

Item 24-0585: Resolution #5-R-24 Increasing the Wheel Tax

Common Council

Wed, Jun 05, 2024 7:00PM

Mayor Jake Woodford 15:34

At each meeting, the Common Council reserves 30 minutes for members of the public to express their views on items which appear on our agenda. We have five people signed up to speak this evening. When I call your name, please approach the microphone, and state your name and address or your affiliation for the record. We ask that you please keep your comments concise and to the point, and that you please take into consideration comments that have been made by those who spoken before you. We also ask that you limit your comments to five minutes or less, and we will help you keep track of time. So, with that, let's get started with Deborah Blank. Welcome.

Deb Blank (Resident) 16:12

Hi, good evening. I'm Deb Blank. I live at [XXXXXX] Appleton, Wisconsin. And thank you for letting me be here today. My goal is to illuminate the big picture and share some of what I've discovered. It went through a variety of solutions, all rejected as non-viable alternatives at your finance committee meeting, regarding the resolution for the wheel tax. Stating that returning to assessments was not an option. So, I explored others.

Deb Blank (Resident) 16:38

How do Appleton residents currently contribute to roads? We do so through car registrations, driver's licensing fees, gas taxes, county taxes, sales taxes, and the transportation fund is going to include electric car sales, taxes, and sales taxes on auto parts, tires repairs. We also do property taxes, federal taxes, wheel taxes, and we continue to pay for new construction.

Deb Blank (Resident) 17:02

Appleton doesn't operate in a vacuum. As a municipality, it works with counties in the state. So, I reviewed the entire state budget—oh, my stars—and looked at the amount of funding and their priorities, and when I looked at priorities, I was astounded at the at basically the amounts that were designated for public welfare, public education, then up higher education, health, and then roads. So, I think we have a bigger problem. It's obviously that—it's obvious that the state looks to local governments to deal with roads. All of Wisconsin's 190 cities operate under the same parameters with the same constraints. So, everybody has the same problem with shared revenues and soliciting funds.

Deb Blank (Resident) 17:46

So, I looked up the highest—the largest 24 cities in Wisconsin, nine of whom impose a wheel tax and 15 of whom do not. And I called those 15, and I said, "What are your solutions? How do you handle this? What do you do regarding roads?" These were some of their options. "We prioritize our budget," "We do not assess any homeowner for new road construction or repair." That was—every community does this differently. "We assess the developers," "We operate within our budget." One city said "We haven't yet reached our levy."

Deb Blank (Resident) 18:20

One person said "A wheel tax is a non-starter due to surrounding communities not having any." So, I went to the Wisconsin DOT to gather information regarding Appleton surrounding communities. Those without a wheel tax include Little Chute, Kimberly, Greenville, Combined Locks, Fox Crossing, Town of Harrison, Neenah/Menasha. Only Kaukauna charges a \$10 wheel tax.

Deb Blank (Resident) 18:40

Others stated that they borrow; however, they were shocked when I told them that Appleton property tax payers are paying \$434 for 250,000 value of home over the allowed levy to service our debt.

Deb Blank (Resident) 18:55

Then, just before I came here, I got a very distressing call, I have to say from one community who said they had spent three years and \$50,000 pursuing a transportation utility fund, all to have it put down the drain by the courts.

Deb Blank (Resident) 19:10

What are some of Appleton's efforts with respect to road repair? \$1.2 million of urban forestry was moved from general fund funding to stormwater fees. So, if we would take that \$1.2 million and put it toward roads, that would double the amount almost that a \$10 wheel tax would generate. Also, we were given an additional \$1,000,926 in state shared revenue funds, with only half of it's spent on infrastructure. And we did find an extra \$150,000 to reconfigure College Ave, and I don't think that was in the plan. So somehow, we need to prioritize the budget. With the state taking care of social needs, perhaps it's time to take some make some difficult decisions.

Deb Blank (Resident) 19:50

I also found from according to WorldPopulationReview.com, Appleton is currently declining at a rate of about a percent annually. Now that was a prize to me. I didn't—so that's not happening? Okay. Because it's cited that our population decreased by 3.16% since the 2020 census. That was a shock. Okay. So, I'll have to find a second source for that.

Deb Blank (Resident) 20:12

Alder Alderman Wolff, thank you for sharing at the last Finance Committee meeting, quote, "I'm in the working class. I worked multiple jobs. In the year I worked three jobs to get by in the city. It's expensive. I can't afford \$4,000. I can afford \$10 more. I can cancel my Netflix subscription for a month and do that just fine." Unquote. And I'm wondering why he should have to do so. Thank you, Alderman Wolff, for sharing this. We've all been there. My husband and I returned our first Christmas gifts to each other because we couldn't afford—

Mayor Jake Woodford 20:44

Thirty seconds.

Deb Blank (Resident) 20:44

—them. That was a tough decision. The bottom line is a wheel tax is an unfair tax, a regressive tax hitting hardest the hardest hit, as Maya Angelou wrote, "Do the best you can until you know better, and when you know better, do better." And it's just a matter of gathering information because I think you can find a win-win situation. And it's a bigger problem. We've only done we've only touched the tip of the iceberg. Thank you.

Mayor Jake Woodford 21:13

Alright, next is Walter Blank. Welcome.

Walter Blank (Appleton Concerned Taxpayers) 21:29

My name is Walter Blank, the probably not the better half of that one. I'm here representing Appleton Concerned Taxpayers. But greetings to my friends here because we've talked many times, and I want to start off by noting some of your recent successes. US Venture moving into building 222 represents the successful

conclusion of a long road. I remember standing in front of you a few years back pointing to the skyrocketing rocketing cost of bringing US Venture to the bluff site. ACP pointed out that the anticipated borrowing was unsustainable. Shortly after that meeting, the Council retracted its participation offer, and negotiations started anew, leading to the recent successful and I think very successful conclusion.

Walter Blank (Appleton Concerned Taxpayers) 22:33

ACTA also opposed two previous plans to build a new library. In each case, we pointed out inequities in the Common Council's own library studies as well as the ballooning costs. Plans were withdrawn. Better, more inclusive plans have led to the upcoming renovated library opening. My point here is that you are able to meet big challenges with win-win situations or solutions for the city as well as its taxpayers.

Walter Blank (Appleton Concerned Taxpayers) 23:14

Concerning the proposed will tax increase. ACT still views the wheel tax as an unfair tax. It excludes large groups and is regressive in nature. Taxes like this are not good for Appleton. They give us a poor reputation, contributing to reasons to avoid choosing to live in the city. The wheel tax is not a win-win for the city or its taxpayers. We've been told that the only way to eat the elephant (the elephant of roads) is to take one bite at a time. ACTA rejects that argument. Adding \$10 to the road tax is not a solution. We're not eating the elephant. We are instead feeding the bear. The bear is hungry and will want more.

Walter Blank (Appleton Concerned Taxpayers) 24:16

I repeat here what I said at the finance meeting. High taxes and fees do not affect the affluent. But when a young person that wants to buy a house, start a family with a job paying \$60,000 a year says "Appleton is too expensive." That should be a warning sign.

Walter Blank (Appleton Concerned Taxpayers) 24:40

But I want to offer a solution. I want to offer some hope here, because AACT promised to pursue having the state offer counties and municipalities monetary incentive to reduce general obligation debt service levels Appleton's heavy debt service bull—burden is passed on to city homeowners on top of the current levy limits every year. Currently, the home appraised at \$250,000 does pay an additional \$434 every year because of that. If even a part of the \$13.5 million that Appleton currently pays to general obligation debt service could be diverted from the creditor to the general fund, you wouldn't need any wheel tax.

Walter Blank (Appleton Concerned Taxpayers) 25:38

To this end we have contacted several state senators, assembly persons, as well as two separate tax payer organizations. Response has been extremely positive and favorable, with the intent of putting forward a bill outlining a sustainable way—

Mayor Jake Woodford 25:59

30 seconds remaining

Walter Blank (Appleton Concerned Taxpayers) 26:00

—to offer incentive to municipalities throughout Wisconsin. This project is a solution to more than just \$10 added to the wheel tax. It offers a real chance of tax relief. I'm asking you to give this project a couple of years to explore other ideas, with the vote no. And I will repeat what my wife just said. Do better.

Mayor Jake Woodford 26:31

Time's expired.

Walter Blank (Appleton Concerned Taxpayers) 26:32

I know you can because you have. Thank you.

[Cut]

Mayor Jake Woodford 56:16

All right, with that, let's move on to item 24-0585 Resolution 5-R-24 increasing the wheel tax. Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 56:50

Thank you, chair. This came from finance with a no vote. So, would a motion at this time be a motion to deny?

Mayor Jake Woodford 56:58

What we'll—if there's no objection, we'll just treat this as anomalous, notwithstanding vote, just for purposes of clarity. So, at this point, if we have a motion and a second, we'll treat that as a motion to approve the item just for purposes of the minutes. It'll be a notwithstanding vote. Unless there's an objection. Hearing no objections. That's how we'll take it up. So, we're—we need a motion. We have a second. Yeah. Okay, we have a motion from Alder—we got—Wolff moves. We'll—

Clerk Kami Lynch 57:48

Please stop pushing your—

Mayor Jake Woodford 57:52

Feeling through all your names. All right. Okay. We have a motion and a second. No more button pushing needed. And with that we'll take up discussion.

Mayor Jake Woodford 58:06

Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 58:08

Thank you, chair. I strongly encourage my colleagues to decline this resolution, deny this resolution. Let's all pretend that we're 15 people in charge of a family budget, and our family budget comes short. What are we supposed to do? At the Finance Committee, Alderman Wolff gave us an idea; we should give up Netflix for a month. Instead, this resolution is essentially us going to our bosses and saying, "I need a raise because I can't manage my family budget." That actually flies in the face of the recommendation by Alder Wolff at finance committee that said we should cut something in our personal budget like Netflix.

Aldersperson Sheri Hartzheim (District 13) 59:07

So, again, I encourage us to deny this this resolution. It's been stated that "Oh, it's never—wheel tax has never kept up with inflation." Well, what has kept up with inflation is the value of homes. This morning at the Board of Review, we had a very long and detailed education in inflation in worldwide, countrywide. And when the government decides that they're going to change their rules and make inflation occur, that's not—that's not the fault of the people who have to pay an extra 10 bucks for their vehicle in order to manage roads in the city of Appleton.

Aldersperson Sheri Hartzheim (District 13) 59:51

We have to do our job first as aldermen, and that is manage our budget first not ask our boss for more money because inflation has come down upon us. Thank you.

Mayor Jake Woodford 1:00:06

Alder van Zeeland.

Aldersperson Katie Van Zeeland (District 5) 1:00:09

Thank you, Chair. While I'd like nothing more than to discuss this today and next week, I just want to let everyone know that Alder Firkus has expressed to me his intent to reconsider this item next week upon return. So, I'd like to make a motion to hold this at Council until next week.

Mayor Jake Woodford 1:00:28

'Til the next meeting of Council?

Aldersperson Katie Van Zeeland (District 5) 1:00:30

Correct.

Mayor Jake Woodford 1:00:30

Okay, we have a motion to hold. We have a motion and a second to hold at Council until the next meeting. Discussion on the motion. We will limit the discussion to the motion to hold. So, we're not debating the item; we're debating the hold. Okay, we just cleared the queue. So, if you are hoping to speak on the motion to hold, please join back in. All right, Alder Meltzer.

Aldersperson Vered Meltzer (District 2) 1:01:09

Thank you. I don't believe that the author of this resolution would reconsider it pending either outcome. So, it's certainly possible that we could take care of business and get it done tonight without having to talk about it again next week. So, I would encourage us not to hold this item. I think that we are prepared to make our votes without the author present. Thank you.

Mayor Jake Woodford 1:01:38

Alder Croatt.

Aldersperson Chris Croatt (District 14) 1:01:41

Thank you, Mayor. I would disagree, and I would like us to honor the request to hold this at Council. We're not sending it back to committee. Correct? Just hold it at Council. Alder Firkus is one of the authors of the resolution, and he's the Finance Chair. I would like him to be the opportunity to be present for the discussion. Thank you.

Mayor Jake Woodford 1:02:05

Alder Alfheim.

Aldersperson Kristin Alfheim (District 11) 1:02:08

I would just like to echo that sentiment. I have no problem holding it until the next meeting. I think we—with great respect to Alder Firkus, I think that's perfectly acceptable option.

Mayor Jake Woodford 1:02:23

Alder Wolff.

Aldersperson Nate Wolff (District 12) 1:02:25

Thank you, Your Honor. Well, I'm not necessarily opposed to holding it because we may very well be talking about it at the next meeting as well, I do and would want to hear from Director Block on this issue. And due to

the fact that Director Block will not be here at the next meeting, it would be nice to hear from her. So, I will be voting against holding it, as the author of this resolution.

Mayor Jake Woodford 1:03:02

Further discussion. We have a motion and a second to hold this item until the next meeting of Council. Please cast your votes. All right motion passes and the item will be held until the next meeting of Council.