



ROBIN J. VOS

SPEAKER OF THE WISCONSIN STATE ASSEMBLY

Testimony on AB 687

Thank you Chairman Macco and Assembly Ways and Means Committee members for the opportunity to provide testimony on Assembly Bill 687, relating to increasing the expenditure period for certain capital expenditures made by a tax incremental financing district created in an electronics and information technology manufacturing zone.

I have introduced this legislation, along with Senators Wanggaard, Wirch, and Representative McGuire, at the request of the village of Mount Pleasant.

2017 Wisconsin Act 58, among other things, created a tax incremental district (TID) in an electronics and information technology manufacturing zone. Because of these new and exciting developments in Racine County enabled by Act 58, it was expected that there would be an increase in the need for municipal services, such as fire, police, and safety. Therefore, it was specified that within this TID, certain expenditures would be allowed for public safety initiatives, such as building a new fire station and hiring police officers and firefighters. Under this Act, these safety expenditures are only allowed to be made for the first 84 months, or 7 years, following the district's creation.

Assembly Bill 687 makes a simple change that would allow the village of Mount Pleasant more time to determine *if, when, and where* exactly within a one-mile radius of the TID that they may need a fire station constructed or if other fire equipment should be purchased. This legislation would extend the deadline for these types of expenditures from 7 years to 15 years.

This legislation gives the village of Mount Pleasant the flexibility to make a well-timed and appropriate decision that is best for their community, and helps prevent them from being rushed into a decision that might not ultimately be the best one for them in the long-term.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Robin J. Vos".

Robin J. Vos
State Representative
63rd Assembly District



TIP MCGUIRE

WISCONSIN STATE REPRESENTATIVE

January 9, 2019

Assembly Committee on Ways and Means

Assembly Bill 687

Representative Tip McGuire

Chair Macco, Vice Chair Wittke, and members of the Assembly Committee on Ways and Means: thank you for holding this public hearing on 2019 Assembly Bill 687, which would serve to increase flexibility for Mount Pleasant and protect its taxpayers.

This is a simple piece of legislation that modifies the amount of time that Mount Pleasant has to make a decision on an existing TID that is intended to build a fire station. Current law allows these types of capital expenditures to be made within 84 months of the creation of the TID. Assembly Bill 687 allows for the expenditures to be made within 180 months of the creation of the TID.

When the legislation enabling this TID was drafted, it was intended to provide sufficient time for the Village to find the appropriate land, build a fire station, and make it operational. However, since this legislation passed, this has been shown to take more time than anticipated, and the municipality needs a larger time period in order to make a fully formed decision. A rushed TID is not a responsible use of taxpayer dollars, and so this bill would enable a more reasoned and deliberate approach.

Given the benefits of this legislation for the people of Mount Pleasant, I am hopeful that you will support this bill. Further, I am happy to answer any questions that you may have.



Van H. Wanggaard

Wisconsin State Senator

TESTIMONY ON ASSEMBLY BILL 687

Thank you Mr. Chairman and committee members for today's hearing on Assembly Bill 687, which extends the time for Mount Pleasant to build utilize the Electronics and Information Technology Manufacturing Zone TIF funds from 84 to 180 months.

The Village of Mount Pleasant is currently undergoing dramatic growth, with no end in sight. Every day, new businesses are contacting the economic development team in Mount Pleasant and new residents are moving in. This development is not just related to the Foxconn facility, either. This development is changing the footprint of Mount Pleasant, with new homes and businesses throughout the village.

Without this bill, Mount Pleasant would be required to design, purchase and build a fire station now, before this growth has really occurred. It is putting the cart before the horse. Rather than this artificial deadline of 84 months, this bill allows Mount Pleasant to use the EITM TIF growth at any time during the TIF's existence.

This change will allow Mount Pleasant to determine where best to put a new fire station after more development has occurred. In addition to being good logistical planning, this also makes fiscal sense. If Mount Pleasant were to allocate resources now, before development has fully taken off, additional resources may be required to locate a new fire station elsewhere in the village.

In short, this simple bill makes logistical and fiscal sense. It has the support of the surrounding legislators, and local governments, and I urge you to support it as well.

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Public Hearing
Committee on Ways and Means
Thursday, Jan. 9, 2020

VILLAGE PRESIDENT DEGROOT OPENING STATEMENT:

Good morning, Chairman Macco, Vice Chairman Wittke and other distinguished members of the Committee. I appreciate the opportunity to be here today to offer testimony regarding Assembly Bill 687. I am joined by Chief of Police Matt Soens, Fire Chief Robert Stedman, and Project Director Claude Lois.

I have the great honor of representing the Village of Mount Pleasant. As Village President, I want to thank the Legislature and the State of Wisconsin for its partnership on the Foxconn project currently under construction, which is already benefitting the people in Mount Pleasant, in Racine County, and throughout the State.

We continue to see great progress on the ground in the Village of Mount Pleasant, as evidenced by the massive construction work taking place on the Foxconn Campus. Recently, Foxconn completed the enclosure of the roof on its advanced manufacturing facility, which is scheduled to become operational later this year.

We also recently celebrated a significant milestone as Foxconn became the largest taxpayer in the Village of Mount Pleasant.

The bill being considered today would provide important flexibility for the Village of Mount Pleasant as it considers future public safety investments. In 2017, the Legislature provided the Village the ability to fund certain public safety costs as part of the Tax Incremental Financing District developed for the area that includes the Foxconn campus. That legislation provided the ability for the Village to use payments from the TID to fund capital investments in public safety infrastructure during the first 84 months of the life of the TID. The legislation being considered today would extend that period to 180 months.

As you know, the State Legislation related to the TID was developed and approved prior to the completion of the local development agreement which is now in place between the Village, Racine County and Foxconn Technology group, and prior to any formal assessment by the Village of public safety infrastructure needs.

Now that we have had an opportunity to assess public safety needs for the Village, we believe it is likely that the need for a new fire station and fire equipment will fall outside the 84-month window. We are seeking this extension to enable us greater flexibility in determining when to start and complete this investment in a way that maximizes value to taxpayers.

We greatly appreciate the Legislature considering this amendment and the opportunity to offer testimony to you today.