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CO-CHAIR, JOINT COMMITTEE FOR REVIEW OF ADMINISTRATIVE RULES

41st ASSEMBLY DISTRICT

Assembly Bill 453: Lengthening the time during which tax increments may be allocated and expenditures for project costs may be made and extending the maximum life for Tax Incremental Districts Number Three and Four in the village of Lake Delton

**Testimony of State Representative Joan Ballweg
Assembly Committee on Ways and Means
September 26, 2019**

Thank you, Chair Macco, and members of the Committee on Ways and Means for holding this public hearing on AB 453.

Located in my district is an iconic Wisconsin tourism destination, Wisconsin Dells. It is primarily comprised of the City of Wisconsin Dells and the Village of Lake Delton. The Village of Lake Delton has roots as a tourism community that date back more than 150 years and is now a family vacation destination; a sought-after location for meetings, conventions and sports; and is widely recognized as “The Waterpark Capital of the World®.”

The Village of Lake Delton has made visionary decisions that have kept this tourism economic engine for the State of Wisconsin running. The overall Wisconsin Dells area tourism economy contributed \$46.7 million in state taxes and \$56.5 million in local taxes in 2017. This number is increasing as economic development in the Village is increasing. The Tax Incremental District (TID) is a key part of this sustained economic growth. For example, in 2000, the equalized value of property in the Village of Lake Delton was \$517 million. It is currently valued at over \$1.6 billion.

As an iconic tourism destination, the Village of Lake Delton needs to continually update, refresh and refurbish its infrastructure so that the private sector has opportunity to invest and improve their facilities. While historically successful in fostering an outstanding tourism environment, the Village understands that it has to increase its infrastructure investment.

The Village has two open TIDs: TID #3 and TID #4. TID #3 is a mixed-use district. TID #4 is a blighted district that provides needed funding to Lake Delton for development that will bring more entertainment, dining, arts and other activities to the area. In order to materially assist with the funding for such redevelopment, as well as funding for other eligible project costs related to either TID #3 or TID #4, the Village needs to extend the termination date of each district, as well as the last date for expenditures for eligible project costs for each district. It is anticipated that expenditures will be made to upgrade road networks, construct storm water retention facilities, extend electric and gas utilities, and expand the regional sewage treatment plant and municipal water system. This legislation will extend the maximum life of TID #3 by 17 years and the maximum life of TID #4 by 10 years. These statutory changes will ensure the economic stability of the Lake Delton area into the future.

Thank you for your consideration of AB 453, and I am happy to answer any questions.



Luther S. Olsen
State Senator
14th District

TO: Assembly Committee on Ways and Means
FROM: Senator Luther Olsen
DATE: September 26, 2019
SUBJECT: Testimony in favor of Assembly Bill 453.

Thank you Chairman Macco and the Assembly Committee on Ways and Means for holding a hearing and allowing me to testify in favor of Assembly Bill 453.

Currently, the Village of Lake Delton has two open Tax Incremental Districts (TIDs): TID 3 and TID 4. TID 3 is a mixed-use district. TID 4 is a blighted district that provides needed funding for new development that will bring more entertainment, dining, arts, sports and other corporate or convention activities to the area.

The Village of Lake Delton needs to continually update its infrastructure so that the private sector continues to invest and improve their facilities. While historically successful in fostering an outstanding tourism environment, the Village understands that it has to increase its infrastructure investment.

In order to invest in redevelopment, as well as fund other eligible project costs related to either district, the Village needs to extend the termination date of each district, as well as the last date for expenditures for eligible project costs for each district. These changes will help the village upgrade road networks, construct storm water retention facilities, extend electric and gas utilities, and expand the regional sewage treatment plant and municipal water system.

This legislation will extend the maximum life of TID 3 by 17 years and the maximum life of TID 4 by 10 years. These statutory changes will ensure the economic stability of the Lake Delton area into the future.

The Wisconsin Dells Visitors and Convention Bureau supports this proposal.

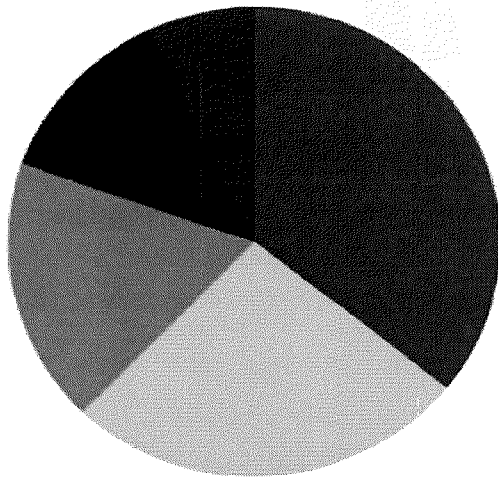
Thank you, members. I ask for your support and would be more than happy to answer any questions.

WISCONSIN DELLS ECONOMIC IMPACT SUMMARY 2017

The tourism destination of Wisconsin Dells is primarily comprised of the City of Wisconsin Dells and the Village of Lake Delton. Its roots as a tourism community date back more than 150 years when the first visitors came for scenic tours of the Wisconsin River with towering sandstone cliffs hugging its shores. Today, Wisconsin Dells is widely recognized as “The Waterpark Capital of the World!®”

Along with its stellar family vacation base, Wisconsin Dells successfully hosts meetings, conventions and sports. The community is in early discussions on a major downtown redevelopment project designed to bring more entertainment, dining, arts, activities and cityscape improvements to the historic river district.

VISITOR SPENDING



■ Lodging	\$426,441,186
■ Food & Beverage	\$315,303,705
■ Retail	\$219,395,109
■ Recreation	\$153,739,106
■ Transportation	\$87,794,932

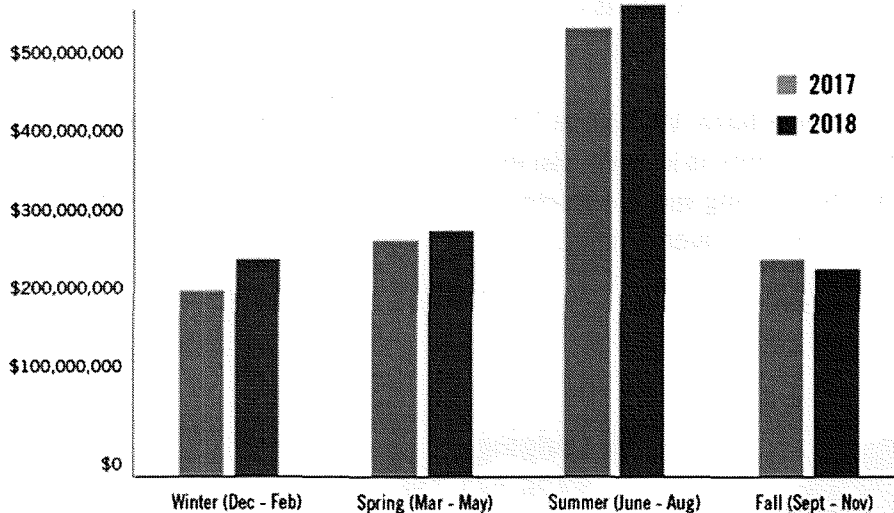
The exact tally of \$1,202,674,037 represents an increase of 3.3% over a year ago. When you factor in indirect impacts, that overall total climbs to over \$1.64 billion, a jump of just over 4.0% from last year.

Expenditures by Category:

- Lodging \$426,441,186
- Transportation \$87,794,932
- Retail \$219,395,109
- Recreation \$153,739,106
- Food & Beverage \$315,303,705

SEASONAL BREAKOUT

EST. VISITOR EXPENDITURE COMPARISON BY SEASON



Winter posted the largest gain, with an increase of 8.5%. Summer spending also increased, up nearly 5%. Summer accounts for 44% of all visitor spending in Wisconsin Dells, followed by spring, winter, and fall.

Expenditures by Season:

- Winter: \$212,187,493
- Spring: \$257,657,197
- Summer: \$527,133,875
- Fall: \$205,695,471

JOBS

Total jobs supported, factoring in direct and indirect impacts, came in at 16,199.

TAX REVENUE





The Wisconsin Dells area is comprised of a little less than 20 square miles with just over 5,500 permanent residents and hosts over 4 million visitors annually. The overall Wisconsin Dells tourism economy contributed \$46.7 million in state taxes and \$56.5 million in local taxes.

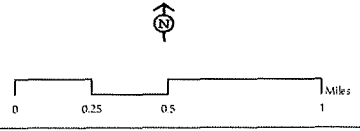
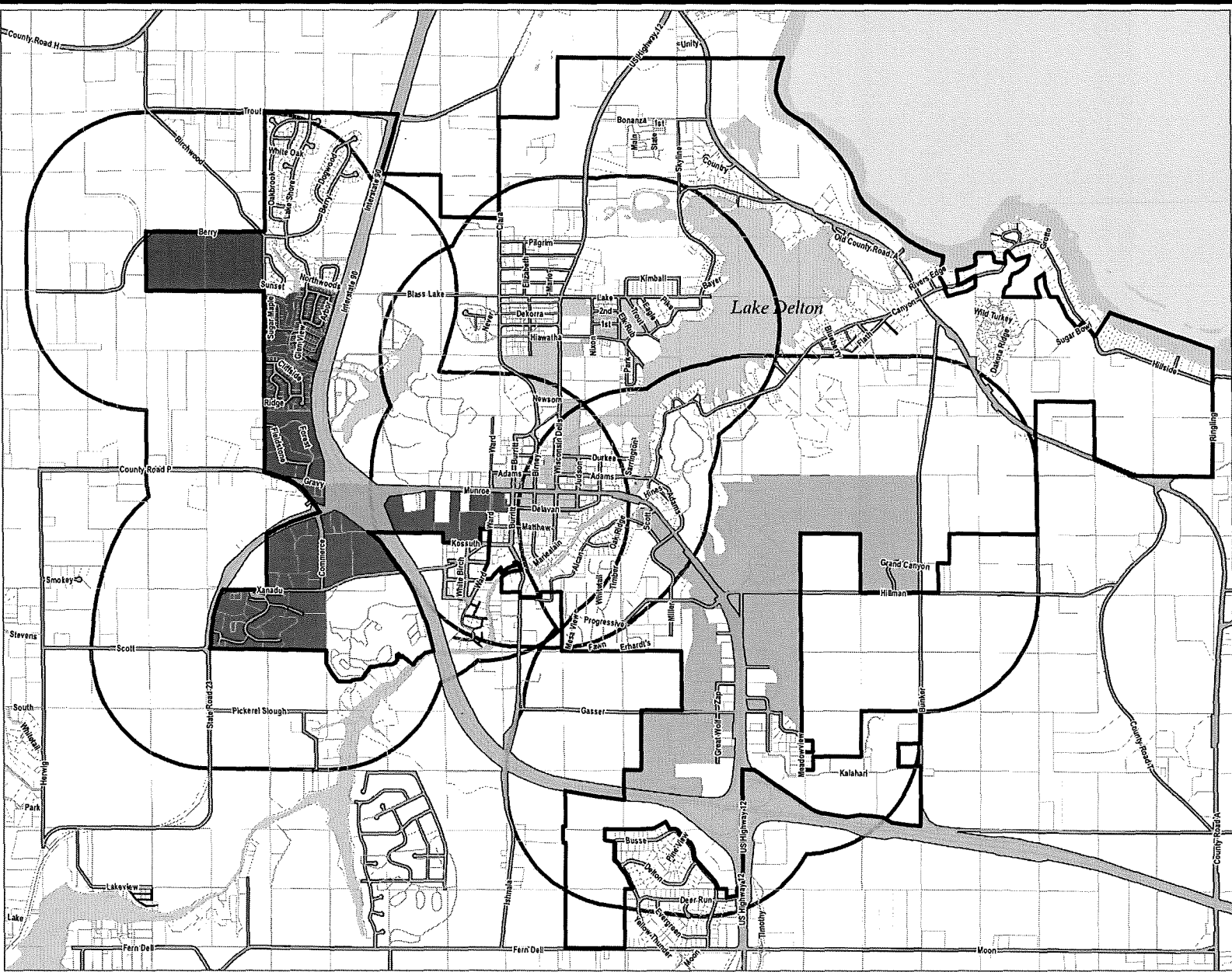
LAKE DELTON TID - ACT 57

LEGEND

TID Boundaries

Name

-  Act 57/ 1/2 Mile Radius
-  TID #2
-  TID #3
-  TID #4



VILLAGE OF LAKE DELTON
SAUK COUNTY, WI



DATA SOURCES: MSA
BASE DATA PROVIDED BY SAUK CO
AERIAL IMAGERY PROVIDED BY ESRI