



# SCOTT KRUG

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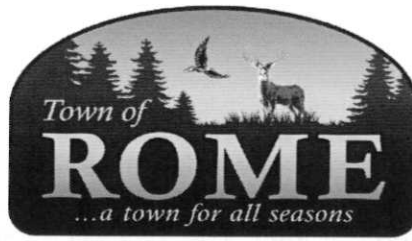
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## Testimony on AB123, Ways and Means Committee, April 15, 2015

Chairman Spiros, committee members thank you today for holding a public hearing on AB123, a bill that will distinctly shape the future of Adams County, WI and the Town of Rome. Living in the Town of Rome I can tell you firsthand there is a great deal of excitement about our recent economic development wins.

Typically Adams County, WI is one of the most economically depressed areas of the state of WI. However, it has an amazing asset of natural beauty that can draw new opportunities of tourism if simply allowed by the state of WI to have some flexibilities to draw interest from developers. One such developer took a chance a few years ago and we are now fortunate to have the most advanced world class trap shooting range in the United States. The success of the Wisconsin Trapshooter Association "Homegrounds" project was also in part dependent on a tweak of state law. Now other developers are now beginning to show more interest. This bill allows the town of Rome in Adams County to take advantage of these opportunities by working with developers to assist in shaping a new world class golf resort facility that will rival anything in the United States as well. A small change in TID requirements will assist in a development that will bring hundreds of jobs and millions of dollars in investment to a very typically depressed region of the state.

With me today to explain more about the project are Rick Bavkoka with the Town of Rome board and Michael Keiser, the developer of the Sand Valley project. Again thank you for giving us the opportunity to discuss AB123 today.



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March 20, 2015

To Whom It May Concern:

TID's or Tax Incremental Districts are allowed by State Statute for use by cities and villages as a tool for economic development in their municipalities. Towns are not typically allowed a TID. TID's allow for grants and loans to accelerate development and to provide for infrastructure improvements within the district.

Governors of both parties have long used the TID Statutes to provide for economic development in our state. This bill primarily allows a town, specifically the Town of Rome to create a TID with the goal of accelerating the course development and providing a loan to the Town for infrastructure necessary to support the development; roads, power, natural gas, etc. It was sponsored by Representative Krug and Senator Roth. The bill has bi-partisan support. Democrat Senator Lassa is a co-sponsor. We are hoping to get more sponsorship as the bill moves forward.

The Town of Rome **cannot** loan or grant money to the developer, but a TID can. In all prior course projects, the Keiser family has not taken out loans for their courses. Mr. Keiser did not ask us for loans or to create a TID. **We, the Town of Rome asked him to consider a TID because of the benefits to the Town.**

The TID proposal in draft form would consist of a 12 million dollar loan. 9 million to the developer, to be repaid with money from golf course operations (profits) and three million to the Town to be repaid from the property tax proceeds from the district. Local commercial banks would provide the bonds. A strict legal agreement, called a Developers Agreement controls the loan and the allocation of the money.

The Keiser's have offered as collateral, the entire project, in which they have already invested more than 10 million dollars. Expenditures are allowed within the first six years of the TID creation, from a project list approved through the Developer's Agreement. These expenditures are controlled and oversight is provided by a five member TID Board, not the Town or the Developer. When the loan is repaid, the TID expires and the entire district pays taxes as normal.

Without a TID, the Town would have to borrow money to complete road work necessary to the project. The funds to repay the loan would come from our levy and take away money needed for Town operations. The TID district would create enough money for loan repayment without impacting our levy. The TID will allow the project to grow faster and all of the taxing bodies within our district would have a higher tax base when the TID expires.

The article you reference omits an important amendment also in this bill. Current TID language requires a golf course to occupy 75% of the land within the TID. This bill would eliminate that requirement. The reason is to allow conservation areas within this TID, areas that preserve the Sand Barrens geology and protect the natural habitat, areas that allow for public walking, biking, horseback and cross country skiing trails.

The Keiser's are building a golf course project, but they are adamant about preserving the striking beauty of the landscape. They are not moving dirt, but utilizing the natural terrain. It is a project that all of us can be very proud of having in our Town.

The Town Board is working very hard to make this project a reality. It can be an economic benefit to all of Central Wisconsin. Thank you for your questions and continued support of our Town and this project.

Respectfully,

Phil McLaughlin, Chairman  
Town of Rome

Rick Bakovka, Supervisor  
Town of Rome

Lori Djumadi, Supervisor  
Town of Rome

Dave Repinski, Supervisor  
Town of Rome

Jerry Wiessinger, Supervisor  
Town of Rome

*Rome strives to be a diverse community,  
offering a variety of residential living, year around recreation  
and business opportunities with an emphasis on  
environmental preservation.*

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