

A Better Mount Pleasant: Explosive new book on Foxconn fiasco reveals depth of unaccountability in Mount Pleasant

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MOUNT PLEASANT, WI NOVEMBER 15, 2021 – Lawrence Tabak’s new book: *Foxconned: Imaginary Jobs, Bulldozed Homes, and the Sacking of Local Government* provides a necessary autopsy of the largest failed publicly-funded economic development in U.S. history. It also demonstrates how the governmental race to win the Foxconn “prize” was even more misguided and corrupt than previously known.

Even worse, Tabak’s book reveals how the syphoning of public money by consultants, contractors and attorneys is still taking place in spite of the project’s universal failure.

In August 2017, the Village of Mount Pleasant [announced](#) the hiring of a project director for the proposed \$10 billion facility. Their choice (and only candidate considered) was Claude Lois – a former auto parts store owner and part-time mayor of Burlington, Wisconsin.

Village President David DeGroot said of Lois at the time, “Claude is uniquely qualified to lead our economic development efforts. He has an extraordinary track record of success in fostering economic development, both as an elected official and in the private sector.”

Not directly employed by the village, but through Foxconn contractor Kapur and Associates, Lois’s initial salary was set at \$175 per hour, which has since been [renegotiated](#) to include overtime (\$150 per hour) and will reach \$200 per hour in

early 2022 – four times the salary of the Mayor of Racine and double the salary of the Governor of Wisconsin.

Since Lois was hired in 2017, The village [has paid](#) approximately \$1.1 million dollars for his services through the Foxconn tax increment financing district (TIF).

Information revealed in Tabak's book Foxconned, demonstrates that Lois does indeed have an "extraordinary track record" in economic development — having been party to a wrecked TIF development in Sherrard, IL, in which Lois was generously compensated long after the project had failed, which also sent his business colleagues [to prison](#) for conspiracy and fraud, and forced the federal government [to shutter a local bank](#) implicated in the illegal activity.

In February 2006, [developers arrived](#) at the Sherrard Village Board meeting to discuss the creation of the Fyre Lake golf resort and housing development. Claude Lois was one of the developers who explained to village officials that by creating a tax increment financing district, annexing nearby land and issuing millions in bonds was a no-lose proposition for the tiny town. Lois claimed, "Really, it's no risk to the village at all," Eerily echoing the [same statements](#) Lois would make repeatedly to Mount Pleasant officials and residents a few years later about Foxconn.

Lois began billing the TIF Sherrard created as a "consultant" for each of his day trips to the area which were "piling up at \$1500 apiece." According to Foxconned, "not counting mileage, Lois's pay rate was the equivalent of a \$338,000-a-year salary."

The Quad City Times reported in 2007: "Claude Lois is responsible for developing the relationship that exists between the Fyre Lake developers and investors and the Village of Sherrard...Using his background as the mayor of Burlington, Wis, and as a small business owner, Lois played a primary role in getting a Tax Increment Financing district, or TIF, for this project."

By 2011, Lois and his colleagues had drained the Sherrard TIF of millions in assets. A federal judge [foreclosed on the Fyre Lake development](#) with only a handful of houses having ever been built, and a struggling golf course with a clubhouse located in a [double-wide trailer](#). Investors were left with worthless bonds, with some forced to file for bankruptcy. The publicly-funded FDIC was left with a final debt of \$70 million.

Tabak further reveals in his book Foxconned: "Although Lois was never named in

the FDIC lawsuits, he was one of the original equity investors in Fyre Lake Ventures, helping raise over \$7 million and putting in a personal stake of \$250,000. At the time, Lois, who was in office as mayor of Burlington, received an annual salary of \$7,200. In 2008 alone he pulled \$300,570 from Fyre Lake, mostly from the TIF pool. By early 2010, his total compensation was \$419,124, all but \$25,837 from the TIF fund. In 2008, a Barbara Lois from Burlington, Wisconsin, made a \$250 donation to Wisconsin Republican state representative Robin Vos. Claude Lois's wife is named Barbara. The employer she cited? [Fyre Lake Ventures](#). There is no public record of her job responsibilities or salary."

"But not everyone's reputation was permanently tarnished. Sherrard was just a warm-up for Claude Lois," Tabak explains. "When the really big deal appeared, he was ready to take on the challenge and would do his work for the village in question for just [\\$20,000 a month](#). It was a project that would also allow him to team up once again with one of his old Fyre Lake associates" on staff at Kapur and Associates — Lois's real employer as Foxconn Project Director.

While almost all land acquisitions for the Foxconn development were [completed years ago](#), homes have long since been demolished and former residents relocated, according to village finance records, Lois regularly takes home \$25,000 a month — reflecting supposed full-time employment, even though the project has been at a stand still for more than a year.

Lois hasn't held a public information meeting on the project since July 2019, and according to village meeting minutes, has only given four updates (scheduled monthly) to the village board since January of 2021. The Mount Pleasant village website's Foxconn page still describes the same Gen-10 LCD facility which Foxconn abandoned in 2018.

Curiously, the Project Director position — which pays nearly 10 times the average hourly wage in Wisconsin — has no official job description, specific responsibilities or benchmarks other than a generic reference to "project management and administrative services" written into the contract agreement between the Village of Mount Pleasant and Kapur and Associates.

"It appears that Lois also does not submit or report his hours worked to the village for review. We have asked for these records and been told that none exist. Leaving us to conclude that Claude Lois submits his billable hours to Kapur and Associates — which are not available to the public," said Kelly Gallaher, spokesperson for A

Better Mt. Pleasant. “Kapur provides a line-item invoice to the village and it is paid from the Foxconn TIF.” Gallaher continued, “There appears to be no oversight or accountability — for over a million dollars in public funds to date.”

“For four years, we have watched Claude Lois gaslight and beguile officials and residents, in exactly the same way he did Sherrard, making them believe everything was progressing with no financial risk to the village,” Gallaher stated. “His position as a private contractor — not a village employee — compromises his motivation to be honest or transparent. Our greatest fear is that this is Sherrard all over again.”

A Better Mt. Pleasant is calling for the Village of Mount Pleasant to immediately commission an independent audit of Foxconn spending – focusing specifically on a full accounting of Lois’s work records.