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STATE OF WISCONSIN    VILLAGE OF FOX POINT    MILWAUKEE COUNTY  
RESOLUTION NO. 2018-21

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**Resolution in Support of Dark Store Remedy Legislation**

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

**Whereas**, that burden will increase unless the Legislature addresses tax avoidance legal strategies that national chains like Walgreens, CVS, and Best Buy and other big box retail establishments are using to gain dramatic property tax bill reductions from Wisconsin Courts at the expense of homeowners and other taxpayers; and

**Whereas**, these adjudications in Wisconsin are forcing assessors to slash the market value of thriving national retail stores, shifting their tax burden to smaller businesses and to homeowners; and

**Whereas**, Walgreens CVS, and Best Buy stores in Wisconsin have argued 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**, many courts have sided with Walgreens, CVS, or Best Buy requiring communities to refund tax revenue back to the stores; and

**Whereas**, there are hundreds of big box stores located in Wisconsin's cities and villages; and

**Whereas**, 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 from a different market segment; and

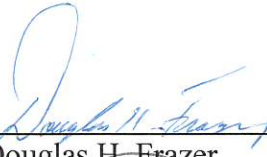
**Whereas**, the Indiana Legislature has on two occasions in the last two years overwhelmingly passed legislation prohibiting assessors from valuing new big box stores the same as nearby abandoned stores from a different market segment; and


**Whereas**, the Michigan House of Representatives overwhelmingly passed similar legislation in May of 2016.

**Now, Therefore, Be It Resolved**, that the Village Board of the Village of Fox Point urges the Governor and the Legislature, especially calling upon Senator Darling and Representative Ott, to protect homeowners and other 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. A vacant or "dark property" cannot be used as comparable property for determining the assessed value of a fully operational and occupied property, specifying that when assessors use sales of comparable properties for determining the value of a property they must use properties that are within the same market segment and similar to the property being assessed with regard to age, condition, use, type of construction, location, design, and economic characteristics.

Passed and adopted this 13<sup>th</sup> day of September, 2018.

  
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Douglas H. Frazer  
Village President

  
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Kelly A. Meyer, CMC/WCMC  
Village Clerk/Treasurer

