



# City of West Allis

## Legislation Text

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**File #:** R-2013-0146, **Version:** 1

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Resolution relative to a request to the State Legislature to change State Levy Limits for Municipalities for the Purpose of Cash Financing for Road Construction.

WHEREAS, the State of Wisconsin has imposed property tax levy limits for municipalities; and

WHEREAS, these property tax levy limits restrict the increase in the municipal property tax levy to net new construction; and

WHEREAS, the limit of net new construction is severely limiting to fully developed cities like West Allis, which must rely exclusively on redevelopment efforts to expand tax base; and

WHEREAS, the net new construction levy limit does not provide the City with the flexibility to have future financing capacity to meet increased inflationary and other economic costs; and

WHEREAS, this very limiting future financing capacity restricts the City to proactively respond to service demands and facility improvements, including infrastructure; and

WHEREAS, the inability to proactively fund those future infrastructure needs is causing the City to fall behind in maintaining such facilities; and

WHEREAS, a minor change in the levy limit to allow cash financing rather than debt financing to be used as an addition to the levy limit would provide modest relief for road construction; and

WHEREAS, the allowance of cash financing for road construction would save municipalities substantial dollars annually rather than using debt financing, which would reduce large interest payments on the debt principal and therefore reduce property taxes in the long term; and

WHEREAS, the added road construction projects will create additional short-term jobs and long-term tax base development.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that the State legislature is hereby requested to make an amendment to levy limits allowing local units of government the ability to increase the tax levy for the express purpose of paying for capital infrastructure on a cash basis as a means to avoid debt service costs.

BE IT FURTHER RESOLVED that copies of this resolution shall be provided to the City's two State Senators, three State Representatives, Governor Walker, the Co-Chairs of the State Joint Finance Committee, and the Wisconsin League of Municipalities.

ADM\ORDRES\ADMR446