

Rep. Kitchens: Assembly passes Rep. Kitchens' Gibraltar TID bill

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MADISON, Wis. – Rep. Joel Kitchens (R-Sturgeon Bay) is pleased that the Wisconsin State Assembly has passed his bill that allows the Town of Gibraltar to create a tax incremental district that will pave the way for more than 100 new workforce housing units.

“It is no secret that we are currently facing a severe labor shortage in our state,” Rep. Kitchens said. “However, this issue is even more prevalent in the Town of Gibraltar with its high property values, elderly population and reliance on tourism. Also complicating matters is the fact that even though the town’s property values are high, the average income of its residents is more modest.”

The town is seeking the TID to pay for the installation of sanitary sewer lines and an interceptor that will service the proposed workforce housing units. The interceptor will also open up additional land for potentially even more workforce housing.

Without the TID, town officials say they will not have enough funding to complete the project, which is sorely needed to help address the labor shortage in northeast Wisconsin.

Under current state law, a town may establish a TID if the equalized value of all of its taxable property is at least \$500 million and its population is at least 3,500.

This law was put into place to protect taxpayers who reside in smaller communities with lower property values. While the Town of Gibraltar falls short of the population requirement, its taxable property of nearly \$1 billion far exceeds the equalized value provision.

“Even though I am confident the Gibraltar TID will succeed, we decided to

strengthen the bill by stipulating that the developer's agreement must include a letter of credit that guarantees repayment of the debt service on the project costs," Rep. Kitchens added.

The legislation still needs to be passed by the Senate before it can be signed into law.