

2003 DRAFTING REQUEST

Bill

Received: **02/21/2003**

Received By: **mshovers**

Wanted: **As time permits**

Identical to LRB:

For: **Joseph Leibham (608) 266-2056**

By/Representing: **Brett**

This file may be shown to any legislator: **NO**

Drafter: **mshovers**

May Contact:

Addl. Drafters:

Subject: **Munis - tax incrmntal financing**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Leibham@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan

Instructions:

See Attached. Also see 99 b1872/1

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							State
/1	mshovers 03/28/2003	kgilfoy 03/31/2003	chaskett 04/01/2003		mbarman 04/01/2003		State
/2	mshovers 04/24/2003	kgilfoy 04/24/2003	jfrantze 04/25/2003		amentkow 04/25/2003	mbarman 05/12/2003	

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For: *Att Intro*

<END>

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12 MES 4/2
 FE Sent For: *4/20* *4/24* *4/25*
kmf *Jcpd*
21/25

<END>

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Bill

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Wanted: As time permits

Identical to LRB:

For: Joseph Leibham (608) 266-2056

By/Representing: Brett

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Drafter: mshovers

May Contact:

Addl. Drafters:

Subject: Munis - tax incrmntal financing

Extra Copies:

Submit via email: YES

Requester's email: Sen.Leibham@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan

TIF #6 was created
1/1/02

Instructions:

See Attached. Also see 99 b1872/1

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1/1	mshovers	1-3/31 KMG	1 4/1 cph	rs/cph 4/1			

FE Sent For:

<END>



January 16, 2003

Senator Joseph Leibham
9th Senate District
Room 409 South
State Capitol
P.O. Box 7882
Madison, WI 53707-7882

**SUBJECT: CITY OF SHEBOYGAN
TAX INCREMENTAL FINANCE DISTRICT NUMBER SIX**

Dear Senator Leibham:

This letter is in response to our recent discussion regarding Tax Incremental District Number Six and a request for extensions. The City of Sheboygan is requesting an extension to the life of the district from 2018 to 2022, as well as an extension of the expenditure period from 2004 to 2006.

As background, TIF District Number 6 encompasses a portion of downtown Sheboygan, as well as the South Pier District. Currently, the City is in the process of redeveloping the 50-acre brownfield site to allow for mixed-use development, including an over \$50 million dollar hotel/restaurant/water park/conference center development. The City is anticipating remediation and infrastructure development to exceed \$10 million. Furthermore, the City is estimating the tax base will exceed \$100 million when fully developed.

Due to the magnitude of the project, and complexities of the site due to its waterfront location and contamination from past uses, an extension to both the life and expenditure period is critical to the success of the project. Any assistance you can provide would be greatly appreciated. If you have any questions or would like further information, please do not hesitate to contact me at (920)459-3379. Thank you.

Sincerely,

Paulette S. Enders
Director of Planning and Development

Cc: Mayor James Schramm
Richard Gebhart, Finance Director
Peter Fullerton, Deputy Director of Planning and Development

DEPARTMENT OF
CITY DEVELOPMENT

807 CENTER AVE.
SHEBOYGAN, WI
53081-4414

920/459-3377
FAX 920/459-3919
EMAIL: development@ci.sheboygan.wi.us
WEBSITE: ci.sheboygan.wi.us

Bill Lehman

66.46 (6) (am) 2. c. Expenditures for project costs for Tax Incremental District Number Six in a city with a population of at least 45,000 that is located in a county that was created in 1853 and that is adjacent to one of the Great Lakes. Such expenditures may be made no later than 13 years after the tax incremental district is created, and may be made through December 31, 2004.

TID #6 in Sheboygan

1) created: 11/1/92

2) DOR may allocate tax increments for 27 years ^{66.1105(6)(a)}
would be until 2019

3) 66.1105(6)(am)h allows expenditures for 10 yrs, → 2002

But see 66.1105(6)(am) 2. c -- allows
expenditures for 13 yrs after TID created, → 2005
through 12/31/04

4) 66.1105(7)(am) TID must terminate 20 yrs after last
expenditure --
would be 11/1/2025

★ The 27 year limit under 66.1105(7)(am) doesn't apply because the ^{expenditures aren't made under sub. (6)(am)h -- they're} tax increments aren't allocated under "this par." -- which I think should say "sub. (6)(a)."

As amended in bill, expenditure period would go from 13 yrs to 15 yrs after TID created, or until 1/1/07 -- through 12/31/06

made under sub. (6)(am) 2.c. and also,

The city wants TID's life extended from 2018 to 2022, but I think the mandatory term date is 20 yrs after last expenditure, or 11/1/2026

Veto by Governor [F-36]: Delete the provision to extend the maximum number of years that tax increments could be allocated to fund project costs under an amended plan for this district to 38 years.

[Act 9 Sections: 1630ed, 1630ef, 1630eh, 1630he, 1630hh and 1630q]

[Act 9 Vetoed Section: 1630k]

17. TAX INCREMENTAL FINANCING -- CITY OF MILWAUKEE

Conference Committee/Legislature: Extend the date by which TIF districts in a first class city had to be created in order for positive tax increments generated by one district to be transferred to another TIF district within that city to October 1, 1996. Under current law, a TIF district project plan can be amended to allocate positive tax increments to another TIF district provided both districts were created prior to October 1, 1995, and have the same overlying taxing jurisdictions. This provision would only apply to the City of Milwaukee.

[Act 9 Sections: 1630kf and 1630ki]

18. TAX INCREMENTAL FINANCING -- CITY OF SHEBOYGAN

Conference Committee/Legislature: Extend the period during which eligible expenditures can be incurred and be reimbursed through the allocation of tax increments from seven years to 13 years for tax incremental financing district number six in a city with a population of at least 45,000 that is located in a county created in 1853 that is adjacent to one of the Great Lakes. Specify that eligible expenditures for the district may occur through December 31, 2004.

These provisions would only apply to a TIF district in the City of Sheboygan.

[Act 9 Section: 1630ke]

19. TRUST FUND LANDS IN TAX INCREMENT DISTRICTS

Joint Finance/Legislature: Prohibit the Governor from concurring with the Secretary of Interior's decision under 25 U.S.C. s. 2719(b)(1)(A) that gaming regulated under the Federal Indian Gaming Regulatory Act on lands acquired by the Secretary in trust for an Indian tribe after October 17, 1988, would not be detrimental to the surrounding area, if the lands are located in a tax increment district, unless the Governor determines that appropriate arrangements have been made so that the location of the lands within the district would not extend the existence of the district for

*City of Sheboygan Wards 1-3, 5,6,9, 11-16; Town of Sheboygan; Village of Kohler;
City of Sheboygan Falls; Town of Sheboygan Falls Ward 4*

November 1, 1999

Mayor James R. Schramm & City Aldermen
City Hall
828 Center Avenue
Sheboygan, WI 53081

Dear Mayor Schramm & Fellow Aldermen,

Last week, Governor Thompson signed into law the 1999-2001 State Budget. One of my top priorities for this budget session was to ensure that it was positive for the City of Sheboygan. As a freshman legislator, I am satisfied with the results. While I wish we could have done more, I am pleased to report on the following "Sheboygan Friendly" state budget provisions:

- Sheboygan TIF (Tax Incremental Financing) District #6: This budget provision would extend the period during which the city can invest in TIF District #6. TIF #6 includes the Reiss peninsula and much of the downtown. The period for investment was to end in 2001. The budget provision extends the investment period through 2004.

I hope you would agree that this extension is important, regardless of the exact future development of this property.

- Funding for Workers Water Street Park: The City of Sheboygan will receive \$173,763 in state Stewardship Funds due to this budget provision. The funds will be used for the continued development of the new park area located along the Sheboygan River, in the Water Street Neighborhood development.

I worked hard to ensure that part of the \$47 million in annual Stewardship Funds will come back to the City of Sheboygan.

- Highway 23: Enumerating the highway will increase its chances of being expanded by the state from two lanes to four lanes between Sheboygan and Fond du Lac.

The expansion of Hwy. 23 is critical for providing both safe and efficient personal and commercial travel to and from the City of Sheboygan.

- Library System Aid: The state's public library system, which includes the Eastern Shores Library System and Mead Library, will see an increase of \$500,000 in 1999-00 and \$1,500,000 in 2000-01.

This amendment is extremely important to Eastern Shores Library System and to our own Mead Public Library.

- Expenditure Restraint Program: The state budget will maintain funding of the program in 1999-00 and increase funding by \$9 million in 2000-01 to bring the total funding of the program to \$57 million in the 2nd year of the budget. The City of Sheboygan will see an increase of approximately \$164,000.

Further, I worked to ensure that we would see positive increases in transportation aids and that the changes in recycling would not have a terrible impact on our budget.

Again, I believe this budget is good for the City of Sheboygan. I enjoyed working hard to ensure passage of the above mentioned provisions. Overall, a large percentage of state spending goes towards local municipality and school aids.

I appreciate the help and assistance of everyone who provided me with information and ideas during the budget process. Please contact me if I can answer any questions or provide any additional information.

Thanks for all you do to make the City of Sheboygan an even better place to live work and enjoy life.

It is an honor representing you and our community in the State Assembly!

Sincerely,

Joseph K. Leibham
State Representative
26th Assembly District



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-2124/d

MES...:K...
RMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

D-NOTE

SOON
IN 3/28

gen

1 AN ACT ... relating to: extending the expenditure period and the life of a tax
2 incremental district in Sheboygan.

the Department of Revenue

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing (TIF) program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50% of the area to be included in the TID is blighted, in need of rehabilitation, or suitable for industrial sites. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, and adoption of a resolution by the common council or village board that creates the district as of a date provided in the resolution. ~~Another step that must be taken before a TID may be created is the creation by the city or village of a joint review board to review the proposal. The joint review board, which is made up of representatives of the overlying taxing jurisdictions of the proposed TID, must approve the project plan within specified time frames or the TID may not be created. If an existing TID project plan is amended by a planning commission, all of these steps are also required.~~

Also under current law, once a TID has been created, (DOR) calculates the "tax increment base value" of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a "value increment" is

, generally,
 created. That portion of taxes collected on the value increment in excess of the base value is called a "tax increment." The tax increment is placed in a special fund that may be used only to pay back the project costs of the TID. The costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. DOR authorizes the allocation of the tax increments until the TID terminates or 23 years, or 27 years in certain cases, after the TID is created, whichever is sooner. TIDs are required to terminate, under current law and with one exception, once these costs are paid back, 16 years, or 20 years in certain cases, after the last expenditure identified in the project plan is made or when the creating city or village dissolves the TID, whichever occurs first. Under the exception, which is limited to certain circumstances, after a TID pays off its project costs, but not later *than* the date on which it must otherwise terminate, the planning commission may allocate positive tax increments generated by the TID (the "donor" TID) to another TID that has been created by the planning commission.

Currently,
 With regard to TID number 6 in Sheboygan, expenditures may be made no later than 13 years after the TID was created, or through December 31, 2004. That TID must terminate no later than 20 years after the last expenditure is made.

Under this bill, the expenditure period for TID number 6 in Sheboygan is extended to 15 years after the TID was created, or through December 31, 2006.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

six

SIX

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 66.1105 (6) (am) 2. c. of the statutes is amended to read:
 2 66.1105 (6) (am) 2. c. Expenditures for project costs for Tax Incremental
 3 District Number Six in a city with a population of at least 45,000 that is located in
 4 a county that was created in 1853 and that is adjacent to one of the Great Lakes. Such
 5 expenditures may be made no later than ~~13~~ 15 years after the tax incremental
 6 district is created, and may be made through December 31, ~~2004~~ 2006.

History: 1975 c. 105, 199, 311; 1977 c. 29 ss. 724m, 725, 1646 (1), (3); 1977 c. 418; 1979 c. 221, 343; 1979 c. 361 s. 112; 1981 c. 20, 317; 1983 a. 27, 31, 207, 320, 405, 538; 1985 a. 29, 39, 285; 1987 a. 27, 186, 395; 1989 a. 31, 336; 1993 a. 293, 337, 399; 1995 a. 27 ss. 3330c to 3337, 9116 (5), 9130 (4); 1995 a. 201, 225, 227, 335; 1997 a. 3, 27, 237, 252; 1999 a. 9; 1999 a. 150 ss. 457 to 472; Stats. 1999 s. 66.1105; 2001 a. 5, 11, 16, 104.

(END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2124/7dn

MES... King

Senator Leibham:

The instructions I received state that you wanted the expenditure period for Tax Incremental District (TID) #6 to be expanded from 2004 to 2006 and the life of the TID extended from 2018 to 2022. I've expanded the expenditure period from 13 years to 15 years, through December 31, 2006.

You may wish to confirm this with the Department of Revenue, and see how DOR would interpret this bill should it become law, but I don't think that anything needs to be done to expand the life of the TID. As I read current law, I think that the TID must terminate not later than 20 years after the last expenditure is made, which would, under the bill, be December 31, 2026.

My opinion is based on s. 66.1105 (7) (am), which states that a TID must terminate upon the earlier of the payment of all of its aggregate costs (see s. 66.1105 (7) (a)), or "20 years after the last expenditure identified in the project plan is made if the district to which the plan relates is created before October 1, 1995, except that in no case may the total number of years during which expenditures are made under sub. (6) (am) 1. plus the total number of years during which tax increments are allocated under this paragraph exceed 27 years."

I don't think that the 27-year limit in sub. (7) (am) applies to TID #6 because its expenditures are made under s. 66.1105 (6) (am) 2. c., and not s. 66.1105 (6) (am) 1. Consequently, it seems to me that the only mandatory termination date that applies to TID #6 is the part of s. 66.1105 (7) (am) that says "20 years after the last expenditure identified in the project plan is made if the district to which the plan relates is created before October 1, 1995."

Another issue you may wish to consider is extending the period during which DOR may allocate tax increments to Sheboygan. Under s. 66.1105 (6) (a), DOR may allocate tax increments to TID #6 for 27 years after the TID is created, which would extend until December 31, 2019. I don't know how long the city thinks it will take to recoup its project costs, but if 13 years after the last expenditure is made (2019 minus 2006) may not be enough, s. 66.1105 (6) (a) may need to be amended.

Please let me know if you would like any changes made to the bill.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: marc.shovers@legis.state.wi.us

Shovers, Marc

From: Davis, Brett
Sent: Tuesday, April 22, 2003 9:22 AM
To: Shovers, Marc
Subject: FW: TID #6, City of Sheboygan

Marc,

Please let me know if this gives you the information you need. Also, please feel free to contact Judie Gibbon at DOR with specifics as well. We sat down with her last week.

Thanks for your help.

Brett

-----Original Message-----

From: McLean, Steve [mailto:SMcLean@ci.sheboygan.wi.us]
Sent: Monday, April 21, 2003 11:33 AM
To: Senator Joe Leibham
Cc: Gebhart, Rich; Schramm, Mayor; Enders, Paulette
Subject: FW: TID #6, City of Sheboygan

Correction, TID #6 was created effective Jan. 1, 1992, not 1991. Sorry for the error in the second paragraph below. Steve McLean

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

> **From:** McLean, Steve
> **Sent:** Monday, April 21, 2003 11:16 AM
> **To:** 'Senator Joe Leibham'
> **Cc:** Schramm, Mayor; Gebhart, Rich; Enders, Paulette
> **Subject:** TID #6, City of Sheboygan

>
> Joe: This is in response to the drafter's documents from the Legislative Reference Bureau relative to extending the expenditure period and the life of TID #6 that you had provided for the City of Sheboygan's review and comment. The proposed legislation drafted by the LRB would only amend Sec. 66.1105 (6) (am) 2. c. of the statutes. This would extend the period for expending project costs from Dec. 31, 2004 currently, to Dec. 31, 2006. This is helpful, but does not address the real time problem that the City has for this TID district, which is the short period left in which to capture the increments. In any event, the proposed amendment to this section should also be amended to reflect the correct year in which Sheboygan County was created, which was 1836 rather than 1853.

>
> The LRB staff attorney's notes indicate that he doesn't think it's necessary to amend Sec. 66.1105 (7) (am). I disagree with this, and feel it is necessary to amend sub. (7). This is based upon my reading of the last half of (7) (am) which reads: "...except that in no case may the total number of years during which expenditures are made under sub. (6)(am)1. {which in our case is zero since this subsection doesn't apply}, plus the total number of years during which tax increments are allocated under this paragraph {which I do think applies} exceed 27 years." Allocating tax increments in TID #6 until 2022, which is our goal, would be 31 years, rather than 27. {TID # 6 was created in 1991} Therefore, I'd suggest that new subsection 66.1105 (7) (as) be created, to read as follows:

>
> "s.66.1105 (7) (as). Notwithstanding par. (am), 16 years after the last expenditure identified in the project plan is
> made if the district to which the plan relates is created before October 1, 1995, and the expenditure period
> is provided for under sub. (6)(am)2.c."

>
> Finally, I believe that section 66.1105 (6) (a) needs to be amended in the last sentence thereof to insert the following language:

>
> "...31 years after the tax incremental district is created if the district is
> created before October 1, 1995, and the
> expenditure period is provided for under sub. (6) (am) 2. c.,...."
>
> If you, your staff, or the staff of the LRB should have any questions, comments or
> suggestions relative to these changes I'd appreciate hearing them. Thanks again for your
> assistance on this very important legislation for the City of Sheboygan. Steve McLean
>
> Stephen G. McLean, City Attorney, City of Sheboygan
> 807 Center Ave., Sheboygan, WI 53081
> (920) 459-3917
> FAX (920) 459-3919
> e-mail smclean@ci.sheboygan.wi.us



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-2124/1
MES:kmg:cph

2003 BILL

SOON
IN 4/24

Note

regem

- 1 AN ACT *to amend* 66.1105 (6) (am) 2. c. of the statutes; **relating to:** extending
2 the expenditure period and the life of a tax incremental district in Sheboygan.

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing (TIF) program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50% of the area to be included in the TID is blighted, in need of rehabilitation, or suitable for industrial sites. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, and adoption of a resolution by the common council or village board that creates the district as of a date provided in the resolution.

Also under current law, once a TID has been created, the Department of Revenue (DOR) calculates the "tax increment base value" of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a "value increment" is created. That portion of taxes collected on the value increment in excess of the base value is called a "tax increment." The tax increment is placed in a special fund that may be used only to pay back the project costs of the TID. The costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. DOR

BILL

The bill also authorizes DOR to allocate tax increments to this TID for 31 years after the TID was created.

authorizes the allocation of the tax increments until the TID terminates or, generally, 23 years; or 27 years in certain cases, after the TID is created, whichever is sooner. TIDs are required to terminate, under current law and with one exception, once these costs are paid back, 16 years, or 20 years in certain cases, after the last expenditure identified in the project plan is made or when the creating city or village dissolves the TID, whichever occurs first. Under the exception, which is limited to certain circumstances, after a TID pays off its project costs, but not later than the date on which it must otherwise terminate, the planning commission may allocate positive tax increments generated by the TID (the "donor" TID) to another TID that has been created by the planning commission.

Currently, with regard to TID number six in Sheboygan, expenditures may be made no later than 13 years after the TID was created, or through December 31, 2004. That TID must terminate no later that 20 years after the last expenditure is made.

Under this bill, the expenditure period for TID number six in Sheboygan is extended to 15 years after the TID was created, or through December 31, 2006.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

INS 2-1

1 SECTION # 66.1105 (6) (am) 2. c. of the statutes is amended to read:

2 66.1105 (6) (am) 2. c. Expenditures for project costs for Tax Incremental

3 District Number Six in a city with a population of at least 45,000 that is located in

4 a county that was created in ~~1853~~¹⁸³⁶ and that is adjacent to one of the Great Lakes. (Such

5 expenditures may be made no later than 13 15 years after the tax incremental

6 district is created, and may be made through December 31, 2004 2006.

(END)

INS 2-6

2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2124/2ins
MES:kmg:cph

INS 2-1 ✓

SECTION 1. 66.1105 (6) (a) of the statutes is renumbered 66.1105 (6) (a) (intro.) and amended to read:

66.1105 (6) (a) (intro.) If the joint review board approves the creation of the tax incremental district under sub. (4m), positive tax increments with respect to a tax incremental district are allocated to the city which created the district for each year commencing after the date when a project plan is adopted under sub. (4) (g). The department of revenue may not authorize allocation of tax increments until it determines from timely evidence submitted by the city that each of the procedures and documents required under sub. (4) (d) to (f) has been completed and all related notices given in a timely manner. The department of revenue may authorize allocation of tax increments for any tax incremental district only if the city clerk and assessor annually submit to the department all required information on or before the 2nd Monday in June. The facts supporting any document adopted or action taken to comply with sub. (4) (d) to (f) are not subject to review by the department of revenue under this paragraph. After the allocation of tax increments is authorized, the department of revenue shall annually authorize allocation of the tax increment to the city that created the district until the soonest of the following events:

1. The department of revenue receives a notice under sub. (8) and the notice has taken effect under sub. (8) (b), ~~27.~~

2. ~~Twenty-seven~~ years after the tax incremental district is created if the district is created before October 1, 1995, ~~38.~~

3. Thirty-eight years after the tax incremental district is created if the district is created before October 1, 1995, and the project plan is amended under sub. (4) (h) 3. ~~or 23~~

4. Twenty-three years after the tax incremental district is created if the district is created after September 30, 1995, ~~whichever is sooner.~~

SECTION 2. 66.1105 (6) (a) 5. of the statutes is created to read:

66.1105(6)(a)
5. Thirty-one years after the tax incremental district is created if the district is created before October 1, 1995, and the expenditure period is specified in par. (am) 2. c.

INS 2-6

SECTION 3. 66.1105 (7) (am) of the statutes is amended to read:

66.1105 (7) (am) Sixteen years after the last expenditure identified in the project plan is made if the district to which the plan relates is created after September 30, 1995, or 20 years after the last expenditure identified in the project plan is made if the district to which the plan relates is created before October 1, 1995, except that in no case may the total number of years during which expenditures are made under sub. (6) (am) 1. plus the total number of years during which tax increments are allocated under this paragraph ~~and~~ ^{Sub.} (6) (a) exceed 27 years.

History: 1975 c. 105, 199, 311; 1977 c. 29 ss. 724m, 725, 1646 (1), (3); 1977 c. 418; 1979 c. 221, 343; 1979 c. 361 s. 112; 1981 c. 20, 317; 1983 a. 27, 31, 207, 320, 405, 538; 1985 a. 29, 39, 285; 1987 a. 27, 186, 395; 1989 a. 31, 336; 1993 a. 293, 337, 399; 1995 a. 27 ss. 3330c to 3337, 9116 (5), 9130 (4); 1995 a. 201, 225, 227, 335; 1997 a. 3, 27, 237, 252; 1999 a. 9; 1999 a. 150 ss. 457 to 472; Stats. 1999 s. 66.1105; 2001 a. 5, 11, 16, 104.

SECTION 4. 66.1105 (7) (as) of the statutes is created to read:

66.1105 (7) (as) Notwithstanding par. (am), 16 years after the last expenditure identified in the project plan is made if the district to which the plan relates is created before October 1, 1995, and the expenditure period is specified in sub. (6) (am) 2. c.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2124/2dn
MES:kmg:cph



Senator Leibham:

I believe that this version of the bill addresses all of your concerns. To avoid any confusion as to when a TID must terminate, this version of the bill creates s. 66.1105 (7) (as), which specifically states that TID # 6 in Sheboygan does not have to terminate until 16 years after its last expenditure is made.

I have also corrected an error in current law. I ~~have~~ amended s. 66.1105 (7) (am), stats., so that it reads, in part, as follows: "except that in no case may the total number of years during which expenditures are made under sub. (6) (am) 1. plus the total number of years during which tax increments are allocated under ~~this paragraph~~ sub. (6) (a) exceed 27 years." I ~~also~~ discussed this with Judie Gibbon of DOR and she agrees that the reference to "this paragraph" in sub. (7) (am) is inaccurate and makes no sense because tax increments are not allocated under sub. (7) (am) — they are only allocated under sub. (6) (a). Is this OK?

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2124/2dn
MES:kmg:jf

April 25, 2003

Senator Leibham:

I believe that this version of the bill addresses all of your concerns. To avoid any confusion as to when a TID must terminate, this version of the bill creates s. 66.1105 (7) (as), which specifically states that TID # 6 in Sheboygan does not have to terminate until 16 years after its last expenditure is made.

I have also corrected an error in current law. I amended s. 66.1105 (7) (am), stats., so that it reads, in part, as follows: "except that in no case may the total number of years during which expenditures are made under sub. (6) (am) 1. plus the total number of years during which tax increments are allocated under ~~this paragraph~~ sub. (6) (a) exceed 27 years." I discussed this with Judie Gibbon of DOR and she agrees that the reference to "this paragraph" in sub. (7) (am) is inaccurate and makes no sense because tax increments are not allocated under sub. (7) (am) — they are only allocated under sub. (6) (a). Is this OK?

Marc E. Shovers
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Emery, Lynn

From: Davis, Brett
Sent: Friday, May 09, 2003 1:54 PM
To: LRB.Legal
Subject: Draft review: LRB 03-2124/2 Topic: Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan

It has been requested by <Davis, Brett> that the following draft be jacketed for the SENATE:

Draft review: LRB 03-2124/2 Topic: Tax incremental financing (TIF) changes for TIF district # 6 in Sheboygan