



STATE REPRESENTATIVE

JESSE JAMES

February 21st, 2022

Representative James' Testimony on AB 991

Good Afternoon, Chairman Swearingen and committee members on State Affairs. Thank you for hearing Assembly Bill 991. The 68th Assembly District consists of portions of five counties, one of which is Clark County, containing the Village of Withee. The Village of Withee created tax incremental district (TID) #1 in May 1996, as an industrial TIF. This TID had a life of 23 years or until May 2019. The expenditure period for TID #1 ended in May 2014, meaning it can no longer incur any costs. The TID was extended three years until May of 2022 after being granted a tech college extension.

As of the end 2020, TID #1 had a negative fund balance of \$672,976. Tax increment is the only income stream the TID has. The value of the tax increments in 2020 and 2021 was \$2,317,800 and \$2,599,900, respectively, resulting in an income stream estimated at \$54,000 and \$60,000 for 2021 and 2022.

When the tax increment is applied to the deficit fund balance, it would be reduced by \$114,000, resulting in a negative fund balance of \$558,000 when the TID expires in 2022. Even with these funds, the village would remain in quite a deficit. This negative fund balance is the result of TID eligible costs that have been incurred within the district that have not been recovered or reimbursed by the TID. The Village of Withee is asking for an extension of ten years so they can collect the necessary tax increment to break even.

Thank you for hearing Assembly Bill 991. This bill will allow this community an opportunity to break even after this ten year extension. Thank you for your support.

STATE SENATOR KATHY BERNIER
TWENTY-THIRD SENATE DISTRICT



State Capitol • P.O. Box 7882 • Madison, WI 53707
Office: (608) 266-7511 • Toll Free: (888) 437-9436
Sen.Bernier@legis.wi.gov • www.SenatorBernier.com

From: Senator Kathy Bernier
To: The Assembly Committee on State Affairs
Re: Testimony on Assembly Bill 991
Relating to: the maximum life and allocation period for Tax Incremental District 1 in the village of Withee
Date: February 21, 2022

Chairman Swearingen and committee members, thank you for hearing Assembly Bill 991. Representative Jesse James has done a great job for his Assembly District in getting this bill introduced and in front of your committee.

In May of 1996, the Village of Withee, in Clark county, created Tax Incremental District #1 (TID 1) as an industrial Tax Incremental Finance District. The expenditure period for TID #1 ended in May 2014, meaning it can no longer incur any costs and the TID was given a three year extension through a tech college expansion for three years until May of 2022.

The value increment of the TID #1 in 2019 was \$2,212,500 which produced a tax increment of \$52,373 in 2020. Tax increment is the only income stream the TID has. Expected revenue for the next two years is not enough to reduce the negative deficit to zero.

TID #1 had a negative fund balance of \$670,000 at the end of 2020, due to TID eligible costs incurred that have not been recovered or reimbursed by the TID. The Village is asking for a ten-year extension so they can collect the necessary tax increment to break even.

Thank you again for hearing Assembly Bill 991, which will deliver needed help to the village of Withee. Thank you for your support.



VILLAGE OF WITHEE

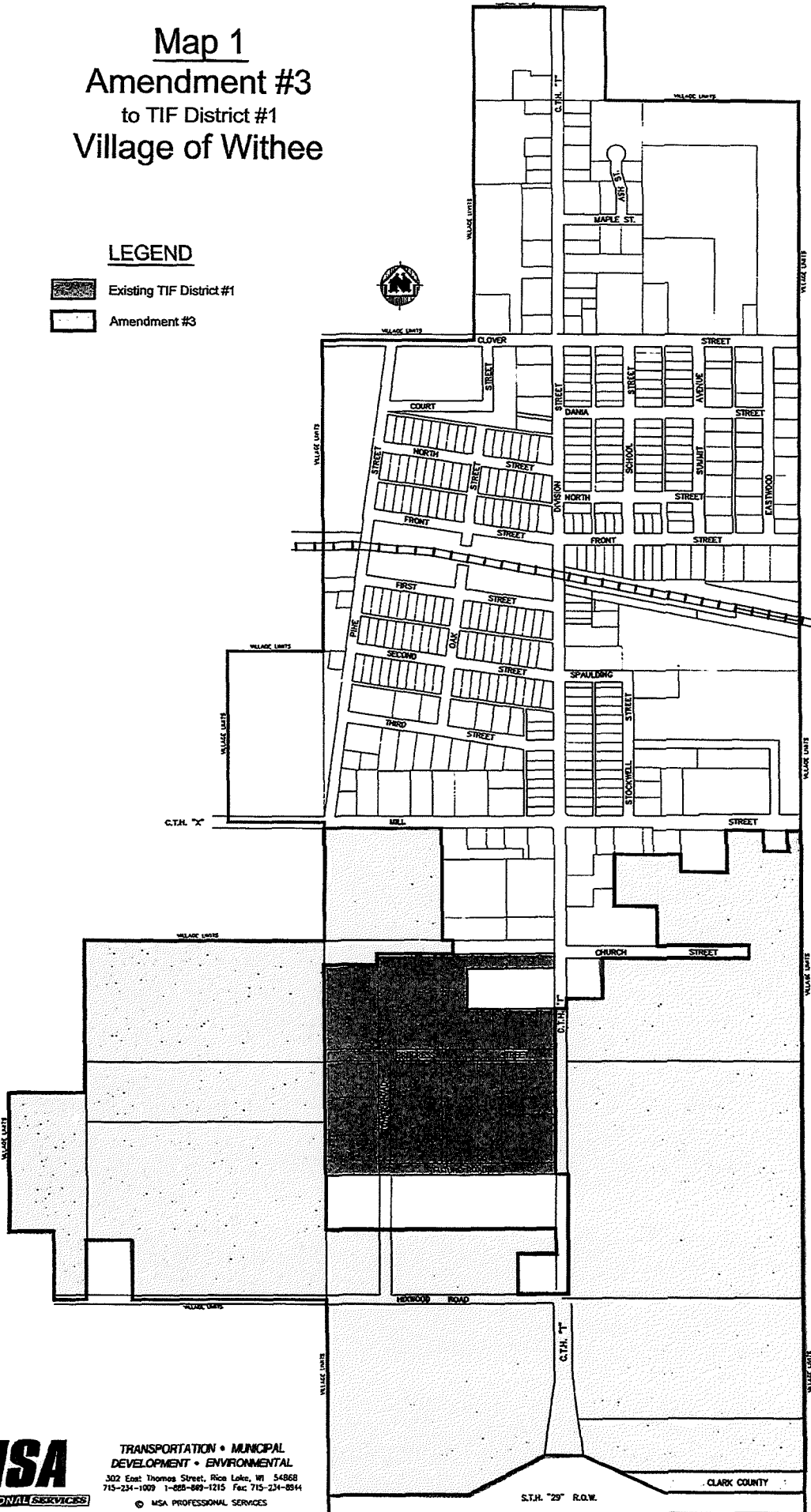
TID #1 TRANSACTION SUMMARY FUND 410
Industrial (post-95)

	<u>Prior to 2017</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Totals</u>
REVENUES						
Tax Increments	981,217.00	48,096.00	50,393.00	49,431.86	52,373.00	1,181,510.86
CDBG-PF Grant						0.00
Exempt Computer Aid	0.00	265.00	268.00	273.93	274.97	1,081.90
Personal Property Aid	0.00	0.00	0.00	1,408.96	1,937.22	3,346.18
						0.00
Total Revenues	981,217.00	48,361.00	50,661.00	51,114.75	54,585.19	1,185,938.94
EXPENDITURES						
Economic Development Project Costs	1,138,186.00					1,138,186.00
Water/Sewermain Feasibility Study						0.00
Audit/Other Admin	17,942.00	150.00	150.00	150.00	150.00	18,542.00
Interest (on interfund loan)	526,876.00	48,361.00	50,661.00	21,854.33	9,686.38	657,438.71
						0.00
Total Expenditures	1,683,004.00	48,511.00	50,811.00	22,004.33	9,836.38	1,814,166.71
Revenues Over (Under) Expenditures	(701,787.00)	(150.00)	(150.00)	29,110.42	44,748.81	(628,227.77)
FUND BALANCE, BEGINNING	0.00	(701,787.00)	(701,937.00)	(702,087.00)	(672,976.58)	0.00
FUND BALANCE, ENDING	<u>(701,787.00)</u>	<u>(701,937.00)</u>	<u>(702,087.00)</u>	<u>(672,976.58)</u>	<u>(628,227.77)</u>	<u>(628,227.77)</u>

Map 1 Amendment #3 to TIF District #1 Village of Withee

LEGEND

-  Existing TIF District #1
-  Amendment #3



MSA
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
TRANSPORTATION • MUNICIPAL
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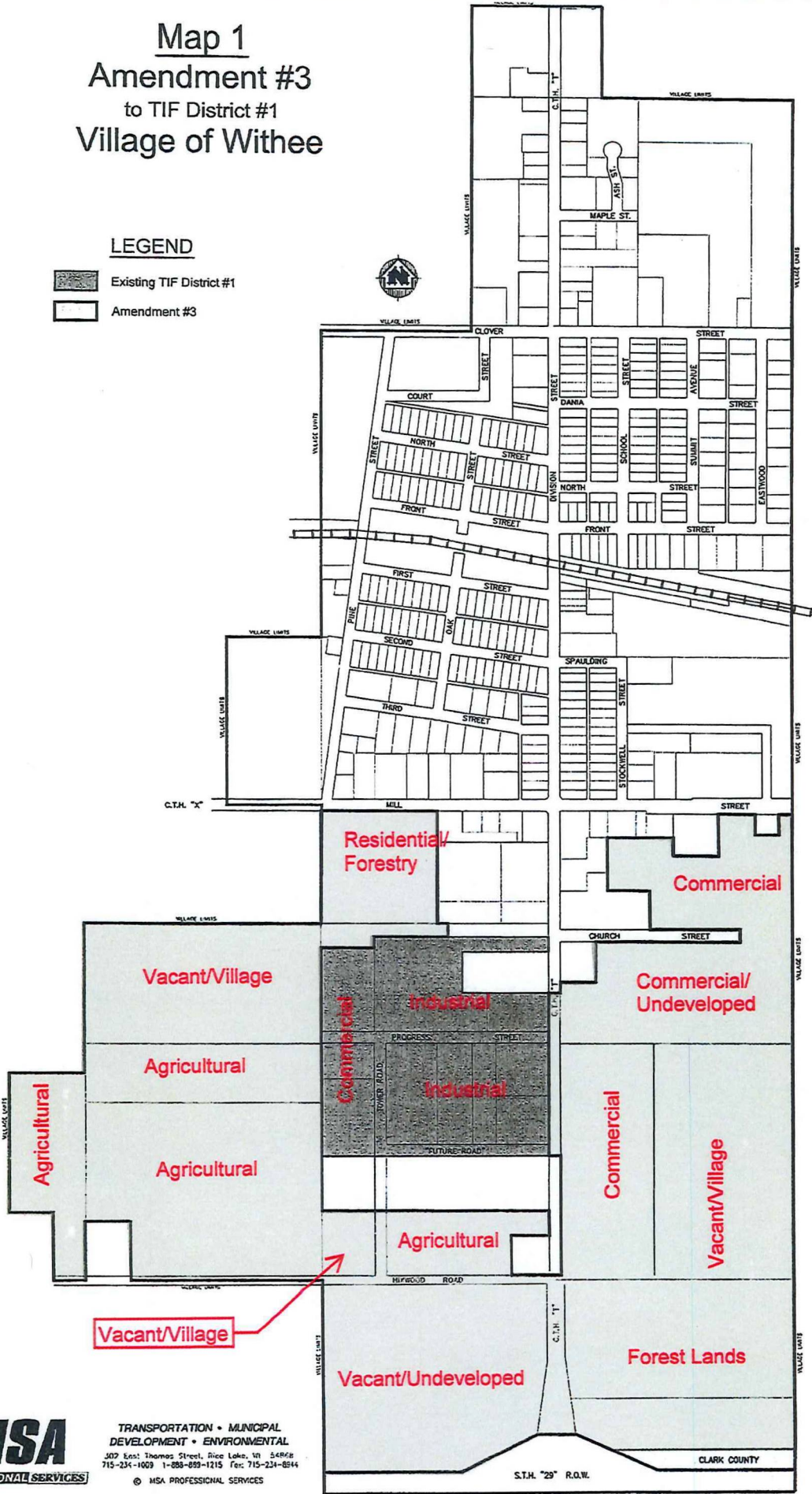
S.T.H. "29" R.O.W.

CLARK COUNTY

Map 1 Amendment #3 to TIF District #1 Village of Withee

LEGEND

-  Existing TIF District #1
-  Amendment #3



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Village of Withee

Phone: 715-229-4319 Fax: 715-229-4451
511 Division * P.O. Box A * Withee, Wisconsin 54498

February 21, 2022

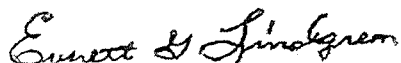
Dear Members of the Assembly:

Thank you for hearing Assembly Bill 991 which is regarding the maximum life and allocation period for Tax Incremental District (TID) Number 1 in the Village of Withee. TID Number 1 was created as an industrial TID in May of 1996. TID Number 1 is due to terminate May 17, 2022, where the Village is liable for all unpaid project costs. At the end of 2020, the fund balance of TID Number 1 was a negative \$628,227 which is a huge amount for our small municipality of 501 people.

The general fund will be impacted by the deficit as it covers the expenses of the TID Number 1. This could potentially limit funds in the general fund that are used to provide essential services to our residents. The Village Board handles the monies available with strong judgement and saves where it can. We spend within our means, as we don't assess more than the allowed levy. Being unable to receive the increment funds would be a hardship for the Village as we attempt to grow and better the community.

Once again, thank you for your consideration. I welcome the opportunity to answer any questions and/or concerns you may have.

Sincerely,



Everett Lindgren
Village President

RESOLUTION #01-04-19

**JOINT REVIEW BOARD
APPROVING EXTENSION TO
TAX INCREMENTAL FINANCE DISTRICT NO. 1
VILLAGE OF WITHEE, WISCONSIN**

WHEREAS, the Village of Withee Tax Increment District No. 1 is not expected to generate sufficient revenue to recoup its project costs within its maximum life;

WHEREAS, the Village of Withee Tax Increment District No. 1 was negatively impacted by 2013 Wisconsin Act 145;

WHEREAS, Tax Incremental Finance District No. 1 was created on May 17, 1996 and has a termination date of May 17, 2019; and

NOW, THEREFORE, BE IT RESOLVED that the Joint Review Board hereby approves the extension of the Village of Withee Tax Incremental District No. 1 by an additional three (3) years pursuant to WI Act 254.

Dated this 24th day of April, 2019.

OFFERED BY:


Joint Review Board Member

SECONDED BY:


Joint Review Board Member

APPROVED:


Joint Review Board Chairperson

ATTESTED:


Ellen Niemi, Clerk

Voted Yes 5

Voted No 0

Village of Withee

Phone: 715-229-4319 Fax: 715-229-4451
511 Division * P.O. Box A * Withee, Wisconsin 54498

February 22, 2022

Representative Bob Swearingen, Chairman
Committee on State Affairs
Room 123 West; State Capital
Madison, WI 53708

RE: Assembly Bill 991 – Time Extension for Village of Withee TID #1

Dear Representative Swearingen:

As the Chairperson of the Village of Withee Joint Review Board, I support the passage of Assembly Bill 991 which would extend the life of the TID #1 by 10 years. This proposed bill is the last remedy available to the Village of Withee for this District. Without it, the village will experience a financial hardship.

In April of 2019, the Joint Review Board unanimously passed a resolution (attached), to extend the life of TID #1 by three years pursuant Wisconsin Statutes 66.1105(7)(am)4.

I strongly urge passage of this proposed legislation and appreciate your consideration.

Sincerely,


Everett Lindgren
Withee Joint Review Board Chairperson



Eau Claire Campuses
Clairemont
West
Gateway

620 W. Clairemont Ave.
Eau Claire, WI 54701-6162
715-833-6200
Fax 715-833-6470
www.cvtc.edu

Bruce A. Barker, President

February 22, 2022

Representative Bob Swearingen, Chairman
Committee on State Affairs
Room 123 West; State Capital
Madison, WI 53708

RE: Assembly Bill 991 – Time Extension for Village of Withee TID #1

Dear Representative Swearingen:

As a member of the Village of Withee Joint Review Board, I support the passage of Assembly Bill 991 which would extend the life of the TID #1 by 10 years. This proposed bill is the last remedy available to the Village of Withee for this District. Without it, the village will experience a financial hardship.

In April of 2019, the Joint Review Board unanimously passed a resolution (attached), to extend the life of TID #1 by three years pursuant Wisconsin Statutes 66.1105(7)(am)4.

I strongly urge passage of this proposed legislation and appreciate your consideration.

Sincerely,

A handwritten signature in black ink that reads 'Angela Eckman'.

Angela Eckman
Withee Joint Review Board Member
Chippewa Valley Technical College
Campus & Business Development Manager

Daniel Hiipakka

1015 Division Street, PO Box 372, Withee, WI 54498 - 715.773.2791 - dan.hiipakka@gmail.com

February 22, 2022

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Committee on State Affairs
Room 123 West; State Capital
Madison, WI 53708

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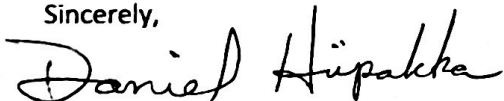
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In April of 2019, the Joint Review Board unanimously passed a resolution (attached), to extend the life of TID #1 by three years pursuant Wisconsin Statutes 66.1105(7)(am)4.

I strongly urge passage of this proposed legislation and appreciate your consideration.

Sincerely,

A handwritten signature in black ink that reads "Daniel Hiipakka". The signature is written in a cursive style with a large initial "D".

Withee Joint Review Board Member

Nancy Amacher
PO Box B
412 2nd Street
Withee, WI 54498

February 22, 2022

Representative Bob Swearingen, Chairman
Committee on State Affairs
Room 123 West; State Capital
Madison, WI 53708

RE: Assembly Bill 991 – Time Extension for Village of Withee TID #1

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I strongly urge passage of this proposed legislation and appreciate your consideration.

Sincerely,



Nancy Amacher
Clark County Representative
Withee Joint Review Board

SCHOOL DISTRICT OF OWEN-WITHEE

Robert Houts
District Administrator
Matt Cihlar
Middle/High School Principal
Julie Van Ark
Elementary Principal

832 W. 3rd St. ♦ Post Office Box 417 ♦ Owen, WI 54460 (715) 229-2151

February 22, 2022

Representative Bob Swearingen, Chairman
Committee on State Affairs
Room 123 West; State Capital
Madison, WI 53708

RE: Assembly Bill 991 – Time Extension for Village of Withee TID #1

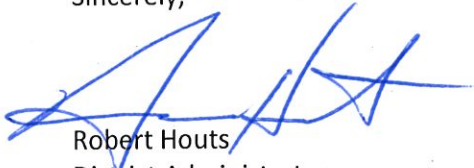
Dear Representative Swearingen:

As a member of the Village of Withee Joint Review Board, I support the passage of Assembly Bill 991 which would extend the life of the TID #1 by 10 years. This proposed bill is the last remedy available to the Village of Withee for this District. Without it, the village will experience an extreme financial hardship.

In April of 2019, the Joint Review Board unanimously passed a resolution (attached), to extend the life of TID #1 by three years pursuant Wisconsin Statutes 66.1105(7)(am)4.

I strongly urge passage of this proposed legislation and appreciate your consideration.

Sincerely,



Robert Houts
District Administrator
School District of Owen-Withee
Withee Joint Review Board Member



"Education Makes Truth Self-Evident"