

Revised 8/2/18 5:00 p.m.

**City of Chetek Common Council Meeting Agenda**  
Tuesday, August 7, 2018 - 6:00 p.m. – Council room, 220 Stout Street, Chetek, WI

**AGENDA:**

Call to order

Roll call – Scott Bachowski \_\_\_\_, Denise Moran \_\_\_\_, Mark Eby \_\_\_\_, Mark Edwards \_\_\_\_, Mayor Martin \_\_\_\_

Prayer

Pledge of Allegiance

Approve agenda

**PUBLIC COMMENT** citizens may direct questions/comments to the council for items not on the agenda.

The council may have limited discussion, however; no action will be taken under public comments.

**MAYOR COMMENTS**

**CONSENT AGENDA:**

1. council minutes from July and City claims from July
2. Department/Board reports as submitted: June Housing Authority,
3. Resignations from boards/committees:
4. Appointments to Boards & commissions:
5. General licenses/permits: Temporary Class "B" license- Hydroflites - 8/25/18 (bass tournament weigh in)

**OLD BUSINESS** - Proposed agreement with Town of Chetek to operator/subsidize cemetery

**NEW BUSINESS**

1. Accept and appropriate donation from Barron County sheriff - disaster relief donation
2. Resolution 2018-12 - supporting Barron County Dark Store Loophole referendum
3. Request from Chetek AmVets to take care of the monthly electric bill for the new park
4. Resolution 2018-13 to accept donations from airport vehicle use and appropriate to outlay fund
5. Request from Neil Thalacker for credit on sewer bill due to burst hose outside
6. Taxi Cab Service application - John Hallquist
7. Temporary use agreement (Dixon Street)- renewal of lease with The Mill

**Adjourn**

NOTE: Any person who has a qualifying disability as defined by the American With Disabilities Act that requires the meeting or materials at the meeting to be in an accessible location or format must contact the municipal clerk at (715) 924-4838 by 10:00 a.m. the Friday prior to the meeting, so that any necessary arrangements can be made to accommodate each request.

Minutes of the Special Meeting of the Common Council of the City of Chetek held on Tuesday, June 26, 2018 at 6:00 p.m. in the Council Chamber, 220 Stout Street, Chetek, WI

Meeting was called to order at 6:00 p.m. by Jeff Martin, mayor

Present: Scott Bachowski, Mark Eby, Mark Edwards, Denise Moran, Mayor Jeff Martin

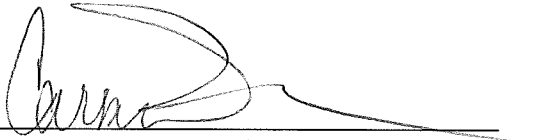
**Wastewater annual maintenance report** - Rod Rhodes gave the report for the 2017 wastewater treatment plant. Total grade for the system was a 4.0. Future plant replacement will depend on DNR regulations and additional limits that may be placed on our system. Dan Knapp advised that he is working with CBS Squared on completing a sustainability plan that is required by the DNR within the next year. Motion by Eby, 2nd by Bachowski to accept the annual maintenance report. Carried.

Scott Cepek, project coordinator for Positive Energy Homes addressed the council regarding a proposal to build a spec house on the city owned lot on Tainter Street. The plan: To build homes and communities targeted to veterans with the focus on lowering bills, specifically eliminating heat and electric bills, reducing or eliminating water/sewer bills, and growing food in community gardens and an indoor winter greenhouse using Aquaponics. Test homes have had no utility bills for 1-15 years (since being built). Scott is proposing the City of Chetek donate the lot to the foundation on the condition that he must show the City of Chetek a purchase agreement to build a home as well as a pre-approval letter from a lender or proof of funds for cash construction before September 26th, 2018 to be able to exercise this option. The agreement will be drafted by the City. Motion to approve by Bachowski, 2nd by Eby. carried.

Eby motioned to approve an application for a Special Class "B" fermented malt beverage license to "Walleyes for Chetek" softball games for July 5th through July 8th. 2nd by Bachowski. Carried.

No action taken on Knudson's B&B request to use adjacent alley for customer dining/drinking. No one attended and proof of insurance, adjoining neighbor's permission, and fencing information were not provided.

Motion to adjourn - Moran - 2nd by Eby. carried.



Carmen Newman, clerk/treasurer

## THE CHETEK HOUSING AUTHORITY

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### MONTHLY BOARD MINUTES

June 28, 2018

The Chetek Housing Authority met at Lone Oak Manor Apartments in the Community Room at 801 W. Stout Street, Chetek WI.

CALL TO ORDER / ROLL CALL: Chair Mark Eby opened the meeting at 10:30 AM. Commissioners present were Mark Eby, Judy Anderson, Lou Ann Novak, Victoria Kutchins, and Shirley Morley. Executive Director Jean Odell was present, as were several tenants.

ASSURE COMPLIANCE WITH OPEN MEETING LAW: Meeting is in compliance with open meeting law.

MOMENT OF SILENCE: There was a moment of silence to open the meeting.

ANNOUNCEMENT OF CLOSED SESSION: Chair Mark Eby announced that there would be a closed session during a latter part of the meeting.

MINUTES OF PREVIOUS MEETING: Minutes of the May meeting were reviewed. Lou Ann Novak made a motion to approve the minutes; motion seconded by Victoria Kutchins. Minutes were approved.

HAAS FINANCIALS: Executive Director Jean Odell and the Board reviewed the HAAS financials for May. Shirley Morley made a motion to file the financials for audit; motion seconded by Lou Ann Novak. Motion approved; financials will be filed for audit.

CHECK REGISTER / CHECKS FOR JUNE, 2018: Checks for June were reviewed by Board members. Victoria Kutchins made a motion to approve the June checks; seconded by Lou Ann Novak. Motion passed.

#### OLD BUSINESS:

- A. EXECUTIVE DIRECTOR'S REPORT:
    1. Maintenance: Executive Director, Jean Odell, reported that our maintenance person Brad has been busy with various projects.
    2. Complaints: A few issues.
    3. Vacancies: Two vacancies are imminent. Both apartments will need make-ready work.
  - B. CAPITAL IMPROVEMENTS / BUDGET: The budget for Fiscal Year 2018 – 2019 must be finalized at this Board meeting. After discussion and review, Judy Anderson made a motion to approve the proposed budget including tractor; Lou Ann Novak seconded the motion. Motion passed. Judy Anderson made a motion to finalize the budget resolution; motion seconded by Lou Ann Novak. The budget resolution for FYE 6/30/2019 passed by unanimous vote.
  - C. PUBLIC NOTICES AND PUBLIC HEARING:
    1. LEASE DOCUMENTS: The document revision process is nearing completion.
    2. SMOKE FREE POLICY: Since a revised Smoke-Free policy needs to be completed, a Public Notice and Public Hearing are required for the lease addendum. Notice was published twice in The Chetek Alert. A public hearing will be held here on Wednesday, July 25, 2018, the day before the next Board meeting. Review of the policy will be available through July 26, 2018.
3. ADMISSIONS POLICY: Details of the change in ADMISSIONS AND CONTINUED OCCUPANCY POLICY were reviewed. A Public Notice and Public Hearing are required

for the changes. Notice was published for two weeks in The Chetek Alert. A public hearing will be held at Lone Oak on Wednesday, July 25, 2018, the day before the next Board meeting. Review of the policy will be available through July 26, 2018.

D. ANY OTHER OLD BUSINESS: There was no other old business.

NEW BUSINESS:

- A. L.O.R.A.C.: Pam H. reported that Mary Simpson from the Aging and Disability Resource Center (ADRC)/Office on Aging was here on Mon., June 11. A group of tenants (whomever chooses to participate) will have open discussions on Mondays twice a month. There will be a fall garage sale.
- B. CAPITAL FUNDS GRANT \$44,766: Capital funding in the amount of \$44,766 will be available to CHA, which is more than the typical amount.
- C. ANY OTHER NEW BUSINESS: Executive Director Odell expressed the possibility of closing the waiting list. This topic will go on the agenda for a future meeting. There was no other new business.

OPEN DISCUSSION / COMMENTS: Topics included the tractor, cleaning air conditioners, menu for picnic.

CLOSED SESSION: Judy Anderson made a motion to go into closed discussion to discuss topic related to "employment, promotion, compensation, or performance data." Victoria Kutchins seconded the motion. The Board went into closed session.

RECONVENE TO OPEN SESSION: Upon reconvening, Judy Anderson made a motion to approve the topic of closed session; motion seconded by Lou Ann Novak. Motion passed regarding contract and compensation for staff. The motion passed.

DISCUSS / ADD AGENDA ITEMS FOR THE NEXT BOARD MEETING: The waiting list will be on the agenda.

ADJOURN MEETING: A motion was made by Judy Anderson to adjourn the meeting; motion was seconded by Lou Ann Novak. Motion passed and meeting was adjourned at 12:10. The next monthly Board meeting is scheduled for 10:30 a.m. on July 26, 2018, with the Summer Picnic to follow at noon.

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Jean Odell, Executive Director

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Mark Eby, Chair

# Application for Temporary Class "B" / "Class B" Retailer's License

See Additional Information on reverse side. Contact the municipal clerk if you have questions.

FEE \$ Dilled Aik Application Date: 8-1-18  
 Town  Village  City of Chetek County of Barron

The named organization applies for: (check appropriate box(es).)

- A Temporary Class "B" license to sell fermented malt beverages at picnics or similar gatherings under s. 125.26(6), Wis. Stats.  
 A Temporary "Class B" license to sell wine at picnics or similar gatherings under s. 125.51(10), Wis. Stats.

at the premises described below during a special event beginning 8-25-18 and ending 8-25-18 and agrees to comply with all laws, resolutions, ordinances and regulations (state, federal or local) affecting the sale of fermented malt beverages and/or wine if the license is granted.

1. Organization (check appropriate box) →  Bona fide Club  Church  Lodge/Society  
 Chamber of Commerce or similar Civic or Trade Organization  
 Veteran's Organization  Fair Association

(a) Name Chetek Hydroflites

(b) Address 728 Lakeview Dr.  
(Street)  Town  Village  City

(c) Date organized 1/1999

(d) If corporation, give date of incorporation \_\_\_\_\_

(e) If the named organization is not required to hold a Wisconsin seller's permit pursuant to s. 77.54 (7m), Wis. Stats., check this box:

(f) Names and addresses of all officers:  
President Janene Haselkuhn  
Vice President Melissa Bown  
Secretary Kathy Kutrieb  
Treasurer Dave Petrus

(g) Name and address of manager or person in charge of affair: Janene Haselkuhn  
887 25<sup>th</sup> St. Chetek

## 2. Location of Premises Where Beer and/or Wine Will Be Sold, Served, Consumed, or Stored, and Areas Where Alcohol Beverage Records Will be Stored:

(a) Street number 728 Lakeview Dr., Chetek

(b) Lot \_\_\_\_\_ Block \_\_\_\_\_

(c) Do premises occupy all or part of building? \_\_\_\_\_

(d) If part of building, describe fully all premises covered under this application, which floor or floors, or room or rooms, license is to cover: \_\_\_\_\_

## 3. Name of Event

(a) List name of the event Bass Tournament 2:00-5 pm

(b) Dates of event 8-25-18

## DECLARATION

The Officer(s) of the organization, individually and together, declare under penalties of law that the information provided in this application is true and correct to the best of their knowledge and belief.

Officer Janene Haselkuhn 8-1-18  
(Signature/date) \_\_\_\_\_ (Name of Organization) \_\_\_\_\_  
Officer \_\_\_\_\_ (Signature/date) \_\_\_\_\_

Officer \_\_\_\_\_ (Signature/date) \_\_\_\_\_

Date Filed with Clerk 8/2/18 Date Reported to Council or Board \_\_\_\_\_

Date Granted by Council \_\_\_\_\_ License No. \_\_\_\_\_

CITY OF CHETEK RESOLUTION NO. 2018 - 12  
Resolution Supporting Dark Store Loophole Referendum

TO THE CHETEK CITY COUNCIL:

WHEREAS, each time a big box retailer gets a Dark Store tax break, homeowners, small businesses and other property owners have to pick up a greater share of the property tax levy; and

WHEREAS, over the past several months, municipal, county, city, and town officials have been in contact with state legislators testifying against the Dark Store tax loophole in order to avoid a property tax burden shifting to other tax pay entities such as residential homeowners and other businesses and/or cuts in essential services provided by an affected municipality; and

WHEREAS, unless the Dark Store loopholes are closed, residents will realize the impact when they receive their property tax bills in the mail in December; and

WHEREAS, Wisconsin State Statute 59.52(25) allows for a county board to conduct a county-wide referendum for advisory purposes; and

WHEREAS, a county-wide advisory referendum on the issue of Dark Stores would provide guidance to the state legislature as to the will of the Barron County electorate on this issue; and

WHEREAS, this resolution is in support of Barron County conducting a county-wide advisory referendum to be held with the November 2018 general election; that a concise statement of the question is given and that the question will state as follows: Question: Should the state legislature enact proposed legislation that closes the Dark Store loopholes, which currently allow commercial retail properties to significantly reduce the assessed valuation and property tax of such properties, resulting in a substantial shift in taxes levied against other tax paying entities, such as residential home owners, and/or cuts in essential services provided by an affected municipality?

BE IT FURTHER RESOLVED That this resolution, upon passage, be forwarded to Barron County's elected State Representatives, Representative Quinn and Senator Bewley, Governor Scott Walker, and all other Wisconsin Counties, and

BE IT FURTHER RESOLVED that publication of this resolution may occur through posting in accordance with Section 985.02 of the Wisconsin Statutes.

CITY OF CHETEK

By: \_\_\_\_\_  
Jeff Martin, Mayor

Attest: \_\_\_\_\_  
Carmen Newman, Clerk/Treasurer

Passed: August 7, 2018



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Madison, Wisconsin 53703  
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fax: (608) 267-0645  
league@lwm-info.org; www.lwm-info.org

## 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/Overturn-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) are circulating LRB-0372 to accomplish this goal.*
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) are circulating LRB-0373 to accomplish this goal.*



# Dark Store Tax Loophole Talking Points

Prepared by League of Wisconsin Municipalities  
June 2018

Municipal officials are asking the Legislature to close the dark store loophole to avoid shifting more of the property tax burden from commercial and manufacturing property to homeowners and small businesses.

- Tax attorneys for big box stores like Target, Walmart, Meijer, Menards, Home Depot, and Lowes, are using what is known as the dark store loophole to argue that the value of a new store in a busy commercial district should be based on the value of former retail properties in unpopular areas that are now closed and vacant.
- **An actual example:** The Lowe's store on Burleigh St. in Wauwatosa is assessed for taxes at \$13.6 million. Lowe's claims the property is only worth \$7.1 million even though it spent over \$16 million to acquire the land and build the structure. Lowe's argues that the *land* alone was devalued from \$9 million to \$3 million because the big box store was constructed and insists that only vacant dark stores can be used as comparables.
- Big box stores are using the dark store argument as part of their effort to pay a smaller share of property taxes even though they demand more police services than other commercial properties and way more than residential properties.
- If not stopped, the dark store strategy will result in a huge shift of the tax burden from commercial property owners to homeowners and others.
- A study of twelve communities showed that if the dark store and *Walgreens* tax loopholes were fully implemented, residential tax bills would increase on average by 8 percent.
- Homeowners already bear a disproportionate share of the statewide property tax burden in Wisconsin (68% of total statewide levy is paid by homeowners). It's not that high in most other states. Homeowners in Minnesota, for example, pay only 50% of the property tax levy.
- In 1970, Wisconsin homeowners paid only \$50 of every \$100 that a community needed to pay for services.
- **The Solution:** Pass legislation like 2017 Assembly Bill 386 and close the dark store loophole and stop the tax shift to homeowners.
- AB 386 clarifies that assessors must use comparable 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. It says that assessors may not use a dark store as a comparable for property that is not dark or vacant.
- The bill codifies existing Wisconsin case law and parts of DOR's Wisconsin Property Assessment Manual.
- Local governments will not receive one dollar more in tax revenue if the bill passes, but the tax shift to homeowners will end.
- 63% of the Legislature signed on as co-sponsors of the dark store bill, but business group opposition killed our efforts to close the loophole that they use.

# Walgreens Tax Loophole Talking Points

Prepared by League of Wisconsin Municipalities  
June 2018

Municipal officials are asking the Legislature to reverse the 2008 Wisconsin Supreme Court decision in *Walgreens v. City of Madison* to avoid having even more of the property tax burden shift from commercial and manufacturing property to homeowners and small businesses.

- In 2008 the Wisconsin Supreme Court held in *Walgreens v. City of Madison* that an assessment using the income approach of commercial property leased at “above market” rents must be based on hypothetical “market rents” rather than the terms of Walgreen’s actual leases and that the value added by an “above-market” rent constitutes a contract right, rather than a real property right.
- The 2008 decision requires assessors to value Walgreens and other leased commercial and manufacturing properties substantially below the property’s actual recent sale price.
- Indeed, Walgreens, CVS and a growing number of other leased commercial and manufacturing properties are being assessed at less than half of the actual sale prices of the properties on the open market. See the attached chart.
- Walgreens, CVS and other leased stores claim recent sale prices as the value of the real estate on federal income tax forms, but insist on the lower value for property tax purposes.
- **Real World Example from Appleton:** The Court of Appeals found that a CVS property in Appleton should be valued at \$1.8 million, much less than the City’s \$4.4 million assessment, even though the higher value was based on an actual sale price.
- No other taxpayers receive similar special treatment. A homeowner, for example, could not claim that the assessed value of his or her home should be half the amount for which it was purchased.
- Courts in other states have rejected Walgreens low value argument.
- If the Legislature does not Act, more businesses will employ the *Walgreens* loophole, causing more of the property tax burden to homeowners and small businesses.
- A study of twelve communities showed that if the dark store and *Walgreens* tax loopholes were fully implemented, residential tax bills would increase on average by 8 percent.
- Homeowners already bear a disproportionate share of the statewide property tax burden in Wisconsin (68% of total statewide levy is paid by homeowners). This is much higher than in most other states. Homeowners in Minnesota, for example, pay only 50% of the property tax levy. In 1970, homeowners in Wisconsin also paid only 50% of the tax levy.
- **The Solution:** Pass legislation like 2017 Assembly Bill 387, clarifying that actual lease amounts are appropriately factored into the valuation of leased properties.
- If the bill is enacted local governments will not receive one dollar more in tax revenue due to levy limits, but a tax shift will be avoided.
- 46 percent of the Legislature co-sponsored the *Walgreen’s* reversal bill last session, but opposition from business groups relying on the *Walgreens* loophole killed the bill.

# Dark Store and *Walgreens* Tax Loopholes -- An Explanation

Prepared by League of Wisconsin Municipalities  
June 2018

**Less Taxes for some mean more for Homeowners.** A growing number of commercial and manufacturing properties are using property tax strategies known as the Dark Store and *Walgreens* loopholes to push their fair share of property taxes onto homeowners and small businesses.

Local governments in Wisconsin, including schools, counties, cities and villages, rely on property taxes to fund essential services like police, fire, roads and libraries.

**Tax Shift to Residential:** Any property owner not using these loopholes, which includes all homeowners, will pay more in property taxes to make up for the tax reductions obtained by the commercial and manufacturing properties that are using them.

The total amount of property taxes a local government may collect annually is strictly limited by state law and stays pretty much the same from one year to the next. What can and does change is how the tax pie gets divided. When one class of property, like commercial, pays less, other classes, like residential, must make up the difference to pay for police, teachers, firefighters and local roads.

Residential property owners already pay \$68 of every \$100 of property taxes local governments collect. The residential share of the property tax burden is not as high in most other states. Homeowners in Minnesota, for example, pay only 50% of the total property tax levy.

According to an analysis of 12 communities by the League of Wisconsin Municipalities, homeowners could see their property taxes increase by 8% or greater, if commercial and manufacturing property values are lowered by 50% as a result of chain stores, fast food operations, big box retailers and even banks using the Dark Store and *Walgreens* loopholes.

Municipal and other local officials across the state are deeply concerned about more of the property tax burden being shifted onto homeowners. Homeowners should not and cannot bear more of the tax burden than they already do.

**Legislative Action Necessary.** The Wisconsin Legislature can close the loopholes – fix the problem – and stop the tax shift by passing legislation in 2019. The Legislature had an opportunity to close the loopholes in 2018, but failed to do so. The dark store and *Walgreens* reversal bills had broad support among legislators. Nevertheless, businesses relying on the loopholes successfully killed the legislation.

**The Dark Store Loophole Explained.** Tax attorneys for big box stores like Target, Walmart, Meijer, Menards, Home Depot, and Lowes, use the dark store loophole to argue that the value of a new store in a busy commercial district should be based on the value of former retail properties in unpopular areas that are now closed and vacant. While courts in Wisconsin have not yet

endorsed the dark store theory that has not stopped tax attorneys for big box stores, and other commercial retail chains from using the argument before assessors in Wisconsin.

**A real example:** A Lowe's store in Wauwatosa is assessed for taxes at \$13.6 million. Lowe's claims the property is only worth \$7.1 million even though it spent over \$16 million to acquire the land and build the structure. Lowe's argues that the *land* alone was devalued from \$9 million to \$3 million once the big box store was constructed and insists that only vacant dark stores can be used as comparable properties.

**Police Calls to Big Box Stores.** Big box retail stores demand more police service than any other commercial properties and certainly way more than residential properties. Municipal police are frequently called to respond to thefts and other issues at big box stores. As big box stores fight to avoid paying their fair share of property taxes, they actually use more of the services property taxes pay for. Meanwhile, more of the burden of paying for police services gets shifted to homeowners, the class of property using such services the least.

**The Walgreens Loophole Explained.** Walgreens, CVS, and other commercial and manufacturing businesses that lease their space rely on a 2008 Wisconsin Supreme Court decision, *Walgreens v. City of Madison*, to argue that the assessed value of their properties for property tax purposes should be less than half of the actual recent sale prices of such properties.

In *Walgreens* the court concluded that the actual rents Walgreens pays should not dictate the value of the real estate for property tax purposes. Instead, assessors should value the property based on hypothetical "market rents" rather than the terms of the actual leases.

Since the decision, leased drugstores have become the most popular properties in the national real estate investment market, regularly selling for \$5 million or more in Wisconsin. Attorneys for Walgreens and CVS successfully argue that the 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. The courts have agreed and as a result, these stores are regularly assessed at half or less than their sale prices.

**A Real Example:** The Court of Appeals found that a CVS property in Appleton should be valued at \$1.8 million, much less than the City's \$4.4 million assessment, even though the higher value was based on an actual recent sale price of the property.

No other taxpayers receive similar special treatment. A homeowner, for example, could not claim that the assessed value of his or her home should be half the amount for which it was purchased. Courts in other states have rejected Walgreens low value argument.

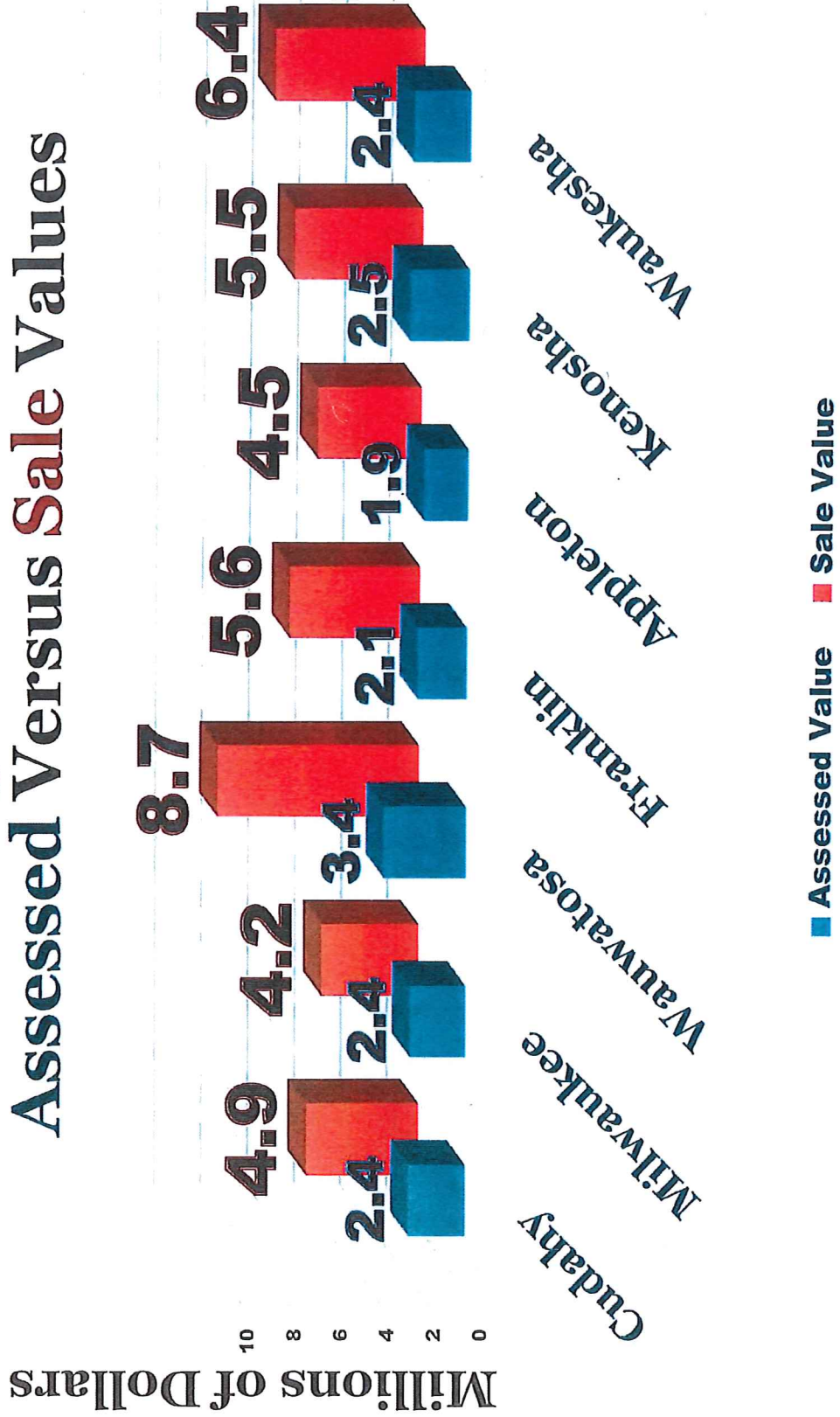
Walgreens, CVS and other leased stores consistently use the recent sale price of the property as the value of the real estate for all other purposes, including federal income tax forms. They claim the lower value only for property tax purposes.

There are over 200 Walgreens and 84 CVS stores located in Wisconsin's cities and villages. In addition, other commercial and manufacturing businesses that lease their space are beginning to use the same arguments to lower their property tax bills.

**Bottomline:** Homeowners deserve a return to a fair allocation of the property tax levy necessary for essential municipal services.



# Walgreens & CVS Assessed Versus Sale Values



\\bcusers\users\jeff.french\My Documents\Excel\Jeff\Dark Store Theory Tax Assessment.xlsx\Sheet1

2017 Statement of Changes in Equalized Valuation by Class:			
<u>Residential - Total</u>	70% of total equalized valuation	\$2,807,050,400	"Shift of": 5%
Potential tax shift		84,211,512	140,352,520
<u>Commercial - Total</u>	13% of total equalized valuation	\$546,602,700	
Potential tax shift		16,398,081	27,330,135
<u>Wisconsin Property Tax Calculator - Smart Asset.com</u>			
Average tax rate:		1.77%	
Property Taxes		\$4,428	
Potential tax shift		\$132.84	\$221.40
<u>Barron County</u>			
Average tax rate: - average effective property tax rate		1.71%	
Property Taxes - median annual property tax payment		\$2,403	
<u>Calculations - Barron County Only</u>			
#1. Property Taxes - median annual property tax payment		\$2,403	
Potential tax shift		\$72.09	120.15
#2. Total "Shift", Commercial to Residential		16,398,081	
Median Home valuation	\$140,900	\$116.38	\$122.20
#3. Total "Shift", Commercial to Residential		116.38	
Reduction percentage = residential total % of all valuation	70%	\$81.47	\$85.54

Sources:  
 Wisconsin League of Municipalities  
 Smart asset.com

**RESOLUTION NO. 2018-13**

WHEREAS, donations in the amount of \$55.00 were received at the airport for use of the airport vehicle;

WHEREAS, the revenues from aforementioned receipts need to be appropriated to the revenue and expense accounts;

NOW THEREFORE, BE IT RESOLVED, by the Common Council of the City of Chetek that the City Clerk/Treasurer be authorized to adjust the **2018 budget** with the aforementioned funds to the following accounts:

Revenue	\$ 55.00	Airport donations	100-46343
Expense	\$ 55.00	Airport courtesy van	100-57600

CITY OF CHETEK

By: \_\_\_\_\_  
Jeff Martin, Mayor

Attest: \_\_\_\_\_  
Carmen Newman, Clerk/Treasurer

Passed: August 7, 2018

A/c # 3675-00  
Neil Thalacker

# Blain's FARM & FLEET®

Farm & Fleet of Rice Lake  
2011 South Main Street  
Rice Lake, WI 54868  
(715) 234-7092  
www.farnandfleet.com

---

Store: 8	Date: 07/11/2018
Reg: 004	Time: 10:48 AM
Trans: 7897	Assoc: 83060

---

50ft Dura Bullet Pocket Hose  
20 1 @ 15.99                      15.99    TIP

---

Subtotal	15.99
TAX T1 5.500%	15.99      0.88
<b>TOTAL</b>	<b>16.87</b>

---

CASH	17.00
CHANGE	0.13-

\*\*\* You Saved \$4.00 \*\*\*

\*\*\*\*\*  
Please keep your receipt  
Last day for refund is 09/09/2018  
\*\*\*\*\*

Thank you for shopping at Farm & Fleet  
Find us on Facebook.



Blain's FARM & FLEET®  
Blain's FARM & FLEET®  
Blain's FARM & FLEET®  
Blain's FARM & FLEET®



Application  
 License for Taxi Cab Service  
 License period \_\_\_\_\_ to 12/31/\_\_\_\_

\$15 - 1st vehicle  
 10 - 2nd  
 5 - third.

\_\_\_\_ New \_\_\_\_ Renewal

Applicant Name (last, first, MI) <i>Hallquist John George</i>	Social Sec. # _____
Address <i>628 Dallas St</i>	Date of birth: _____ Federal ID # <i>391779601</i>
City/State/Zip <i>Chetek wi 54728</i>	Wisconsin Seller's Permit # <i>456-0000-591147-03</i>
Permanent Address (if different from above) <i>1208 W. Stout St</i>	Phone _____
Signature <i>John Hallquist</i>	Date <i>7-30-18</i>

Indemnification: By signing this application, the applicant hereby indemnifies, defends, and hold the City of Chetek and its employees and agents harmless against all claims, liability loss, damage or expense incurred by the City on account of any injury to or death of any person or any damage to property caused by or resulting from the activities for which the permit is grant.

To the best of the applicant's knowledge and belief, the information on this application is true, correct and complete. The applicant agrees to comply with all appropriate Wisconsin State Statutes and City of Chetek Ordinances relating to the license/permit.

- Attach listing of the make, model and year, passenger capacity, vehicle ID number of each vehicle  
 #of vehicles 1 Total fee \$ 15.00
- Attach a copy of applicant's valid certificate of liability insurance for the following:
  - \$500,000 bodily injury to one person
  - \$1,000,000 aggregate
  - \$500,000 property damage

No vehicle shall be licensed until it has been annually examined by a reputable automobile repair facility and found to be in thoroughly satisfactory and safe condition for the transportation of passengers, clean, of good appearance and well painted.

The Chief of Police shall determine whether said vehicle complies with all other provisions of Sec. 114-21 of the ordinances. If such inspection shows that the vehicle does not comply with any of the provisions of this section, no license shall be issued. At the request of the Chief of Police, the taxicab owners shall take their vehicles to a reputable garage for an independent inspection at the owner's expense.

No taxicab shall be licensed until the Police Department has approved that:

1. The horn, footbrake, windshield, rear vision mirror, fenders, exhaust system, windshield wipers, emergency brake, directional signals, speedometer, license lamps, tires, headlamps, stop lamps, and tail lamps are in legal working order as required by the Wisconsin Motor Vehicle Code, Wis. Stats. 340.01 et seq.;
2. The taxicab is generally in a safe, sanitary and reliable condition.

Inspection of all vehicles 8-1-18  
 Date

*[Signature]* CHETEK POLICE DEPT.  
 signature of Police Chief or authorized personnel  
*Ronald Ambrozaitis, Chief*



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/2/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER AdvisorNet Property and Casualty LLC 701 4th Avenue South Suite 1620 Minneapolis MN 55415	CONTACT NAME: Julie Pelischek	
	PHONE (A/C, No, Ext): (866) 896-0281	FAX (A/C, No): (612) 313-7574
INSURED John Hallquist 628 Dallas Street Chetek WI 54728	E-MAIL ADDRESS: jpelischek@advisornetpc.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Gateway Insurance Co	NAIC # 28339
	INSURER B:	
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

**COVERAGES**

CERTIFICATE NUMBER: 18-19

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						EACH OCCURRENCE	\$
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
							MED EXP (Any one person)	\$
							PERSONAL & ADV INJURY	\$
							GENERAL AGGREGATE	\$
							PRODUCTS - COMP/OP AGG	\$
								\$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			CA42466P2018	8/7/2018	8/7/2019	COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$ 500,000
							BODILY INJURY (Per accident)	\$ 100,000
							PROPERTY DAMAGE (Per accident)	\$ 500,000
							Uninsured motorist BI split limit	\$ 100,000
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			N/A			PER STATUTE	OTH-ER
							E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
2007 Chevrolet Uplander - 1GNDV23197D205345

**CERTIFICATE HOLDER****CANCELLATION**

City of Chetek 220 Stout Street PO Box 194 Chetek, WI 54728	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE David Burkart CPCU/JP



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
8/2/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

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<b>PRODUCER</b> AdvisorNet Property and Casualty LLC 701 4th Avenue South Suite 1620 Minneapolis MN 55415	<b>CONTACT NAME:</b> Julie Pelischek <b>PHONE (A/C, No, Ext):</b> (866) 896-0281 <b>FAX (A/C, No):</b> (612) 313-7574 <b>E-MAIL ADDRESS:</b> jpelischek@advisornetpc.com														
<b>INSURED</b> John Hallquist 628 Dallas Street Chetek WI 54728	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: Gateway Insurance Co</td> <td style="text-align: center;">28339</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Gateway Insurance Co	28339	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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**COVERAGES** **CERTIFICATE NUMBER: 18-19** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		CA42466P2018	8/7/2018	8/7/2019	COMBINED SINGLE LIMIT (Ea accident) \$ <b>1,000,000</b> BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist BI split limit \$ <b>100,000</b>
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) <input type="checkbox"/> Y/N If Yes, describe under DESCRIPTION OF OPERATIONS below	N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
 2007 Chevrolet Uplander - 1GNDV23197D205345

<b>CERTIFICATE HOLDER</b> (715) 924-2476  City of Chetek 220 Stout Street PO Box 194 Chetek, WI 54728	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  David Burkart CPCU/JP
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ARTICLE II. - TAXICABS

Sec. 114-19. - Regulation.

- (a) No person shall regularly offer taxicab service within the City or regularly operate a motor vehicle upon the highways and streets of the City for such purpose unless such taxicab business is licensed by the City as hereinafter provided.
- (b) Application for the licensing of a taxicab business shall be addressed to the Common Council and shall be filed with the City Clerk-Treasurer, together with a tendered license fee prorated on the basis of the annual license fee set forth in Subsection (d) of this section, should each remaining portion of the calendar license year be less 11 months. The Clerk-Treasurer shall present such application to the Common Council at its next regular meeting and the Council shall consider such application and, shall instruct the Clerk-Treasurer to issue the license or dismiss the application upon a majority vote of the Council.
- (c) No license for a taxicab business shall be issued except upon a showing that the available transportation facilities are not adequate to meet the public need and that the applicant is proper and able to furnish it.
- (d) The taxicab business license fee shall be based on the number of vehicles to be operated thereunder fees in the amount established from time to time by the Common Council and maintained in the fee schedule available in the office of the City Clerk-Treasurer.
- (e) The license year for taxicab business licenses shall be from January 1 through December 31. As a condition to the continued holding and renewal of license for a taxicab business, the proprietor, owner or his agent shall pay to the City the license fees computed as set forth in Subsection (d) of this section each year on or before January 15.

(Code 2005, § 7-6-1)

Sec. 114-20. - Insurance required.

- (a) It shall be unlawful to operate a vehicle for the conveyance of passengers for hire or permit the same to be operated, nor shall any license be issued hereunder until and unless the applicant for a license deposits with the City Clerk-Treasurer a certificate of liability insurance for the vehicles for which licenses are sought, said certificate of liability insurance to be acceptable and approved by the City Clerk-Treasurer and issued by a company authorized to do business in the State, indemnifying the applicant in the amount of \$500,000.00 for damage to property, and \$500,000.00 for injury to one person and \$1,000,000.00 for injury to more than one person caused by the operation of said vehicles in the City.
- (b) Each taxicab insurance policy shall contain a provision that the same may not be cancelled before the expiration of its term except upon 30 days' written notice to the City. Every day upon which any vehicle is operated for the conveyance of passengers for hire or when taxicab or cab or similar transportation is offered to the public without an insurance policy as required herein being in effect and on file with the City Clerk-Treasurer shall be deemed a separate violation. The cancellation or other termination of any insurance policy issued in compliance with this section shall automatically revoke and terminate all licenses issued for the taxicab covered by such insurance policy, unless another policy shall be provided and in effect at the time of such cancellation or termination.

(Code 2005, § 7-6-2)

State Law reference— Minimum insurance levels, Wis. Stats. § 194.41.

Sec. 114-21. - Inspection required.

- (a) No vehicle shall be licensed until it has been annually examined by a reputable automobile repair facility and found to be in a thoroughly satisfactory and safe condition for the transportation of passengers, clean, of good appearance and well painted. The Chief of Police shall determine whether said vehicle complies with all the other provisions of this chapter. If such examination and inspection shows that the vehicle does not comply with any of the provisions of this section, no license shall be issued. At the request of the Chief of Police, the taxicab owners shall take their vehicles to a reputable garage for an independent inspection at owner's expense.
- (b) No taxicab shall be licensed until the Police Department has approved that:
  - (1) The horn, footbrake, windshield, rear vision mirror, fenders, exhaust system, windshield wipers, emergency brake, directional signals, speedometer, license lamps, tires, headlamps, stop lamps and tail lamps are in legal working order as required by the Wisconsin Motor Vehicle Code, Wis. Stats. § 340.01 et seq.;
  - (2) The taxicab is generally in a safe, sanitary and reliable condition.
- (c) The inspection required by this section is only an inspection of the taxicab's exterior and passenger areas and shall not be a thorough mechanical inspection of the taxicab. Nothing in this section shall be interpreted as relieving the owner or operator of a taxicab from any and all liability arising from any unsafe, unsanitary, unreliable or illegal conditions existing in his taxicab, whether or not such conditions are discovered or omitted by the inspections required herein. This section shall not be interpreted as creating a duty or liability on the part of the City, the Police Department or any employee or agent of the City to any person.
- (d) Any police officer of this City may, at all reasonable times, inspect any cab or public hack under such taxicab business license and may prohibit the use of any cab which is unsafe or not in proper repair.

(Code 2005, § 7-6-3)

Sec. 114-22. - Conditions of license.

- (a) *Licenses nontransferable.* Licenses issued or granted under this article shall be nonassignable and nontransferable.
- (b) *Information card to be displayed.* A card containing the name of the owner, license number, the number of the vehicle and rates of fare printed thereon shall be placed and at all times kept in a conspicuous place inside such vehicle.
- (c) *Liability of licensee.* Any licensee shall be liable for any violations of ordinances or statutes by any and all persons operating taxicabs under its license.
- (d) *Number of passengers.* No licensee or person driving a taxicab shall carry or permit to be carried in any such vehicle more than the number of persons specified in the license applicable to such vehicle.
- (e) *Common Council may impose further restrictions.* Any licensee hereunder shall be subject to such further regulations and restrictions as may be imposed at any time by the Common Council.

(Code 2005, § 7-6-4)

Sec. 114-23. - Exceptions.

This article shall not apply to persons engaged in the business of carrying passengers for hire both interstate and intrastate between regularly established points and on regularly established time schedules, nor to the operator of a motor vehicle engaged in, the business of transporting school students for hire.

(Code 2005, § 7-6-5)

Sec. 114-24. - Refusal to pay taxi fare prohibited.

No person who has been transported by a taxicab shall refuse to pay the fare for such transportation as such fare is shown on the taximeter or zone meter.

(Code 2005, § 7-6-6)

State Law reference— Misappropriation by refusal to pay taxicab fare, Wis. Stats. § 943.21.

Sec. 114-25. - Revocation of license.

- (a) *Revocation.* Licenses granted under Sections 114-19 through 114-22 may be suspended or revoked at any time by the Chief of Police for any violation of this article. When a taxicab license is revoked or cancelled as herein provided, the Chief of Police shall immediately notify the owner to cease at once to operate the vehicle for which the license has been revoked as a taxicab.
- (b) *Appeals.* Any person who received a revocation of license and objects to all or part thereof may appeal to the Common Council within seven days of the receipt of the order and the Common Council shall hear such appeal within 30 days of receipt of such written notice of the appeal. After such hearing, the Common Council may reverse, affirm or modify the order or determination.

(Code 2005, § 7-6-7)

**TEMPORARY USE AGREEMENT  
SECOND AMENDMENT**

---

**THIS TEMPORARY USE AGREEMENT SECOND AMENDMENT** (“Second Amendment”) is made and entered into effective as of February 13, 2018 (the “Effective Date”), by and between the City of Chetek, a Wisconsin municipal corporation (“City”), and The Mill Properties of Chetek, LLC, a Wisconsin limited liability company (“Lessee”), to wit:

WHEREAS the City entered into an agreement dated on or about September 29, 2016 (“Lease Agreement”), to use certain property located between Center Street and Stout Street known as Dixon Street, more particularly described in Exhibits A-1 and A-2 to said agreement;

WHEREAS, the Lease Agreement, as amended, expires February 17, 2018, and the parties desire to extend the same on certain terms and conditions;

NOW, THEREFORE, the parties state their further agreements as follows:

1. The Lease Agreement is extended to Tuesday, August 21, 2018, at 12:01 a.m. on the additional terms and conditions set forth below:
  - a. Angled parking will be allowed on the west side of Dixon Street only. No parking shall be allowed on the east side of Dixon Street. The City will pay for and erect appropriate no parking signs to demarcate this area.
  - b. Lessee will work with the City on getting reflectors or other visual aids along street closing fencing wherever and whenever erected so as to more effectively demarcate the area that is closed or not subject to use.
  - c. The signs for Dead End–No Through Street are to be moved closer to Sixth Street on Banks Street to discourage cars from initially entering that street during events.
  - d. The large illuminating sign facing east on Lessee’s property is to be shut off when Lessee is closed for business, generally at dark, and is not to be operated after midnight.
  - e. The street closing chains are to be set up by the Lessee for events and taken down by Lessee when events are not occurring.
  - f. Lessee is to offer shuttle services for guests from off-site parking locations.

2. Lessee will comply with the terms of the conditional use during the term hereof, including the limitation on hours. Lessee agrees that the facility will be closed and operations will cease no later than 10 p.m. on Sundays through Thursdays and by midnight on Fridays and Saturdays. However, Lessee may extend operations to midnight on Sundays or Mondays that fall on the following holidays: Memorial Day, Fourth of July, and Labor Day.

Dated at Chetek, Wisconsin, this 7th <sup>March</sup> day of ~~February~~, 2018.

**CITY OF CHETEK ("The City")**

**LESSEE: THE MILL PROPERTIES  
OF CHETEK, LLC**

By: 

~~Jeff Martin, Mayor~~

By:  3/7/18

Nancy E. Helms, a duly authorized  
Manager or Member

Attest: 

Carmen Newman, City Clerk/Treasurer



**TEMPORARY USE AGREEMENT  
FROM CITY OF CHETEK  
TO  
THE MILL PROPERTIES CHETEK LLC**

This Temporary Use Agreement ("Agreement") is made and entered into between the **CITY OF CHETEK** ("City") and **THE MILL PROPERTIES LLC** ("Lessee") with an office at 518 Schofield Street, Chetek, Wisconsin 54728 on September 29, 2016.

IN CONSIDERATION OF the duties, obligations, and covenants of each party to the other, and other good and valuable consideration, City and Lessee agree as follows:

1. **PREMISES.** Subject to the terms of this Agreement, City grants to Lessee a temporary license to use the property located at that certain real property more particularly described in Exhibit "A" (the "Premises") for the uses described in paragraph 3 below.

Lessee has inspected the Premises and accepts the same AS IS, WITH ALL FAULTS, IN ITS THEN-EXISTING CONDITION AND STATE. THE CITY EXPRESSLY DISCLAIMS ANY WARRANTY, EXPRESSED, OR IMPLIED, CONCERNING LEGAL TITLE, THE CONDITION OF THE PREMISES, OR ITS FITNESS FOR USE FOR LESSEE'S PURPOSES.

2. **TERM.** The license granted commences upon September 29, 2016, at 12:01 a.m. and ends on September 29, 2017, at 11:59 p.m. (the "Term").

3. **USE.** Parking area.

4. **FEES.** No fees are due in connection with this Agreement.

5. **RESPONSIBILITIES – LESSEE.**

A. Clean Premises – Lessee must maintain and use the Premises, including, but not limited to, the removal of nuisances, trash, litter, debris, and overgrown vegetation at all times and adhering to any health requirements, noise requirements, and alcohol consumption requirements, all in compliance with the City of Chetek Code of Ordinances, and in compliance with all other applicable State, Federal, and City laws, ordinances, rules, and regulations.

B. Improvements. Lessee shall obtain City's prior written approval before any modifications, alterations, or other changes ("Changes") to the Premises are undertaken, even if temporary in nature. Such approval may be granted, denied, or conditioned, at the City's sole discretion. Any approved improvements to the Premises shall be at Lessee's expense. Upon termination of this license, Lessee shall, at its sole expense, dismantle and remove any improvements to facilitate and restore the Premises to its original condition, subject, however, to City's prior approval.

C. Right of Access. The City shall have the right of access to the Premises at all reasonable times. Lessee will provide any keys needed to facilitate access to the Premises.

D. Title to Premises. Lessee understands that the legal title and interest of the City in the Premises is or may be in dispute. Lessee waives any claim or action it may have based on or emanating from any lack of title or interest by the City. City makes no representations or warranties regarding its interest or rights to the Premises. Lessee assumes the risk regarding these issues.

E. Repair. Lessee shall fully repair all damage to the street, other than ordinary wear and tear, and will provide routine maintenance, such as snowplowing, during the term hereof.

#### 6. **RESPONSIBILITY – CITY.**

A. The City shall allow Lessee access to the Premises for the purposes set out in this Agreement subject to the limits noted at paragraph 5.D. above.

B. The City finds and ordains that Section 90-339 of the Chetek Code of Ordinances and following is not applicable to this Temporary Use Agreement, and that no further permit is required for the Lessee's use contemplated hereby.

#### 7. **TERMINATION.**

A. Termination by Lessee. This Agreement may be terminated by Lessee at any time and for any reason upon twenty-four (24) hours prior written notice to the City.

B. Termination by City. This Agreement may be terminated by the City on default of Lessee's duties upon fourteen (14) calendar days prior written notice to Lessee. Otherwise, the City may terminate this agreement on sixty (60) calendar days prior written notice to Lessee.

8. **RE-DELIVERY OF PREMISES.** Lessee shall, upon termination of this Agreement, quit and deliver the Premises to the City peaceably, quietly, and in a condition that is compliant with all applicable State, Federal, and local laws, ordinances, rules, and regulations. Lessee, at Lessee's expense, shall repair any damage to the Premises caused by or that was the result of Lessee's use of the Premises.

9. **PERSONAL PROPERTY.** Upon termination of this Agreement, Lessee shall remove all of its personal property from the Premises. If Lessee fails to remove its personal property from the Premises within five days of the termination of the Term, the City shall have the right (but not the obligation) to store such property, either on the Premises or remove the property and store it off-premises, and charge Lessee the greater of ONE HUNDRED DOLLARS (\$100.00) per day or City's actual expense, plus a 15% administration charge. Lessee shall assume all risk of damage to or loss of its property arising out of storage of Lessee's property by the City.



15. **NON-WAIVER OF RIGHTS.** Continued performance by either party hereto of the terms of this Agreement following a default must not be deemed a waiver of any right to cancel this Agreement for any subsequent default, and no waiver of such default will be construed or act as a waiver of any subsequent default.

16. **INVALIDITY OF CLAUSES.** In the event that any covenant, condition, or clause herein contained is held to be invalid by a court of competent jurisdiction, the invalidity of any such covenant, condition, or clause in no way affects any other covenants, conditions, or clauses.

17. **ATTORNEY'S FEES.** In any action brought by either party for the enforcement of the obligations of Lessee, either party shall be entitled to recover reasonable attorneys' fees, court costs, and other expenses of litigation.

18. **LEGAL RELATIONSHIP.** It is understood and hereby agreed by the Parties that Lessee is an independent contractor hereunder and shall control all ways, means, and details incident to the performance of its work, for itself, its agents, and employees.

19. **ENTIRE AGREEMENT.** It is understood and agreed that this instrument (including the exhibits described below) contains the entire agreement between the parties hereto with respect to the subject matter of this Agreement, and may not be amended or modified except in writing signed by both parties.

Exhibit A – Premises  
Exhibit B – Insurance requirements


*[Signature page follows.]*

IN WITNESS WHEREOF, this Agreement is hereby executed as of the date set forth above.

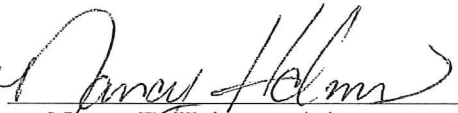
**CITY OF CHETEK**

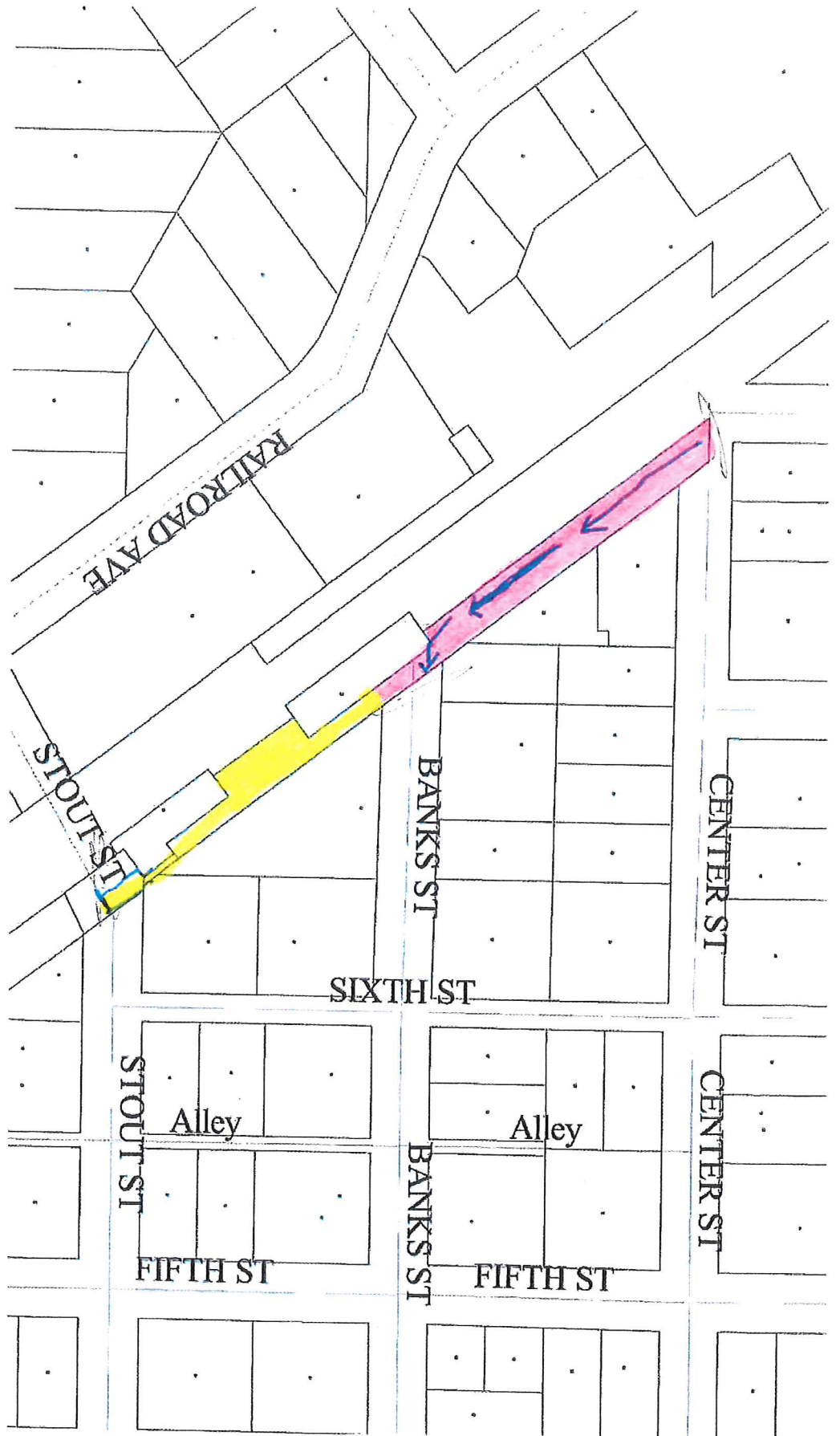
By:  \_\_\_\_\_, Mayor

Attest:

By:  \_\_\_\_\_  
Carmen Newman,  
City Clerk/Treasurer

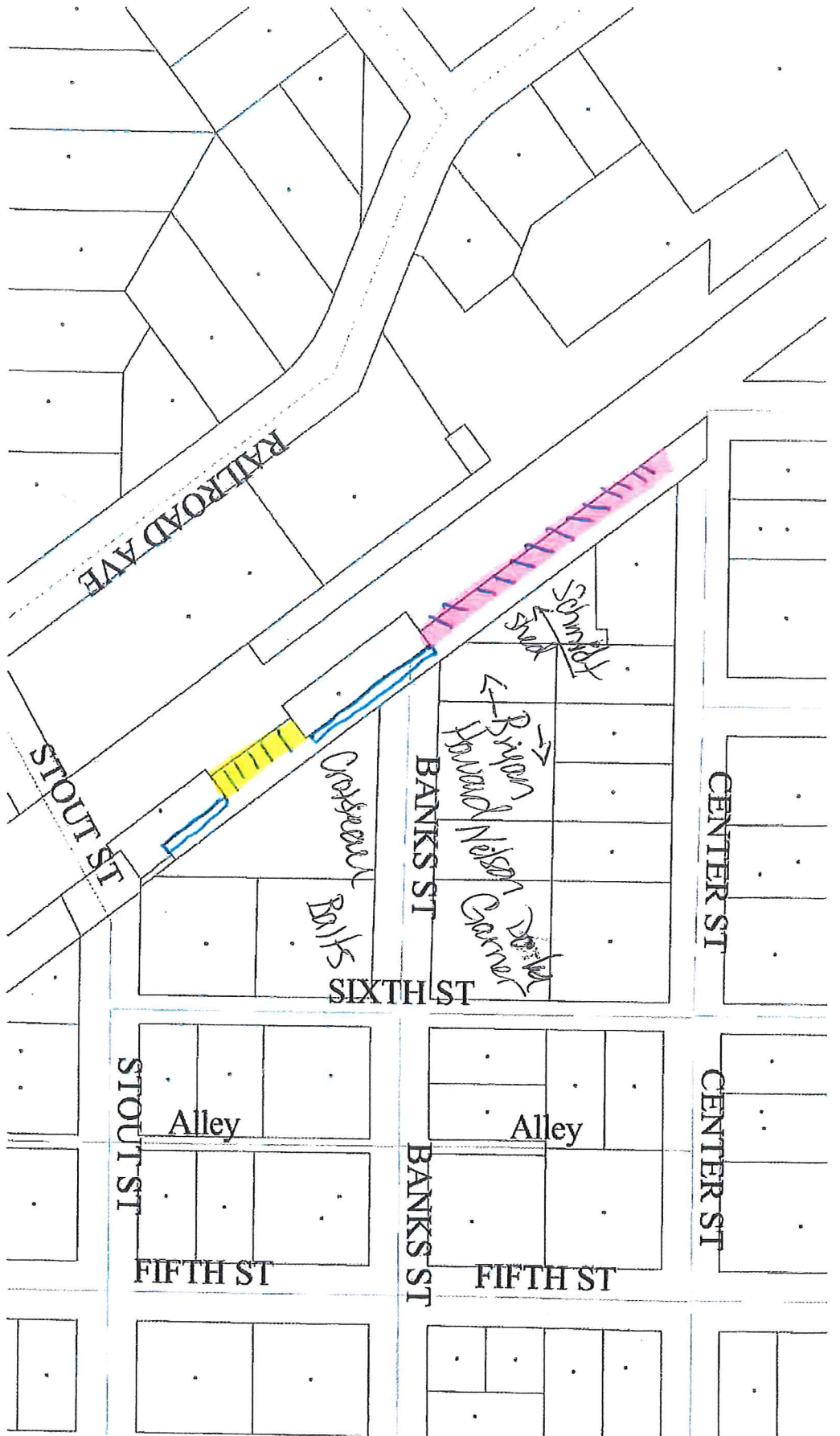
**Lessee: THE MILL PROPERTIES CHETEK LLC**

By:  \_\_\_\_\_  
Nancy E. Helms, a duly  
authorized member or manager



Two way, semi - grade, use.  
 To become two way traffic.

A-1



- Angle parking on City Code.
- Pull in parking on City Code.
- Determine whether in writing by City Code enforcement officer.

**EXHIBIT B**  
**INSURANCE REQUIREMENTS**

**ARTICLE 1. Lessee's Insurance Requirements**

1.1 **General Requirements.** Lessee shall carry insurance in the types and amounts indicated below for the term of the Lease.

Within five (5) days of the execution of this Agreement, Lessee shall obtain the required insurance and provide the City a Certificate of Insurance as proof of coverage. If the coverage period ends during the term of the Agreement, Lessee must, prior to the end of the coverage period, forward a new Certificate of Insurance to the City as verification of continuing coverage for the duration of this Agreement.

Approval of insurance by the City and the required minimums does not relieve or decrease the liability or responsibility of the Lessee hereunder, and will not be construed to be a limitation of liability on the part of the Lessee.

Insurance coverage must: (a) be written by the companies licensed to do business in the State of Wisconsin at the time the policy is issued; and (b) have an A.M. Best rating of B+VII or better.

It is intended that policies required in this Agreement, covering both the City and Lessee, will be considered primary coverage as applicable.

If insurance policies are not written for amounts specified below, Lessee shall carry umbrella or excess liability insurance for any differences in amounts specified. If excess liability insurance is provided, it must follow the form of the primary coverage.

The City shall be entitled, upon request and without expense, to receive certified copies of policies and endorsements thereto, and may make any reasonable requests for deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.

Lessee shall not cause or permit any insurance to lapse or to be canceled during the term of this Agreement.

Lessee shall be responsible for premiums, deductibles, and self-insured retentions, if any, stated in any policies. All deductibles or self-insured retentions will be disclosed on the Certificate of Insurance.



## 1.2 Specific Coverages.

a. Commercial General Liability Insurance: The policy must contain the following provisions:

- (1) Blanket contractual liability coverage for liability assumed under the Temporary Use Agreement and all contracts relative to this Temporary Use Agreement.
- (2) Independent Contractor's coverage;
- (3) The City of Chetek listed as an additional insured; and
- (4) Thirty (30) day notice of cancellation in favor of City.
- (5) Provide coverage B with minimum limits as follows: A combined bodily injury and property damage limit of \$1,000,000 per occurrence.