Polk County Board of Supervisors
Resolution No. \[XY\]-17
Resolution in Support of Efforts to Close Commercial Property Assessment Loopholes

TO THE HONORABLE SUPERVISORS OF THE COUNTY BOARD OF THE COUNTY OF POLK:

Ladies and Gentlemen:

WHEREAS, 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.

NOW, THEREFORE, BE IT RESOLVED that the Polk County Board of Supervisors does hereby urge the Governor and State Legislature 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 FURTHER RESOLVED that the County Clerk cause to be forwarded a certified copy of this resolution to the offices of Governor Scott Walker, State Senator Sheila Harsdorf, State Senator Janet Bewley, Assembly Representative Adam Jarchow, Assembly Representative Romaine Quinn and the Wisconsin Counties Association.

<table>
<thead>
<tr>
<th>Funding Source/ Funding Amount:</th>
<th>Not Applicable</th>
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<tr>
<td>Date Reviewed as to Appropriations:</td>
<td>Not Applicable</td>
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<tr>
<td>Committee Recommendation as To Appropriation:</td>
<td>Not Applicable</td>
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<td>Effective Date:</td>
<td>Upon passage</td>
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<td>Dated Submitted To County Board</td>
<td>March 21, 2017</td>
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Submitted By:

[Signature]

Review By County Administrator:
- [ ] Recommended
- [x] Not Recommended
- [x] Reviewed Only

Dana Frey, County Administrator

Review By Corporation Counsel:
- [ ] Approved as to Form
- [ ] Recommended
- [ ] Not Recommended
- [ ] Reviewed Only

Jeffrey B. Ruig, Corporation Counsel

Mark As Appropriate:

At its regular business meeting on the 21st of March 2017, the Polk County Board of Supervisors considered and acted on the above resolution, Resolution No. 12-17: Resolution in Support of Efforts to Close Commercial Property Assessment Loopholes, as follows:

- [x] Adopted by simple majority of the board of supervisors by a vote of 11 in favor and 2 against. 2 absent
- [ ] Adopted by unanimous vote.
- [ ] Defeated by a vote of _______ in favor and _______ against.
- [ ] Defeated by voice vote.
- [ ] Action Deferred by Procedural Action, as follows: ____________________________

___________________________________________

Attest:

Sharon Jorgenson, County Clerk

SIGNED BY:

[Signature]

Dean Johansen, County Board Chairperson
CERTIFIED COPY OF POLK COUNTY RESOLUTION

STATE OF WISCONSIN )
                   ) SS
COUNTY OF POLK )

I, Sharon E. Jorgenson, County Clerk for Polk County, do hereby certify that the
Attached hereto and incorporated herein is a true and correct copy of Resolution
No. 18-17 adopted by the Polk County Board of Supervisors at its regular business
meeting held on March 21, 2017.

[Signature]
Sharon E. Jorgenson, Polk County Clerk Date

3-21-17