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City of Marinette



Denise J. Ruleau
Mayor

February 4, 2013

Representative Duey Stroebel
Chair, Assembly Committee on State and Local Finance
207 North, State Capitol
P.O. Box 8953
Madison, WI 53708-8953

RE: Assembly Bill 2

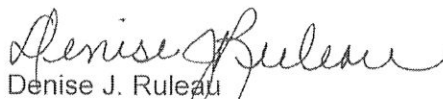
Chairman Stroebel and Members of the State and Local Finance Committee:

As Mayor of the City of Marinette, Wisconsin, I appreciate your committee's consideration of Assembly Bill 2 which would, if passed, extend the expenditure period for City of Marinette TIF District #3.

Construction of planned projects within TIF District #3 were delayed due to factors beyond the control of the City of Marinette. Approval of this request would extend the expenditure period from July 2, 2013 to July 2, 2018, but not extend the closure date of this TIF District.

Thank you, and if you need additional information, please do not hesitate to call me at 1-715-732-5120.

Sincerely,


Denise J. Ruleau
Mayor

Cc: Representative John Nygren



John Nygren

WISCONSIN STATE REPRESENTATIVE ★ 89TH ASSEMBLY DISTRICT

**Assembly Bill 2 – City of Marinette TID Extension
Assembly Committee on State and Local Finance
Testimony by State Rep. John Nygren
February 5, 2013**

Thank you, Chair Stroebel and members of the Committee on State and Local Finance, for holding a hearing on Assembly Bill 2 today, relating to an extension of the expenditure period for a tax incremental district in my hometown of Marinette.

The legislation before you came about in response to an issue that was brought to my attention by officials with the City of Marinette. Although Mayor Ruleau is unable to attend today's hearing, I have submitted a letter, addressed to the Chair and all committee members, on her behalf.

Late last year, city officials requested the legislature extend the expenditure period of the city's tax incremental district (TID) number three, which runs from Ogden Street to the Waupaca Foundry area in the City of Marinette. TID #3 was created on July 2, 1991 as an industrial TID and it has a maximum life of 27 years, meaning it expires on July 2, 2018. However, under current law, a city generally may not make expenditures for project costs later than five years before the unextended termination of the TID, limiting their expenditure period to July of this year.

The city is currently undergoing projects which depend on this TID as a revenue source. Primarily, they are committed to a grant match for Wisconsin Department of Natural Resources (DNR) funding for the Menekaunee Harbor Dredge Disposal project, of which TID #3 provides them with the revenue required for the match.

The Menekaunee Harbor dredging is a long-overdue, crucial project for the region. The dredging is allowing for the removal of an array of contaminants that have had a negative effect on the area's ecosystem. The project is also going to enhance boating recreation opportunities and assist the area's shipping industry.



John Nygren

WISCONSIN STATE REPRESENTATIVE ★ 89TH ASSEMBLY DISTRICT

The original timeline for the dredging project fell within the TID's expenditure period. However, due to unforeseen circumstances that were beyond the control of the city, the project was delayed and will not be completed before July 2nd of this year, when the city's TID #3 expenditure period is set to expire. The city is working with the DNR and the Environmental Protection Agency (EPA) to complete the project in a timely fashion, and that effort is greatly dependent upon the legislation we are discussing today.

As the TID is set to expire before the end date of the dredging project, the city needs us to pass this legislation which extends the TID expenditure period to July 2, 2018. As you can see in the provided fiscal note, under this bill it is estimated that TID #3 will generate incremental levies at the current level of \$252,000 or higher for the five years of the proposed extension. Again, this extension and the ability to appropriate the funds are necessary in order to complete the major dredging project the city is working on with the DNR and EPA.

In summary, I urge you to support this legislation extending TID #3 in the City of Marinette in order to allow the city to move forward with their planned environmental and recreational projects and continued economic development efforts.

I appreciate the opportunity to testify before your committee today on this important piece of legislation and welcome any questions you may have at this time.