



WHEDA

LRB-5818 & LRB-5825 Position Paper

Support LRB-5818 and LRB-5825, to exempt the Wisconsin Housing and Economic Development Authority (WHEDA) Madison Headquarters at 908 E Main St. Madison, WI, from real estate taxation under State Statute 70.11.

Before opening its new headquarters in 2022, WHEDA was housed in the Tommy G Thompson Center. This facility was considered exempt from real property tax by the Dane County Assessor as property of the State under Wisconsin SS 70.11(1), from its initial construction in 1997 through its sale in 2018 when State exercised its right to purchase after 20 years. WHEDA saw the construction of new headquarters as an opportunity for our 180+ employees and for our mission of addressing the housing needs of Wisconsin's residents.

WHEDA does not receive General Purpose Revenue (GPR) to cover the administration of our organization. Therefore, any increases in costs are covered by program revenue, rather than be reinvested into our many successful affordable and workforce housing programs. In 2022, WHEDA paid nearly \$450,000 in property taxes to the City of Madison.

We request that the previous tax exemption WHEDA received be codified in Section 70.11 for the new headquarters at 908 E Main St to ensure long-term financial stability. WHEDA believes that we can best meet the need for affordable housing in Wisconsin by reinvesting our program revenue into affordable housing in the state.

Of note, this request is limited to the building headquarters and associated parking. Occasionally, WHEDA takes title to single-family homes through foreclosure, but this request is not seeking to exempt any residential property from real estate taxation. This proposal would not carry any fiscal impact on the State of Wisconsin.

WHEDA's request is precedent and consistent with the real estate property tax exemption granted to the Wisconsin Economic Development Corporation (WEDC), the University of Wisconsin Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, and the Fox River Navigational System Authority.