

TO: Members of the La Crosse Common Council

1-12-22

FROM: Multiple past City Council Members and local real estate owners/managers

RE: Support for 60-Day Referral on Agenda Items 22-1505 & 22-1509 (TIF Policy changes)

Dear Hon. Council Members:

We the undersigned have only recently been made aware of proposals in front of the City Council involving Tax Incremental Financing (TIF). We well understand that TIF involves tens of millions if not hundreds of millions of dollars over significant numbers of years if not decades. It is our desire that the brakes be taped on this as we have questions and concerns that the public, namely the property taxpayers of La Crosse, should also have and we are taking this opportunity to stand in the breach here and now on their behalf. We are asking for a minimum 60 day referral to address items pertaining to changes proposed with TIF. Namely, but not limited to:

1. Raising the incentive cap from 10% to 20% of project cost.

Why is this being done? What does this mean for developers, the City, and the taxpayer?

2 The 85% cap on Net Present Value of the new increment being made available to the developer.

What is the reasoning for adding this provision to policy? What does it mean for developers, the City, and the taxpayer?

3. Removing the ban on taxpayer subsidies going to "Luxury Housing" or "Student Housing"

Why is this being done? What does this mean for developers, the City, and the taxpayer?

4. Removal of the TIF policy from City Ordinance

It seems the proposals take the aspects and control of TIF policy to be transferred away from the City Council purview and relegated to City staff. What is the reasoning/benefit for this change and what does it mean for developers, the City and the taxpayer and is it appropriate? TIF needs to be highly scrutinized and controlled.

We understand that TIF is a complex tool that if used correctly can be advantageous (in the long run) to increasing city tax base - realized only well into the future. In that it is so complex, we desire that the Council refer this matter and in the interim, schedule public education sessions on TIF and explain the proposed changes and allow for Q&A and public input at these sessions. These sessions could be very beneficial to members of the City Council also.

Thank you for your time and consideration.

Angela Baumgartner, Jim Bloedorn, Lorraine Decker, Fran Formanek, Patty Nuttal, Jessica Olson(drafter), Gary Padesky, John Ruud, Thomas Sweeney(drafter)