

2019 DRAFTING REQUEST

Bill

For: **Administration-Budget 6-1923** Drafter: **mshovers**
 By: **Quinn** Secondary Drafters:
 Date: **1/30/2019** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email:
 Carbon copy (CC) to: **doasbostatlanguage@wisconsin.gov**
eric.mueller@legis.wisconsin.gov

Pre Topic:

DOA:.....Quinn, BB0241 -

Topic:

TIF district project plan stress tests (TID)

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	mshovers 2/17/2019	ccarmich 1/31/2019	mbarman 1/31/2019		State S&L
/P2		ccarmich 2/18/2019	mbarman 2/18/2019		State S&L

FE Sent For: **<END>**

Shovers, Marc

From: Cathlene Hanaman <cathleneh@gmail.com>
Sent: Wednesday, January 30, 2019 7:04 AM
To: Shovers, Marc; Mueller, Eric
Subject: Fwd: Statutory Language Drafting Request - 2019-21

Sent from my iPhone

Begin forwarded message:

Biennial Budget: 2019-21

Topic: TIF District Project Plan Stress Tests

Tracking Code: BB0241

SBO Team: TLGED

SBO Analyst: Quinn, Brian D - DOA

Phone: (608) 266-1923

E-mail: brian.quinn@wisconsin.gov

Agency Acronym: 835

Agency Number: 835

Priority: Medium

Intent:

Require that the project plans submitted to a joint review board contain alternative scenarios demonstrating the district's finances should the pace of development or the rate of property value growth fall short of the assumptions made in the project plan.

Attachments: False

Please send completed drafts to SBOSatlanguage@spsmail.enterprise.wistate.us

-1708



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

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

SIA
X-ref
S/C

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AN ACT ^φ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

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

Under the current tax incremental financing program, a city or village may create a TID in part of its territory to foster development under certain conditions. Currently, towns and counties also have a limited ability to create a TID under certain limited circumstances. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, approval of the city's or village's proposed TID by a joint review board that consists of members who represent the overlying taxation districts, and adoption of a resolution by the common council or village board that creates the TID as of a date provided in the resolution.

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

slower pace of development and lower rate of property value growth than expected in the TID.

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

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

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

2 66.1105 (4) (f) Adoption by the planning commission of a project plan for each
3 tax incremental district and submission of the plan to the local legislative body. The
4 plan shall include a statement listing the kind, number and location of all proposed
5 public works or improvements within the district or, to the extent provided in sub.
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8 project costs and the time when the related costs or monetary obligations are to be
9 incurred. The project plan shall also contain alternative economic projections of the
10 district's finances and feasibility under different economic situations, including the
11 pace of development in the district being slower than expected and the rate of
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15 of zoning ordinances, master plan, if any, map, building codes and city ordinances;
16 a list of estimated nonproject costs; and a statement of the proposed method for the
17 relocation of any persons to be displaced. The plan shall indicate how creation of the
18 tax incremental district promotes the orderly development of the city. The city shall

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

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; 2003 a. 34, 46, 126, 127, 194, 320, 326; 2005 a. 6, 13, 46, 328, 331, 385; 2007 a. 2, 10, 21, 41, 43, 57, 73, 96; 2009 a. 5, 28, 67, 170, 176, 310, 312; 2011 a. 10, 12, 32, 40, 41, 77, 137, 139; 2011 a. 260 s. 81; 2013 a. 2, 32, 90; 2013 a. 165 ss. 43, 44, 114; 2013 a. 173 s. 32; 2013 a. 183, 193, 284, 299; 2015 a. 60, 75, 96; 2015 a. 195 s. 83; 2015 a. 197 s. 51; 2015 a. 254, 255, 256, 257; 2017 a. 1, 15, 58, 59, 70, 223, 349; 2017 a. 364 ss. 10, 48, 49; 2017 a. 365; s. 13.92 (1) (bm) 2.

3 **SECTION 9330. Initial applicability; Local Government.**

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

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

7 (END)

Shovers, Marc

From: Quinn, Brian D - DOA
Sent: Sunday, February 17, 2019 4:19 PM
To: Shovers, Marc
Subject: TIF District Stress Tests - 1708/P1

Marc,

Just a couple of aesthetic edits on this one.

On line 9, strike "economic" from "alternative economic projections."

On line 10, add "economic" before "feasibility."

That should be it for that one.

Brian Quinn
Executive Policy and Budget Analyst - Advanced
Wisconsin Department of Administration
Division of Executive Budget and Finance
(608)-266-1923



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1708/PI
MES:cde

P2
PMA

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

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

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go

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

1# Tax incremental district
project plan stress
tests

Analysis by the Legislative Reference Bureau

LOCAL GOVERNMENT

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