

# County of Kenosha

## Board of Supervisors

Resolution No. \_\_\_\_

### RESOLUTION CALLING ON THE WISCONSIN LEGISLATORS TO PROTECT HOMEOWNERS FROM “DARK STORE” ASSESSING PRACTICES.

Original <u>X</u> Corrected ____                      2 <sup>nd</sup> Correction ____                      Resubmitted ____			
Date Submitted: May 15, 2017                      Date resubmitted: _____			
Submitted by: Supervisors Jill Gillmore & Jeff Wamboldt			
Fiscal Note Attached: ____                      Legal Note Attached: ____			
Prepared By: Supervisor Jill Gillmore			

**WHEREAS**, home owners in Wisconsin already pay approximately 70% of the total statewide property tax levy; and

**WHEREAS**, that property tax burden is about to get more disproportionate unless the legislature addresses tax avoidance strategies that national chain stores are using across the country to gain dramatic reductions in their property tax bills at the expense of homeowners and other taxpayers; and

**WHEREAS**, national chain stores are using what is known as the “Dark Store Theory” to argue that the assessed value of a new store in a thriving location should be based on comparing their buildings to sales of vacant stores in abandoned locations from a different market segment; and

**WHEREAS**, national chain stores in Wisconsin have argued in communities across Wisconsin that the assessed value of their property for property tax purposes should be less than half of their actual sale prices on the open market; and

**WHEREAS**, lawsuits filed by national chain stores in Wisconsin are forcing assessors to dramatically reduce the market value of thriving national retail stores, shifting their tax burden to local businesses and homeowners; and

**WHEREAS**, in many cases the courts have sided with their national chain stores, requiring communities to refund tax revenue back to the stores.

**NOW, THEREFORE, BE IT RESOLVED**, that the Kenosha County Board of Supervisors call on the Wisconsin State Legislature and Governor to protect homeowners and local businesses from having even more of the property tax burden shifted to them by passing legislation clarifying that: leases are appropriately factored into the valuation of leased properties; and when using the comparable sale method of valuation, assessors shall consider as comparable only those sales within the same market segment exhibiting a similar highest and best use rather than similarly sized but vacant properties in abandoned locations; and

**BE IT FURTHER RESOLVED**, that the Kenosha County Board of Supervisors call on the Wisconsin State Legislature and Governor to pass legislation prohibiting assessors from valuing new retail stores the same as nearby abandoned stores from a different market segment; and

**BE IT FURTHER RESOLVED**, that the Kenosha County Board of Supervisors urges our Legislators and the Governor to support LRB-0373 known as the Dark Store Bill and LRB-0372 which reverses the 2008 Walgreens vs. City of Madison decision; and

**BE IT FURTHER RESOLVED**, that a copy of this resolution be forwarded to Kenosha County's legislative delegation, Governor Scott Walker, the Wisconsin Counties Association, and to all other Wisconsin counties.

Respectfully Submitted,

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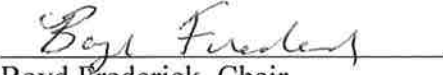
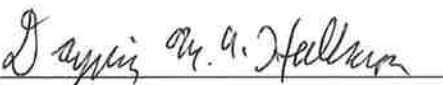
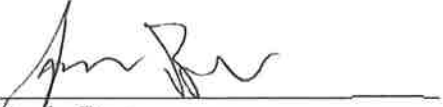




Jill Gillmore

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Jeff Wamboldt

Approved by:

Legislative Committee:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Excused</u>
 Boyd Frederick, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Dayvin Hallmon, Vice-Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Andy Berg	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Erin Decker	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 John Franco	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 John Poole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Michael Skalitzky	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



[www.somers.org](http://www.somers.org)

P.O. Box 197, Somers, WI 53171 • PH: (262) 859-2822 • FAX: (262) 859-2331

July 17, 2017

Kenosha County Legislative Committee  
County Board  
Attn: Boyd Frederick, Chairman  
1010 56<sup>th</sup> Street  
Kenosha, WI 53140

Dear Legislative Committee and County Board:

I strongly encourage you to thoroughly consider and ultimately vote in favor of the resolution in front of you dealing with proposed "Dark Store" legislation.

Unfortunately the Village of Somers and its taxpayers are facing the very real threat of the "Dark Store Loophole". Currently, Wal-Mart and Sam's Club are planning to take their property assessment to Court and if they are successful in their litigation could cost Somers taxpayers over \$7 million dollars spread across each property owner in the Village.

Once again, I strongly encourage you to vote in favor of the resolution in front of you. We need to do all we can to persuade our state leaders to do the right thing by its taxpayers and pass legislation ending the "Dark Store Loophole" once and for all.

Sincerely yours,

George Stoner, President

CC: Jack Aupperle, Joe Cardinali, Dave Geertsens, Rich Heinisch, Gregg Sinnen, Karl Ostby, Trustee's  
William A. Morris, Village Administrator  
Timothy L. Kitzman, Clerk Treasurer  
Jeffrey J. Davison, Village Attorney



# COUNTY OF KENOSHA

## OFFICE OF THE COUNTY EXECUTIVE

Jim Kreuser, County Executive

1010 – 56<sup>th</sup> Street, Third Floor  
Kenosha, Wisconsin 53140  
(262) 653-2600  
Fax: (262) 653-2817

June 28, 2017

Dear Ways and Means Committee Members:

As Kenosha County Executive, I urge your support of both 2017 AB 386 (dark store) and 2017 AB 387 (Walgreens reversal).

Like many other communities, ours has been negatively impacted as the result of a property tax cost shifting from retailers to residential taxpayers. By approving these bills, you will help eliminate this unfair practice of successful commercial businesses putting an unfair burden on hardworking homeowners.

To argue that a new large retail building in a burgeoning southern half of the City of Kenosha can be compared to a more than 30 year old former big box retail store in an older part of the City of Kenosha, for example, is ludicrous. This is a real example in Kenosha that would result in a \$250,000 blow to residential taxpayers.

A similar shift has occurred consistently with Walgreens stores as they seek to ignore the value of their operation and attempt to not pay their fair share in property taxes. There are multiple examples of this unfair practice in our county that have resulted in a shift of millions in taxes to homeowners.

Additionally, most of the time, large retail operators do not bring forth their assessment concerns to the Board of Review. They, instead bypass the process, withhold information and go right to Circuit Court. This practice wastes taxpayer dollars by going through the Court system.

These retailers are exploiting loopholes in the assessment law and are leaving residential property owners to pick up the bill, but without enjoying any increases in services. It is unfair and damaging to the wallets of residents.

I ask that you support 2017 AB 386 and 2017 AB 387. Passage of these bills will restore equity for residential taxpayers and allow municipalities and counties to fairly assess property and efficiently provide services.

Sincerely,

Jim Kreuser