



State of Wisconsin  
2025 - 2026 LEGISLATURE

LRB-2023/P2

EVM:cjs&cde

DOA:.....Quinn, BB0562 - Mixed-use tax incremental district conversion

**FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION**

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

---

*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

***Reclassification of TID to mixed-use TID***

When a tax incremental district (TID) is created, the city or village must designate the TID as one of several sorts of TID: blighted area, rehabilitation or conservation, industrial, or mixed-use. The application of certain rules vary depending on the classification of the TID. For example, blighted area TIDs have a longer potential lifespan than industrial or mixed-use TIDs.

Under this bill, a city or village may change the classification of a TID to a mixed-use TID after the creation of the TID. The TID would retain the lifespan and tax collection features of the original classification, but would gain the features of a mixed-use TID. The principal difference between mixed-use TIDs and other TIDs is the ability within certain limits to spend tax increments on newly platted residential development.

Because this bill may increase or decrease, directly or indirectly, the cost of the development, construction, financing, purchasing, sale, ownership, or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

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:***

**SECTION 1.** 66.1105 (4) (h) 3. of the statutes is created to read:

66.1105 (4) (h) 3. The planning commission may, by resolution, amend the declaration under par. (gm) 6. to reclassify the district as a mixed-use district. The amendment is subject to approval by the local legislative body and the joint review board acting under sub. (4m). The amendment under this subdivision shall be

**BILL****SECTION 1**

concurrent with an amendment under subd. 1. to the project plan of the district. The planning commission shall ensure that the percentage of lands in the district proposed for newly platted residential use does not exceed the percentage specified in sub. (2) (cm) and that at least one of the conditions specified under sub. (2) (f) 3. a. to c. applies to the district. Adoption of an amendment to a classification shall be preceded by a public hearing held by the planning commission at which interested parties shall be afforded a reasonable opportunity to express their views on the amendment. Notice of the hearing shall be published as a class 1 notice, under ch. 985. The notice shall include a statement of the purpose and cost of the amendment and shall advise that a copy of the amendment will be provided on request. Before publication, a copy of the notice shall be sent to the chief executive officer or administrator of all local governmental entities having the power to levy taxes on property within the district and to the school board of any school district which includes property located within the proposed district. For a county with no chief executive officer or administrator, this notice shall be sent to the county board chairperson.

**SECTION 2.** 66.1105 (4m) (b) 2. of the statutes is amended to read:

66.1105 (**4m**) (b) 2. No tax incremental district may be created and no project plan may be amended unless the board approves the resolution adopted under sub. (4) (gm) or (h) 1., and no tax incremental base may be redetermined under sub. (5) (h) unless the board approves the resolution adopted under sub. (5) (h) 1., by a majority vote within 45 days after receiving the resolution. For actions described under this subdivision, a majority vote is required, and, except for a multijurisdictional tax incremental district, 3 affirmative votes are required to

**BILL****SECTION 2**

constitute a majority, except that no tax incremental district classification may be amended unless the board unanimously approves the resolution adopted under sub. (4) (h) 3. within 45 days after receiving the resolution. With regard to a multijurisdictional tax incremental district created under this section, each public member of a participating city must be part of the majority that votes for approval of the resolution or the district may not be created. The board may not approve the resolution under this subdivision unless the board's approval contains a positive assertion that, in its judgment, the development described in the documents the board has reviewed under subd. 1. would not occur without the creation of a tax incremental district. The board may not approve the resolution under this subdivision unless the board finds that, with regard to a tax incremental district that is proposed to be created by a city under sub. (17) (a), such a district would be the only existing district created under that subsection by that city.

\*\*\*\*NOTE: This is reconciled s. 66.1105 (4m) (b) 2., This SECTION has been affected by drafts with the following LRB numbers: -2023/P1 and -1452/P1.

**SECTION 3.** 66.1105 (7m) of the statutes is created to read:

66.1105 **(7m)** CLASSIFICATION CHANGES. Notwithstanding subs. (6) and (7), an amendment to the classification of a district under sub. (4) (h) 3. does not affect the expenditure or allocation periods or lifespan of the district.

**(END)**