



## PATRICK TESTIN

STATE SENATOR

DATE: February 19, 2020

RE: **Testimony on Senate Bill 260**

TO: The Senate Committee on Economic Development, Commerce, and Trade

FROM: Senator Patrick Testin

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Good Morning. I'd like to thank Senator Feyen and members of the committee for your willingness to hear my testimony on Senate Bill 260 (SB 260).

Ontario is a small village in the heart of the Coulee region that has faced its share of ups and downs. The Kickapoo River runs through the heart of the village, and 2018's flooding destroyed more than a dozen homes and more than two dozen businesses.

Despite the challenges presented by the flooding, Ontario is a village that's been on the rebound. Since 1990, Ontario has grown from a population of 407 to an estimated population of over 550 today. The village has been planning to expand, and they have laid the groundwork for a second TIF district. Unfortunately, the property loss caused by the floods has pushed this TIF up against the 12% valuation threshold that it cannot exceed. This prevents the village from creating a second TIF and continuing to grow. Our bill creates an exemption for the Village of Ontario that is warranted due to the special circumstances that the village has faced.

Thank you for hearing my testimony. Please join me in supporting this bill; let's not let 2018's flood continue to hold this village back.



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# LOREN OLDENBURG

STATE REPRESENTATIVE • 96<sup>th</sup> ASSEMBLY DISTRICT

## Senate Bill 260

Relating to: changing the 12 percent rule regarding the total value of taxable property include in the creation of a tax incremental district in the village of Ontario

**Senate Committee on Economic Development, Commerce and Trade**

**February 19, 2020**

Good Morning, Chairman Feyen and committee members. I want to thank you for your willingness to hear Senate Bill 260.

The 96<sup>th</sup> district consists of Crawford, most of Vernon, and about half of Monroe county. The Village of Ontario is right on the border between Vernon and Monroe counties.

As you may know the 96<sup>th</sup> district has been tragically affected by devastating floods in previous years, and even in 2019. The Kickapoo River runs through the Village of Ontario, and is a huge tourist attraction. With the river nearby, several canoeing businesses call Ontario home. After the most recent *500 year flood*, in 2018, homes and business that were a valuable part of the village were destroyed.

After I was first elected to the Assembly I began attending *Community Conversations*, an event in Ontario where community members would gather and discuss what steps to take after the flooding. I met Mark Smith, the Ontario Village president, at the community conversation events. Following these events, we discussed why changing the 12 percent rule for the TIF district in Ontario is so important to the village. The village has the land ready to create their second tax incremental financing district. The local school district, Vernon County, the local technical college and local businesses all support the creation of a second TIF district in Ontario. The village's original tax incremental financing district has been such a success that it cannot be amended to include this new land. Taking into account the property loss after the floods, and the new developments that are planned in the original tax incremental financing district, the village will be over the 12 percent rule. As you know, being over the 12 percent rule will not allow for the creation of a second tax incremental financing district. Allowing Ontario to change the 12 percent rule after enduring these horrific floods will speed up the growth process for the village.

Thank you again for hearing Senate Bill 260, a bill that will make all the difference to a small community in rural Wisconsin.

Village of Ontario  
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(608) 337-4381

State of Wisconsin  
2019 -2020 Legislature  
RE. Senate Bill 260

February 18, 2020

To Whom It May Concern:

As I'm sure many of you are aware, Ontario was hit the end of August 2018, with a devastating flood. This flood event was like no one alive has ever seen in Ontario. It affected over a dozen homes and twenty-five businesses, many of which are still not open today. We have nine properties that were able to apply to FEMA for a mitigation buy out. The rest are not eligible because they are not in the flood plain, according to the FEMA flood insurance rate map.

The Village of Ontario is limited, by topography and/or the flood plain, in land availability for expansion and growth. The village has an Economic Development Committee which has been, over the last three years, looking at ways to promote growth. By land acquisition if possible and taking more advantage of the attributes that we have, mainly in tourism attractions like the Kickapoo River, local bike trails, the Wildcat Mountain State Park and the Kickapoo Valley Reserve.

It is now with a new sense of urgency we have been seeking the land acquisition with the purpose of offering; 1.) Residents that would like, a place to move or build in an area not in close proximity to the flood plain area. 2.) To also offer businesses the same opportunity to move and have the ability to attract more businesses to Ontario.

The village lost its Community Center during the flood as well. This Community Center has always been considered the heart of Ontario. All types of events would take place in that community center, from the Fireman's Friday Night bingo to weddings, graduations, musical events, class reunions, funerals, etc., all happened in that Community Center.

The village had created a TIF district "TID #1" twenty years ago, in hopes of attracting single family homes to be built in that district. We consider that still existing TID, to have been a great success, bringing a dozen new homes to the village. Through pre planning it has also allowed us to upgrade some streets and infrastructure that otherwise would not have been possible.

Through the existing TID #1 the village was recently able to acquire the "old grade school property" (4.8 acres), including the old school building. The hope here is to provide land to build homes or multi-family dwellings on. Additionally, to fix up "the old school building" to a point where it could be temporarily used in place of the lost community center. Again, without the existing TID this would not

be possible. So, a TIF, in our opinion, is a great way to promote growth in municipalities and ways to make improvements which otherwise would be pretty much an impossibility.

The Ontario Economic Development Committee has identified another property (around 36 acres) within the village limits. We have approached the current landowner about the possible acquisition and the landowner has expressed the willingness to sell the property to the village. The hope and idea here would be to give the business owners and possible new businesses a place to move and build on away from the flood plain area.

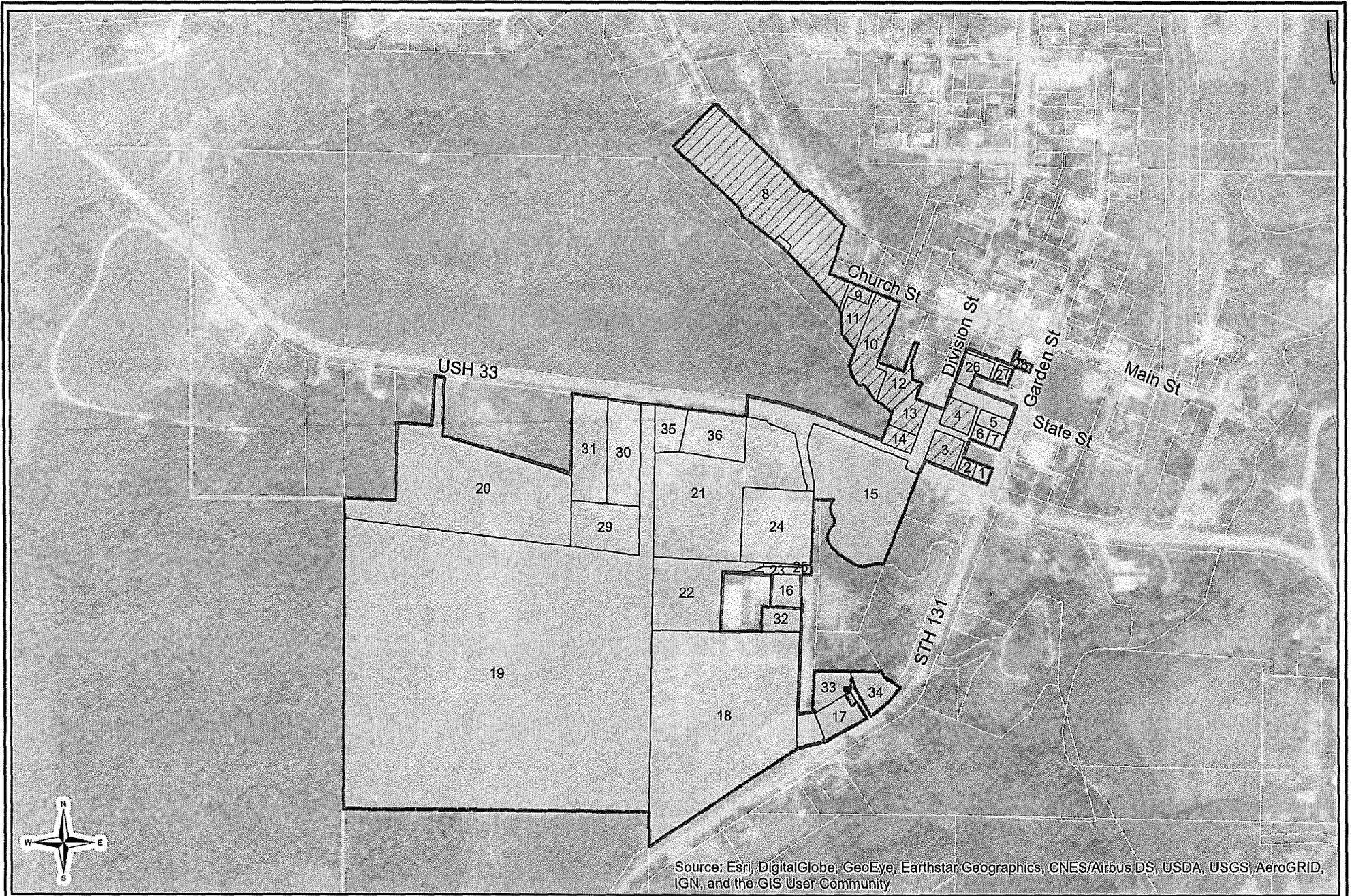
So that brings us to the main reason for asking for this hearing and proposed exemption for a TID #2. The Village of Ontario wishes to create another TID, "TID #2". The current limits are that any and all existing TIDs are not to exceed a total of 12 percent valuation of the total valuation. The current of existing TID #1 was at 12.53 percent of the 2018 equalized value. After the results of the recent revaluation of the village, that value dropped to 9.46 percent. This is good news in that we can or are eligible to create another TID under the current guidelines. It doesn't however allow room for much to be done as it only allows for about \$400,000 in expenditures for land acquisition and development. As anyone could imagine that is not going to go very far. The Village of Ontario is asking for the TID #2 to be created and the TIF limits be temporarily raised to 18 percent. This would only remain in effect until the current TID #1 expires in 2025 and then return to the current limits, 12 percent.

We, the Village of Ontario, do hope that you see and understand the gravity of the situation that we are in. We do wish that you would grant this exception and feel this would be a monumental stride in helping Ontario move forward to a better, brighter future. Thank you for your time and consideration.

Sincerely,

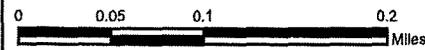
Mark A. Smith

Ontario Village Board President



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

**TID No. 2 Boundary**  
Village of Ontario



-  TID No. 1 Overlapping Parcels
-  TID No. 2 Parcels
-  TID No. 2 Boundary

**vierbicher**  
planners | engineers | advisors



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