties or special assessments and charges~~ ^{and} ~~removal of asbestos, demolition costs including asbestos removal, removing and disposing of certain abandoned containers.~~ The bill also expands from 16 to 23 years the period of certification which is the maximum number of years that DOR may certify the ERTIB and eligible costs may be paid.

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:

1 **SECTION 1.** 66.462 (1) (c) of the statutes is amended to read:

2 66.462 (1) (c) "Eligible costs" means capital costs, financing costs and
3 administrative and professional service costs for the investigation, removal,
4 containment or monitoring of, or the restoration of soil or groundwater affected by,
5 environmental pollution, including monitoring costs incurred within 2 years after
6 the date on which the department of natural resources certifies that environmental
7 pollution on the property has been remediated, ~~cancellation of delinquent taxes,~~
8 ~~penalties or special assessments and charges, property acquisition costs, demolition~~
9 ~~costs including asbestos removal,~~ ^{and} ~~removing and disposing of abandoned containers,~~
10 ~~as defined in s. 292.41 (1), except that for any parcel of land "eligible costs" shall be~~
11 reduced by any amounts received from persons responsible for the discharge, as
12 defined in s. 292.01 (3), of a hazardous substance on the property to pay for the costs
13 of remediating environmental pollution on the property and the amount of net gain
14 from the sale of the property by the political subdivision.

15 **SECTION 2.** 66.462 (1) (i) of the statutes is amended to read:

16 66.462 (1) (i) "Period of certification" means a period of not more than ~~16~~ 23
17 years beginning after the department certifies the environmental remediation tax
18 incremental base of a parcel of property under sub. (4) or a period before all eligible
19 costs have been paid, whichever occurs first.

20 ~~**SECTION 3.** 66.462 (2) of the statutes is amended to read:~~

1 66.462 (2) USE OF ENVIRONMENTAL REMEDIATION TAX INCREMENTS. A political
2 subdivision that develops, and whose governing body approves, a written proposal
3 to remediate environmental pollution on property owned by the political subdivision
4 may use an environmental remediation tax increment to pay the eligible costs of
5 remediating environmental pollution on property that is not part of a tax
6 incremental district created under s. 66.46 and that is owned by the political
7 subdivision at the time of the remediation and then transferred to another person
8 after the property is remediated, as provided in this section. No political subdivision
9 may submit an application to the department under sub. (4) until the joint review
10 board approves the political subdivision's written proposal under sub. (3).

11 **SECTION 4.** 66.462 (4) (a) of the statutes is amended to read:

12 66.462 (4) (a) The political subdivision submits a statement that it has incurred
13 some eligible costs, and includes with the statement a detailed proposed remedial
14 action plan that contains cost estimates for anticipated eligible costs, with respect
15 to the parcel of property and the statement details the purpose and amount of the
16 expenditures already made and includes a dated certificate issued by the
17 department of natural resources that certifies that environmental pollution on the
18 parcel of property has been remediated the department of revenue has approved the
19 site investigation report that relates to the parcel in accordance with rules
20 promulgated by the department of natural resources.

21 **SECTION 9358. Initial applicability; other.**

22 (1) ENVIRONMENTAL REMEDIATION TAX INCREMENTAL FINANCING. The treatment of
23 sections 66.462 (1) (c) and (i) 66.462 (2) and 66.462 (4) (a) of the statutes first applies
24 to an environmental remediation tax incremental financing district, the written

1 remediation proposal for which is approved by the political subdivision's governing
2 body on the effective date of this subsection.

3 (END)

is issued. The policy will name both voluntary party and the State of Wisconsin as the insured.

Area-wide Groundwater Issues

1. Financial Incentives for Area-wide Brownfields Cleanup

- ~~Withdraw previous request to create a Wisconsin Economic Revitalization Zone Program (WERZ).~~
- ~~Withdraw previous request to expand the ER TIF certification period.~~
- Allow the political subdivision to create TIF once the Department of Natural Resources has approved the NR 716 site investigation report.
- Modify previous request from "allow ER TIF to be used on multiple properties" to "allow ER TIF to be used on *contiguous* multiple properties". *Not needed*

Public Outreach and Education

1. Provide Grants to Establish Nonprofits/Quasi-Governmental Entities in Brownfields Redevelopment

- Authorize Commerce to provide up to \$100,000 from Brownfields grants to match an equal amount from the nonprofit to establish a non-profit center.

DNR Requests

1. Delinquent Property Taxes (See Attachment B)

- Authorize a county to charge this cost to underlying jurisdictions when a property has been remediated or redeveloped by the local government.

PECFA

1. Annual Report that Lists Sites in Remediation

- Require the submission of a joint DNR/Commerce annual report to the Governor and appropriate standing committees of the Legislature each year on July 1. First report will be due July 1, 2000. The report should consist of the following information for all open sites in the program:
 1. Site investigation receipt date.
 2. Risk factors identified at each site.
 3. Expected year for closure.

2. Revenue Bond Authority

- Authorize \$150 million in bonding.
- Require that debt service be paid from a sum-sufficient appropriation from the Petroleum Inspection Fund.

Issue: Modify Environmental Remediation Tax Incremental Financing (ER TIF) District - s. 66.462, Wis. Stats.

Background

The State of Wisconsin created a new type of Tax Incremental Financing (TIF) district – an Environmental Remediation or ER TIF – as part of the 1997-99 biennial budget. The purpose of the ER TIF is to provide political subdivisions – cities, villages, towns or counties – with an additional tool to finance the investigation and cleanup of environmentally contaminated properties, often referred to as brownfields. The ER TIF

functions as a mechanism to reimburse those political subdivisions for their costs, after the cleanup is complete. The political subdivision must own the property at the time the cleanup takes place and cannot have caused the contamination. The ER TIF has the potential to be a powerful incentive to cleanup brownfields, particularly at those properties overlooked by the private sector.

Proposals

The following proposals are offered:

- Expand definition of “eligible costs” [s. 66.462(1)(c), Stats.] to include the following:

“Eligible costs” means the cost of acquiring property for the purposes of remediating environmental pollution on that property, the cost of canceling delinquent taxes, penalties or special assessments and charges for the property and the capital costs, financing costs and administrative and professional service costs for the demolition of structures on that property, for an environmental assessment (including Phase I and II) and investigation of the property and for the removal, containment or monitoring of, or the restoration of soil, groundwater, air, surface water, sediments or any other media affected by, environmental pollution on the property including monitoring costs
- Modify the statutes to have the ER TIF follow the normal TIF process and recognize costs incurred during the first seven years (s. 66.46(6) (am) 1, Stats.) after the district is created. At the end of the seventh year allow the political subdivision to estimate the “present value of future operation maintenance and monitoring costs” associated with obtaining closure for the site as an eligible cost.
- Modify “use of environmental remediation tax increments” [s. 66.462(2), Stats.] to: allow a political subdivision to create a TIF on a property where it incurs eligible costs, regardless of whether or not they own the property.
- Modify “certification” requirements [s. 66.462(4)(a)] to: allow the political subdivision to seek from the Department of Revenue authority to create the ER TIF once the Department of Natural Resources has approved the ch. NR 716 site investigation report and the Remedial Action Options Plan. At that time sufficient

information should be available for the Joint Review Board to make a determination that the ER TIF should be created. This process takes place prior to submittal of the TIF plan to DOR.

- Allow multiple contiguous properties to be in ER TIF;
- Support DOR's budget request to avoid "double reimbursement" concerns; DOR is proposing budget amendments to the ER TIF to clarify that if a political subdivision receives remediation funds from other federal, state, or local sources (e.g., PECFA or Commerce grants), they must reduce the "eligible" ER TIF costs by that amount; in other words, they cannot receive a Commerce grant to remediate the property and then claim those same costs as ER TIF eligible.
- Create new authority for ER TIF creation in DNR-approved "economic revitalization zones (ERZs)" (also, please see the Area-Wide Groundwater Proposals for more information on ERZs):
 - allow multiple properties to be in ER TIF;
 - allow political subdivisions to establish ER TIFs after establishment of an ERZ – do not tie creation of ER TIF to approval of cleanup documents;
 - allow political subdivision to use ER TIF revenues to provide grants or loans to properties within the ER TIF as long as they are for an "eligible cost;"
 - limit any funds provided to non-political subdivisions to those persons who commenced site investigation within two years of an ERZ creation and had the remedial action plan for the property approved within five years of commencing the site investigation or creating the ERZ.

Comments

DOR Comments: Regarding expanding the definition of "eligible costs," the DOR supports limited expansion of ER TIF eligible costs to include demolition and other costs specific to remediation; however, it opposes the inclusion of delinquent taxes, penalties and special assessments as eligible costs under ER TIF. Current law provides a procedure for the recovery of delinquent taxes from the proceeds of a tax sale. That the sale proceeds are insufficient to cover the delinquent taxes is often due to delayed action by the municipality or county in taking tax title to the property; the proposal may encourage further delay. More importantly, the proposal would result in taxpayers paying for the delinquent taxes twice – first through the county levy and second as a TIF cost.

Regarding modifying the "use of remediation tax increments," the DOR is mindful of the need for flexibility in regard to transfers of ownership in the remediation process. However, the proposal to include remediation costs of private property departs from the original intent of the ER TIF – to be a financing tool for municipalities wishing to remediate abandoned property. If this proposal is adopted, additional safeguards are needed to prevent public subsidy of costs that should be borne by responsible parties.

Regarding modifying "certification" requirements, the DOR assumes this proposal to mean that the ER TIF life begins after approval of a site investigation report rather than after the remediation is complete. The Department recommends that the approval be contingent on an

approved remedial action plan with cost estimates as well as a site investigation report. This would provide the Joint Review Board with the data necessary to make an informed decision.

Regarding the ER TIF within “economic revitalization zones:”

■ **Allow multiple parcels**

Parcels within an ER TIF boundary must be part of the same overlying taxing jurisdictions. The Department would prefer that the ER TIF district be made up of contiguous parcels. Expanding ER TIF boundaries to include multiple parcels suggests the need for prudent limits. These could be based on value limits akin to the regular TIF 5%/7% value limitations; alternatively, these could be based on the number of parcels within a municipality.

■ **Do not tie creation of TIF to approval of clean-up documents.**

The Department believes that clean up documents, whether prior to the clean up (approved site investigation reports and approved remediation action plans with cost estimates) or subsequent to the remediation (close out DNR letter with costs quantified) are required for the Joint Review Board to make an informed decision of the viability of the ER TIF.

Type of Changes: Statutory

Resources: The expansion of ER TIFs to include greater eligible costs and multiple, possibly non-contiguous, parcels will increase DOR administrative costs. An additional 1.0 FTE Property Assessment Specialist and 0.5 FTE Property Assessment Technician are needed to handle the additional workload.

Issue: Create Financial and Environmental Incentives for Cleaning up and Redeveloping Area-Wide Brownfields Contamination

[PLEASE NOTE: The following issue is a re-write, replacing the old text; however, due to the length we did not underline the entire section.]

Background

The Study Group was initially charged with developing a proposal to address the cleanup of area-wide groundwater contamination. However, it became apparent that – because soil and groundwater contamination are oftentimes interrelated, and because negative perceptions about environmental liability are not limited to groundwater – the strategies for addressing groundwater contamination are in many instances equally applicable to area-wide soil contamination concerns.

The Study Group identified a number of issues that may impede the implementation of an area-wide environmental cleanup strategy. The following proposal represents some recognition that a comprehensive plan for addressing area-wide groundwater contamination is preferable to a piecemeal, issue-by-issue approach to the problem. It was designed to accommodate both public and private initiatives to address area-wide groundwater concerns.

Proposal: Create a Wisconsin Sustainable Urban Development Zone (SUDZ) Program

Purpose: The purpose of the Sustainable Urban Development Zone program is to create a comprehensive set of financial incentives to promote the clean up and redevelopment of certain brownfields *areas* in a community. The Brownfields Study Group believes that there are certain geographic areas in this state where economies of scale could be achieved if we apply our existing financial incentives to *brownfields areas*, rather than a specific property. In doing so, the State of Wisconsin hopes to demonstrate the fundamental connection between environmental protection and economic prosperity, by creating the Sustainable Urban Development (SUD) zone program to promote community well being. The following are recommended features of the SUDZ.

A. Criteria for Establishing a Sustainable Urban Development Zone. A local unit of government (LUG) - municipalities, redevelopment or community development authorities, public bodies, or housing authorities – may request that DNR designate the following types of brownfields properties as a SUDZ.

1. An area nominated to the DNR must meet two or more of the following conditions to be eligible for selection as a SUDZ:

- two or more brownfields properties adjacent to, or in close proximity to, each other;
- the nominated area represents either a significant reduction in tax valuation or a significant decline in the economic base of that area, such as plant closings, job losses, or other impacts;
- known or suspected environmental conditions have been a significant factor in slowing or preventing redevelopment or reuse of those properties; or
- may represent an area-wide groundwater contamination problem.

2. Other conditions on the designation of areas as SUDZs:

- DNR may not designate more than 10 areas as SUDZs;
- maximum life of the SUDZ is 30 years;
- the local unit of government has provided adequate public notice to property owners in area nominated to be in SUDZ;
- the local unit of government has agreed to establish, maintain and monitor a public information repository; and
- property owners or persons conducting an investigation and cleanup within the SUDZ, which receive state funds or tax credits, are to provide updated ch. NR 700 reports to the public information repository on a regular basis.

3. Criteria for selecting a SUDZ among eligible projects would be:

- commitment of the local unit of government to the SUDZ project, including the local government's financial commitment and innovativeness of the local government's role in the project (20%);
- positive impact of the project on the environment, including increasing the public's access and use of green space (30%);
- ability of project to promote economic development, both direct and indirect, in the zone and surrounding areas (30%); and
- overall ability of the proposed project to promote and achieve sustainable development, including the integration of environmental and economic benefits in the zone (20%).

B. Tools for Addressing Properties within a SUDZ

1. Agreements with DNR for Assessment and Cleanup of a SUDZ

Modify the "negotiated agreement" provision in s. 292.11(7)(d)1., Stats., to allow the DNR to enter into an agreement with one or more of the following:

- a Local Unit of Government (LUG) to address the contamination on the LUG's properties within the SUDZ;
- a LUG on behalf of other property owners within the SUDZ; and
- a Business Improvement District (BID), created by the municipality on behalf of the property owners in the SUDZ (Sec. 66.608, Wis. Stats.).

The purpose of such an agreement would be to establish a schedule for the investigation and cleanup of non-emergency actions, as currently allowed by state law (see s. 292.11(7)(d)1., Stats.). In this agreement, the LUG or the BID may assume "control"- and thus responsibility - for the investigation and/or cleanup of certain properties or areas of contamination (e.g., groundwater) for the purpose of clarifying cleanup responsibilities, even though they did not cause the contamination or do not currently "possess" the hazardous substance discharge. The DNR may recognize in the negotiated agreement that the LUG or BID is releasing parties from future liability, if:

- the DNR is satisfied that a LUG or BID has implemented or proposes to implement a satisfactory remedial action plan; and
- the LUG or BID has in place acceptable financial mechanisms (e.g., a TIF, funds negotiated from property owners, loans, grants, etc.) for addressing long-term cleanup, as well as operation and

maintenance costs, associated with environmental conditions for which the negotiated agreement addresses.

2. Funding for Assessments, Investigations and Cleanups

a. Clean Water Fund (federal repayment portion):

- appropriate \$5 million per year in loans for SUD zones;
- modify existing Land Recycling Loan Program to allow a local unit of government with an approved SUDZ to be eligible for loans of up to \$1,000,000 per year; these loans would be for the area encompassing the SUDZ, rather than for a specific property or facility;
- terms: same as LR Loans, 55% of market value; and
- LUGs would be able to use the state loans to:
 - create a revolving loan fund for private parties;
 - for LUGs to conduct their own assessments and cleanups; or
 - both.

b. Environmental Remediation Tax Incremental Financing (ER TIF) District:

- modify ER TIF (See Chapter 2) statute so that an ER TIF can be created on multiple properties within the SUDZ; ensure that the ER TIF(s) are part of the same overlying taxing jurisdictions; in other words, allow ER TIF to be used on properties where the local unit of government did not directly spend money, but where money spent by the LUG benefits all properties in the SUDZ; and
- ensure other modifications to ER TIF proposed by Brownfields Study Report are adopted.

c. State Tax Credit for Remediation Costs:

- allow for a 50% state income tax credits for investigation and cleanup of properties within SUDZ.

Conditions on Receiving Financial Incentives:

- property owners or those entering into agreements with the DNR to conduct an environmental response action must commence the investigation of the property within 3 years of the creation of the SUDZ to be eligible for state tax credits and land recycling loans;
- New property owners who purchase property after creation of the SUDZ must commence investigation within 24 months of acquisition to be eligible for tax credits and loans; and
- the remedial action plan must be approved by the DNR within 5 years of commencing the site investigation in order to remain eligible for these financial incentives.

C. Community Education/Notification Components

1. DNR, in cooperation with local governments, should develop resource materials and presentations for citizens and businesses in the vicinity of area-wide cleanups that describe the process and overall benefits to the environment of a SUDZ.
2. Effectively inform interested persons and the public of process and overall benefits of the SUDZ (please see public repository proposal as part of this effort).
 - a. Improve quality of information available to the media and public agencies.
 - b. Encourage development of public communication strategies in the initial planning of area-wide groundwater cleanup efforts.

Comments

DNR Drinking Water and Groundwater Comments (please see Appendices for full memorandum): Reflecting on our last subcommittee meeting it became clear that the proposal describing the Wisconsin Sustainable Urban Development Zone Programs (SUDZs) will undoubtedly be a great product of this subcommittee. Additional fine tuning to the SUDZ concept needs to identify a strong emphasis on groundwater cleanup, not just on agreements and funding. There needs to be a strong commitment to clean up groundwater and to educate and communicate with responsible parties, lenders and realtors about the time and cost savings when multiple parties work together.

Shifting gears, somewhere in the overall report, providing that it fits within the charge of the larger committee, the report should address ways and means to clean up groundwater and maximize efficiencies on an area-wide basis, discussing the benefits of shared resources of an area-wide cleanup.

For example, an entire industrial corridor could join forces to monopolize on economies of scale, reduce duplication, and simplify the process for all parties involved. If multiple parties coordinate and cooperate, everything from site investigations, monitoring wells, remedial actions, capitol costs, O&M costs, reports, reviews, consultants, attorneys, regulatory activities, etc., can be reduced and optimized to save time, cost and effort. Drilling activities, laboratory services, equipment purchases, sampling activities, etc., could be bundled and coordinated to further maximize efficiencies. The benefits of cooperation and shared resources need to be clearly articulated to all parties involved.

Additional DNR Comments: The issues having to do with funding environmental assessments with CWFP repayments have been commented on in the Land Recycling Loan Program in Chapter 2. The Study Group's definition of a LUG lists a number of governmental units that do not possess the general obligation bonding authority to secure a LRLP loan. Comments in Chapter 2 also address concerns with loans to these types of entities.

Since this proposal involves creating and empowering a new type of governmental entity, a Wisconsin Sustainable Urban Development Zone Program, or SUDZ, there are a number of enabling issues that need to be decided, including organizational and financial structures. Loans from the State Revolving Fund (SRF) to SUDZ projects should be administered under the existing LRLP unless there is a compelling reason not to do so.

Given the number of shortcomings associated with the use of SRF funds for this program, other non-Environmental Improvement Fund sources of funds should be investigated. Other sources might not have the constraints of the IRS, state constitution, federal requirements, and state procedures that accompany use of the SRF funds.

DOR Staff Comments:

General comments:

- specify a length of time for economic revitalization zones; and
- TIF cannot be used as a stop-loss insurance program for financing assessment and cleanup; pre-authorization of the TIF before costs are known is unlikely.

Tax credits:

- credits should be for income or franchise tax;
- credits should be non-refundable;
- identify entities that would qualify (i.e. corporation, partnership, subchapt. S corp.);

and

- set a minimum level of spending to qualify for tax credits.

Department of Commerce Comments: the Department of Commerce is not supportive of the proposed Economic Revitalization Zones for the following reasons:

- The goals of the program are not clearly outlined. Environmental remediation is only one part of economic revitalization. If this proposed program is intended to be a viable and comprehensive economic revitalization program, then it must be much broader, therefore located within the Department of Commerce. If it is intended to be a groundwater cleanup program, then it must be renamed to something more appropriately descriptive.
- A tax credit for environmental remediation available only in this zone could create confusion over where and when it is available and where and when the development zone environmental remediation credit is available.
- The Brownfields Grant Program already gives a priority to projects that are located in areas of economic distress, located in a CDZ or EDZ, and for projects which have significant environmental problems, such as impacts to groundwater. Since the Grant Program already gives a priority to projects that may revitalize an area and it provides priorities to many other situations, it would be unnecessary to create additional priorities.

City of Milwaukee Comments: We are intrigued by the potential embodied in the SUDZ Program proposal but believe it will require some fine tuning to be complete. An important issue was raised at the full study group meeting; that is the need for early assessment of the problems and design of remedial actions. This knowledge base is essential to the formation of an appropriate funding mechanism, particularly if a tax increment district or a business improvement district is proposed.

We believe that this program should be targeted to the areas of greatest need. It is suggested that a pilot project be initiated, perhaps in the city's Menomonee Valley to further refine the process, study costs, etc. We support the adoption of a targeted SUDZ Program.

Regarding area-wide groundwater issues, the ability to utilize an area-wide groundwater approach is similar to the historical surface water basin management program. This area-wide groundwater management approach will provide a more comprehensive and cost effective analysis of regional groundwater. We fully support the creation of a "Wisconsin Sustainable Urban Development Zone Program" Program to deal with this area-wide approach to groundwater cleanup. We also fully support the use and application of the NR 700 series natural attenuation rules to this type of an approach. We would also recommend and support the use of environmental TIF's for use by an economic revitalization zone for this purpose including funding under the ERTIF for the area-wide environmental assessments, site investigation studies, and remedial activities.

Type of Change: Statutory

Resources: 3 DNR FTE – two program staff and one attorney. Authority to create emergency rules.

Issue: Lack of Information for Area-wide Environmental Characterization

Background



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1007/3

MES:jlg:MA

SOON

FMR

DOA.....Wong - Environmental remediation tax incremental financing
FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

D-note

do not gen

- 1 AN ACT ...; relating to: modifying the environmental remediation tax
- 2 incremental financing program.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

OTHER LOCAL GOVERNMENT

Under current law, a city, village, town or county (political subdivision) may create an environmental remediation tax incremental district (ERTID) to defray the costs of remediating contaminated property that is owned by the political subdivision. The mechanism for financing costs that are eligible for remediation is very similar to the mechanism under the tax incremental financing (TIF) program. If the remediated property is transferred to another person and is then subject to property taxation, environmental remediation (ER) tax incremental financing may be used to allocate some of the property taxes that are levied on the property to the political subdivision to pay for the costs of remediation.

Before the political subdivision may use ER tax incremental financing, however, it must create a joint review board that is similar to the current law tax incremental district (TID) joint review board, or a city or village may use an existing TID joint review board, to review the political subdivision's proposal to remediate environmental pollution. If the joint review board approves the proposal, the political subdivision may proceed with its plan. An ERTID joint review board is made up of one representative chosen by the school district that has power to levy

taxes on the property that is remediated, one representative chosen by the technical college district that has power to levy taxes on the property, one representative chosen by the county that has power to levy taxes on the property that is remediated, one representative chosen by the political subdivision and one public member.

A political subdivision that has incurred "eligible costs" to remediate environmental pollution on a parcel of property may apply to the department of revenue (DOR) to certify the "environmental remediation tax incremental base" (ERTIB) of the parcel. DOR is required to certify the ERTIB if the political subdivision submits to DOR all of the following: 1) a statement that the political subdivision has incurred eligible costs, detailing the purpose and amount of the expenditures, and including certification of the department of natural resources (DNR) that the ER has been completed; 2) a statement that all taxing jurisdictions with authority to levy general property taxes on the parcel of property have been notified that the political subdivision intends to recover its ER costs by using an "ER tax increment"; and 3) a statement that the political subdivision has attempted to recover its ER costs from the responsible party.

Under the bill, the environmental remediation does not need to be completed before a political subdivision may ask DOR to certify the ERTIB. The political subdivision is required, under the bill, to submit to DOR a statement that the political subdivision has incurred some eligible costs and includes with the statement a detailed proposed remedial action plan that contains cost estimates for anticipated eligible costs. The political subdivision is also required to include certification from DNR that the department has approved the site investigation report that relates to the parcel.

"Eligible costs" are capital costs, financing costs and administrative and professional service costs for the removal, containment or monitoring of, or the restoration of soil or groundwater affected by, environmental pollution. Eligible costs are reduced by any amounts received from persons who are responsible for the discharge of a hazardous substance on the property to pay remediation costs and by the amount of net gain on the sale of the property by the political subdivision. The "ERTIB" of the property is the property's equalized value on the January 1 preceding the date on which DNR certifies that the property has been properly remediated.

The bill changes the definition of eligible costs to include demolition costs including asbestos removal, and removing and disposing of certain abandoned containers. ~~The bill also expands from 16 to 23 years the period of certification which is the maximum number of years that DOR may certify the ERTIB and eligible costs may be paid.~~

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:

1

SECTION 1. 66.462 (1) (c) of the statutes is amended to read:

1 66.462 (1) (c) "Eligible costs" means capital costs, financing costs and
 2 administrative and professional service costs, for the investigation, removal,
 3 containment or monitoring of, or the restoration of soil or groundwater affected by,
 4 environmental pollution, including monitoring costs incurred within 2 years after
 5 the date on which the department of natural resources certifies that environmental
 6 pollution on the property has been remediated, ~~demolition costs including asbestos~~
 7 ~~removal and removing and disposing of abandoned containers, as defined in s.~~
 8 292.41 (1), except that for any parcel of land "eligible costs" shall be reduced by any
 9 amounts received from persons responsible for the discharge, as defined in s. 292.01
 10 (3), of a hazardous substance on the property to pay for the costs of remediating
 11 environmental pollution on the property and the amount of net gain from the sale
 12 of the property by the political subdivision.

13 SECTION 2. 66.462 (1) (i) of the statutes is amended to read:

14 66.462 (1) (i) ~~"Period of certification" means a period of not more than 16 23~~
 15 ~~years beginning after the department certifies the environmental remediation tax~~
 16 ~~incremental base of a parcel of property under sub. (4) or a period before all eligible~~
 17 ~~costs have been paid, whichever occurs first.~~

18 SECTION 3. 66.462 (4) (a) of the statutes is amended to read:

19 66.462 (4) (a) The political subdivision submits a statement that it has incurred
 20 some eligible costs, and includes with the statement a detailed proposed remedial
 21 action plan that contains cost estimates for anticipated eligible costs, with respect
 22 to the parcel of property and the statement details the purpose and amount of the
 23 expenditures already made and includes a dated certificate issued by the
 24 department of natural resources that certifies that environmental pollution on the
 25 parcel of property has been remediated the department of ~~public health~~ natural resource has approved the

1 ~~site investigation report that relates to the parcel in accordance with rules~~
2 ~~promulgated by the department of natural resources.~~

3 **Section 9358. Initial applicability; other.**

4 (1) ENVIRONMENTAL REMEDIATION TAX INCREMENTAL FINANCING. The treatment of
5 section 66.462 (1) (c) ~~and (1)~~ and (4) (a) of the statutes first applies to an
6 environmental remediation tax incremental financing district, the written
7 remediation proposal for which is approved by the political subdivision's governing
8 body on the effective date of this subsection.

9 (END)

D-Note

If your instructions state that you would like to "allow ERTIF to be used on contiguous multiple properties." ^N Nothing in current law prohibits this from happening now.

AMZ

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

LRB-1007/P3dn
MES:jlg:hmh

Monday, December 28, 1998

Your instructions state that you would like to "allow ERTIF to be used on contiguous multiple properties." Nothing in current law prohibits this from happening now.

Marc E. Shovers
Senior Legislative Attorney
266-0129

Shovers, Marc

From: Wong, Manyee [Manyee.Wong@doa.state.wi.us]
Sent: Tuesday, December 29, 1998 10:13 AM
To: Shovers, Marc
Subject: RE: LRB-1007

Thanks!

> -----Original Message-----

> From: Shovers, Marc [SMTP:Marc.Shovers@legis.state.wi.us]
> Sent: Tuesday, December 29, 1998 10:12 AM
> To: 'Wong, Manyee'
> Subject: RE: LRB-1007

> Hi Manyee

> I agree with your proposed solution. If your goal is to prevent ERTIFs
> from
> being created on non-contiguous multiple properties, that prohibition
> should
> be stated explicitly. I assume you want me to make this change in
> 99-1007,
> so I will go ahead and redraft the bill.

> Marc E. Shovers

> Senior Legislative Attorney
> Legislative Reference Bureau
> Phone: (608) 266-0129
> Fax: (608) 264-8522
> e-mail: marc.shovers@legis.state.wi.us

> -----Original Message-----

> From: Wong, Manyee [mailto:Manyee.Wong@doa.state.wi.us]
> Sent: Tuesday, December 29, 1998 10:00 AM
> To: Shovers, Marc
> Subject: LRB-1007

> Hi Marc,

> You stated in LRB-1007 that current law does not prevent ERTIFs to be
> created on contiguous multiple properties. However, the reason we want to
> state that explicitly was to prevent municipalities from creating ERTIFs
> on
> noncontiguous properties. Perhaps we should state instead that ERTIFs
> cannot be created on non contiguous properties? Please comment.

> Thanks.