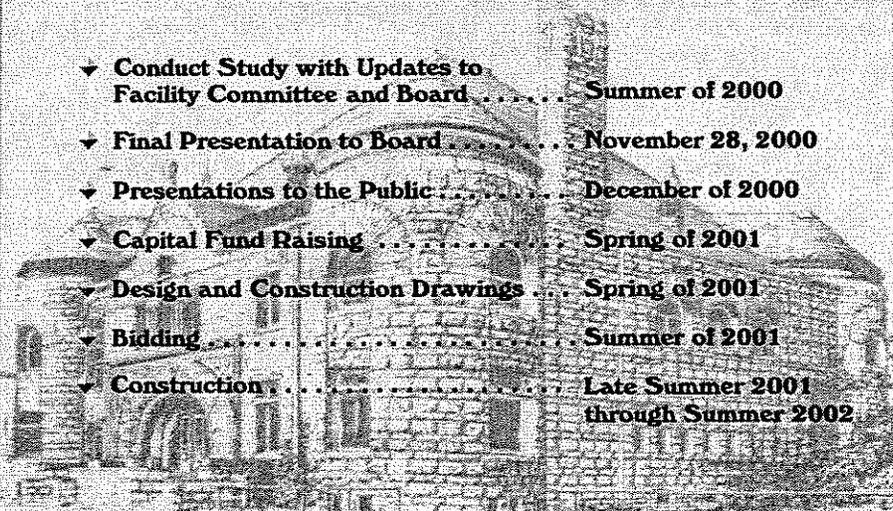


Schedule

- ▼ Conduct Study with Updates to Facility Committee and Board Summer of 2000
- ▼ Final Presentation to Board November 28, 2000
- ▼ Presentations to the Public December of 2000
- ▼ Capital Fund Raising Spring of 2001
- ▼ Design and Construction Drawings Spring of 2001
- ▼ Bidding Summer of 2001
- ▼ Construction Late Summer 2001 through Summer 2002







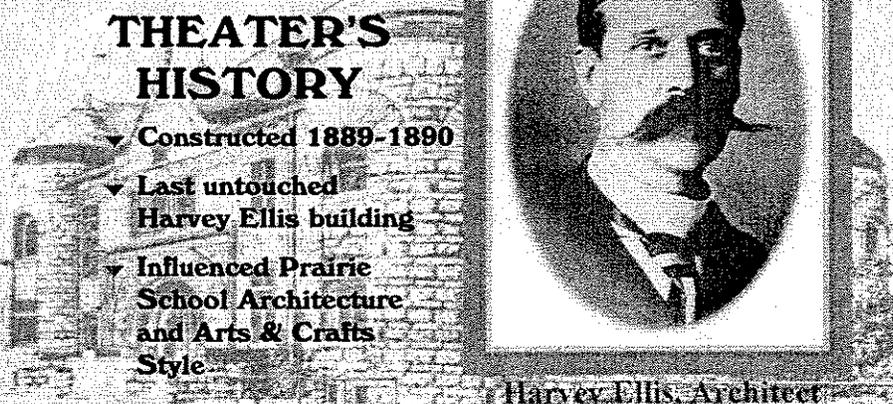
History

OVERVIEW OF THE THEATER'S HISTORY

- ▼ Constructed 1889-1890
- ▼ Last untouched Harvey Ellis building
- ▼ Influenced Prairie School Architecture and Arts & Crafts Style

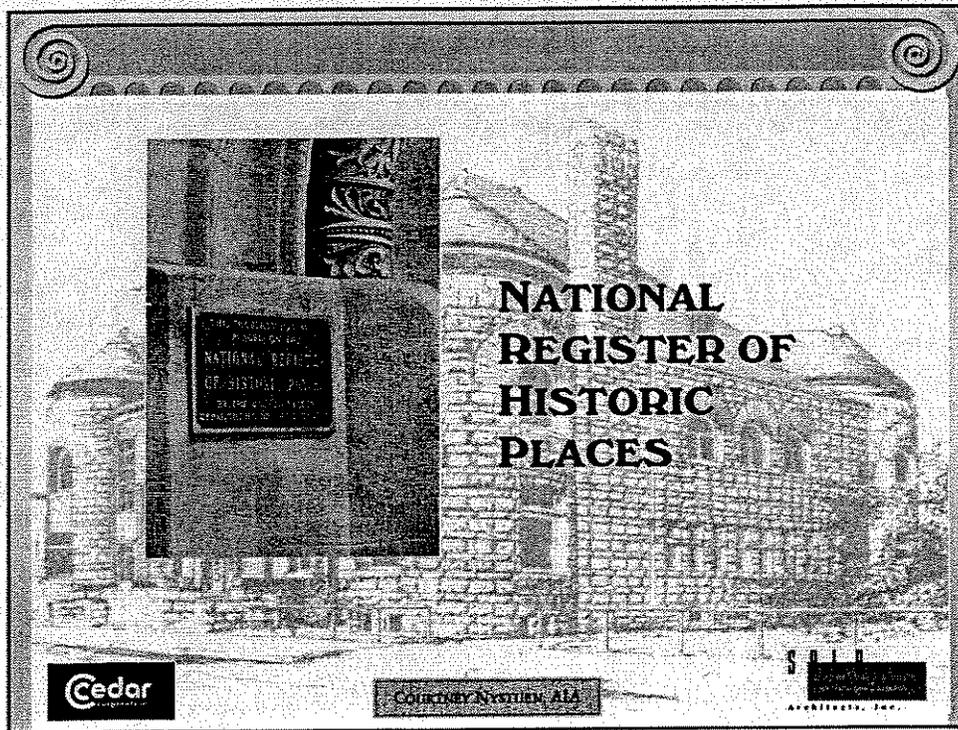


Harvey Ellis, Architect









Project Criteria

PREVIOUS STUDIES

- Resolution of MTM Board on Accessibility
- Build on Previous Architectural Studies

CONSTRAINTS

- National Park Service Guidelines
- State Historical Society of Wisconsin Recommendations
- Local Historical Preservation Commission
- Americans with Disabilities Act
- Mission Statement

Cedar
COURTNEY NUSTEN, AIA
Architects, Inc.

Mission Statement

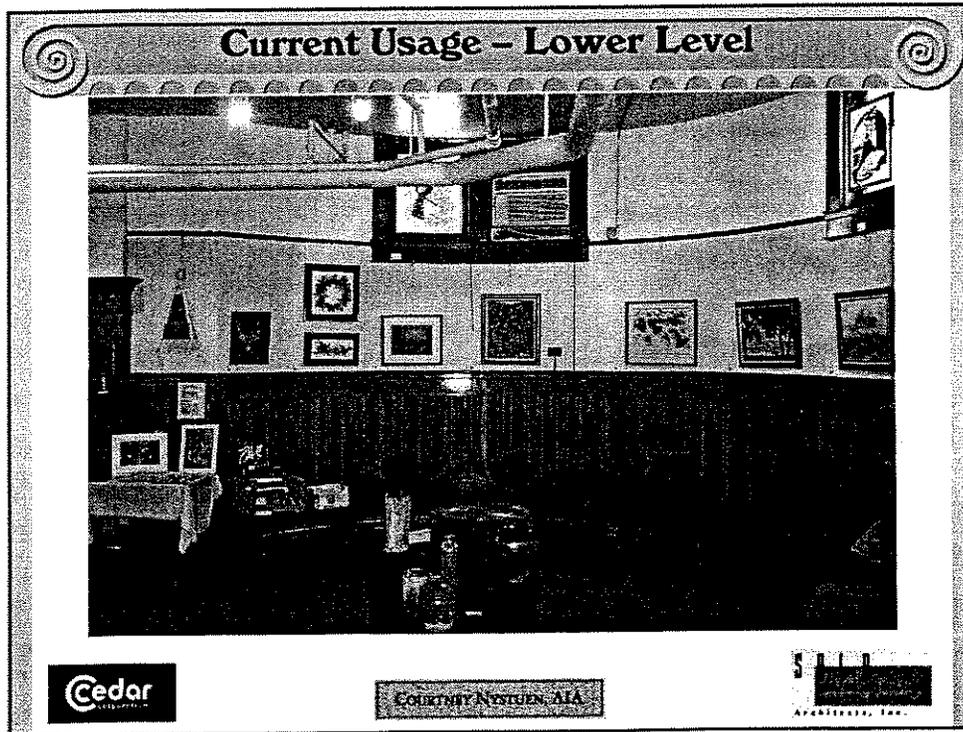
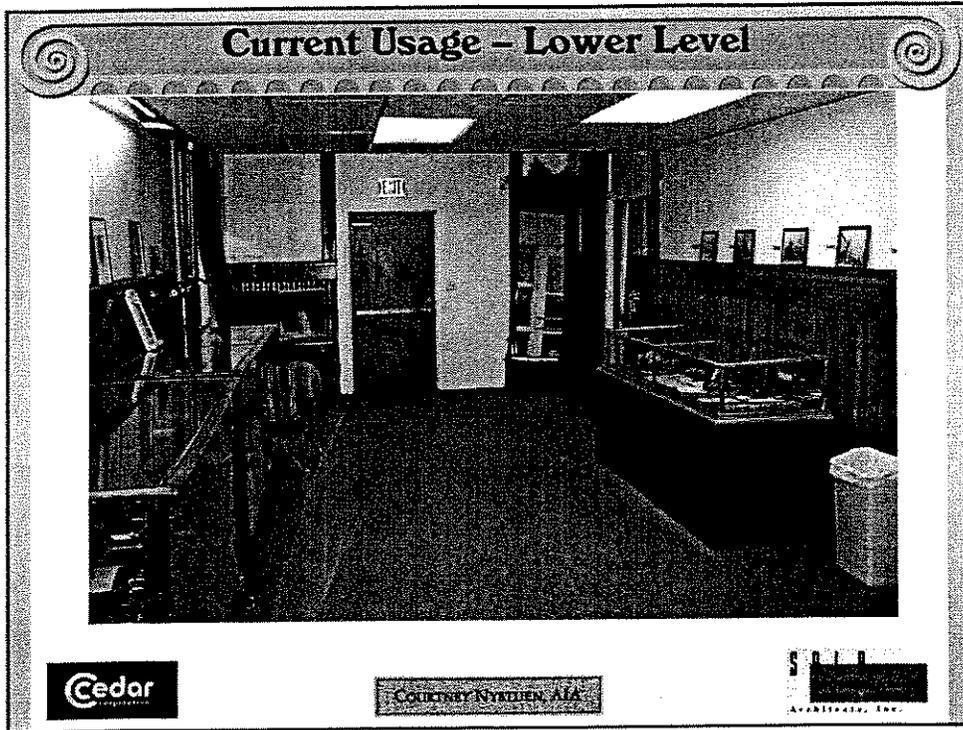
The Mabel Tainter Literary, Library and Educational Society, as formed by Andrew and Bertha Tainter, in 1890, is a non-profit corporation dedicated to promoting and enhancing the region's cultural life. The Society offers a broad variety of quality arts and historical programs; stimulates and supports other regional cultural organizations and artists; helps to educate the public about the history of the area; and, preserves the historic integrity of the Mabel Tainter Memorial Building.

Reaffirmed Statement, per board approval March 28, 1995.

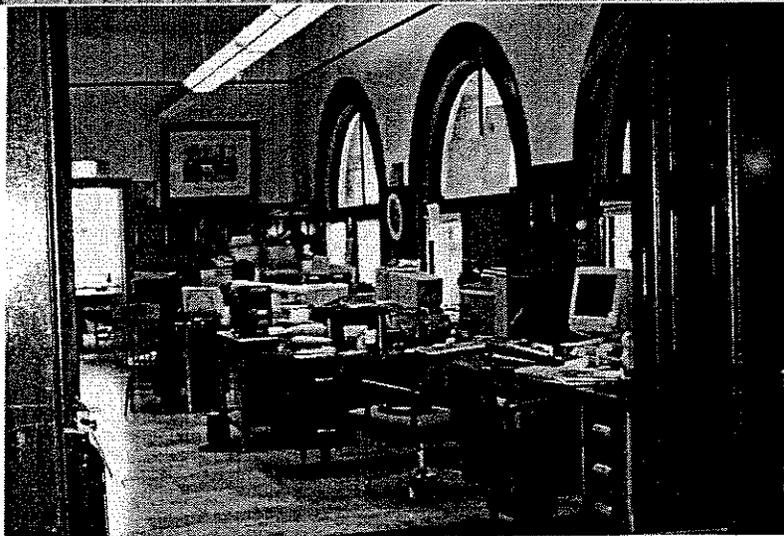


Commemorative Plaque

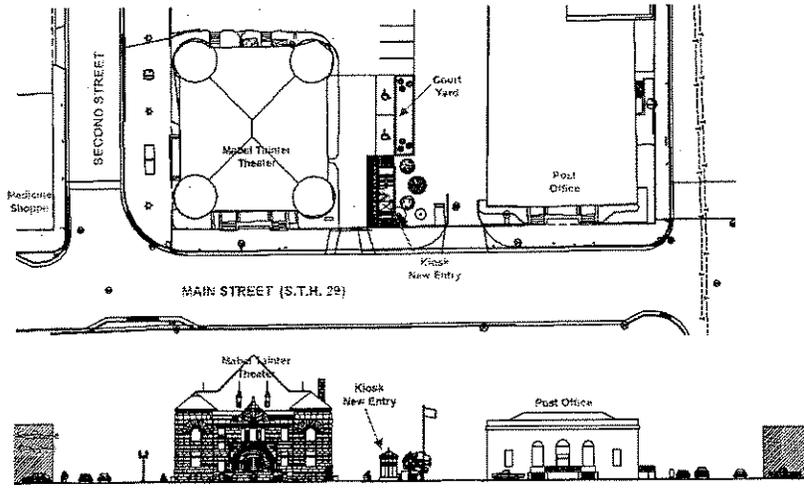


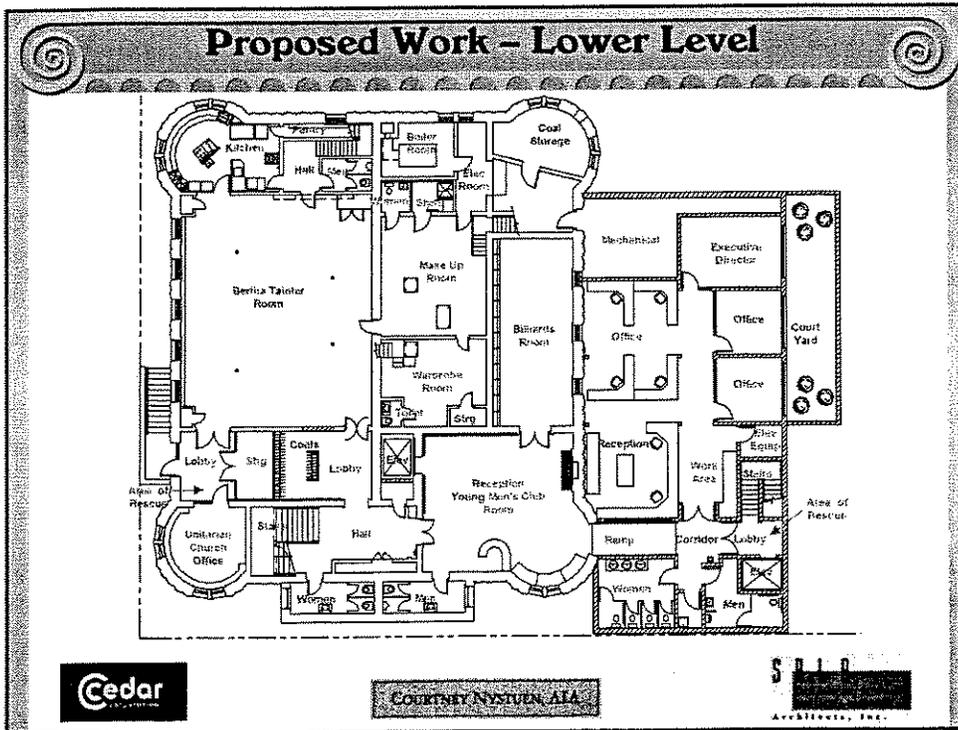
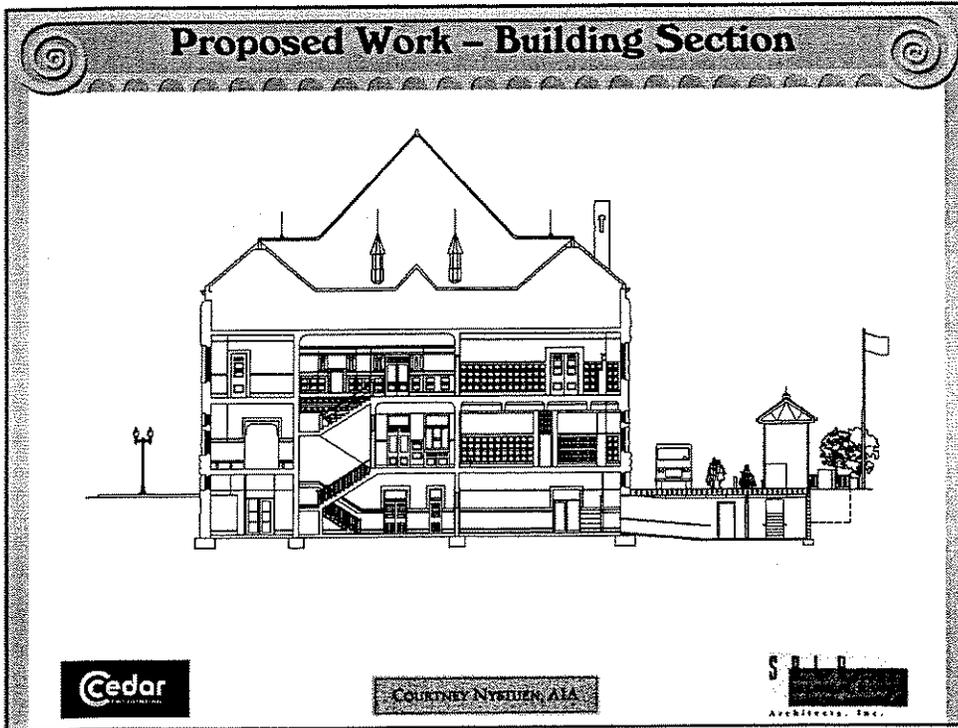


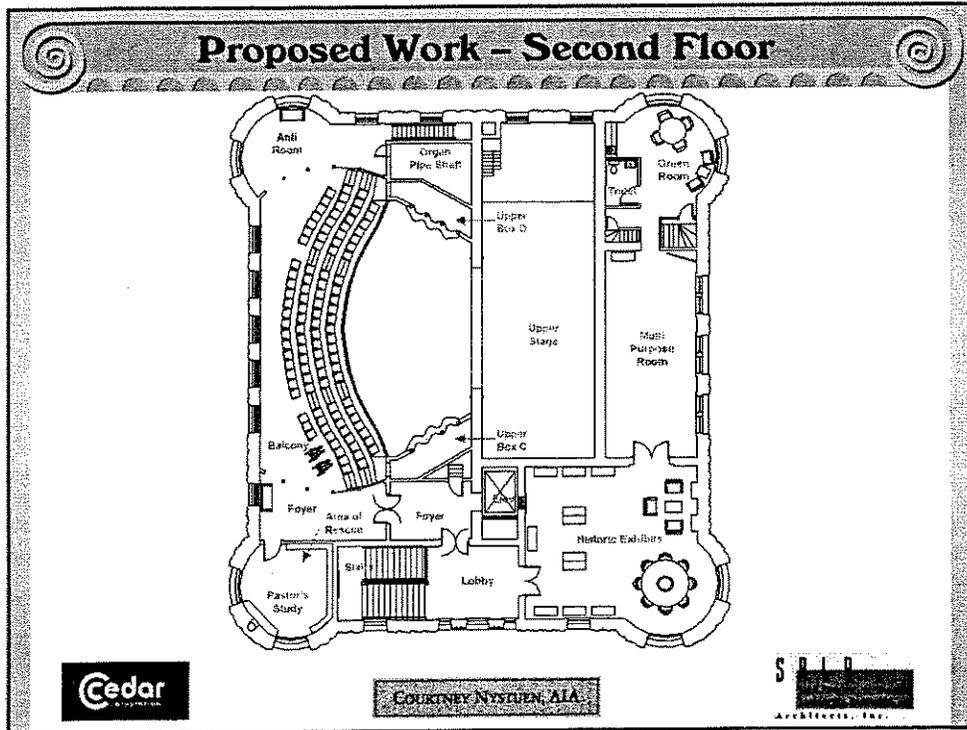
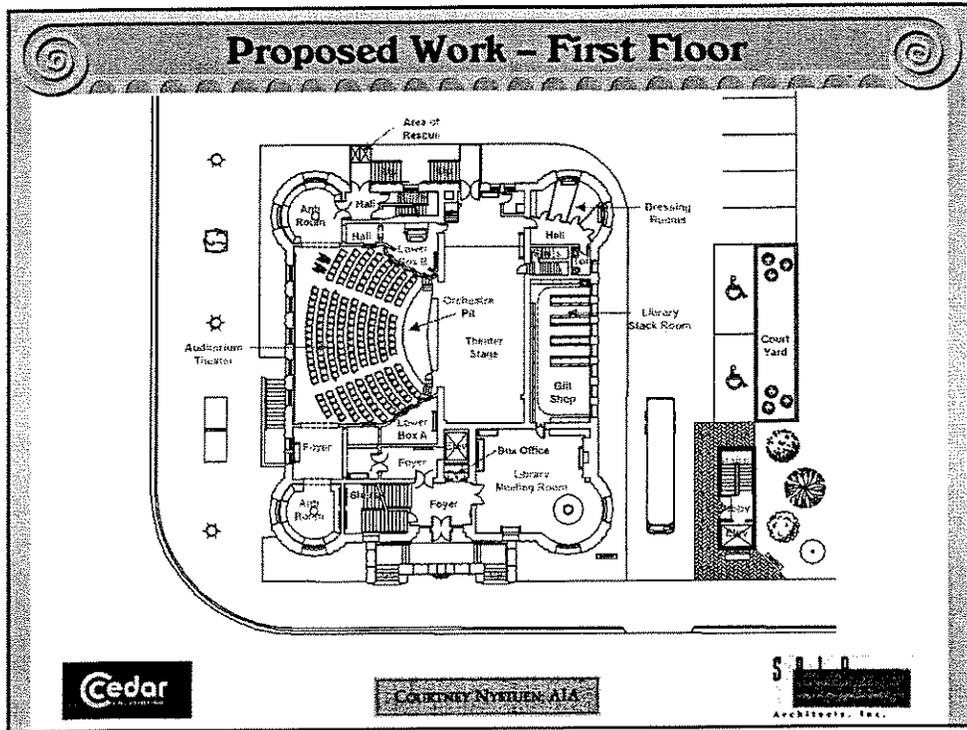
Current Usage – Second Floor



Proposed Work – Streetscape Elevation







Next Steps

- **Presentations, Public Forums,
Service Clubs and City &
County Government**
- **Capital Fund Raising**
- **Construction**



Advantages and Benefits

- **Maintains the historical integrity**
- **Allows entire building to be accessible to all individuals – both patrons and artists alike**
- **Attractive, highly visible, accessible entrance**
- **Endorsed by the Center for Independent Living**
- **Favored by the board and staff**
 - **User Groups: Unitarian Church and Menomonie Theater Guild.**
- **Enables groups to stay together by having stairs adjacent to elevator**
- **Provides additional accessible restrooms**



Advantages and Benefits

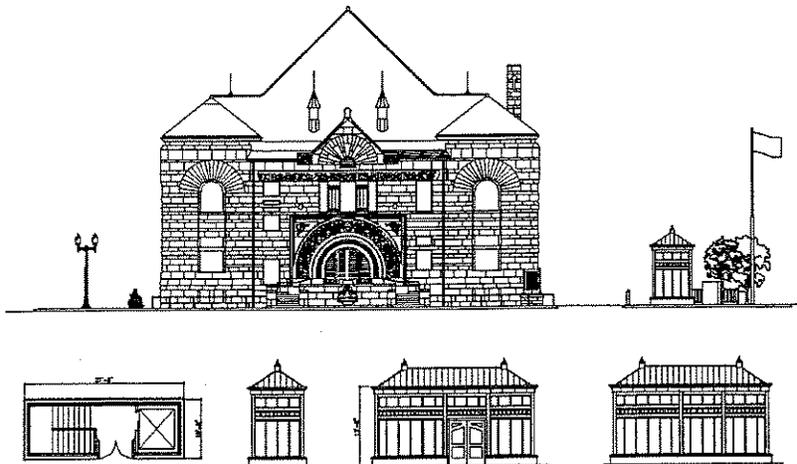
- ↘ Provides better reception area for tours and public
- ↘ Restores second floor space to resemble original design intent
- ↘ Minimizes impact to the main floor
- ↘ Creates maximum use of lower level and original use of space throughout entire building
- ↘ Provides flexible space for cultural activities and increases space use options available to the public
- ↘ Provides more direct access to administrative offices
- ↘ Kiosk enhances historic downtown landscape



COURTNEY NYSTUEN, AIA

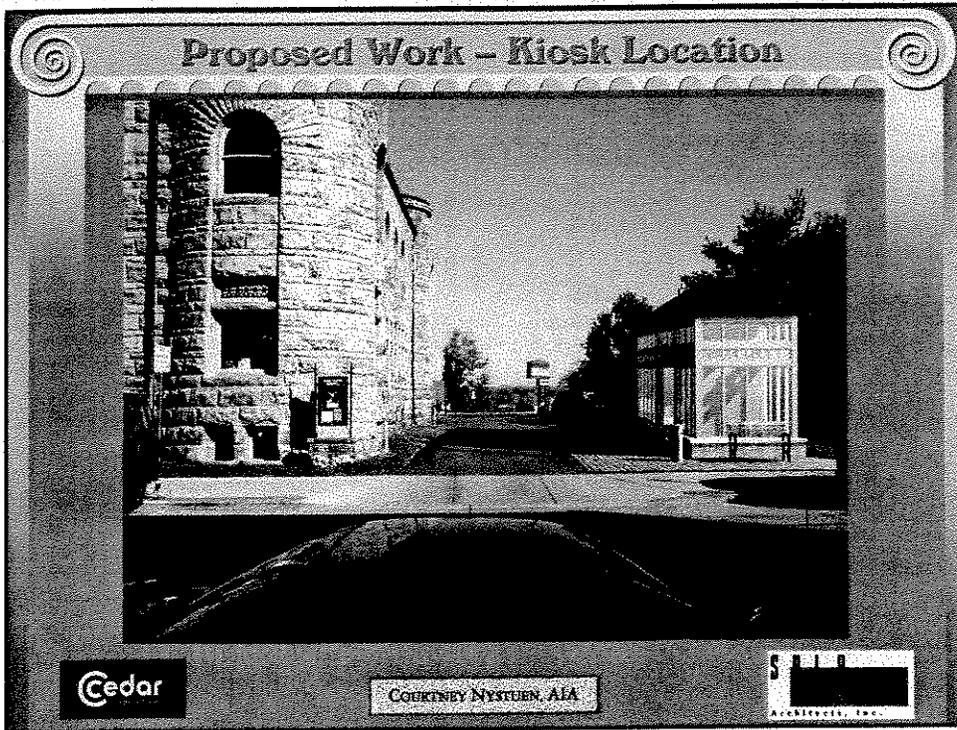
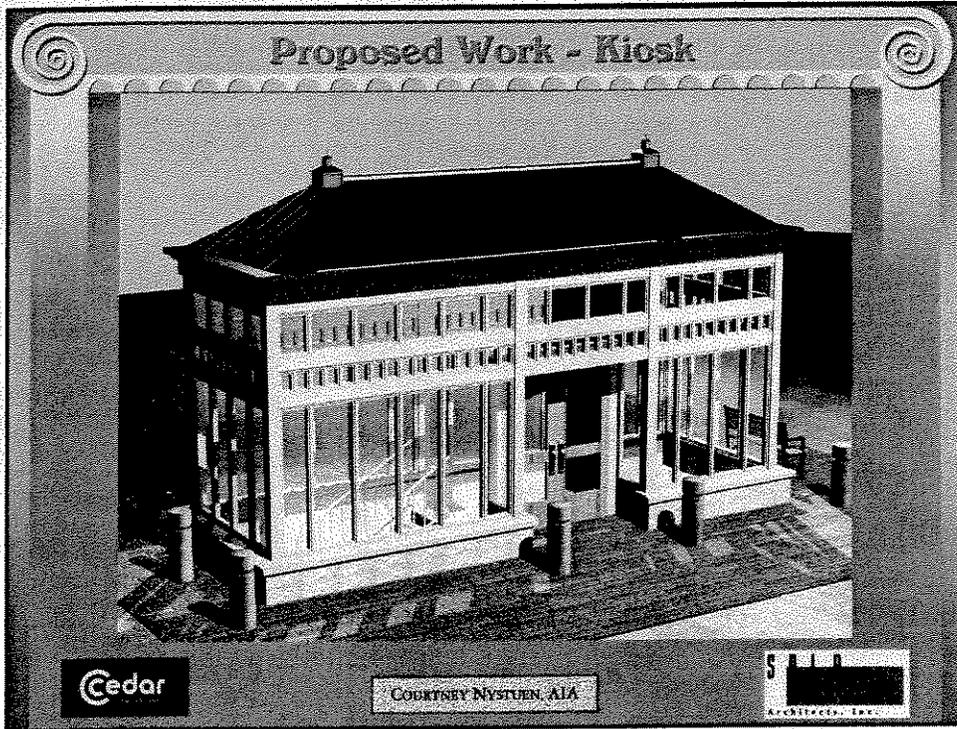


Proposed Work - Kiosk Elevations



COURTNEY NYSTUEN, AIA





Summary – Scope of Work

- ↘ Accessibility -- Kiosk -- Elevators -- Parking
- ↘ Area of Rescue and Loading Dock Renovation
- ↘ Advanced Fire Detection and Suppression
- ↘ Replacement of Water Supply System
- ↘ Additional Accessible Restrooms
- ↘ Reinforce Reading Room Floor
- ↘ Renovation of the Catering Kitchen
- ↘ Restoration of Bertha Tainter and Billiard Rooms
- ↘ Renovation of Benefactor Hall – Coat Room
- ↘ Installation of Restroom/Shower off Make-up Room
- ↘ Relocation of MTM Administrative Offices
- ↘ Restoration of Second Floor GAR Spaces
- ↘ Upgrading of HVAC and Electrical Systems in Remodeled Areas
- ↘ Installation of Storm Windows

ESTIMATED PROJECT COST \$1.5 - \$2 MILLION



MTM Board of Directors

BOARD OF DIRECTORS

Jill Schwebs, President

Frank Burdick, Vice President

Peter Reinhardt, Secretary

Marie Young, Treasurer

Ed Biggerstaff Carol Dobrunz

Pinckney Hall Ted Hoener

Lucy Lammer Dick Lowery

Art Tainter Jerry Talen

Laura Reisinger, Executive Director



Chequamegon Bay Arts Council, P.O. Box 84, Ashland, WI 54806

...to enliven, entertain and increase the quality of life in the Chequamegon Bay region.

Comments to the Joint Finance Committee
Superior, WI, March 27, 2001

Who we are

The Chequamegon Bay Arts Council was organized in 1993 through the efforts of the Wisconsin Arts Board and the Ashland Chamber of Commerce. We operate with a board of 12 volunteers to organize activities that promote and support our local artists. At the onset, a Wisconsin Arts Board planning grant helped us develop a strategic plan and set our working goals. From a handful of 35 members in 1993, we now have 235 paid members. This, in a two-county region with only 30,000 residents.

Our regrant program

Over the last six years the Chequamegon Bay Arts Council has received a total of \$24,000 from the Wisconsin Arts Board for the regrant program. We matched this money with local funds to award a total of \$46,000 to 52 grantees. The budgets for these grants total \$270,000. The investment in our community by the Wisconsin Arts Board had a multiplier effect of over eleven by the time the projects were completed. Each of these projects had a local public performance or exhibit. This regrant program by itself has increased the level of activity and the visibility of the arts in our communities.

Regional economic development

Investment in the arts is important to support economic development in Ashland and Bayfield Counties. The per capita personal income in our counties is less than 75% of the state median.

The unemployment rate is high and our two counties are always in the top five rates for the state.

Recognizing this, our counties and communities are trying to stimulate economic development and attract new industries that will not degrade our environment. We do not want to destroy the visual assets that attract tourists to our region and give local residents so much personal pleasure. Deep pocket, low-impact tourists and low-impact, good paying employers share a common trait. They are both attracted to communities that have a visible presence of arts and culture to enhance the quality of life for the workforce!

Arts Endowment Legislation

The impact of the arts on the day-to-day life in our communities is too important to be held hostage by a biennial budget process. *I am here today to ask you to approve the legislative proposal to create an endowment for the arts in Wisconsin that was developed by the Special Legislative Study Committee on Arts Funding.* Adoption of this plan will assure that the Wisconsin Arts Board can continue to distribute funding and technical assistance to its statewide constituency and not be sidetracked every other year with budget politics.

Thank you for your time and attention to this matter. I hope you will give it your serious consideration.

Sharon Stewart, President

RE: WLC: 0071/3, relating to creating an artistic endowment foundation and fund
DATE: March 27, 2001
SUBMITTED BY: Jack Culley,
Trustee, Duluth-Superior Area Community Foundation
Chair, Wisconsin Arts Board Fund of the Duluth-Superior Area Community Foundation

As Trustee of the Duluth-Superior Area Community Foundation, Chair of the Community Foundation's Wisconsin Arts Board Fund Committee, and a Superior resident, I'd like to encourage the creation of an arts foundation and a \$50 million arts endowment fund for the state. Such an endowment is a valuable long-term strategy to provide increased support for the arts in Wisconsin.

The Duluth-Superior Area Community Foundation encourages private giving for the public good. The Community Foundation is a permanent community endowment, built by gifts from hundreds of individuals and organizations. We have been serving northwestern Wisconsin and northeastern Minnesota for more than eighteen years. We have made charitable grants of over \$12.6 million to benefit our community, including grants to support the arts, civic projects, education, the environment, human services, and other purposes designated by our donors. We currently manage more than \$32 million in assets, and now manage over 116 different charitable funds.

The Community Foundation's success shows the tremendous value of building endowment funds. Endowment is truly the gift that keeps on giving.

For the past several years, the Community Foundation has participated in a Wisconsin Arts Board program that has already helped the Community Foundation award nearly \$20,000 to support arts programs and projects in northwestern Wisconsin. These programs have served more than 35,000 residents to date. One of these grants helped fund a series of historical murals for the Superior Public Library - murals that will be enjoyed by more than 275,000 library visitors annually.

These and other arts programs enrich the lives and experiences of our region's citizens - from school children to senior citizens, from all walks of life.

The arts also add to our region's economy - with employment at arts organization, ticket sales, and increased tourism, among other factors.

Given the impact the arts have for our community, providing a means for long term, increased support of the arts is essential.

Thank you.

Date: March 28,2001

To: Joint Committee on Finance

From: Frank Burdick, Menomonie, Wi.

RE: WLC: 0071/3 (relating to creation of an artistic endowment foundation)

Senator Burke, Representative Gard, members of the Committee.

My name is Frank Burdick. I live in Menomonie which is located approximately thirty miles directly west of here. In October of 1998 I retired from 28 years of employment as a Government Relations Consultant with the Wisconsin Education Association Council. Prior to my employment with WEAC I taught Industrial Arts in public secondary schools in Rockford, Illinois and Monona Grove and Madison, Wisconsin. My wife Barbara and I have been married for forty two years. We raised three daughters who have blessed us with six grandchildren.

I am a member of the Board of Directors of the Mabel Tainter Memorial Theater in Menomonie. I am speaking to you today on behalf of this Board to request that you give serious consideration to including recommendation WLC:0071/3 in your budget recommendations to the legislature. This recommendation proposes the creation of an artistic endowment foundation and fund. It was approved by the Joint Legislative Council on March 14 by a vote of nineteen to one.

The Mabel Tainter Memorial Board is very excited and enthused about this proposal, not only because it will provide much needed additional financial support for the Arts, but also because it is the kind of proposal where all of the stake holders win:

- * The taxpayers benefit by the creation of the \$50.00 tax credit.
- * The state benefits by the additional jobs and improved economy that will be generated by funds from the Endowment.
- * All citizens of Wisconsin benefit by the enriched quality of life they will experience through participation in the expanded arts opportunities that will be available.

There are three major reasons why you should include this proposal in your budget recommendations:

First, it will provide critically needed funds to increase the availability and accessibility of quality arts programs in a rural area.

Menomonie is the county seat of Dunn County which is composed primarily of small towns and family farms. The Mabel Tainter Memorial Building provides performances, lectures, art fairs, tours, an art gallery and gift shop for the people in this rural area to enjoy. It is a "crown jewel" turn-of-the century building built in 1889 and remains as the only untouched example of the

averaging 77% of its capacity. Just last month our outstanding Menomonie Theater Guild sold out nine performances of " Fiddler on the Roof". Many of these 2,800 people ate dinner at area restaurants, purchased gasoline for their automobiles, and stayed overnight at area motels. We expect to attract even more local and regional tourism dollars once the building is fully accessible.

Finally, the performing and visual arts enrichs people's lives.

When my wife and I were "involuntarily" transferred from Madison to Menomonie in 1973 we feared that the "culture shock" would be too great for us to bare. My wife told our Madison friends you could see the skid marks on the highway all the way up the Interstate. Luckily for us we were very mistaken. Barbara got involved right away with the Menomonie Theater Guild. This led to new friendships, acting in plays and involving our three daughters in the joys and excitement of the performing arts. Even I became involved in the back stage technical work associated with the productions. This involvement helped enrich all of our lives and gave us a sense of community, self-satisfaction and accomplishment. All three of our daughters spent a portion of their summer working hours serving as tour guides at the Mabel Tainter Memorial Building. Two became heavily involved in acting, singing and directing. Our middle daughter Ann went on to earn a Theater Arts degree from the University of Wisconsin Eau Claire. Currently, in addition to being a wife, mother and Children's Librarian at the Menomonie Public Library, she is also acting with a children's improvisational theater company in Menomonie called "Fireflies."



April 20, 2001

Senator Brian Burke
Representative John Gard
Members of the Joint Finance Committee

Thank you for the opportunity to speak to you on behalf of Wisconsin's performing arts. I'm Andy Buelow, Director of Public Relations for the Milwaukee Symphony Orchestra, and with me is Cindy Hosale, our Director of Corporate, Foundation and Government Relations.

I'd like to talk just briefly, not only about the MSO but about the performing arts in general. Specifically, I'd like to bring to your attention some ways in which the role of performing arts in our society is evolving – and with it, people's perception and recognition of the arts.

The arts are not generally thought of as an industry, but today that's really what they are – and one that has a remarkable power to be a positive force in our society, both economically and socially. Most people are under the mistaken impression that the arts only serve a small portion of the population. Nothing could be further from the truth. The *Milwaukee Journal Sentinel's* 2000 Consumer Analysis found that more than 50% of the Greater Milwaukee area population attends arts events. Milwaukee's downtown business improvement district did a five-county survey last year in which the performing arts were rated as the number one attraction bringing people downtown. In Milwaukee, city planners and performing arts organizations are working together closely, as both increasingly recognize the potential of the arts to be a catalyst for urban revitalization.

The Milwaukee Symphony Orchestra, which is providing a leadership role in these efforts, is the largest performing arts organization in the state. The orchestra serves an annual audience of more than 300,000. This number includes more than 60,000 students and young people attending education concerts and participating in our education programs. It also includes more than 30,000 people attending our statewide tour concerts. *The Door County Voice* noted last year that "the MSO is more than a city institution, more than a regional one. It is a state-wide entity, providing numerous other communities the opportunity to hear its quality playing."

And ultimately that's what it's all about. In an era when education budgets are stretched, schools are besieged with problems such as overcrowded classrooms and high dropout rates, and sociologists are talking about the growing "coarsening" of society, the performing arts have something vital to contribute. Involvement in the arts can fill the vacuum in a student's life that might otherwise be filled by drugs or delinquency. And adults find that the arts can provide an anchor in their lives, as our music director, Andreas Delfs puts it – not simply another form of entertainment, but something that creates beauty and hope and energy.

I hope we can all work together to find new ways for people to access the arts. They are not a luxury item, but a vital expression of our civilization and a force for positive change.

Respectfully,

A handwritten signature in black ink, appearing to read "Andrew C. Buelow". The signature is fluid and cursive, with a prominent flourish at the end.

Andrew C. Buelow
Director of Public Relations



the place to be

April 20, 2001

Testimony to the public hearing of the Wisconsin Joint Finance Committee

To Co-Chairs Senator Brian Burke, Representative John Gard, and members of the committee:

Thank you for the opportunity to speak to you on behalf of the arts in Wisconsin. We are sensitive to the tremendous challenges facing you as you craft the state budget. As you make these difficult choices, we urge you to support the recommendations of the Special Legislative Study Committee on Arts Funding that were approved by the Joint Legislative Council on March 14. The creation of an income tax credit and the creation of a sales tax exemption for sales of tickets and admissions by nonprofit arts organizations would provide tax relief for the hundreds of thousands of Wisconsin citizens who value the arts.

The legislature's support for these recommendations would place Wisconsin in line with most other states. It is interesting to note that of the 25 major American orchestras, only the Milwaukee Symphony Orchestra pays sales tax on admissions. In fact, this year the MSO expects to pay \$65,000 more in sales tax than we received in our grants from the Wisconsin Arts Board. More importantly, the legislature's support for these recommendations would make the powerful statement that the State of Wisconsin believes in the power of the arts to enhance our quality of life.

We appreciate the support that the legislature has provided to the Milwaukee Symphony Orchestra over the years, and we know that each of you has a creative spirit that is

touched by music, dance, theater, sculpture, and works of fine art. We ask that you honor that spirit with your vote.

Respectfully submitted,

A handwritten signature in cursive script that reads "Cindy Hosale". The signature is written in black ink and includes a long horizontal flourish at the end.

Cindy Hosale

Director of Corporate, Foundation & Government Relations

Milwaukee Symphony Orchestra

END



END

WHAT PURPOSE DOES THE YMCA PLAY IN MY LIFE?

My name is Michelle Krawczyk and I have been a member of the Tri County YMCA in Menomonee Falls for over thirteen years. I have been battling a handicapping disease called fibromyalgia for more than eleven years. I also have battled TMJ, and hyperinsulinemia. I utilize the YMCA's whirlpool, pool, and sauna. I take the deep water exercise class and stretch class, and swim laps of the backstroke. My daughter has been battling fibromyalgia for more than three years. She utilizes the YMCA's whirlpool, pool, and fitness center.

I seek relief at the YMCA for my muscle stiffness, muscle pain, and to keep my insulin levels down. My doctors have explained to me that it is critical to my medical condition that I exercise every day. This is to keep the muscles moving and to get oxygen to the muscles or else a cycle of muscle deconditioning can ensue which can lead to a decrease in mobility, stiffness, and extreme pain in the muscles.

As my insurance company would no longer pay for my physical therapy bills because my condition was chronic, I have had to turn to the YMCA for relief of my symptoms. Instead of paying exorbitant medical costs, I have had to assume the responsibility for my own health. I have been using the YMCA for many years to help me in my rehabilitation process.

My daughter was diagnosed at Children's Hospital at the age of fourteen with fibromyalgia also. The Tri County YMCA has allowed my daughter to use the whirlpool under her doctor's prescription to decrease her pain and muscle complaints in her neck, back, knees, and feet. The YMCA has let her use their whirlpool which helps us reduce our medical costs rather than pay about \$150 per hot water exercise bike treatment at Children's Hospital. Medical care costs for the both of us have been very distressing to my family.

The YMCA has served my family in other areas as well. We have utilized the YMCA for: 1. Childcare 2. Swim club 3. Sleepover parties for the teens 4. Swim lessons 5. Cooking classes 6. Camping experiences 7. Family fun nights 8. Arts and crafts classes 9. Teen leaders program 10. Volunteerism 11. Plays 12. Community outreach programs and 13. Religious programs.

The YMCA has been a safe place for my children and myself to go together for the promotion of our physical and emotional health. We have utilized the YMCA for social, moral, and physical purposes.

I believe the revenues generated by the YMCA's fitness programs are a charitable community benefit as they are put back into the community in values-based programming and not for profit. I believe the YMCA's are dedicated to serving and building families, children, and communities. As President Bush stated in his inaugural address, "Church and charity, synagogue and mosque lend our communities their humanity, and they will have an honored place in our plans and our laws. We find fullness of life not only in options, but in commitments. And we find that children and community are the commitments that set us free".

I believe that historically the YMCA's have been and still are purely public charitable organizations. I am in support of their being specifically listed in the state's statutes as a charitable organization, tax exempt. In the last decade, a social trend that did not reverse is the breakdown of the American family. As the family is the fundamental unit of society, I believe that we must take practical steps in our own lives but also in the political realm to address issues which affect the family. It is time to shine the light on entities whose priorities are families, children, and community!



March 28, 2001

State Senator Brian Burke
Budget Committee Co-chair
Budget Hearing-CVTC Campus

Sen. Burke:

I am here to voice my concern regarding a specialty tax exemption being sought by the Wisconsin YMCA's that is not currently in the proposed budget. Here is why I object:

- #1) Under current State law YMCA's are exempt for benevolent services they provide, based upon the local tax assessors opinion.
- #2) To specifically change the State law to serve their purposes is a selfish and arrogant act that demeans other charitable causes that provide targeted services towards the disadvantaged.
- #3) To hold themselves in higher regard than *churches* in providing Christian values is an affront to organized religion and should not be tolerated. This assumption is based upon the fact that the Y is seeking an exemption specific to their organization and the exclusion of others.

From a **personal** standpoint, I think that a percent of the services offered by the Y are both admirable and necessary. But, a significant part of their services are no different than I provide but yet I pay property and income taxes. I take exception to the YMCA's contention that I am motivated primarily by profit (inferred as greed) at the exclusion of providing a community service. I receive compensation of less than 50% of the salary and benefits of the prior Y director. We struggle to make ends meet as we work on less than a 10% profit margin before taxes.

In recently received literature (attached), "profit" is portrayed as a despicable end to questionable business tactics. Yet "profit" pays for street repair, protection services, community enhancements, etc.. I am particularly disturbed that Rep. Gard, dependent as he is on tax dollars to fund the State budget (and projected shortfalls) would seek to sponsor legislation that specifically singles out one entity as being worth of preferential tax treatment at the exclusion of others. The Y is **one of numerous organizations** funded by a credible reviewing agency known as United Way. Is Rep Gard in someway suggesting the the Y performs a much more needed and necessary services than these other worthwhile agencies?



I donate in excess of \$10,000 per year in services to other community organization; have been a 13 year member (and Paul Harris Fellow) of a local Rotary Club; have served on non-profit boards and my church parish council; continue to act as a co-chairperson for the community wide UCP 'Friends' walk; the list goes on.

What the Y is asking for **today** to protect their \$700.00 tennis memberships, climbing walls, adult (>12) Nautilus exercise areas is a pittance compared to the Y of **tomorrow**. These future Y's will house state-of-the-art fitness technology, dining areas, Rehab areas and other items non-related to their mission of serving the community's youth and instilling Christian values. Water parks, golf courses, corporate retreats, etc., will be soon to follow but protected by an act of legislation to forever be tax exempt. The current YMCA organization has strayed so significantly from its' purported mission how can they ever be trusted to reign in their ever increasing appetite towards additional opportunities.

I suggest current law to be left as is and continue to allow the local assessor to determine if what looks like a duck, walks like a duck, quacks like a duck and is birthed by a duck, **IS ACTUALLY A DUCK!**

Thanks for your understanding on this issue.

Sincerely,

Jeff Sauter
President & General Manager



**TESTIMONY TO THE JOINT FINANCE COMMITTEE
APRIL 20, 2001**

FROM MARY HLAVINKA,
PRESIDENT, WAAO
WISCONSIN ASSOCIATION OF ASSESSING OFFICERS

My name is Mary Hlavinka and I am here today as President of the Wisconsin Association of Assessing Officers and I am representing and speaking for over 600 assessors statewide. I want to thank you for the opportunity to be able to offer testimony today.

Because my time is limited I want to confine my statements to one issue and ask you to consider several points in an effort to keep recently introduced proposals embodied in SB 98 and AB 250, regarding property tax exemptions for property of YMCAs out of the budget bill and the budget process.

First, I want to say that you should not be swayed by the argument submitted by the YMCAs that this legislation somehow codifies or clarifies the existing law. Make no mistake about it this is an **expansion** of the property tax exemption law. If passed, it would allow YMCAs to branch out from their current activities into other areas of the economy. Under current law, there is an ownership and a use test required for the exemption. The new proposal eliminates all current limitations covering commercial activity and substitutes an acreage limitation. The Ys could branch out into areas wholly unrelated to their core purpose. Indeed, it is the close scrutiny that assessors are currently undertaking in examining the extent to which health and fitness activities are related to the Y's core purpose that caused the Ys to engage in a massive public relations and lobbying campaign. I'm sure you're all aware that "tax shifting" from the YMCA's to taxpayers could result from this proposed legislation.

It has been suggested that if property of YMCAs were to be taxed, they would be the first YMCA property in the United States to be taxed. **This is nonsense!** This is not true nationally and it is not even true about YMCA property in Wisconsin. Historically, the Milwaukee Assessor's office has "taxed-in-part" facilities of the YMCA. In Pennsylvania, YMCA property has been partially assessed since at least 1986. The percent of taxable property has ranged from 15% to 40%. Again, SB 98 and AB 250 would eliminate long standing "taxed-in-part" rules.

The YMCA argues that because excess revenues finance YMCA programs, regardless of how the excesses are derived, property should continue to be exempt. This "destination

Page 2 Testimony
Mary Hlavinka, WAAO
April 20, 2001

of income" argument has never been nor should it become the appropriate test in Wisconsin exemption law. As our State Supreme court has told us, it is the actual, physical use of the specific property and not the "use of the income" that matters. Truly benevolent core activities deserve property tax exemption. Commercial activities should not qualify. Don't let this genie loose. Keep state law.

Burnett County Development Association
P.O. Box 9
Crossburg, WI 54840

Budget Testimony

Re: Technology Zones

We strongly support the legislation creating Technology Zones in the State of Wisconsin, with the following amendments:

1. Through an application process (insert Section 3713. 560.96(2)(a) p. 1610, line 23), the department shall designate as technology zones.....
2. 50% of the Zones designated each year shall be awarded to areas demonstrating economic distress (insert Section 3713. 560.96(2)(a) p. 1610, line 25).
3. Preference for zone designation shall be given for collaborative efforts. (insert Section 3713. 560.96(2)(a) p. 1610, line 25).
4. However, additional credits shall be available for multi-county collaborative efforts. (insert Section 3713. 560.96(2)(b) p. 1611, line 5).
5. If the tax credit exceeds the tax liability, businesses located in Technology Zones designated as distressed, shall be refunded the amount of the credit exceeding the liability (inserted in all sections titled Technology Zones Credit).

6. Limit # Tech Zones to 40.

Further, as part of the Superior Days Economic Development Initiative, we support a collaborative multi-county Technology Zone designation for Ashland, Bayfield, Burnett, Douglas, Iron and Washburn Counties.

Reasoning:

As was recently pointed out in Bridge to the New Economy, prepared by the Chequamegon Group, there is a demand for locations which can meet the needs of business in the new economy. New technology allows the development of knowledge based businesses in any rural location with the necessary broad band telecommunications infrastructure. Since these new technology businesses trade in information, they do not require traditional heavy infrastructure usually concentrated in urban areas; and they are easy on the environment. The six northern counties of Wisconsin near Lake Superior have an extremely high quality of life that includes exceptional outdoor recreational opportunities, a low cost of living, vibrant local cultural arts, and fresh, clean air and water. These elements, along with the available infrastructure that supports technology businesses, would enable the area to attract and keep knowledge based entrepreneurs and workers.

Northwest Wisconsin, as well as other predominantly rural regions of the state, have not shared in the tremendous economic growth enjoyed in other portions of the state during the past decade. Location, critical mass of infrastructure, proximity to markets, educational centers, and the availability of capital are primary reasons for this success in other parts of the state. Lack of many of these resources is a primary reason limiting growth in northwestern Wisconsin.

These northern counties of Wisconsin have persistently had among the highest unemployment rates in the state and region, the lowest per-capita incomes, and underemployment of over 30% of the workforce. Employment in manufacturing as a percentage of the local economy is much

6. Reduce Loans Decrease Dilution

less than in metropolitan areas in both Wisconsin and Minnesota. The northern counties also lag behind other regions of the state in the formation of new small business and expansions of local manufacturing.

For example, the communities located along the Interstate Highway 94 corridor from Hudson to Eau Claire struggle to keep pace with the demands of natural economic growth resulting from commerce flowing between Chicago and the Twin Cities. Meanwhile, northwestern Wisconsin communities struggle to finance basic community infrastructure due to inadequate tax base and the low level of economic activity.

To add to the regional economic disparity, areas of the state experiencing high levels of economic growth generate the most demand and receive substantially higher levels of economic development support from the state. Much of this assistance both revolves into future deals and helps to grow local tax bases, thereby stimulating additional growth.

Conversely, rural or isolated communities in the six northern counties lose out on this financial capacity building due to fewer deals.

The challenge is to turn around long standing economic trends in northwestern Wisconsin and create a vibrant, growing economy that creates high skill-high wage jobs, new businesses and a growing tax base. This can be accomplished with a state initiative to ensure that the new high technology railroad does not miss northwestern Wisconsin.

JOINT FINANCE COMMITTEE

RECYCLING GRANT PROGRAM

- ★ In the 2002 budget the Governor plans to reduce the grant program by \$10,000,000 and this would put a great hardship on many small towns like ours. Because of the size of the Town of Grand View, 3 civil townships in size and the amount of lakes in the surrounding area it is almost impossible to join together with other towns to try to keep our recycling cost down and because of the area we live in there is no competition when trying to get lower bids for collecting recyclables mandated by State Law. Restore the funding by raising the tipping fees for out of state haulers who bring tons of solid waste into our state because our fees are lower than surrounding states. This would more than take care of the problem.

WCC CREW REDUCTION

- ★ The Town of Grand View along with many other small towns in the northern part of the state use the WCC program almost yearly. We do not take jobs away from anyone by doing this. We could not afford to build playgrounds, ball fields, skating rinks, attendant sheds at drop off sites, fishing docks for the handicapped people and many more projects to numerous to mention here. WCC assists young people to find a focus in career planning by providing a variety of skills, building opportunities through work for local municipalities such as ours. They also work for non-profit agencies.
- ★ Young adults with learning disabilities are given an opportunity to learn job skills through hands on training.
- ★ For those who dropped out of high school, the WCC program provides a chance to obtain the GED/HSED through the agency's education program.
- ★ Young adults who leave high school without a goal can work with WCC to develop a career plan and earn money for post-secondary education.
- ★ The structure of WCC is based on team building, work ethics and the development of self esteem.
- ★ Don't take this program away from our underprivileged men and women in the state and from our small town.

SHARED REVENUE

- ★ In the proposed budget the governor has mandates for fiscal year 2002 and 2006 that will be very hard for some of the small town in Northern Wisconsin to meet. If they are not met by 2006 towns would lose \$30 to \$40 million of the total of about \$89 million of shared revenue that they now receive in a year.
- ★ To keep this short I have included a letter from the Wisconsin Towns Association which outlines these problems.

SNOWMOBILE PROGRAM

- ★ Increase registration fees to \$35.00 for two years for resident and \$18.00 per year for non-resident trail passes with the trail pass money going into the supplemental program.
- ★ Increase the gallons used per registered machine from 50 to 75.
- ★ Increase enforcement monies for DNR Wardens and County Recreational Safety Officers so they can spend more time on problem areas.
- ★ Create a new registration for snowmobiles that are used for ice fishing only. Most of these machines are not old enough to fall in the antique class but are not used on trails as they are trailered to boat landings and then use the lake to go to their fishing spot. We do not groom any lakes so they should not be required to pay the same fee as those that operate on groomed trails.

Hello, my name is Mary Klun. I am on the Superior Board of Education and am the Recycling Coordinator for Douglas County.

Although I am on the local Board of Education, I am not here today to talk to you about the disastrous impact this budget will have on our schools. I know that you will be given that message. Instead I will speak to you in my role as Douglas County's Recycling Coordinator.

In 1995 our partner, the State of Wisconsin, sent Douglas County \$142,670 in grant money. By the year 2000 that support dropped to just \$53,259. In just 5 years our state partner decreased their support of the mandated recycling program by 63%. Local residents picked up the difference through property taxes and user fees.

The proposed budget would further reduce the current \$24 million for grants to just \$13 million by the end of the second fiscal year.

We all understand that as taxpayers we are paying for these programs through one funding source or another but when the state eliminates its support for recycling as drastically as it plans, it sends a message that recycling is no longer important in Wisconsin and it increases the local tax burden at an alarming rate.

Douglas County is in the process of passing a resolution to oppose further cuts to funding for recycling and to support increased tipping fees to pay for that funding.

Here in Superior, the city of Duluth, Minnesota is just across the river. The city of Duluth ships all its garbage to Wisconsin.

In just one year Minnesota almost doubled the amount of garbage they export to Wisconsin's landfills. In 1999 they sent us ^{267,881 tons} the equivalent of 53 million 10-pound garbage bags. The landfill space we are saving with our recycling programs is being rapidly eaten up by out of state garbage.

Think about this: Minnesota has not opened a new landfill in 15 years; their internal audits suggest their garbage will double within 10 years just as it is expected to exhaust its current landfill capacity. Wisconsin's disposal costs are \$20-30/ton. Minnesota's disposal costs are \$40/ton. How do you think Minnesota will try to solve their problem of too much garbage and not enough landfill?

~~Will Rogers~~ was once asked his opinion on an issue involving the land, his reply.... "Land? They're not making it anymore."

I encourage you to increase tipping fees by \$1.55 to support recycling. The State needs to continue financial support to local communities who are struggling to run the mandated recycling programs. We need to find a way to protect our landfills for our future use, and we need to keep sending the message that recycling is important in Wisconsin.

Talking Points to Support Resolution Opposing Governor's Recycling Budget

Background

- 1) In 1989 Wisconsin Act 335 was enacted to encourage and in some cases require recycling and waste education.
 As of 1991 no person may dispose of lead acid batteries, major appliances or waste oil in a landfill.
 As of 1993 no person may dispose of yard waste in a landfill.
 As of 1995 no person may dispose of aluminum containers, corrugated cardboard, glass containers, foam styrene, magazines, newspaper, office paper, plastic containers, steel containers, bi-metal containers, or tires in a landfill. (Note: there currently exists an exemption on foam styrene and all plastics except #1 and #2 because there are no markets.)
- 2) Under the recycling law definition, the responsible unit for a geographic area is the municipality (city, village or town) unless a county takes specific action to create a responsible unit. (In Douglas County there are two Responsible Units- the City of Superior and all the rest of Douglas County.)
- 3) Responsible Units must develop and implement a program to manage the solid waste generated within its region in compliance with the 1991, 1993 and 1995 bans.

Douglas County Facts

1) Operating Costs

1995	1996	1997	1998	1999	2000	2001*
\$182,636	\$216,757	\$257,486	\$235,410	\$172,370	\$214,998	\$232,436

(These are operating costs not the actual levy which is reduced by the State grant and by revenue from the sale of recyclables and from user fees.)

*Budgeted amount not actual

2) DNR Grant to Douglas County (excluding Superior)

1995	1996	1997	1998	1999	2000*	2001**
\$142,670	\$101,852	\$95,131	\$68,930	\$58,288	\$53,259	

*Estimated only as #'s are not final until mid-year of the following year.

**DNR has still not sent the final numbers to us for our 2001 grant.

- 3) DNR Standard for Pounds Recycled per Person per Year (rural) = 83.7
 Douglas County Pounds Recycled per Person per Year = 104.85 (124.28 lbs. with tires, appliances, etc.)

Minnesota's Export to Wisconsin- Garbage

- 1) 1998- Minnesota sent 140,803 tons of garbage to Wisconsin
 1999- Minnesota sent 267,881 tons of garbage to Wisconsin (equal to over 53 million 10-pound garbage bags)
- 2) Minnesota hasn't opened a new landfill in 15 years.
- 3) Minnesota's garbage is expected to double within 10 years and triple within 20 years. In 10 years it is estimated that Minnesota will have exhausted its current landfills.

- 4) Minnesota's tipping fees are the highest in the Midwest bringing disposal to \$40/ton. Wisconsin's fees are between \$20-\$30 per ton with tipping fees.
- 5) All of Duluth's garbage is hauled to the Wisconsin landfill in Sarona.

Wisconsin's Proposals

- 1) Wisconsin tried to add a tipping fee of \$2.75/ton in but then Governor Thompson cut it to \$1.05 per ton.
- 2) Rep. Larry Balow, D-Eau Claire is pushing legislation to raise tipping fees with a \$10/ton tipping fee.
- 3) This resolution asks for an additional tipping fee of \$1.55/ton. This tipping fee is supported by Wisconsin Association of Counties, Wisconsin Towns Association
- 4) Currently there is \$24,000,000 put aside for recycling grants. Governor McCallum's budget will reduce that to \$14,000,000 in FY1 and to \$13,000,000 in FY2.

To the Joint Committee on Finance .
Thanks for taking the time to gather
local comments on the proposed budget.

With the Governor's tax plan it will
hopefully lower state taxes but will
move the burden of taxes to the local
governments.

According to news reports the tipping
fee is so low in WI, neighboring states MN,
and Ill. are disposing of solid waste in WI
if the tipping fee were raised it would
help finance ~~over~~ recycling which the
Governor wants to discontinue subsidizing.

While the wetlands issue does not directly
affect taxes they are vital to the environme.
and economy. The inland wetlands have
no protection. After the Supreme Court vote
to remove them from control by Army
Engineers, I believe the legislature should
pass legislation to protect them.

Arnold Hagen

Legislative Representative
Tom Harnisch
P.O. Box 65
Neillsville, WI 54456-0065
Phone: 715-743-7477

Legal Counsel
James JR Habeck
W 7686 County Road MMM
Shawano, WI 54166-6086
Phone: 715-526-3157
FAX: 715-524-3917

Wisconsin Towns Association

OFFICERS/DIRECTORS

Terrence J. McMahon, President
18114 52nd Road
Union Grove, WI 53182
262-878-2981

Don Trettin, V. President
15422 West Hospital Road
Hayward, WI 54843
715-634-4554

Mildred Beier, Secretary
W7827 County Road E
Beaver Dam, WI 53916
920-885-4158

DIRECTORS

Stanley Anderson
403 240th Avenue
Cumberland, WI 54829
715-822-8521

Clifford Bowden
4759 Highway 80
Pittsville, WI 54466
715-884-2155

Bernard DeFlorian
W1010 County Road G
Coon Valley, WI 54623
608-452-3250

Norman Faber
30770 Jaquish Hollow
Richland Center, WI 53581
608-585-2804

LaVerne Grunwald
N493 County Road D
Fremont, WI 54940
920-667-4705

Maurice Morgan
W12162 Olden Road
Ripon, WI 54971
920-748-6286

Clarence Natzke
W15353 Linke Road
Tigerton, WI 54486
715-535-2755

Marvin Samson
W4638 County Road B
Black Creek, WI 54106
920-984-3188

Robert Thomas
2751 County Road BB
Dodgeville, WI 53533
608-935-5446

RICHARD J. STADELMAN, EXECUTIVE DIRECTOR
W 7686 County Road MMM, Shawano, Wisconsin 54166-6086

Shawano Office Madison Office
Ph: 715-526-3157 Ph: 608-256-0543
Fax: 715-524-3917 Fax: 608-256-3986

To: Town Chairpersons and Village Presidents
From: Rick Stadelman
Re: WTA Capitol Day Wednesday, March 14, 2001

We urge every town and village to send one or more representatives to the **WTA Capitol Day on Wednesday, March 14, 2001** in Madison, Wis. We will meet at 8:30 a.m. at Jingles Coliseum Bar located at 232 E. Olin Ave., Madison which is across from the Dane County Coliseum. (From the South belt line Hwy 12& 18, take John Nolen Drive north, approx. 1/4 mile past the Sheraton Hotel turn left on Olin Ave. Jingles Coliseum Bar is located on the corner of Olin Ave. and John Nolen Drive.)

Coffee and rolls will be served between 8:30 a.m. and 9:00 a.m. Starting at 9:00 am. we will brief those attending on pending current issues. Now that the Governor's State Budget is out, we can tell you that it is important to attend to hear about and discuss with your state legislators some of the issues such as the recommendations of the Kettl Commission for conversion of the per capita shared revenue payments and change in the shared revenue formula from aidable revenue to "aidable expenditures." In addition the highway aids figure is far below the "fair share" towns, villages, cities and counties should be receiving in terms of the total transportation dollars available.

Just to point out what the Governor's budget would do in relation to shared revenue. In order to receive the equivalent to the current per capita payments of about \$27.00 per person for every town, village, and city, starting in year 2002 (under the Budget proposal) every town, village, and city would have to have an "area cooperation compact" with two other municipalities or counties on one of 18 governmental functions. In year 2006 and after each town, village, and city would have to have provide law enforcement and five other government functions with at least 4 other municipalities or counties. In addition, the towns, villages and cities would be subject to the limits on spending that currently exist only for the expenditure restraint program, which are basically a consumer price index limit. If a unit of government exceeded this limit by even one dollar the government would be penalized by losing all of its shared revenue.

Another change would change the current "aidable revenue" component of the shared revenue formula from its current basis to an "aidable expenditure" program. However, the aidable expenditures that are included for which state aid would be give include only: general government operations; law enforcement; fire protection; ambulance services; public safety services; and health and human services. The budget bill specifically states aidable expenditures do not include a municipality's expenditures for highway maintenance, administration, or construction; road-related facilities or other transportation; solid waste collection and disposal or other sanitation; culture; education; parks and recreation; conservation; or development. **The list of items that are not included as aidable expenditures (such as highway maintenance and construction and solid waste and sanitation) are some of the biggest expenditures of towns and small villages.** I have predicted that without the hold harmless towns would lose \$30 to \$40 million of the total of about \$89 million of shared revenue that towns receive in a year just by this change alone.

These changes would have dramatic impact on every town and village in Wisconsin, particularly starting in year 2006 and after if passed as stated in the current Budget. We want as many towns and villages to come to the WTA Capitol Day to ask their legislators more questions about what these changes mean and why they should be adopted as currently written. Your voice on these important changes needs to be heard now!

If you have questions please call our office for more information.

We will bus everyone from Jingles Coliseum Bar to the State Capitol and bus everyone back for a lunch at approximately 12:30 p.m. Adjournment will be at approximately 1:45 p.m.

We would encourage several towns and villages to car pool to Madison.

This notice is being sent only to Town Chairpersons and Village Presidents, therefore we urge you to pass it along to your fellow town and village officers as soon as possible.

**Registration for Capitol Day
Wednesday March 14, 2001**

Name of Officers attending _____

Name of Town or Village _____ Name of County _____

Payment enclosed _____ or will pay at Door _____

Mail to Wis. Towns Association W7686 County Road MMM Shawano, Wi. 54166
Or Fax to (715) 524-3917

USTC

Union Semiconductor Technology Corporation

USTC
900 Lowater Road
Chippewa Falls, WI 54729

March 23, 2001

Co-Chair Senator Brian Burke
Co-Chair Representative John Gard
Joint Finance Committee
State of Wisconsin

Gentlemen:

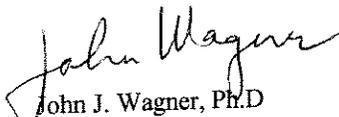
Union Semiconductor Technology Corporation began operations in Chippewa Falls in April of 1999. Our business designs and manufactures advanced memory products. This business requires a large number of individuals with technical skills in engineering and the physical and computer sciences.

We currently employ about 90 individuals and we expect to grow significantly over the next several years. In our search for high quality talent, we have successfully employed a number of individuals with physical science backgrounds from local educational institutions but we also have requirements for individuals from other technical program areas that are not available locally, including circuit design, layout and engineering in general. We are frequently forced to recruit from outside the local area and we have traditionally found this to be quite difficult. We, therefore, are very much in favor of any program that will help us meet our development and manufacturing personnel requirements.

Our business also requires us to continuously train and update employees in a variety of technical areas. Currently, most of this training is not available in the Chippewa Valley and, as a result, training and education are very costly. The availability of local programs in Computer Science, MIS and engineering would be of great benefit. Therefore, I strongly support the Chippewa Valley Initiative.

To grow, USTC and other technology-based businesses, require an increasing supply of high quality talent. I hope that you also will support the Chippewa Valley Initiative as a first important step in meeting our future human resource needs.

Sincerely,


John J. Wagner, Ph.D.
Director of Manufacturing

P.O. Box 78
425 Ellingson Avenue
Hawkins, WI 54530
Tel 715 585 6303
Fax 715 585 2304



March 26, 2001

Iron County Development Zone Council
Connie Coley Loden, Marketing Coordinator
100 Cary Road, PO Box 97
Hurley, WI 54534

RE: Technology Zone

Dear Ms. Loden:

CenturyTel is in support of the Technology Zone being established by the six- (6) northern counties in Wisconsin. These include Iron, Douglas, Bayfield, Ashland, Washburn and Burnett counties. Sufficient infrastructure is in place to support high-speed data technologies in the areas served by CenturyTel.

If you have questions or desire further information please contact me at (715) 585-6388.

Sincerely,

A handwritten signature in black ink, appearing to read "Wally W. Purdun". The signature is written in a cursive style with a large, stylized "W" and "P".

Wally W. Purdun
Area Operations Manager- Hawkins



Ashland

WISCONSIN

27 March 2001

Joint Committee on Finance
Senator Brian Burke, Cochairman
Representative John Gard, Cochairman

RE: Testimony offered at the 27 March 2001 hearing in Superior

Dear Honorable Members of Joint Committee on Finance:

The goals of the Governor's Blue-Ribbon Commission on State-Local Partnerships for the 21st Century were noble and I applaud the time and effort of Commission members. However, we must now accept the fact that the scope of the assigned task was too ambitious and the timeframe unrealistically short. None of us should be surprised that the Kettl Commission failed.

The Commission failed to forward meaningful recommendations regarding the reform of antiquated local government structures. It failed to resolve the overlapping jurisdictional issues, and the resulting conflict, for local governments. It failed to resolve the school-funding issues that helped create much of the overall local government-funding crisis. And now it appears that it failed to maintain a state commitment to equalization of local government finances through the shared revenue program.

Yesterday, for the first time, the Legislative Fiscal Bureau attempted to identify the impact of the SB55/AB144 on municipal governments. The spreadsheets show the winners and losers under the new proposals. It's nice that you came up north to meet with some of the losers. Depending on how the growth sharing boundaries are drawn, the state aid payment to the City of Ashland is proposed to decrease approximately 29 percent or approximately \$1,130,000 prior to the application of the minimum/maximum. The City of Superior's payment will decrease by about 16 percent without minimum/maximum. These calculations have horrendous long-term implications on our communities. If you include the minimum/maximum, the state aid payment to Superior will decrease by about \$580,000. Ashland's payment would only increase by approximately \$10,000.

It is apparent that Governor McCallum is prepared to throw the principle of equalization of state aid payments right out the window. Economically poor communities are being left to fend for themselves, only now thanks to the Kettl Commission; we get to suffer as growth-sharing regions. Please explain how the northwest part of the state can create

CITY OF ASHLAND • 601 Main Street West • Ashland, Wisconsin 54806
Phone (715) 682-7071 • Fax (715) 682-7048

economic growth while declining state aid payments force increased fees, increased property taxes and reductions of municipal services. The rich-get-richer/poor-get-poor scenario in this budget proposal is unacceptable.

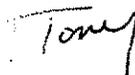
Is it really possible that there are people in Madison who still believe that if the state continues to squeeze local government, then municipalities will continue to find ways to become more efficient and somehow solve the problem themselves? That certainly is an interesting approach to state/local government partnerships. Members of the Commission, you need to be aware that over the past seven years the City of Ashland has reorganized every municipal department. We have consolidated operations. We have cut staffing. We have merged services with other governments. The decisions that we have made have been painful and many of the decisions have not been popular with everyone in the community. I am proud to report to this Commission that we have done everything that we could to become more efficient and more accountable to our taxpayers. Believe me, we have exhausted the best management practices and there is no additional fat to trim. Without a viable partnership with the state that allows for incremental increases in municipal expenditures, Ashland must now choose between increasing property taxes or eliminating public services.

Adoption of Governor McCallum's budget recommendations for local government funding guarantees a property tax increase to City residents. If the State Legislature approves the recommendations of the Governor, the Legislature should stop boasting of reducing the property tax burden in the state. The Legislature is simply shifting the responsibility to increase taxes to municipalities. This shifting has been taking place since 1995 when shared revenue payments were frozen and now is being shifted once again to the low growth communities.

I beg you to reject the hasty conclusions of the Kettl Commission and the foolish shared revenue recommendations of the Governor's budget. Please develop realistic funding partnerships with local governments that don't create winners and losers. Especially, I plead with the Joint Committee on Finance to vocally stand in support of the principle of equalization. It is a principle that is worth saving.

Thank you for your consideration of my comments.

Sincerely,



Tony Murphy
City Administrator

Wisconsin Joint Finance Committee Hearing
Superior, Wisconsin
March 27, 2001
Superior High School
Performing Arts Center
10:30 A.M.

Budget Testimony

Re: Technology Zones

The Ashland Area Development Corporation strongly supports the legislation creating Technology Zones in the State of Wisconsin, with the following amendments:

1. Through an application process (insert Section 3713. 560.96(2)(a) p. 1610, line 23), the department shall designate as technology zones.....
2. 50% of the Zones designated each year shall be awarded to areas demonstrating economic distress (insert Section 3713. 560.96(2)(a) p. 1610, line 25).
3. Preference for zone designation shall be given for collaborative efforts. (insert Section 3713. 560.96(2)(a) p. 1610, line 25).
4. However, additional credits shall be available for multi-county collaborative efforts. (insert Section 3713. 560.96(2)(b) p.1611, line 5).
5. If the tax credit exceeds the tax liability, businesses located in Technology Zones designated as distressed, shall be refunded the amount of the credit exceeding the liability (inserted in all sections titled Technology Zones Credit).
6. CONCERNED ABOUT 20 TOTAL ZONES AS MAYBE TOO MANY.

Further, as part of the Superior Days Economic Development Initiative, we support a collaborative multi-county Technology Zone for Northwest Wisconsin.


Frank R. Kempf
Executive Director
Ashland Area Development Corporation
422 3rd. Street
Ashland, Wisconsin 54806
715-682-8344
Fax 683-8415

Reasoning:

As was recently pointed out in *Bridge to the New Economy*, prepared by the Chequamegon Group, there is a demand for locations which can meet the needs of business in the new economy. New technology allows the development of knowledge based businesses in any rural location with the necessary broad band telecommunications infrastructure. Since these new technology businesses trade in information, they do not require traditional heavy infrastructure usually concentrated in urban areas; and they are easy on the environment. The six northern counties of Wisconsin near Lake Superior have an extremely high quality of life that includes exceptional outdoor recreational opportunities, a low cost of living, vibrant local cultural arts, and fresh, clean air and water. These elements, along with the available infrastructure that supports technology businesses, would enable the area to attract and keep knowledge based entrepreneurs and workers.

Northwest Wisconsin, as well as other predominantly rural regions of the state, have not shared in the tremendous economic growth enjoyed in other portions of the state during the past decade. Location, critical mass of infrastructure, proximity to markets, educational centers, and the availability of capital are primary reasons for this success in other parts of the state. Lack of many of these resources is a primary reason limiting growth in northwestern Wisconsin.

These northern counties of Wisconsin have persistently had among the highest unemployment rates in the state and region, the lowest per-capita incomes, and underemployment of over 30% of the workforce. Employment in manufacturing as a percentage of the local economy is much less than in metropolitan areas in both Wisconsin and Minnesota. The northern counties also lag behind other regions of the state in the formation of new small business and expansions of local manufacturing.

For example, the communities located along the Interstate Highway 94 corridor from Hudson to Eau Claire struggle to keep pace with the demands of natural economic growth resulting from commerce flowing between Chicago and the Twin Cities. Meanwhile, northwestern Wisconsin communities struggle to finance basic community infrastructure due to inadequate tax base and the low level of economic activity.

To add to the regional economic disparity, areas of the state experiencing high levels of economic growth generate the most demand and receive substantially higher levels of economic development support from the state. Much of this assistance both revolves into future deals and helps to grow local tax bases, thereby stimulating additional growth.

Conversely, rural or isolated communities in the six northern counties lose out on this financial capacity building due to fewer deals.

The challenge is to turn around long standing economic trends in northwestern Wisconsin and create a vibrant, growing economy that creates high skill-high wage jobs, new businesses and a growing tax base. This can be accomplished with a state initiative to ensure that the new high technology railroad does not miss northwestern Wisconsin.

**Presentation before the Wisconsin Joint Committee on Finance
Superior, Wisconsin - March 27, 2001**

Friedrich P. Schnook
Executive Director NWCEP/NWWIB
P.O.Box 616, Ashland, WI 54806
1-888-780-4237
fschnook@nwcep.org

Good morning. My name is Fred Schnook and I am the staff to the Northwest Wisconsin Workforce Investment Board. The purpose of the Workforce Investment Board is to provide the strategic planning and oversight of the eight Wisconsin Job Centers located in our area. I am also director of the Northwest Wisconsin Concentrated Employment Program, a very successful non-profit Workforce Development agency delivering services to employers and job seekers in the same ten county demographic area for over thirty years. We are working diligently to provide a skilled workforce for our area. We invest time and money into the employers and workers of Northwest Wisconsin

The purpose of my presentation here today is to provide you with some thoughts or insights on economic issues affecting Northwest Wisconsin and put those issues into the context of how they are similar to other areas of the state. You have a tough job before you and I think giving some perspective to the issues affecting our area would be helpful to you. At first blush, it appears that there are many differences between Northwest Wisconsin and more urban areas of our state. The ten counties comprising Northwest Wisconsin cover a geographical landmass of over 10,000 square miles. This is an area larger than several states! Yet, we only have a population of approximately 170,000. Ten years ago, I moved to Northwest Wisconsin from the City of Milwaukee where I operated programs for dislocated workers. From my first-hand experience, I believe there are more similarities between Northwest Wisconsin and the City of Milwaukee than there are differences. I think that highlighting these similarities may be an effective strategy when considering development of state budgets and policy. I would like to discuss nine items specifically:

1. Northwest Wisconsin and the Milwaukee area both suffer pockets of high poverty. Wages in the ten northwest counties of Wisconsin are, on average, 20% lower than the rest of the State. Consequently, issues relating to economic development, high paying jobs, and the social affects of poverty are similar in Milwaukee and rural Northwest Wisconsin.
2. The City of Milwaukee and municipalities in Northwest Wisconsin have similar difficulties with regard to providing service levels and not having the tax base to support needed services. Many of our towns in Northwest Wisconsin are unable to develop the infrastructure and offer the services available in suburban communities. Our towns and cities are small and consequently do not have the

tax base available to support additional services or infrastructure needs. These are the same problems that are affecting the City of Milwaukee.

3. **School Funding:** Our small rural school districts are experiencing many of the same problems as the Milwaukee public school system as it relates to funding revenues from the State. Specifically, declining enrollments and the methodology by which schools are funded, benefits wealthy suburban schools and penalizes small rural schools and poor urban schools. Revenue caps on schools in rural Northwest Wisconsin have had a detrimental impact in providing handicap accessible bricks and mortar and cutting edge educational programs available to wealthier suburban districts.
4. **Racial Disparity:** The Indian Tribes in Northwest Wisconsin suffer disproportionately from greater social ills than the more affluent white population of the area. This is very similar to the racial disparities found in the urban Milwaukee area.
5. **Geographic Isolation from Economic Opportunities.** In Northwest Wisconsin, many job opportunities are available in our towns and cities. However, a significant portion of our population live outside of these centers and they lack the public transportation, technological infrastructure, and child care services which will allow them to access good jobs and training opportunities. This is very similar to Milwaukee where there are large pockets of unemployment in the inner city and jobs go begging to be filled in the suburbs. However, few infrastructure mechanisms exist to get workers to employment and/or training opportunities.
6. **Love for the Area/Concern for the Future:** A significant portion of the population in Northwest Wisconsin has lived here for many generations. Despite many of the economic hardships our citizens face, they love Northwest Wisconsin and cannot imagine living anywhere else. However, economic opportunities elsewhere cause a significant portion of our young people to leave the area and create a concern for the future. These sentiments are mirrored by the citizens of Southeastern Wisconsin.
7. **Political Isolation.** In rural Northwest Wisconsin, there is a feeling that we are isolated from the political power structure and decision making which takes place in Madison. This sentiment is identical to many of the communities in urban Milwaukee who also feel isolated and ignored by the political power structure in Madison.
8. **Sustainable Development.** While Northwest Wisconsin is in desperate need of additional economic opportunities, there is a general concern that economic prosperity will come at the cost of the destruction of our pristine environment. While economic growth is much needed, there is a great concern that the beauty of our area will get sacrificed on the altar of economic development. This is similar to concerns often raised by the community in Milwaukee, where economic

development or public infrastructure projects have been implemented by tearing apart local neighborhoods. There is a concern in Milwaukee that neighborhoods will be sacrificed on the altar of economic development.

9. **Miscellaneous.** In Northwest Wisconsin, in the past few years, we have seen a dramatic increase in housing prices and taxes. This has caused many people to move out of the city seeking lower tax rates in the country and has prevented many citizens of our area from purchasing homes. We have seen significant increases in our health insurance costs while witnessing decreases in our health insurance benefits. Our city and county governments have witnessed numerous under-funded or un-funded mandates placed upon us by various departments in the state.

As you can see from the above, there are many similarities between Northwest Wisconsin and the Milwaukee area. Urban and Rural areas have more similarities than suburban areas.

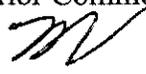
The Joint Committee on Finance members do not have an easy job to perform. I do not envy the position Committee members have in establishing a budget. However, I hope the perception of the similarities of our area to other parts of this great State have helped to put our issues in context for you and will help in your work of developing a budget for our state. In my written comments, I have elaborated more on these items. If I can be of any help to the Joint Committee on Finance in providing you information on Workforce Development issues, labor market information, or any other information which you require, please do not hesitate to ask. Thank you for coming to Superior and thank you for providing me with an opportunity to speak today.

City of Superior Finance Department
1407 Hammond Avenue, Room 104
Superior, WI 54880
(715) 394-0260
(715) 394-0292 (fax)



There's More To Our Shore!

March 27, 2001

TO: Members of the Joint Committee on Finance, Wisconsin Legislative Fiscal Bureau
CC: Mayor Sharon Kottler and Members of the City of Superior Common Council
FROM: Timothy M. Nelson, Finance Director, City of Superior 
RE: Governor's Executive Budget Bill (SB 55/AB 144)

On behalf of the City of Superior Finance Department I would like to submit the following comments to be considered as part of your public hearing for budget bill SB55/AB 144.

In Support

- We are in support of the proposed increase in the funding of state aid paid to municipalities to compensate for the lost personal property tax revenue due to the exemption of computers and related equipment.

In Opposition

- We are opposed to the proposed decrease in funding for the shared revenue program, and while we understand that there is a proposed increase in the expenditure restraint program funding of the same amount, overall, funding for the two programs remains the same and has not been increased since 1995. We would like to see the amount of funding provided by the shared revenue program be increased by at least the rate of inflation each year.
- We are opposed to the almost 50% decrease in funding for municipal recycling grants and ask that more funding be provided for this service.

Other Considerations

City of Superior officials recently met with officials from the Wisconsin Department of Revenue regarding the collection and distribution of terminal taxes. It is the City's contention that Lakehead Pipeline's tank farm more appropriately falls under the description of a terminal property similar to Burlington Northern's taconite facility and Midwest Energy's coal terminal. Lakehead's property is currently categorized as a utility for tax distribution purposes. This is the result of an archaic statute written in 1975. The City wishes to have the Lakehead Pipeline tank farm property classified as a terminal, thereby redirecting the ad valorem tax to the City of Superior instead of as a distribution from the State's General Fund. The fiscal impact of this for the City of Superior could be as high as \$1.5 million dollars annually.

WHITE WINTER WINERY, INC.

402 S. George St., P.O. Box 636, Iron River, WI 54847

(715) 372-5656 or 800-697-2006

E-mail goodmead@win.bright.net

www.whitewinter.com

To Members of the Joint Finance Committee

March 27, 2001

Good morning! My name is Jon Hamilton and I am the operator of White Winter Winery in Iron River located about 40 miles east of Superior. I would like to thank you for traveling to Superior to hear what we all have to say.

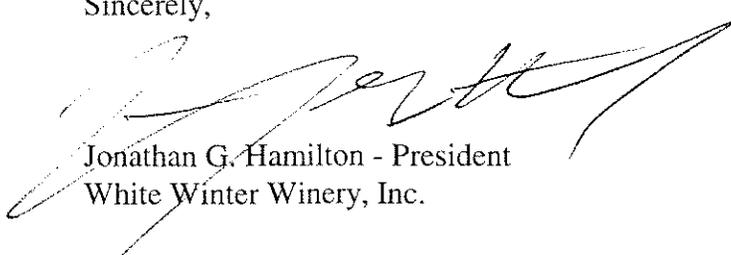
I would like to bring your attention to a recent movement to stop the direct shipment of wine into the state of Wisconsin. As I understand it, this item had originally been in the budget and was removed, but now the language may be re-introduced in the joint finance committee. Mail order sales are a critical part of my business making up about 20-25% of our total sales. We use locally produced fruit and honey in our products. Passage of this bill would mean we would no longer have the ability to pursue these legal sales avenues because reciprocity with these states would be lost. This is particularly serious for us because we do business in such an economically depressed area, generating income in any form is very important. Not only for my business but for the fruit growers and honey producers as well. Last year alone we used over five and a half tons of fruit and honey in our products with the vast majority of it produced within 60 miles of our winery.

This is a regressive action in a time when the entire beer, wine and spirits industry across the nation is working to allow legal shipments in the United States and would seriously jeopardize Wisconsin's fledgling wine industry. Typically distributors do not want to carry our products because we cover a small niche market, we do not have the massive marketing budgets to support far flung markets in Wisconsin or other states. The internet and mail order has helped to level the playing field somewhat in this area. Limiting mail order limits the ability of the consumers in the state to have a selection of their choosing when distributors only carry a few big name, big budget wines and spirits.

Please fight for us to keep the field open with reciprocity with other states. Our business livelihood depends on it, as does those of the fruit growers and honey producers. At the very least this issue should be brought before the entire house for discussion and not slipped into the budget with out review and debate, it limits my ability and right to operate a legitimate business and limits the consumers right of choice.

Please contact Bob Wollersheim, President of the Wisconsin Winery Association at (608)643-6515, or Scott Froehlke the Association lobbyist at (608)257-3000 for more information.

Sincerely,



Jonathan G. Hamilton - President
White Winter Winery, Inc.

Barron County

County Courthouse

330 EAST LA SALLE
BARRON, WISCONSIN 54812

TO: HONORABLE MEMBERS OF JOINT FINANCE COMMITTEE
FROM: ARNOLD ELLISON – BARRON COUNTY BOARD CHAIRMAN
DATE: MARCH 27, 2001
TOPIC: ¼ % SALES TAX

Honorable Legislators,

Thank You for taking time out of your busy schedules to come to Northern Wisconsin for this very important hearing. As many other counties in the State of Wisconsin, Barron County finds it necessary to build a facility to fulfill requirements of the law. Namely, the Law Enforcement and appropriate needs of the judicial system. The operational levy limit of 4.56 for Barron County causes necessary operational costs of a new and necessary facility along with all the other mandated services to become practically unattainable.

We in Barron County are not asking the State for any money! We are simply asking the States approval to have the opportunity to increase a ¼ % sales tax over Barron Counties present ½ % sales tax. That would cause the operational costs of all services attainable and reduce the property tax burden as well. I urgently request that you give serious consideration to this request.

Sincerely,



Arnold Ellison
Barron County Board Chairman

cc: exhibit enclosures