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**KATHLEEN VINEHOUT**  
STATE SENATOR

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**Testimony in Support of Senate Bill 828 – Prescott Premier Resort Area  
Senate Committee on Agriculture, Small Business and Tourism  
Wednesday, March 13<sup>th</sup>, 2018**

I am honored to introduce this bill at the request of the City of Prescott, and I appreciate your willingness to hear this bill. The City of Prescott is the northern gateway of Wisconsin's Great River Road and is the confluence of the St. Croix and Mississippi Rivers. Prescott is a major crossroads for river-related tourists traveling by land and water.

City of Prescott welcomes thousands of tourists each year with open arms, but it creates a significant strain on the City's budget. Under current law, a political subdivision may, by ordinance, declare itself a premier resort area if at least 40% of the equalized value of the taxable property within the subdivision is related to tourism. Unfortunately, the City of Prescott does not meet this threshold.

Other communities like Prescott have become exempt from this statutory requirement. The Villages of Stockholm, Sister Bay, Ephraim, City of Rhinelander are examples of other communities that are exempt from the 40% equalized value threshold. These communities, just like Prescott, offer big tourism events on small budgets.

SB 828 exempts the City of Prescott from the 40% threshold requirement and allows the City Council to enact an ordinance or adopt a resolution declaring itself a Premier Resort Area. Prescott voters would need to approve a referendum before the City could impose a 0.05% sales tax increase on sales, leases or rentals of goods or services from tourism-related retailers.

The revenue collected from this sales tax increase can only be used for infrastructure expenses such as roads, parking lots, bridges, sewer and water facilities, recreational facilities, exposition center facilities, firefighting equipment or police vehicles.

This change will help Prescott reinvest tourism revenue back into their community so they can continue to provide safe and fun recreational opportunities for all travelers.



# Warren Petryk

State Representative • 93rd Assembly District

To: Members of the Senate Committee on Agriculture, Small Business and Tourism

From: Representative Warren Petryk, 93<sup>rd</sup> Assembly District

Re: Testimony regarding Senate Bill 828 – Authorizing the city of Prescott to become a premier resort area.

Good morning Chairman Moulton and members of the committee. I appreciate this opportunity to come before you this morning to speak in favor of Senate Bill 828 which I support along with the bill's author, Senator Vinehout.

This bill, brought forth by request of the City of Prescott, will allow Prescott to become a "Premier Resort Area." Prescott is one of the beautiful gems of my 93rd Assembly District and is a highly desired natural destination for hundreds of thousands of tourists each year, many of them from Minnesota. As the northern gateway to our Great River Road, which is a National Scenic Byway, Prescott is a natural magnet for visitors visiting by boat, automobile, bikes and motorcycles. The city is home to beautiful parks, restaurants, marinas, hiking trails, special events, and a perennial favorite destination, The Great River Road Learning Center.

The City of Prescott enthusiastically welcomes visitors to their beautiful city of 4,262 people, but due to its size, has a limited budget. Being a Premier Resort Tax Area will allow the City of Prescott to continue providing quality experiences for their visitors while still addressing the ongoing infrastructure needs of their residents.

Under current law a political subdivision may, by ordinance, declare itself a Premier Resort Area if at least 40% of the equalized value of the taxable property within the subdivision is related to tourism. After declaring itself a Premier Resort Area, the political subdivision may impose a tax of 0.5% on gross receipts from the sale, lease or rental of tourism-related goods or services. Proceeds from the Premier Resort Area tax may only be used for infrastructure improvements within the political subdivision.

Although Prescott does not meet the 40% requirement, the state has exempted similar municipalities including the villages of Sister Bay, Ephriam, Stockholm and the city of Rhinelander.

For the Premier Resort Area tax to take effect, Prescott must approve the initiative though a referendum supported by the majority of the citizen voters.

The bill allows Prescott the opportunity to raise additional revenue for reinvesting in its tourism infrastructure without instituting a general sales tax increase. Additionally, the bill gives the residents of Prescott a direct say as to whether or not they wish to institute the one-half percent tax on tourism-related goods and services.

SB 828 will help assure that Prescott continues to grow and thrive. Premier Resort Areas across the state have had continued positive outcomes on the areas they encompass and I ask that you support this legislation and allow the voters of Prescott the opportunity to decide. Thank you for your attention to this important matter.

# CITY OF PRESCOTT, WISCONSIN

## **Location and Geography**

The City of Prescott is located in Pierce County in Western Wisconsin. Located at the Confluence of the St. Croix and Mississippi rivers and its proximity to the Twin Cities makes Prescott a desirable place to work, live, and vacation.

The landscape surrounding the City of Prescott makes it one of the most attractive parts of the State. This geographical region of Wisconsin is referred to as the Western Uplands and is characterized by its higher elevations and great trenches and gorges along the Mississippi River. The Mississippi has carved its channel between 230 and 650 feet below the upland ridges and provides some of the most rugged and picturesque scenery in Wisconsin.

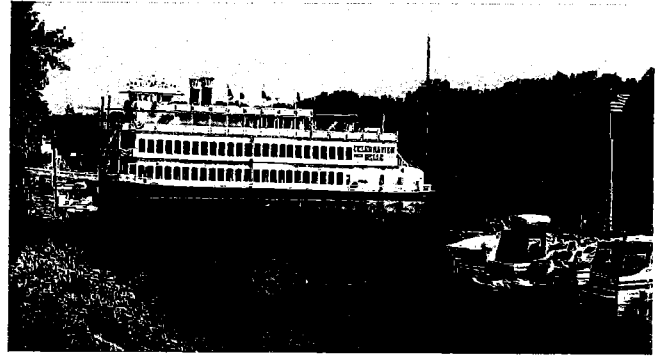
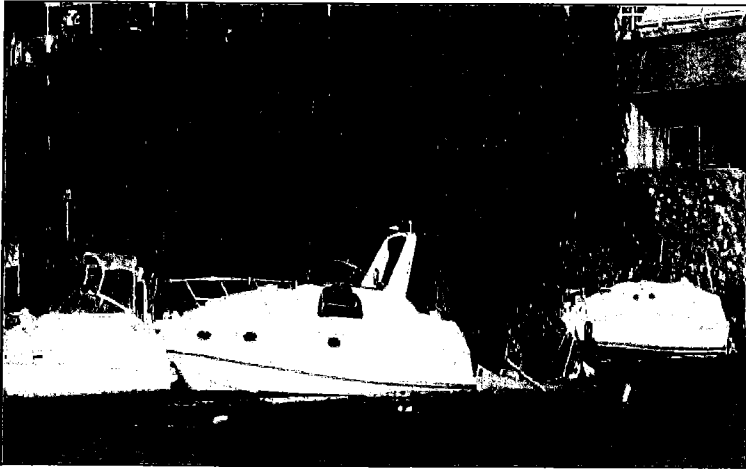
## **History**

Prescott was settled in 1840 and received its official name in 1851. The City was named after Philander Prescott, a fur trapper who built a home and a store on the present day site of the City of Prescott. The Mississippi and St. Croix Rivers played a major role in the shaping of Prescott. River traffic had to pass by as people and goods traveled north and the area became a center for shipping, milling, and transportation. Over time, the lumber industry became more important. Logs were floated down the St. Croix River. Warehouses were built to store food and supplies. A continued influx of immigrants meant hotels, restaurants, banks, and new homes were constructed to meet the demands of the new population.

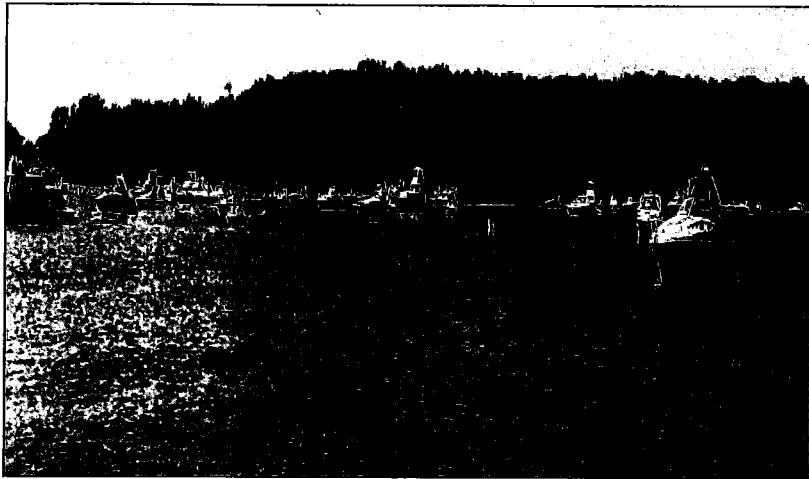
As rail travel overtook steamboat traffic and logging subsided, settlers came in decreasing numbers. Prescott's population actually decreased from 1,138 in 1870 to only 750 in 1930. Today, Prescott is once again a growing city with a population of 4,231 and with tourist enjoying Prescott our weekend population grows to over 10,000.



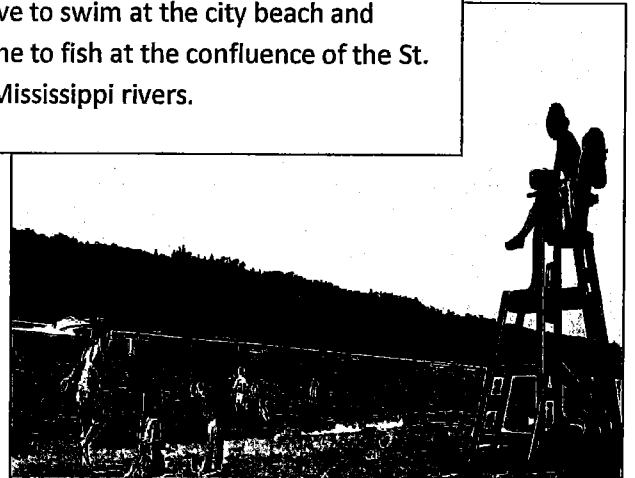
# PRESCOTT, WISCONSIN: RIVER RECREATION



St. Croix & Mississippi rivers draw boaters from the entire region from March into November



Water lovers of all kinds enjoy the St. Croix and Mississippi rivers in Prescott, Wisconsin. Families love to swim at the city beach and people come to fish at the confluence of the St. Croix and Mississippi rivers.



# PRESCOTT, WISCONSIN: TOURISM



The Great River Road Learning Center was built with local community funding and major grants from Federal and State government. It acts as the Northern entrance to the Great River Road

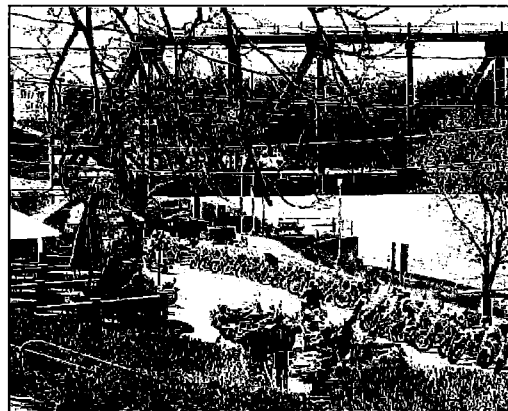
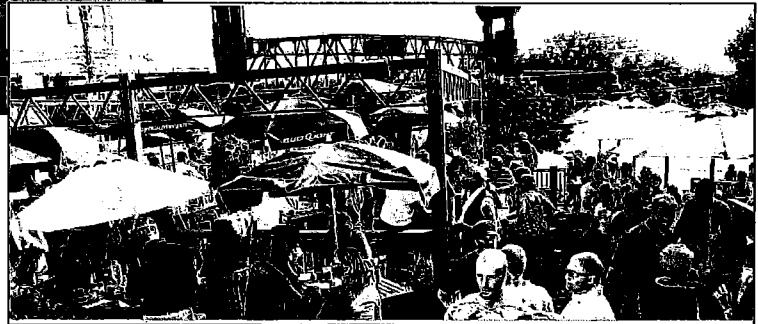


Demonstration rain and prairie gardens



Bird watching all year round

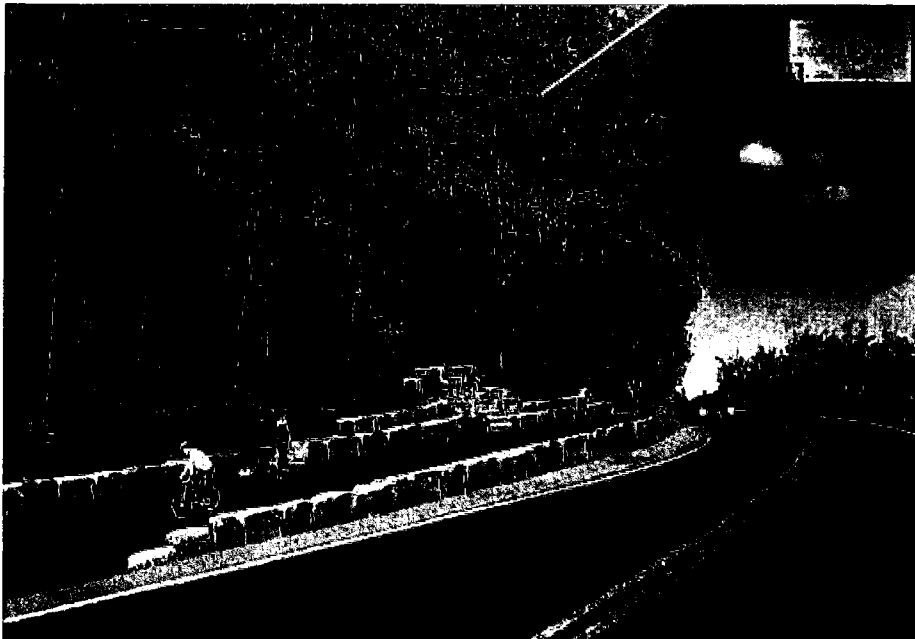
Thousands of visitors come to Prescott to enjoy many special events



# PRESCOTT, WISCONSIN: WHERE WE ARE GOING?

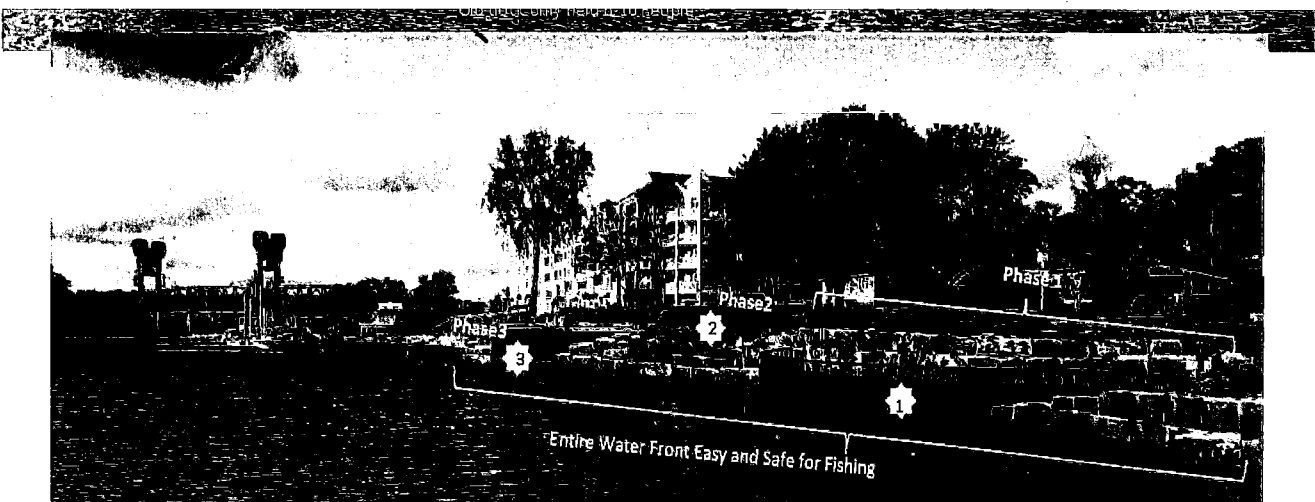
- Riverfront update will allow tourist and residents to be able to touch, feel and experience the natural beauty of the St. Croix and Mississippi Confluence
- Bike trails which continue the network of trails coming into Prescott from Minnesota
- Walking trails will connect the Confluence of two major rivers, the Carpenter Nature Center in Minnesota and The Great River Road Learning Center in Prescott and expand opportunities for the environmental education of local school children and visitors
- Additional Infrastructure for parking and other tourist amenities are now in our current long range plans

## • CREATE A PULL-OFF AREA ON PATHWAY FOR VIEW OF THE CONFLUENCE.



Proposed biking and walking trail

Proposed Riverwalk and fishing area



- Entire shoreline safe for fishing - 3 times the shoreline
- 3 separate levels of platform viewing
- Low Maintenance, very long lifetime compared to dock
- Terrace walls allow fishing as water goes up and down
- Handicap assessable
- Cement walk way connects all three platforms