

## **TR Tax Base Showed Solid Growth in 2005**

The equalized value of taxable property in the City of Two Rivers grew by 4.2 percent in 2005, driven primarily by new construction. The City's equalized value stood at \$525,845,300 as of January 1, 2006, according to figures recently released by the Wisconsin Department of Revenue.

That figure represents an increase of \$22.5 million over 2005, and that growth is attributable to:

--\$3.9 million in new residential construction, primarily condos at the Washington Highlands development;

--\$15 million in new commercial construction; by far the biggest project was the new Aurora medical office building on Memorial Drive;

---\$3.3 million in appreciation in the value of existing commercial property (5 percent), after several years of declining values in the commercial sector;

--A modest \$386,000 in new manufacturing construction

The value of existing residential properties remained unchanged from 2005, reflecting a continued soft housing market. And while we may have lamented the lack of growth in housing values on the lakeshore over the past several years, at least we're not worrying about the collapse of "real estate bubbles," like what is now occurring in so many areas of the U.S.

With an increase of more than 3 percent in the City's assessed value outside of the various tax incremental financing districts, the City's 2007 Budget should not see any increase in the City portion of the tax rate. This is due to the tax cap that was included in the last State Budget, which limits local tax levy increases to 2 percent or the percentage in tax base growth that is attributable to new construction (TIF districts excluded). For the first time in a long time, TR has seen growth of more than 2 percent due to new construction.

The City's 2006 tax base may still be negatively impacted by a couple of assessment appeals filed by owners of local manufacturing properties with the Wisconsin Department of Revenue. (The State of Wisconsin, not local assessors, assesses all manufacturing property.)

A consultant based in the Chicago area has filed objections to the manufacturing assessments of Fisher Hamilton's local facilities, as well as the vacant Paragon Electric building owned by Lake Bluff Associates. Over \$5 million in tax base is under appeal in these cases.

### **“Assignment America” Segment on CBS News Web Site**

If you missed the CBS Evening News “Assignment America” segment on the TR-Ithaca “Sundae War” last Friday night, it can still be viewed on the CBS News web site. Go to [www.cbsnews.com](http://www.cbsnews.com), click on “CBS Evening News” and then on “Assignment America.”

While TR’s national exposure in this piece was rather brief, it did a good job of showing off our beautiful Lake Michigan beaches, Central Park, and our great community spirit.

Special thanks to Robin Powell and the TR Senior Center chorus, who were featured singing the “Ice Cream Sundae Fight Song,” as played by the Municipal Band. To use yet another ice cream reference, these folks showed outstanding “good humor” when tasked with singing a silly song crafted by the City Manager.

### **Remember to Check Out “Kites Over Lake Michigan”**

...this Saturday and Sunday, September 2 and 3, at Neshotah Beach.

**Two Rivers City Manager Greg Buckley can be contacted by e-mailing [grebuc@two-rivers.org](mailto:grebuc@two-rivers.org) or by calling 920-793-5532.**