

## **DODGE COUNTY EXECUTIVE COMMITTEE**

February 6, 2017, 8:00 A.M.

FIRST FLOOR – ROOMS H & I AUDITORIUM

DODGE COUNTY ADMINISTRATION BUILDING, JUNEAU, WI 53039

The meeting was called to order at 8:00 a.m. by Dodge County Executive Committee Chairman, Russell Kottke.

Members present: Frohling, Kottke, Maly, Marsik, Miller, and Schmidt.

Member(s) absent: Berres (excused).

Others present: County Administrator Jim Mielke; County Clerk Karen Gibson; Emergency Management Director Amy Nehls; Emergency Management Deputy Director Joe Meagher; Deputy County Clerk Christine M. Kjornes; Human Resources Director Sarah Eske(Hinze); Clearview Administrator Jane Hooper; Information Technology Director Ruth Otto; Human Services and Health Department Director Becky Bell; and WBEV Radio Station Reporter Kevin Haugen.

Motion by Maly, seconded by Miller, to approve the Agenda and allow the Chairperson to go out of order as needed to efficiently conduct the meeting. Motion carried.

Motion by Frohling, seconded by Marsik, to approve the January 3, 2017 minutes as presented. Supervisor Maly requested an amendment to the 2<sup>nd</sup> paragraph on page 4 regarding the proposed Economic Development Partnership Initiative with the Jefferson County Economic Development Consortium (JCEDC) and Glacial Heritage Development Partnership (GHDP). The following statement will be added to the minutes: Supervisor Maly requested that the Jefferson County Board Chair sign the agreement. Motion carried with Supervisor Maly's addition.

Information Technology Director and Clearview Administrator Jane Hooper provided a brief oral report to the Committee regarding their attendance at the Wisconsin Counties Association Ambassador Program that was held on January 18, 2017. Ms. Otto and Ms. Hooper reported that they were able to meet with state representatives to discuss such topics as child welfare, veteran services, the modernization of 911, and the Badke notice, and thanked the Committee for allowing them the opportunity to attend.

Motion by Maly, seconded by Schmidt to authorize out-of-state travel for Clearview Administrator Jane Hooper to attend the Leading Age Conference in Washington D.C., from March 18-22, 2017. Ms. Hooper reported that attending this conference will be a great opportunity because there are many changes coming regarding healthcare, and she is a member on the National Leading Age Board. Ms. Hooper further reported that funds are available in the Clearview budget to pay all costs for attendance at this conference.

County Clerk Karen Gibson provided an oral report to the Committee regarding the February 22, 2017 County Board meeting. Ms. Gibson reported that the County Board meeting is being held on Wednesday, February 22, 2017 because the Spring Primary election is on Tuesday, February 21, 2017. Ms. Gibson further reported that the agenda will include a presentation on the Jefferson County Economic Development Consortium (JCEDC) and Glacial Heritage Development Partnership (GHDP), a presentation of awards by Dodge County Sheriff Dale Schmidt, numerous Resolutions, an ATV Ordinance, and a zoning Ordinance.

Ms. Gibson reported that the Executive Committee packet included information regarding the 2017 Wisconsin Counties Association Regional Legislative meeting that will be held in DeForest,

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Wisconsin, on March 20, 2017. Ms. Gibson further reported that registration is not required to attend this meeting.

County Administrator Jim Mielke provided an oral update to the Committee regarding a policy for identifying County owned and operated vehicles. Mr. Mielke reported that a draft policy was included in the Executive Committee packet, and he is requesting feedback from the Committee. Supervisor Maly commented that this is a great start, but she requests that the draft policy also reference what is included in existing Dodge County policy. Mr. Mielke provided a Powerpoint presentation with pictures of the current county owned vehicles and the logos on these vehicles. Supervisor Maly asked how the county owned vehicles are tracked. Mr. Mielke responded that the Finance Department has a fixed asset report, that includes the purchase date of the vehicle, the vehicle identification number (VIN), and original cost of the vehicle. Supervisor Schmidt asked what is the standard Dodge County logo. Mr. Mielke responded that it is the circular logo featuring the geese and the cattails. The Committee continued with a discussion on the design of the logo, the size limitations, and other possible options for Departments.

Mr. Mielke reported that the sanitary pipe replacement project at the Dodge County Detention Facility is progressing very well to date. Work on the project began January 23, 2017.

Motion by Maly, seconded by Miller to approve and forward to the County Board for its consideration at its February 22, 2017 meeting, a Resolution to amend the County Administrator Employment Agreement relating to the supervision and reporting of the Corporation Counsel. Motion carried.

Mr. Mielke provided a brief oral report to the Committee regarding a Resolution to confirm the appointment of Kimberly Nass as Dodge County Corporation Counsel. Mr. Mielke reported that Kimberly Nass has accepted the position of Dodge County Corporation Counsel, with an effective date of February 27, 2017, pending approval by the County Board. Motion by Frohling, seconded by Marsik to approve and forward to the County Board for its consideration at its February 22, 2017 meeting, a Resolution to confirm the appointment of Kimberly Nass as the Dodge County Corporation Counsel. Motion carried.

Emergency Management Director Amy Nehls provided a brief oral update to the Committee regarding the Courthouse active shooter exercise. Ms. Nehls reported that Dodge County did receive the Grant for Active Shooter Preparedness and Response and this grant will be used for training exercises in the Justice Facility. Ms. Nehls further reported that a full scale exercise will be held at the Justice Facility on January 15, 2018, which is Martin Luther King Day, a day that no court cases are held.

Ms. Nehls provided an oral report to the Committee regarding a Resolution requesting a carryover of redistribution funds in the amount of \$13,614.42 from the 2016 Emergency Management Budget to the 2017 Emergency Management Budget. Ms. Nehls reported that Dodge County Emergency Management received a check in the amount of \$13,614.42 on October 3, 2016 from the Wisconsin Department of Emergency Management, and Emergency Management is requesting a carryover of these funds into the 2017 Emergency Management budget, which will be used for the training of the Rescue Task Force and Search and Rescue training. Motion by Maly, seconded by Miller to

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approve and forward to the Finance Committee for its consideration at its February 14, 2017 meeting, a Resolution to carry over funds in the amount of \$13,614 into the 2017 Emergency Management budget for the purpose of Rescue Task Force training and Search and Rescue training. Motion carried.

Mr. Mielke reported that Assistant Corporation Counsel Kathilynne Grotelueschen was unable to attend the meeting today, but included in the Executive Committee packet is a memo from Ms. Grotelueschen providing an update on contracts reviewed by Corporation Counsel.

Mr. Mielke provided an oral update to the Committee regarding a Resolution for the Economic Development Partnership Initiative with the Jefferson County Economic Development Consortium (JCEDC) and Glacial Heritage Development Partnership (GHDP). Mr. Mielke reported that the Partnership Agreement Between Dodge County, the Jefferson County Economic Development Consortium, and Glacial Heritage Development Partnership has been modified to include the signature of the Jefferson County Board Chairperson. Motion by Marsik, seconded by Frohling to approve and forward to the County Board for its consideration at its February 22, 2017 meeting, a Resolution to approve the Partnership Agreement Between Dodge County, the Jefferson County Economic Development Consortium, and Glacial Heritage Development Partnership. Motion carried by a vote of 4 yes and 2 noes (Maly, Miller).

A short recess was taken at 8:45 a.m.

Meeting reconvened at 9:00 a.m. to participate in a WisLine presentation by the Dean of Cooperative Extension regarding the proposed UW-Extension Reorganizational Plan.

Meeting adjourned at 10:10 a.m. by the order of the Chairman.

The next regular meeting is scheduled for **Monday, March 6, 2017, at 8:30 a.m.**

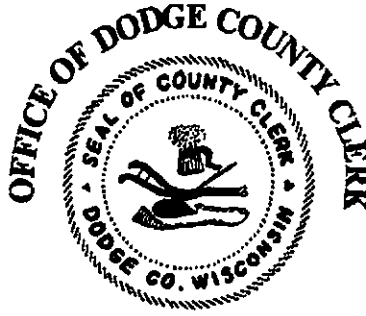
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Jeff Berres, Secretary

**Disclaimer: The above minutes may be approved, amended or corrected at the next committee meeting.**

KAREN J. GIBSON  
Dodge County Clerk  
[kgibson@co.dodge.wi.us](mailto:kgibson@co.dodge.wi.us)

Administration Building  
127 East Oak Street, Juneau WI 53039  
920-386-3605 / Fax: 920-386-4292



SHELBY J. MILLER  
Chief Deputy  
[smiller@co.dodge.wi.us](mailto:smiller@co.dodge.wi.us)

CHRISTINE M. KJORNES  
Deputy  
[ckjornes@co.dodge.wi.us](mailto:ckjornes@co.dodge.wi.us)

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MEMO TO: Executive Committee

FROM: Karen J. Gibson, County Clerk *kg*

RE: Items for March 21, 2017 Dodge County Board Meeting

DATE: February 28, 2017

As of February 28<sup>th</sup> I have received the following items for the agenda for the March 21<sup>st</sup> County Board meeting.

**Special Orders of Business:**

- Appoint Lynn Schaal as a member of the Board of Directors on the Friends of Clearview Committee.
- Appoint Sharon Schumann as an alternate to the Board of Adjustment.

**Resolutions:**

- I have received a Resolution from the Land Conservation Committee changing the name of the Department and Committee to "Dodge County Land and Water Conservation".
- I anticipate receiving a Resolution from the Human Services and Health Board abolishing a Counselor Position and creating a Psychiatric Therapist II Outpatient Position.
- I anticipate receiving a Resolution from the Building and Law Enforcement Committees to purchase an institutional sized dishwashing machine for the Detention Facility.

**Reports:**

- I have received a Report and Ordinance from the Planning, Development and Parks Committee to rezone land in the Town of Ashippun.
- I have received a Report and Ordinance from the Planning, Development and Parks Committee to rezone land in the Town of Fox Lake.
- I have received a Report and Ordinance from the Planning, Development and Parks Committee to rezone land in the Town of Leroy.
- The Planning, Development and Parks Committee meets on March 6<sup>th</sup> and I anticipate a couple of more items for the March agenda from their meeting.

## Dodge County Vehicle Policy

February 28, 2017

Draft #3

The objective of this County Vehicle Policy is to establish administrative regulations which standardize the procedures utilized by employees in the use of County-owned vehicles or privately owned vehicles in the conduct of official County business. The basic guideline of this policy shall be that the use of a county vehicle by an employee will be only for official county business.

1. AUTHORITY: The Dodge County Board of Supervisors.
2. APPLICATION: The regulations and procedures outlined in this policy statement are to apply to all County-owned vehicles assigned to individual departments (except for the Dodge County Sheriff's Office)
3. Assignment of County-Owned Vehicles: The Department Supervisor or Department Head shall assign County-owned vehicles, which have been assigned to its department, to its employees, volunteers or agents according to its own policy, procedures and departmental operational requirements.
4. Employees who operate a County-owned vehicle shall comply with the Dodge County Driver Qualification Policy.
5. The following rules and regulations are established as a supplement to all rules and regulations contained in this and other administrative and personnel policies. The rules and regulations contained herein apply to all County employees who are authorized to use a County-owned vehicle or who are compensated for the use of their privately-owned vehicle in the conduct of County business. Any employee in violation of these rules may be disallowed from using any County owned vehicle or privately owned vehicle on County business and shall be disciplined appropriately, up to and including discharge.

Expense Reimbursement: Employees requesting reimbursement for use of their personal vehicle for conducting county business shall comply with the Dodge County Expense Reimbursement Policy #306. The policy requires monthly submittal of reimbursement requests. Employee reimbursements shall be reviewed by the Dodge County Audit Committee.

Personal Use of County Vehicles. County employees shall refrain from making any personal use of county issued vehicles, except as permitted by Dodge County Ordinance Number 570.

6. Identification of County Owned Vehicles: County owned vehicles except certain law enforcement vehicles are to display marking(s) clearly identifying the vehicle is Operated by Dodge County. The minimum criteria includes a State of Wisconsin Municipal License Plate and the standard Dodge County logo. The County Administrator has the authority to approve individual written requests for exclusion from the identifying criteria. Exclusion requests shall be kept on file with the Dodge County Clerk's office.



7. Non-Employees Operating a County Vehicle. Employees are prohibited from allowing individuals who are not employees, volunteers or agents of Dodge County from operating any county-owned vehicle.

DRAFT



## DODGE COUNTY ADMINISTRATIVE POLICIES AND PROCEDURES

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	Approval Date: 10/4/2016
Policy Title: Driver Qualification Policy	Effective Date: 10/04/2016
	Revision Date(s):

### **Purpose**

To provide guidelines and assign responsibility for the safe operation and use of all vehicles operated during the course of County business. It is the intent of this policy to ensure that all operators of vehicles while on County business adhere to all local, state and federal laws.

Travel by motorcycle or moped is not allowed during the course of conducting County business. This provision doesn't apply to the Sheriff's Office in exigent circumstances or for a motorcycle patrol.

### **Policy**

Minimum standards require to operate any vehicle during the course of conducting County business:

1. Shall have a valid operator's license. This includes a valid regular license or an occupational license (see below for requirements of an occupational license\*\*).
2. Shall have a minimum of two (2) years of licensed driving experience.
3. Shall be at least eighteen (18) years of age.

\*\* Occupational License Requirements: Restrictions on the hours an employee can operate a vehicle must allow for the employee to complete all the duties of his/her position. The employee must provide a copy of the restrictions to his/her Supervisor and Human Resources.

Drivers and passengers must comply with all local, state and federal laws, including the Wisconsin seat belt, cell phone and texting laws. Using a mobile device at any time while operating a vehicle while on County business is prohibited unless responding to a life-threatening emergency situation, or is required to do so as part of the employee's job responsibilities, or they are an operator of an authorized emergency vehicle as per WI State Statute, 346.89(3). Employees should not allow anyone to ride in a seat that does not have a working seat belt. Properly installed car seats or booster seats must be used for all children under 8 years old who are less than 80 lbs. and less than 57 inches in height or as otherwise determined by law. Drivers are personally responsible for the cost of all traffic citations, parking tickets, and locksmith calls for retrieving keys, unless the driver is carrying out his or her duties as an officer or employee and is acting within the scope of his or her employment.

Drivers are responsible for immediately reporting to their Supervisor and Human Resources all accidents or any damage to the vehicle operated in the course of County business.

1. A police report must be completed when an accident occurs as required by law.
2. When bodily injury occurs to an employee an Incident Report of Injury must be completed and filed with the Department Head and Human Resources regardless of whether or not the employee seeks medical care.
3. When bodily injury occurs to a passenger, a Non-Employee Incident Report of Injury must be completed and filed with the Department Head and County Administrator.
4. If damage occurs to the vehicle, notification to the Department Head and County Administrator must be made as soon as possible.

No vehicle shall be operated if the driver has consumed or is under the influence of alcohol, prescription, or non-prescription drugs which may affect control, operation and safety of the driver/passengers of the vehicle.

Vehicle insurance must be carried by the employee on their own vehicle as required by WI Stats. Chapter 344, Vehicles-Financial Responsibility.

Failure to comply with, or abuse of, this policy may result in the suspension of the ability to drive on County business and possible other disciplinary action up to and including termination of employment.





## DODGE COUNTY ADMINISTRATIVE POLICIES AND PROCEDURES

	Approval Date: 8/4/2014
Policy Title: <b>306-Expense Reimbursement</b>	Effective Date: 8/4/2014
	Revision Date(s): 1/1/17

Dodge County Department Heads, Employees, and Elected Officials, are required to complete a Monthly Statement of Expense Form which must be submitted to the Supervisor by the 15<sup>th</sup> of month for all expenses incurred the month prior. Proper documentation must be submitted with the statement of expense form. Monthly Statement of Expense Forms must be approved and signed by the Department Head/Supervisor and sent to the Finance Department. The Finance Department will review the forms for proper documentation and correct mileage, rates and calculations before submitting it to the Audit Committee. Failure to follow this policy will result in denial of expenses.

**Car Travel:** Dodge County will reimburse the IRS rate per mile by the most direct route. Travel between County buildings /facilities and travel to conduct County business within the City of Juneau will be exempt from reimbursement. The rate of reimbursement will be adjusted administratively without necessity of County Board action to coincide with the standard rate as established by the IRS. Parking charges, tolls or other payments related to transportation will be reimbursed when accompanied by a receipt.

**Meals:** Actual and reasonable expense will be allowed for meals outside Dodge County and a receipt must be furnished for every meal over three dollars (\$3.00), not to exceed twenty-four dollars (\$24.00) per day or twelve dollars (\$12.00) per meal. An itemized receipt must be submitted; if a credit card receipt is submitted, it must include the details of date, what was purchased, where and the dollar amounts of the purchases. Dodge County does not reimburse for tips or alcoholic beverages. Meals are subject to income taxes (Federal, State, & FICA). If staying overnight, the meals are non-taxable. These amounts are subject to change via County Board Resolution. Note: Purchase cards cannot be used to purchase meals.

**Lodging:** Actual and reasonable expenses will be allowed for lodging for County Board members, County officers, elected officials, department heads, employees and members of County commissions and committees, not to exceed the established State of Wisconsin Rate, except in the event that County personnel are lodging at the convention site, in which case the full cost of lodging will be paid by Dodge County on the basis of a purchase order obtained in advance. Note: Purchase orders are not required if the employee uses a County purchase card.

Other: A purchase order must be obtained for items of \$50.00 or more. Dodge County also does not reimburse Wisconsin sales tax, Wisconsin sales and use tax exemption certificate must be presented at time of purchase.

Conference registration and banquet expenses will be allowed. Note: It is recommended to use a County purchase card for these items.

Approval of the Executive Committee of the County Board is required before any employee may attend a meeting or function outside of Wisconsin for which expenses will be claimed.

No County employee or officer, other than County Board members, will be reimbursed for travel or other expenses for attending meetings of a Committee of the Dodge County Board, unless their attendance at such Committee meeting or session of the County Board is requested by the Chairman of the Committee, such request being supported by the minutes in the Committee proceedings, unless the Chairman of the Dodge County Board of Supervisors has requested attendance at such Committee meetings or sessions of the Board of the Supervisors. This rule will not apply to persons required by Wisconsin Statutes to attend Committee or Board meetings.



# DODGE COUNTY – STATE OF WISCONSIN OFFICE OF EMERGENCY MANAGEMENT

Amy B. Nehls  
Director

Joseph M. Meagher  
Deputy Director

DODGE COUNTY LAW ENFORCEMENT CENTER  
124 West Street • Juneau, Wisconsin 53039  
Phone: (920) 386-3999 • Fax: (920) 386-3994

## Emergency Management

### Planning

### Response

### Recovery

### Mitigation

# Save the Dates!!

Dodge County Emergency Management has received a grant to host a series of active shooter exercises. The exercises will test our plans (i.e.: county-wide safety plan) and capabilities to respond to and recover from an active shooter event. There will be a tabletop exercise for ALL department heads (and division managers if you desire), which will have each building discuss an active shooter scenario for their location. There will be a functional exercise for courthouse department heads to talk specifically about an active shooter in the courthouse. These two exercises will be our preparation for a full-scale exercise in January 2018. The full-scale exercise will focus on the courthouse in the morning and then there will be smaller drills at the other county buildings in the afternoon. Here are the dates you need to reserve on your calendar:

### Tabletop

**Thursday, May 11, 2017**

8AM – Noon Dodge County Administration Building Auditorium (1F – 1I)  
ALL DEPARTMENT HEADS & Local Emergency Responders

### Hazmat

### Functional

**Thursday, November 9, 2017**

8AM – Noon Dodge County Administration Building Auditorium (1F – 1I)  
COURTHOUSE DEPARTMENTS & Local Emergency Responders

### Homeland Security

### Full-Scale

**Monday, January 15, 2018**

All Day Morning at Courthouse, Afternoon scenarios in other buildings  
COUNTY DEPARTMENTS/EMPLOYEES & Local Emergency Responders

### Local Emergency Planning Committee

### Citizen Corps

In order to prepare for the exercises I would suggest reviewing your building safety plans and COOP plans!



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## Issue Briefing: Dark Store and Walgreens Decision Tax Shift

### Court rulings giving tax cuts to chain stores result in tax increases for homeowners

Property taxes for homeowners and main street businesses are increasing in Wisconsin as national retailers pay less. A carefully-orchestrated wave of 100s of lawsuits in Wisconsin is forcing assessors to slash the market value of thriving national retail stores, shifting their tax burden to local mom and pop shops and to their home-owning customers. If the Legislature fails to close these loopholes, we estimate that millions of dollars in property taxes will shift from large commercial properties to homeowners and other taxpayers over the next few years.

The table below shows what assessors estimate the tax increases that homeowners in select communities will experience when the Dark Store strategy and Walgreens' decision is fully implemented. Calculations are based on amount of national chain retail, 2015 mill rates, and median home values:

City	Estimated Tax Increase	Average Increase per home per year
Brookfield	5%	\$233.50
Hudson	9%	\$374.58
La Crosse	7%	\$197.12
Oconomowoc	8%	\$360.96
Pleasant Prairie	17%	\$892.50
Wauwatosa	7%	\$382.12
West Bend	8%	\$253.89

This is not a new problem, nor is it exclusive to Wisconsin. Wisconsin is merely the latest state to experience this coordinated legal attack on in-state taxpayers. Indiana and Michigan have already experienced it. In Indiana, the Legislature promptly slammed the door on this court-created loophole. A similar legislative fix is pending in Michigan. Wisconsin must do the same.

**Loophole #1: It's just a big empty box.** Tax attorneys for Target, Meijer, and other big box chains are using what is known as the "Dark Store Theory" to argue that the assessed value of a new, thriving store should be based on the value of vacant or abandoned buildings of similar size. They argue that regardless of their new location or how updated their building is the value for 'property tax purposes' should be based on the value of the buildings and locations they abandoned prior to moving into the new store at their new location.

**Real World Example from Wauwatosa:** The Lowe's store at 12000 W. Burleigh St. is currently challenging the city's assessed valuation. The City assessed the property at \$13.6 million. The City's expert believes the market value is actually \$17.7 million. Lowe's argues the property's current value is \$7.1 million of which \$3 million is attributed to land. Yet, the land was purchased in 2007 for \$9,012,800. Lowe's built a 140,000 square foot building in 2006 for approximately \$7 million, they then subsequently purchased the land after constructing the building. Altogether, Lowe's spent in excess of \$16 million to acquire the land and build the structure. Now, Lowe's argues that the land was devalued from \$9

million to \$3 million because the big box store was constructed. Lowe's insists that under Wisconsin law (based on the *Walgreens* decision) only vacant dark stores, such as the vacated big box stores near the former Northridge shopping area, can be used as comparables. The City disagrees, but their only options are costly litigation or settling with the property owner on a compromise value.

To learn more about the dark store tax strategy and its impact on other tax payers visit the League's Dark Store Loophole Resource page: <http://www.lwm-info.org/1279/Dark-Store-Tax-Loophole>

**Loophole #2: Gold box on Wall Street, cardboard box on Main Street.** Walgreens and CVS stores use a different, but related strategy, to argue that the assessed value of their properties should be less than half of actual sale prices on the open market. The two have already sued more than 100 Wisconsin communities, claiming the rent they pay for their newly-constructed, highly-visible corner locations doesn't accurately reflect its fair market value for property tax purposes. Walgreens and CVS have won dramatic assessment reductions since a 2008 Wisconsin Supreme Court decision, *Walgreens v. City of Madison*, upheld this tax strategy. These properties are developed to the retailer's specifications and leased to them with no landlord responsibility other than collecting rent. More than 80% of Walgreen stores and 95% of CVS stores operate under a lease arrangement. Drugstores have become the most popular single-tenant properties in the national real estate investment market. But attorneys for Walgreen and CVS argue that their actual sale prices don't represent market value and the underlying leases are the wrong tool for determining the property's value for 'property tax purposes.' Instead, they say, the assessments should hinge on the amount the landlord could get if the drugstore moved out and a different retailer moved in.

**Real World Example from Oshkosh:** Walgreens challenged the City of Oshkosh's assessments of two of its stores. The city based its assessment on the actual amounts for which the properties were sold. The court rejected the city's approach and ordered that the two Walgreens be refunded for several tax years. The total amount of the refunds equaled \$305,672. Other taxpayers in Oshkosh now have to pick up Walgreen's former share of the tax burden. There are over 200 Walgreens located in Wisconsin's cities and villages.

To learn more about the need to overturn the *Walgreens v. Madison* decision and that decision's impact on other tax payers visit the League's Overturn the Walgreens Decision Web Page: <http://www.lwm-info.org/1468/Overtun-the-Walgreens-Decision>

**Other states have stopped this tax shift.** The Republican-controlled Indiana Legislature overwhelmingly passed bipartisan legislation in 2015 and 2016 prohibiting assessors from valuing new big box stores the same as abandoned stores in a different market segment. The Michigan legislature is considering similar proposals. In May 2016 the Michigan house passed a dark store fix bill by a vote of 97-11. The bill died in the Michigan Senate.

**Solution:** Follow Indiana's lead and pass legislation in Wisconsin closing off these tax strategies and stopping the tax shift to home owners. Pass legislation clarifying that:

1. Reverse the *Walgreens v. City of Madison* decision by clarifying that leases are appropriately factored into the valuation of leased properties (*Rep. Rob Brooks (R-Saukville and Sen. Duey Stroebel (R-Saukville) plan to introduce soon*); and
2. 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. (*Rep. Rob Brooks and Sen. Roger Roth (R-Appleton) plan to introduce soon*).



## Appleton city assessor wants to close "dark store" loophole costing taxpayers money



By [Brittany Schmidt \(http://wbay.com/author/blschmidtwbay/\)](http://wbay.com/author/blschmidtwbay/)

Published: February 22, 2017, 10:07 pm | Updated: February 22, 2017, 10:35 pm



APPLETON, Wis. (WBAY) — The city of Appleton is trying to close a Wisconsin tax loophole that could be costing average taxpayers money.

It's called the dark store method, and it allows big box stores to lower their property tax assessment, which could increase yours.

Think of it this way: The city has a certain tax budget it has to hit each year. Industrial, commercial and residential taxes all funnel into that budget. When one doesn't meet its expectation, residential taxes have to pick up the slack, in essence, passing it on to you.

"The tax burden has to get paid and it just shifts from one property owner to other property

owners," said DeAnn Brosman, Appleton's city assessor.

Brosman says the dark store tax loophole comes down to how a property is assessed. The city tells the store how much it's worth in taxes, but it allows a store to challenge it in court by using comparable stores as examples. The problem is that loophole allows them to compare their stores to vacant ones, which generally have a lower value.

In the city of Appleton, target was refunded \$79,128 in 2013. Walgreens was refunded \$385,633 in 2015. CVS is set to receive a refund of \$339,594 this year and that money is being refunded by residents.

"We have had to pay out various tax refunds to 4 different retailers over the last few years and that has cost the average homeowner \$32," said Brosman.

But Brosman said the city has a lot more properties at risk of using the dark store method and if those are approved that would cost the average homeowner \$140 per year in taxes.

Brosman's resolution to close the loophole gained unanimous support Wednesday night at the community and economic development committee meeting in Appleton.

"I think it's important for us to look at our tax structure in general so that the burden doesn't always move to the individual homeowners in the community," said Alderperson Margret Mann, Appleton City Council.

Brosman said she's planning to take her resolution to the legislature where Senator Roger Roth said he is already working on a bill.

Roth said at the end of the day, local communities have to pay their bills and he just wants to make sure it's fair.

"They're going to get that money from the commercial side of property or they are going to get money from the residential side of property and if one of those goes down, the other has to go up to make up the difference so I see this as protecting the property owners, the residential property owners in the Fox Valley," said Roth.

## Related Posts

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION IN SUPPORT OF EFFORTS  
TO CLOSE COMMERCIAL PROPERTY ASSESSMENT LOOPHOLES**

TO THE HONORABLE BOARD OF SUPERVISORS OF DODGE COUNTY, WISCONSIN MEMBERS,

**WHEREAS**, on average, homeowners in Wisconsin already pay 70% of the total statewide property tax levy; and,

**WHEREAS**, the disproportionate burden is about to get much worse unless the Legislature addresses tax avoidance strategies that national chains like Walgreens, and big box establishments like Target and Lowe's are using across the country to gain dramatic reductions in their property tax bills at the expense of homeowners and other taxpayers; and,

**WHEREAS**, a carefully-orchestrated wave of hundreds of lawsuits in Wisconsin is forcing assessors to slash the market value of thriving national retail stores, shifting their tax burden to local mom and pop shops and homeowners; and,

**WHEREAS**, Walgreens and CVS stores in Wisconsin have argued in communities across the state 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**, in many cases the courts have sided with Walgreens and CVS, requiring communities to refund tax revenue back to the stores; and,

**WHEREAS**, there are over 200 Walgreens stores located in Wisconsin; and,

**WHEREAS**, Target, Lowes, Meijer, Menards and other big box chains 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 for a different market segment; and,

**WHEREAS**, the Indiana Legislature has on two occasions in the last two years overwhelmingly passed legislation prohibiting assessors from valuing new big box stores the same as nearby abandoned stores from a different market segment; and,

**WHEREAS**, the Michigan State House overwhelmingly passed similar legislation in May of 2016; and,

**SO, NOW, THEREFORE, BE IT RESOLVED**, that the Dodge County Board of Supervisors hereby urges the Governor and State Legislature of Wisconsin to protect homeowners and main street businesses from having even more of the property tax burden shifted to them by passing legislation clarifying that:

1. Leases are appropriately factored into the valuation of leased properties; and



2. 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.

**BE IT FINALLY RESOLVED**, that the Dodge County Clerk is hereby authorized and directed to transmit a copy of this Resolution to the Governor of the State of Wisconsin, all Wisconsin State Legislators with a constituency within Dodge County, and the Wisconsin Counties Association.

All of which is respectfully submitted this 18<sup>th</sup> day of April, 2017.

**Dodge County Executive Committee:**

\_\_\_\_\_  
Russell Kottke

\_\_\_\_\_  
David Frohling

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Donna Maly

\_\_\_\_\_  
Jeff Berres

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MaryAnn Miller

\_\_\_\_\_  
Joseph Marsik

\_\_\_\_\_  
Dennis Schmidt

**Dodge County Taxation Committee:**

\_\_\_\_\_  
Jeff Berres

\_\_\_\_\_  
Dennis Schmidt

\_\_\_\_\_  
Ed Nelson

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Cathy Houchin

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Ed Benter