



Council Agenda Item

Meeting Date: September 2, 2025

Agenda Item: Lake District

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BACKGROUND

(Enter the who, what, when, where, why)

A request has been made by the Lake Advisory Committee for creation of a Lake District to generate revenue for and complete the rehabilitation and maintenance of the City's lakes. Council Members have requested a method by which to obtain additional information regarding the public's support for the creation of a lake district as well as additional information regarding binding referendum and other options for creating a lake district.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

A memo was provided to the Common Council on August 19, 2025 noting that an advisory referendum on the creation of the Lake District would not be permissible under Wisconsin Statutes. A request at the meeting was made for additional information on a binding referendum and other alternatives that may exist for creating the lake district.

ADDITIONAL INFORMATION

It should be noted that there are two options for creation of a lake district under Wis. Stat. Ch. 33. A lake district may be made by petition to the County for any lake within the state of Wisconsin. Alternatively, a municipality may opt to create a Lake District by resolution. While the end result of both options is a lake district with limited taxing authority, control of the Lake District is substantially different under these two options. If created by a municipality the Common Council acts as the board of commissioners and oversees the district. However, if petition is made to the County a board of five commissioners is created consisting of the following individuals:

1. A person appointed by the County Board who is a member of land conservation committee or nominated by that committee and approved by the County Board.
2. A person appointed by the governing body of the municipality with the largest valuation of land within the district.
3. Three electors or property owners within the district elected by secret ballot by electors and property owners within the district for staggered 3-year terms. At least one must be a resident of the district. The three electors are chosen by secret ballot at the first annual meeting of the Lake

District and then one individual is chosen at each of the subsequent annual meetings of the Lake District. At an annual meeting the number of electors can be increased from 3 to 5.

To create a Lake District under the County's structure 51% of the land owners or land owners of 51% of the land within the district must sign a petition for the creation of the Lake District. There is no requirement for a municipality to create the Lake District other than the Common Council passing a resolution to create the district. Once the Common Council has created the district however, a petition signed by at least 20% of property owners within the district can force the Lake District to change to the County's structure at its next annual meeting.

Another option for creation of the lake district would be by direct legislation. Direct Legislation is authorized under Wis. Stat. Sec. 9.20 and requires a petition signed by at least 15% of the votes cast for governor in the last election. That would require 639 elector's signatures for the City to adopt a proposed resolution, which would need to mirror the option to create the lake district by City Resolution. Once the petition is filed the Common Council has an option of adopting the resolution without modification or placing it on the next general election as a binding referendum. If adopted after the petition the resolution cannot be modified within two years of its adoption, except by submitting the modification to the general election. There would still be the potential for 20% of property owners within the district submitting a new petition for adoption of the County's structure for the district.

The secret ballot electing board members and voting at the annual meeting would be conducted only by those individual present for the meeting as no absentee ballot or proxies are permitted. In addition, each property owner or elector present is entitled to only one vote during the process. During the annual meeting, the members present are able to create a tax not to exceed 2.5 mills of equalized valuation upon all taxable property within the district by a majority vote of all elector's and property owners present for the meeting only if proper notice of the topic was placed on the agenda and provided to all members of the district. The Board of Commissioners has very limited authority to create a tax without the approval of the majority of members present for the annual meeting.

FINANCIAL IMPACT

(If none, state N/A)

No or minimal direct financial impact is anticipated on the City. However, if a district is created it would create a new taxing jurisdiction on City Residents increasing their taxes overall. It may also reduce any financial costs the City would otherwise spend should it decide to rehabilitate or maintain the lakes using general funds.

STAFF RECOMMENDATION

There are three options for Council to take:

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1. Approve the proposed resolution, and if the Lake Advisory Committee meets the requirements of the resolution consider the creation of the District.
 2. Take no action, rely on public to petition the county using the process provided by Wis. Stat. 33.25.
 3. Pass a resolution scheduling a binding referendum or wait for a petition under Direct Legislation to do the same. This would require placing the resolution on spring or fall general election and if passed goes into effect.

ATTACHMENT(S) INCLUDED (If none, state N/A)
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1. Draft Resolution
2. Sample Petition