

**\*\*\*ATTACHMENTS\*\*\***

III

4.2

Res. No. 122 15 - 16. By Alderperson Hammond. December 21, 2015.

A RESOLUTION approving the Agreement between the RCS Empowers, Inc. and the City of Sheboygan for Payments in Lieu of Taxes for the former Calumet Square Shopping Center, particularly the former Pick N Save store located at 2213 Calumet Drive.

*Finance*



I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

**AGREEMENT BETWEEN  
RCS EMPOWERS, INC.  
AND THE CITY OF SHEBOYGAN  
FOR PAYMENTS IN LIEU OF TAXES**

**THIS AGREEMENT** (the "Agreement") is made as of the \_\_\_\_ day of \_\_\_\_\_, 2016, by and between RCS Empowers, Inc., a Wisconsin corporation, with its principal offices located at 1607 Geele Avenue, Sheboygan, WI 53081 (hereinafter "RCS" or "Owner"), and the City of Sheboygan, a municipal corporation of the State of Wisconsin, with its principal offices located at 828 Center Avenue, Sheboygan, WI 53081 (hereinafter "City").

**WITNESSETH:**

**WHEREAS**, the Owner has acquired a property referred to herein alternatively as the "Subject Property" or the "Property," located in the City, and more particularly described in Exhibit "A" attached hereto; and

**WHEREAS**, use of the Property will consist of storage/warehousing of industrial related goods in a one-story building formerly known as the Calumet Square Shopping Center located at 2213 Calumet Drive, Sheboygan, WI (the "Project"); and

**WHEREAS**, the Owner intends to file a request with the City for real and personal property tax exemption under state law relative to its ownership and usage of the Property; and

**WHEREAS**, the Owner nonetheless recognizes that, notwithstanding a determination by the City upon such request of the Property qualifying for property tax exempt status, valuable government services will be provided to it, which services directly or indirectly relate to health, safety and welfare and, which include, but are not limited to general governmental administrative services and police services; and

**WHEREAS**, the Owner, upon a determination of property tax exempt status for the Property, wishes to make payments in lieu of taxes (PILOTs) to the City for the Property in recognition of those services.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Incorporation of Whereas Clauses. The parties hereby acknowledge that the above clauses are part of this Agreement.

2. City Services.

(a) *Certain Services Typically Covered by Property Tax.* Irrespective of Property tax status, the City agrees to continue to furnish general governmental administrative services and police services to the Owner and the Property of the same type, and to the same extent, as are furnished, from time to time, without cost or charge (except by means of property tax and authorized fees, assessments and charges), to other similarly situated warehouses and storage facilities in the City. Nothing in this Agreement shall be construed to give Owner a contractual right to governmental services, or to impose upon City any additional duties, it being the parties' intent that the City provide public service subject to the same duties and liability as apply to the public generally. Services included herein are general governmental administrative services and police services. The City shall not have breached its obligations hereunder if it is prevented from providing such services because of typical force majeure reasons (e.g. war, flood, fire, labor dispute, supply shortage, act of God, natural disaster, etc.), or because of budgetary constraints or because any person or entity shall assert a right which prevents delivery of such services as are furnished from time to time without cost or charge (except by means of property tax) to other warehouses and storage facilities in the City.

(b) *Special Assessment, Special Charges and Fees.* Notwithstanding the above paragraph or the property tax exempt status of the Property, the Owner understands that it will be subject to special assessments, special charges and special taxes as defined in Wis. Stats. 74.01 (and as also referred to in Wis. Stats. Ch. 66) and fees charged by the City in the same manner and to the same extent that such special assessments, special charges, special taxes and fees are charged for similar services and/or undertakings to warehouses and storage facilities within the City. This provision shall not affect the City's powers, consistent with the law, to determine the services (other than those typically covered by the property tax) that shall be provided to the Property and/or similarly situated property pursuant to this paragraph. Nothing contained herein shall preclude the Owner from appealing, as provided by law, the imposition of such special assessments, special charges, special taxes or fees by the City.

3. **PILOT Payments.**

(a) *Calculation for Tax Years 2016 and Subsequent Tax Years.* In recognition of those services covered by paragraph 2(a) of this Agreement, in the event the Property is determined to be tax exempt for tax year 2016 and subsequent tax years, the Owner agrees to pay the City an annual PILOT payment for the exempt portion of the Property for each tax year (or portion thereof) during which the Owner owns the Property. If the Owner transfers or conveys the Property, the PILOT for that year will be prorated based upon the number of full months for which the Owner owned the Property.

The annual PILOT payments for such services shall be \$7,500 (for the 54,583 square footage that will be non-taxable.) The remaining 15,596 square feet would be taxable. The PILOT payment due shall be adjusted annually based upon the change in the United States Bureau of Labor Statistics Consumer Price Index ([www.bls.gov](http://www.bls.gov)) all Urban Consumers Midwest Area, Size B/C from January through December 2015 and each year thereafter.

(b) *Payment Due Date.* PILOTs for tax year 2016 and subsequent years shall be due and payable in full on or before January 31 of the year following the tax year for which the PILOT was calculated.

(c) *Use of Payment.* The City may use and expend PILOTs hereunder in such manner and for such purposes as to offset the City levy for those services covered under paragraph 2(a).

(d) *Nonpayment.* The Owner has a good faith duty to take affirmative steps to satisfy its PILOT obligations hereunder by making timely payments to the City. A lien shall attach to the Property in the event of nonpayment or partial payment. If the Owner meets its good faith duties under the terms of the Agreement, the City shall not take and hereby waives any enforcement or collection action against the Owner related to the PILOT. The City expressly retains its governmental rights, authority and powers available at law or in equity.

4. **Exempt Status.** Even if the City initially determines that, if the Owner uses the Property for the purposes described to City in an application for exemption, all or a portion of the Property will qualify for real and personal property tax exemption under Wisconsin law, the City Assessor's Office may review the Property's exempt status under Wis. Stats. 70.11 from time to time with the respective January dates being the reference dates for those exemption reviews. If the City, as a result of those reviews or otherwise, determines that the Property no longer qualifies for

exemption from property tax, for the year in which the determination is made:

- (a) The City will provide notice of such determination to the Owner, no later than April 30th of that year;
- (b) This Agreement shall terminate with respect to that and any subsequent years for which exemption no longer applies;
- (c) If a PILOT has been paid for that year, the City shall promptly refund such PILOT, or at the option of the City, offset such payments against any property taxes due from Owner; and
- (d) The Property shall be placed on the property tax rolls for that and any subsequent years for which exemption has been determined not to apply.

If the Owner disagrees with the City's determination that the Property no longer qualifies for tax exemption, the Owner may challenge such determination by the appropriate procedure provided under Wisconsin law for similarly situated property.

5. **Term.** The PILOT agreement shall terminate on the soonest of any of the following-described dates:

- (a) The day before the respective January 1 of the year concerning which the City determines that the Property no longer qualifies for the property tax exemption;
- (b) The effective date of an enactment by the State of Wisconsin of a mandatory payment for municipal services by owners of a property exempt from the general property tax or similarly situated owners of exempt property;
- (c) The effective date of a repeal by the State of Wisconsin of the property tax exemption for the Property and other similarly situated property; and
- (d) The effective date of legislation or case law, which indicates that PILOT payments are not permitted by exempt property owners.

6. **Documents, Inspection, Cooperation.** The Owner agrees to cooperate with the City (including, but not limited to, the City Assessor's Office, the City Development Office, the City Attorney's Office and the City Finance Office) with respect to this Agreement by allowing inspections of the Property upon reasonable written request of the City and by allowing inspection of leases of the

Property and other documents requested of the Owner. Notwithstanding the foregoing, the City expressly reserves all its rights in law and equity to inspect and to obtain disclosure, documents, inspection and information to the extent the property owner is required to allow any such inspection under Wisconsin Law. The Owner is not hereby granting rights to inspection beyond those provided by law.

7. **Amendment.** The City and the Owner expressly reserve the right to modify and amend this Agreement from time to time, as they shall mutually agree in writing executed by both parties.

8. **Severability; Governing Law.** If any provision hereof is duly held by a court of competent jurisdiction to be invalid with respect to any circumstance or otherwise, the remainder of the Agreement and/or the application of the Agreement to any other circumstance shall not be affected thereby. The parties intend that the laws of the State of Wisconsin and ordinances and regulations of the City of Sheboygan shall be the governing law with respect to this Agreement.

9. **Authority.** The Owner represents and warrants to the City that its agents executing this Agreement have been duly authorized to so execute and to cause the Owner to enter into this Agreement. The City represents and warrants to the Owner that the undersigned City officials are duly authorized to execute and to enter into this Agreement.

10. **Binding Effect.** The rights and obligations under this Agreement shall run with the land and along with the conditions hereof, shall be binding upon the parties' successors, heirs and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized agents as of the date and year first written above.

CITY OF SHEBOYGAN

RCS EMPOWERS, INC.

BY: \_\_\_\_\_  
Michael Vandersteen  
Mayor

BY: Conrad D. Van Rogen

ATTEST: \_\_\_\_\_  
Susan Richards  
City Clerk

ATTEST: Monica B. Gunkel

DATED: \_\_\_\_\_

DATED: 12/14/15

This document is authorized by and in accordance with Res. No. \_\_\_\_\_-15-16.

This document consists of six (6) typewritten pages, including the signature page.

Approved as to form this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Charles Adams  
City Attorney  
Sheboygan, WI 53081  
WI State Bar No. 01011662

EXHIBIT "A"

LEGAL DESCRIPTION FOR RCS EMPOWERS, INC, FORMER CALUMET SQUARE  
SHOPPING CENTER

LEGAL DESCRIPTION SHALL BE PROVIDED HERE.

(Tax Parcel No. 59281601980)

III

DIRECT REFERRAL TO FINANCE

4.3

Res. No. 124 - 15 - 16. By Alderperson Carlson. December 21, 2015.

A RESOLUTION authorizing the Police Department to waive competitive bidding and enter into contract for the replacement of Two (2) MorphoTrak LiveScan Stations, Printer, RMS Interface and Annual Maintenance.

RESOLVED: That the Police Department is hereby authorized to enter into contract with SAFRAN MorphoTrak for the purchase of Two (2) MorphoTrak LiveScan Stations, Printer, RMS Interface and Annual Maintenance.

BE IT FURTHER RESOLVED: That the appropriate City Officials are hereby authorized to draw orders on the Police Department Account Number 10121100-642200 in the amount of \$27,018.00 in payment of same.

*PPS  
Direct refer  
to Finance*

*Paul D. Ahl*

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

III

5.1

Res. No. 127- 15 - 16. By Alderperson Hammond. January 4, 2016.

A RESOLUTION revising the loan interest rate of the City of Sheboygan Leverage Loan Program from 3% above the Wall Street Journal prime rate to the current Wall Street Journal prime rate the day the loan is approved by the Finance Committee.

Whereas, on March 3, 2014, the Common Council approved the creation of the Leverage Loan Program Policies and Procedures to be used to aid in business expansion and attraction and to leverage other sources of capital.

WHEREAS, the program was created to provide funding to projects that increase tax base in 2-3 years, but not necessarily create new jobs.

WHEREAS, to date, no project has taken advantage of this funding due to the interest rate being 3% of the Wall Street Journal prime rate.

WHEREAS, it is felt if the interest rate is lowered to the prime rate, pending projects may take advantage of the program, thus creating new tax base for the City.

  
\_\_\_\_\_

*Finance*

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

III

II

**DIRECT REFERRAL TO FINANCE**

R. O. No. 240- 15 - 16. By FINANCE DIRECTOR. January 6, 2016.

Submitting the attached documents and recommending that the Common Council authorize the appropriate city officials to refund excess property tax payments to JL French LLC and its successors and assigns based upon the attached documents providing for changes in full value assessments, including stipulated assessments for assessment years 2009 through 2014, noting that JL French LLC has withdrawn its objection to certain 2014 manufacturing personal property assessments. Additionally, recommending that the appropriate city officials be authorized to initiate a chargeback procedure so as to recover those portions of the tax refund that are attributable to other taxing authorities.

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Finance Director

*Acc'd File*



State of Wisconsin • DEPARTMENT OF REVENUE

DIVISION OF STATE AND LOCAL FINANCE • MANUFACTURING AND UTILITY BUREAU • GREEN BAY DISTRICT - AA 81

200 N. Jefferson Street, Suite 126
Green Bay, WI 54301-5100
Phone: 920-448-5191
Fax: 920-448-5210
dormfgtel81@revenue.wi.gov
www.revenue.wi.gov

April 2, 2015

Susan Richards, Clerk
City of Sheboygan
828 Center Avenue
Sheboygan, WI 53081-4442

Ms. Richards:

Enclosed is a copy of a Wisconsin Tax Appeals Commission Decision that changes a 2010 full value assessment. The change was made pursuant to Sec. 70.511, Wis. Stats., delayed action of reviewing authority. This order may initiate the need to refund taxes that were already paid and to recover some of the refund through the procedure described in Sec. 74.41. Wis. Stats., charging back refunded or rescinded taxes.

Also enclosed is a chart illustrating the refund and chargeback process. If you intend to complete a chargeback, please remit all paperwork (PC-201) as soon as possible after issuing the refund, but no later than June 1st. If you have any questions relating to the refund or chargeback, please call the Local Government Services Bureau at 608-264-6892.

This particular order is in regards to the following property:

Municipality: City of Sheboygan
Owner: JL French LLC
Site Address: 4243 Gateway Drive
Local Parcel Number: 59281479013
State Identification Number: 81-59-281-R000001365
Tax Appeals Commission Docket Number: 11-M-063

Table with 4 columns: 2010 Full Value, Original Assessment, Final TAC Valuation, Change. Rows include Land, Improvements, Total, Aggregate Ratio, and 2010 Equated Value.

If you have any other questions, please contact me at 920-448-5197 or kurt.keller@revenue.wi.gov.

Sincerely,

Kurt Keller (handwritten signature)

Kurt Keller, Supervisor, Green Bay Manufacturing and Utility Bureau District Office

Enclosures

cc: Laura Henning-Lorenz, 508 New York Ave #109, Sheboygan, WI 53081-4126



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April 2, 2015

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Sheboygan, WI 53081-4442

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Municipality: City of Sheboygan
Owner: JL French LLC
Site Address: 4243 Gateway Drive
Local Parcel Number: 59281479013
State Identification Number: 81-59-281-R000001365
Tax Appeals Commission Docket Number: 11-M-319

Table with 4 columns: 2011 Full Value, Original Assessment, Final TAC Valuation, Change. Rows include Land, Improvements, Total, Aggregate Ratio, and 2011 Equated Value.

If you have any other questions, please contact me at 920-448-5197 or kurt.keller@revenue.wi.gov.

Sincerely,

Handwritten signature of Kurt Keller

Kurt Keller, Supervisor, Green Bay Manufacturing and Utility Bureau District Office

Enclosures

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April 2, 2015

Susan Richards, Clerk  
City of Sheboygan  
828 Center Avenue  
Sheboygan, WI 53081-4442

Ms. Richards,

Enclosed is a copy of a Wisconsin Tax Appeals Commission Settlement Agreement that changes a 2012 full value assessment. The change was made pursuant to Sec. 70.511, Wis. Stats., delayed action of reviewing authority. This order may initiate the need to refund taxes that were already paid and to recover some of the refund through the procedure described in Sec. 74.41, Wis. Stats., charging back refunded or rescinded taxes.

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This particular order is in regards to the following property:

Municipality:	City of Sheboygan
Owner:	JL French LLC
Site Address:	4243 Gateway Drive
State Identification Number:	81-59-281-P000013309
Tax Appeals Commission Docket Number:	13-M-88

2012 Full Value Assessment	Original	Revised	Amount of Change
Boats & Watercraft			
Machinery & Equipment	213,300	107,300	-106,000
Furniture & Fixtures	939,700	461,300	-478,400
All Other	414,100	79,700	-334,400
Buildings on Leased Land			
<b>Total Taxable</b>	<b>1,567,100</b>	<b>648,300</b>	<b>-918,800</b>

Aggregate Ratio: 1.086689898

2012 Equated Assessment	Original	Revised	Amount of Change
Boats & Watercraft			
Machinery & Equipment	231,800	116,600	-115,200
Furniture & Fixtures	1,021,200	501,300	-519,900
All Other	450,000	86,600	-363,400
Buildings on Leased Land			
<b>Total Taxable</b>	<b>1,703,000</b>	<b>704,500</b>	<b>-998,500</b>

Page Two

If you have any other questions, please contact me at 920-448-5197 or [kurt.keller@revenue.wi.gov](mailto:kurt.keller@revenue.wi.gov).

Sincerely,

A handwritten signature in black ink that reads "Kurt Keller". The signature is written in a cursive style with a large, stylized 'K' and 'K'.

Kurt Keller  
Supervisor  
Green Bay Manufacturing and Utility Bureau District Office

Enclosures

cc: Laura Henning-Lorenz, 508 New York Ave #109, Sheboygan, WI 53081-4126



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April 2, 2015

Susan Richards, Clerk  
City of Sheboygan  
828 Center Avenue  
Sheboygan, WI 53081-4442

Ms. Richards,

Enclosed is a copy of a Wisconsin Tax Appeals Commission Settlement Agreement that changes a 2012 full value assessment. The change was made pursuant to Sec. 70.511, Wis. Stats., delayed action of reviewing authority. This order may initiate the need to refund taxes that were already paid and to recover some of the refund through the procedure described in Sec. 74.41, Wis. Stats., charging back refunded or rescinded taxes.

Also enclosed is a chart illustrating the refund and chargeback process. If you intend to complete a chargeback, please remit all paperwork (PC-201) as soon as possible after issuing the refund, but no later than June 1<sup>st</sup>. If you have any questions relating to the refund or chargeback, please call the Local Government Services Bureau at 608-264-6892.

This particular order is in regards to the following property:

Municipality:	City of Sheboygan
Owner:	JL French LLC
Site Address:	4243 Gateway Drive
State Identification Number:	81-59-281-P000013310
Tax Appeals Commission Docket Number:	13-M-89

2012 Full Value Assessment	Original	Revised	Amount of Change
Boats & Watercraft			
Machinery & Equipment	907,400	607,400	-300,000
Furniture & Fixtures	610,500	365,800	-244,700
All Other	453,200	173,000	-280,200
Buildings on Leased Land			
<b>Total Taxable</b>	<b>1,971,100</b>	<b>1,146,200</b>	<b>-824,900</b>

Aggregate Ratio: 1.086689898

2012 Equated Assessment	Original	Revised	Amount of Change
Boats & Watercraft			
Machinery & Equipment	986,100	660,100	-326,000
Furniture & Fixtures	663,400	397,500	-265,900
All Other	492,500	188,000	-304,500
Buildings on Leased Land			
<b>Total Taxable</b>	<b>2,142,000</b>	<b>1,245,600</b>	<b>-896,400</b>

Page Two

If you have any other questions, please contact me at 920-448-5197 or [kurt.keller@revenue.wi.gov](mailto:kurt.keller@revenue.wi.gov).

Sincerely,

A handwritten signature in black ink that reads "Kurt Keller". The signature is written in a cursive style with a large, stylized initial "K".

Kurt Keller  
Supervisor  
Green Bay Manufacturing and Utility Bureau District Office

Enclosures

cc: Laura Henning-Lorenz, 508 New York Ave #109, Sheboygan, WI 53081-4126



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April 2, 2015

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This particular order is in regards to the following property:

Municipality: City of Sheboygan
Owner: JL French LLC
Site Address: 4243 Gateway Drive
Local Parcel Number: 59281479013
State Identification Number: 81-59-281-R000001365
Tax Appeals Commission Docket Number: 13-M-72

Table with 4 columns: 2012 Full Value, Original Assessment, Final TAC Settlement, Change. Rows include Land, Improvements, Total, Aggregate Ratio, 2012 Equated Value, Land, Improvements, Total.

If you have any other questions, please contact me at 920-448-5197 or kurt.keller@revenue.wi.gov.

Sincerely, Kurt Keller (handwritten signature)

Kurt Keller, Supervisor, Green Bay Manufacturing and Utility Bureau District Office

Enclosures
cc: Laura Henning-Lorenz, 508 New York Ave #109, Sheboygan, WI 53081-4126



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This particular order is in regards to the following property:

Municipality: City of Sheboygan
Owner: JL French LLC
Site Address: 4243 Gateway Drive
Local Parcel Number: 59281479013
State Identification Number: 81-59-281-R000001365
Tax Appeals Commission Docket Number: 14-M-26

Table with 4 columns: 2013 Full Value, Original Assessment, Final TAC Settlement, Change. Rows include Land, Improvements, Total, Aggregate Ratio, 2013 Equated Value, Land, Improvements, Total.

If you have any other questions, please contact me at 920-448-5197 or kurt.keller@revenue.wi.gov.

Sincerely,

Kurt Keller (handwritten signature)

Kurt Keller, Supervisor, Green Bay Manufacturing and Utility Bureau District Office

Enclosures

cc: Laura Henning-Lorenz, 508 New York Ave #109, Sheboygan, WI 53081-4126

STATE BOARD OF ASSESSORS  
NOTICE OF DETERMINATION

JL FRENCH LLC, PETITIONER  
APPEAL NO. 81-051-REO-14  
STATE IDENTIFICATION NO. 81-59-281-R000001365

VS

WISCONSIN DEPARTMENT OF REVENUE  
RESPONDENT

---

TO: JL FRENCH LLC  
3101 S TAYLOR DR  
PO BOX 1024  
SHEBOYGAN WI 53082

AND SUSAN RICHARDS CLERK  
CITY OF SHEBOYGAN  
828 CENTER AVE  
SHEBOYGAN WI 53081-4442

PLEASE TAKE NOTICE that the objection to the 2014 assessment for the above-listed parcel has been reviewed by the State Board of Assessors pursuant to sec. 70.995(8)(a), Wis. Stats., and that this Board has determined that the property in question be assessed as follows:

AGGREGATE RATIO: .969063383

	<u>ORIGINAL FULL VALUE ASSESSMENT</u>	<u>REVISED FULL VALUE ASSESSMENT</u>	<u>ORIGINAL EQUATED VALUE ASSESSMENT</u>	<u>REVISED EQUATED VALUE ASSESSMENT</u>
Land	650,000	650,000	629,900	629,900
Improvements	11,350,000	9,750,000	10,998,900	9,448,400
Total	12,000,000	10,400,000	11,628,800	10,078,300

There will not be Interest paid per sec. 70.511(2)(b), Wis. Stats.

You shall be deemed to have accepted this determination unless you notify the Wisconsin Tax Appeals Commission of your desire to present testimony before that Commission challenging the assessed value here determined. The proper forms may be obtained by writing or calling:

Wisconsin Tax Appeals Commission  
5005 University Ave., Suite 110  
Madison, WI 53705  
(608) 266-1391

APPEALS MUST BE FILED WITH THE TAX APPEALS COMMISSION WITHIN 60 DAYS OF THE DATE ON THIS ORDER as set forth in sec. 73.01(5), Wis. Stats.

Dated at Madison, Wisconsin, this 31<sup>st</sup> day of March 2015.

cc: MARGARET M DERUS ATTY  
REINHART BOERNER VAN DEUREN  
1000 N WATER ST STE 1700  
PO BOX 2965  
MILWAUKEE WI 53204

STATE OF WISCONSIN  
STATE BOARD OF ASSESSORS

By:

  
Timothy J. Drascio, Chairman

STATE OF WISCONSIN  
STATE BOARD OF ASSESSORS  
MAIL DROP #6-97  
P.O. BOX 8971  
MADISON, WI 53708-8971

ACKNOWLEDGEMENT OF OBJECTION  
WITHDRAWAL

JL FRENCH LLC, PETITIONER  
APPEAL NO. 81-049-PPO-14  
STATE IDENTIFICATION NO. 81-59-281-P000013309

VS

WISCONSIN DEPARTMENT OF REVENUE,  
RESPONDENT

TO: JL FRENCH LLC  
3101 S TAYLOR DR  
PO BOX 1024  
SHEBOYGAN WI 53082

AND SUSAN RICHARDS CLERK  
CITY OF SHEBOYGAN  
828 CENTER AVE  
SHEBOYGAN WI 53081-4442

This acknowledges receipt on March 25, 2015 by the State Board of Assessors of your withdrawal of your objection to the valuation of your 2014 manufacturing personal property assessment and waiving of your rights to be heard further by the Wisconsin Tax Appeals Commission.

The assessed valuation as stated below shall be sustained:

	<u>Assessed Value</u>
Boats and Watercraft	\$ 0
Machinery and Equipment	\$ 486,800
Furniture and Fixtures	\$ 400,300
All Other Personal Property	\$ 171,200
Buildings on Leased Land	\$ 0
TOTAL	\$1,058,300

Dated this 26<sup>th</sup> day of March 2015.

cc: MARGARET DERUS ATTY  
REINHART BOERNER VAN  
DEUREN SC  
1000 N WATER ST STE 1700  
PO BOX 2965  
MILWAUKEE WI 53204

STATE OF WISCONSIN  
STATE BOARD OF ASSESSORS

By: Patricia Knudtson  
Patricia Knudtson, Acting Secretary  
Phone: (608) 267-2163

STATE OF WISCONSIN  
STATE BOARD OF ASSESSORS  
MAIL DROP #6-97  
P.O. BOX 8971  
MADISON, WI 53708-8971

ACKNOWLEDGEMENT OF OBJECTION  
WITHDRAWAL

JL FRENCH LLC, PETITIONER  
APPEAL NO. 81-050-PPO-14  
STATE IDENTIFICATION NO. 81-59-281-P000013310

VS

WISCONSIN DEPARTMENT OF REVENUE,  
RESPONDENT

TO: JL FRENCH LLC  
3101 S TAYLOR DR  
PO BOX 1024  
SHEBOYGAN WI 53082

AND SUSAN RICHARDS CLERK  
CITY OF SHEBOYGAN  
828 CENTER AVE  
SHEBOYGAN WI 53081-4442

This acknowledges receipt on March 25, 2015 by the State Board of Assessors of your withdrawal of your objection to the valuation of your 2014 manufacturing personal property assessment and waiving of your rights to be heard further by the Wisconsin Tax Appeals Commission.

The assessed valuation as stated below shall be sustained:

	<u>Assessed Value</u>
Boats and Watercraft	\$ 0
Machinery and Equipment	\$ 1,315,300
Furniture and Fixtures	\$ 378,500
All Other Personal Property	\$ 309,400
Buildings on Leased Land	\$ 0
<b>TOTAL</b>	<b>\$2,003,200</b>

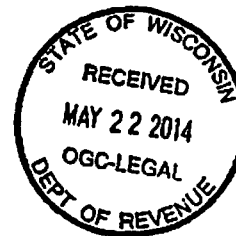
Dated this 26<sup>th</sup> day of March 2015.

cc: MARGARET DERUS ATTY  
REINHART BOERNER VAN  
DEUREN SC  
1000 N WATER ST STE 1700  
PO BOX 2965  
MILWAUKEE WI 53204

STATE OF WISCONSIN  
STATE BOARD OF ASSESSORS

By: Patricia Knudtson  
Patricia Knudtson, Acting Secretary  
Phone: (608) 267-2163

STATE OF WISCONSIN  
TAX APPEALS COMMISSION



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J. L. FRENCH, LLC.,

DOCKET NOS. 10-M-105,  
11-M-063, AND 11-M-319

Petitioner,

vs.

WISCONSIN DEPARTMENT OF REVENUE,

Respondent.

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DECISION AND ORDER

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**LORNA HEMP BOLL, CHAIR:**

These cases come before the Commission for decision after the parties tried the cases in Madison, Wisconsin, on April 17-April 18, 2013. Petitioner, J. L. French, Inc., is represented by Attorneys Margaret M. Derus and Amy L. Barnes of Reinhart Boerner Van Deuren s.c.. The Department of Revenue ("the Department") is represented by Attorney John R. Evans. The issue in these cases involves the assessments of Petitioner's real property for the tax years 2009, 2010, and 2011. Both parties have filed post-trial briefs. We now uphold the Assessments as modified.

**FINDINGS OF FACT**

**A. Jurisdictional Facts**

1. Petitioner, J. L. French, is the owner of real property located at 4243 Gateway Drive, City of Sheboygan, Wisconsin, State Identification Number

81-59-281-R000001365, Local Parcel Number 59281479013, which is the subject of the above-referenced docketed cases. (Stipulation ("Stip."), ¶ 1.)

2. At issue in this case are the valuations of the subject property as of January 1, 2009, January 1, 2010 and January 1, 2011. (Stip., ¶ 2.)

3. On June 1, 2009, the Department issued a 2009 Notice of Real Property Assessment for the subject property to the Petitioner. (Stip., ¶ 5.)

4. On July 30, 2009, Petitioner filed a timely Objection to 2009 Real Estate Assessment with the Wisconsin State Board of Assessors ("Board of Assessors"). (Stip., ¶ 6.)

5. On March 5, 2010, the Board of Assessors issued to the Petitioner a Notice of Determination of 2009 Assessment. (Stip., ¶ 7.)

6. On May 4, 2010, Petitioner filed a timely Petition for Review of the Determination by State Board of Assessors for 2009 with the Commission. (Stip., ¶ 8.)

7. On June 21, 2010, the Department issued a 2010 Notice of Real Property Assessment for the subject property to the Petitioner. (Stip. ¶ 9.)

8. On August 10, 2010, Petitioner filed a timely Objection to 2010 Real Estate Assessment with the Board of Assessors. (Stip., ¶ 10.)

9. On January 14, 2011, the Board of Assessors issued to the Petitioner a Notice of Determination of 2010 Assessment. (Stip., ¶ 11.)

10. On February 7, 2011, Petitioner filed a timely Petition for Review of Determination by State Board of Assessors for 2010 with the Commission. (Stip., ¶ 12.)

adjustments and are thus are deemed the most comparable. The weightings change from year to year as the subject property ages. The testimony was less clear as to the basis for the weightings and changes in weightings chosen by Petitioner's appraiser.

With respect to square footage, as noted above, we find the Department's square footage figure to be more accurate. The parties also disagreed on the role of ceiling heights in their adjustments. There was credible evidence that industrial facilities can and do employ ceiling heights in excess of the optimal height figure adopted by Petitioner's expert. Of particular interest was the fact in 2007 the Petitioner had added new production space with ceiling heights in excess of 40 feet, while arguing that only 28-32 foot ceilings were desirable.

#### *Summary*

The Petitioner bears the burden to show error in the assessments. Although there was some evidence of what might be perceived as error, it was not substantial and did not rise to the level of proof required to overcome the presumption of correctness. Even if we reach the simple burden of persuasion, the Petitioner must prove its evidence is more credible than that of the Department. The Petitioner has failed to meet that burden as well. The Department's assertions were grounded in more credible evidence.

#### **CONCLUSIONS OF LAW**

1. Petitioner has shown some contrary evidence, but the evidence was insufficient to rebut the presumption of correctness.

2. Even if the presumption were overcome, Petitioner has not met its burden of persuasion to refute the property assessments.

3. The Department produced evidence sufficient only to support modified assessments of \$12,041,400 for 2010 and \$12,009,200 for 2011.

### ORDERS

Based upon the foregoing,

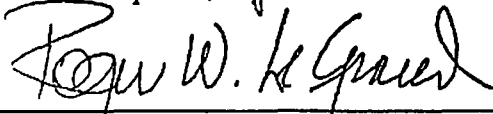
**IT IS HEREBY ORDERED** that the Department's assessments for 2010 and 2011 are modified to conform to the proof at trial at \$12,041,400 for 2010 and \$12,009,200 for 2011. The Department's assessments for 2009, 2010, and 2011 are otherwise upheld.

Dated at Madison, Wisconsin, this 21<sup>st</sup> day of May, 2014.

### WISCONSIN TAX APPEALS COMMISSION



\_\_\_\_\_  
Lorna Hemp Boll, Chair



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Roger W. LeGrand, Commissioner



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David D. Wilmoth, Commissioner

ATTACHMENT: NOTICE OF APPEAL INFORMATION

STATE OF WISCONSIN  
DEPARTMENT OF REVENUE

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J.L. FRENCH, LLC,  
ALLOTECH INTERNATIONAL, LLC, :  
Petitioners, : SETTLEMENT AGREEMENT  
v. : Docket Nos. 13-M-72, 13-M-88,  
13-M-89, 13-M-90, 13-M-91, 13-M-92,  
14-M-26, 14-M-27, 14-M-28 & 14-M-29  
WISCONSIN DEPARTMENT OF REVENUE,  
Respondent. :

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IT IS HEREBY STIPULATED that the original assessments are modified as follows:

Docket No.	BOA Appeal No.	Assessment Year	Stipulated Assessment
13-M-72	81-021-REO-12	2012	\$11,400,000
13-M-88	81-016-PPO-12	2012	\$648,300
13-M-89	81-019-PPO-12	2012	\$1,146,200
13-M-90	81-020-PPO-12	2012	\$658,300
13-M-91	81-018-PPO-12	2012	\$222,400
13-M-92	81-017-PPO-12	2012	\$419,400
14-M-26	81-038-REO-13	2013	\$10,900,000
14-M-27	81-034-PPO-13	2013	\$1,094,600
14-M-28	81-035-PPO-13	2013	\$1,772,600
14-M-29	81-036-PPO-13	2013	\$566,100

STATE ID #	BOA Appeal No.	Assessment Year	Stipulated Assessment
81-59-281-P000013284	81-048-PPO-14	2014	\$937,600
81-59-281-P000013309	81-049-PPO-14	2014	\$1,058,300
81-59-281-P000013310	81-050-PPO-14	2014	\$2,003,200
81-59-281-R000001365	81-051-REO-14	2014	\$10,400,000

IT IS FURTHER STIPULATED that Petitioners waive the right to any interest due under Wis. Stat. sec. 70.511(2)(b).

IT IS FURTHER STIPULATED that Petitioner and Respondent waive fees and costs and attorney's fees.

IT IS FURTHER STIPULATED that the Wisconsin Tax Appeals Commission may enter an Order without further notice to the parties approving the terms of this stipulation and dismissing the above-referenced Tax Appeals Commission cases and BOA objections as referenced above.

PETITIONERS

Darreele Kinas 3/23/2015  
Name: Darreele Kinas Date  
Title: BU Tax Manager

Margaret M. Derus 3/24/15  
Margaret M. Derus Date  
Petitioner's Representative

WISCONSIN DEPARTMENT OF REVENUE

Peter D. Kafkas 3/27/15  
Peter D. Kafkas Date  
Attorney

Julie M. Raes 3/27/15  
Julie M. Raes Date  
Director, Manufacturing and Utility Bureau  
DEPUTY ADMINISTRATOR, STATE & LOCAL FINANCE