



2017 SENATE BILL 826

February 21, 2018 - Introduced by Senators VINEHOUT, RINGHAND and BEWLEY, cosponsored by Representative SARGENT. Referred to Committee on Economic Development, Commerce and Local Government.

1 **AN ACT to amend** 66.0217 (2), 66.0217 (3) (intro.) and 66.0219 (intro.); and **to**
2 **create** 66.0217 (2m), 66.0217 (14) (c), 66.0217 (14) (d), 66.0217 (14) (e), 66.0219
3 (1m), 66.0219 (10) (c), 66.0219 (10) (d) and 66.0219 (10) (e) of the statutes;
4 **relating to:** limiting city and village authority to annex town territory.

Analysis by the Legislative Reference Bureau

This bill limits the authority of cities and villages to annex town territory by creating new requirements related to contiguity, population, and land that is available for development.

Currently, town territory that is contiguous to any city or village may be annexed to that city or village under several methods if, in general, some of the city's or village's territory is in the same county as the territory to be annexed and the city or village either agrees to make limited payments to the town based on property taxes that the town levied on the annexed territory or the town and the city or village enter into a boundary agreement.

Three of the methods of annexation include the following: 1) direct annexation, under which a petition for annexation that was signed by the required number of electors and landowners is filed with the city or village clerk; 2) annexation by referendum, under which a petition for referendum that was signed by the required number of electors and landowners is filed with the city or village clerk, and a referendum is held and passes in the town; and 3) annexation by court order and referendum, under which the governing body of a city or village adopts a resolution

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declaring its intention to apply to the circuit court for an order for an annexation referendum.

Another method of annexation is direct annexation by unanimous approval. If a petition for direct annexation by unanimous approval signed by all of the electors residing in the territory and the owners of all of the real property in the territory is filed with the city or village clerk and the town clerk of all of the involved towns, along with a scale map and legal description of the property to be annexed, the governing body of the city or village may, generally, annex the property by a two-thirds vote of the body. Such an annexation, however, is subject to Department of Administration advisory review as if the annexation petition were for direct, but not unanimous, annexation or annexation by referendum.

Generally, cities and villages may also annex territory that is owned by the city or village and that lies near but not necessarily contiguous to the city or village by enacting an ordinance to annex such territory.

Subject to some exceptions, this bill imposes new conditions on a city or village that wishes to annex a parcel of town land that is contiguous to the city or village. Under the bill, such a parcel of town land may not be considered to be contiguous to the city or village unless two conditions apply: 1) the parcel must include a continuous border with the city or village that is at least as long as a distance equal to 25 percent of the perimeter of the parcel that is proposed to be annexed; and 2) the minimum width of the parcel that may be annexed must be a distance equal to 25 percent of the perimeter of the parcel that is proposed to be annexed.

Under one of the exceptions to the provisions created in the bill, an annexation may occur if it does not meet the contiguity provisions if the proposed annexation is associated with a cooperative plan, or boundary agreement, entered into between the town and the city or village that proposes to annex town territory.

Another new condition created in the bill also relates to contiguity. Under the bill, a city or village may not complete an annexation under which 50 percent or more of the territory to be annexed is located 0.25 miles or more from the city's or village's border (a noncontiguous annexation) unless the town board of the town in which the territory to be annexed is located adopts a resolution approving the annexation.

Also under the bill, if over a consecutive three-year period a city or village completes a number of annexations under any of the allowable methods of annexation which, if the series of annexations were attempted as a single annexation, would have resulted in a noncontiguous annexation, the final annexation in the series may not occur unless the town board of the town in which the territory to be annexed is located adopts a resolution approving the annexation.

The bill also creates two other new conditions that apply to city or village annexations. To be able to annex town territory, the bill requires that during the ten years preceding the proposed annexation, a city's or village's population had to have grown by a total of at least 5 percent. In addition, the bill provides that to annex town territory, a city or village must have less than 10 percent of its total land area available for development due to such land being unoccupied or dilapidated, meaning that the fair market value or replacement cost value of structural improvements on the property is less than the fair market value of the land.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 66.0217 (2) of the statutes is amended to read:

2 66.0217 (2) DIRECT ANNEXATION BY UNANIMOUS APPROVAL. Except as provided in
3 this subsection and sub. (14), and subject to ss. 66.0301 (6) (d) and 66.0307 (7), if a
4 petition for direct annexation signed by all of the electors residing in the territory and
5 the owners of all of the real property in the territory is filed with the city or village
6 clerk, and with the town clerk of the town or towns in which the territory is located,
7 together with a scale map and a legal description of the property to be annexed, an
8 annexation ordinance for the annexation of the territory may be enacted by a
9 two-thirds vote of the elected members of the governing body of the city or village
10 without compliance with the notice requirements of sub. (4). In an annexation under
11 this subsection, subject to sub. (6), the person filing the petition with the city or
12 village clerk and the town clerk shall, within 5 days of the filing, mail a copy of the
13 scale map and a legal description of the territory to be annexed to the department
14 and the governing body shall review the advice of the department, if any, before
15 enacting the annexation ordinance. No territory may be annexed by a city or village
16 under this subsection unless the territory to be annexed is contiguous, as that term
17 is used in sub. (2m), to the annexing city or village.

18 **SECTION 2.** 66.0217 (2m) of the statutes is created to read:

19 66.0217 (2m) CONTIGUITY. (a) Subject to par. (b), and except as provided in par.
20 (c), town territory that may be annexed under sub. (2) or (3) may be considered to be
21 contiguous to the annexing city or village only if all of the following apply:

SENATE BILL 826**SECTION 2**

1 1. The contiguity of the parcel that may be annexed to the city or village must
2 include a continuous border that is at least as long as a distance equal to 25 percent
3 of the perimeter of the parcel that is proposed to be annexed.

4 2. The minimum width of the parcel that may be annexed is a distance equal
5 to 25 percent of the perimeter of the parcel that is proposed to be annexed.

6 (b) 1. Except as provided in subd. 2., no territory may be annexed by a city or
7 village under this section if 50 percent or more of the territory to be annexed is located
8 0.25 miles or more from the city's or village's border.

9 2. An annexation described under subd. 1. may occur if the town board of the
10 town in which the territory to be annexed is located adopts a resolution approving
11 the proposed annexation.

12 (c) A proposed annexation under sub. (2) or (3) may occur, even if the territory
13 to be annexed is not contiguous to the annexing city or village, under par. (a), if the
14 annexation is associated with a cooperative plan under s. 66.0307 entered into
15 between the town and the city or village that proposes to annex town territory.

16 **SECTION 3.** 66.0217 (3) (intro.) of the statutes is amended to read:

17 66.0217 **(3)** OTHER METHODS OF ANNEXATION. (intro.) Subject to ss. 66.0301 (6)
18 (d) and 66.0307 (7), and except as provided in sub. (14), territory contiguous, as that
19 term is used in sub. (2m), to a city or village may be annexed to the city or village in
20 the following ways:

21 **SECTION 4.** 66.0217 (14) (c) of the statutes is created to read:

22 66.0217 **(14)** (c) A city or village may annex territory under this section only
23 if the city or village has less than 10 percent of its total land area available for
24 development due to such land being unoccupied or vacant property, as that term is
25 used in s. 66.1105 (4) (gm) 1. The department of administration may certify whether

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1 the 10 percent threshold in this paragraph applies to a city or village that wishes to
2 annex territory under this section.

3 **SECTION 5.** 66.0217 (14) (d) of the statutes is created to read:

4 66.0217 (14) (d) A city or village may not annex territory under this subsection
5 unless the city's or village's total population has grown by a total of at least 5 percent
6 in the 10 years preceding the year in which the city or village wishes to annex
7 territory under this subsection.

8 **SECTION 6.** 66.0217 (14) (e) of the statutes is created to read:

9 66.0217 (14) (e) 1. If over a consecutive 3-year period a city or village completes
10 a number of annexations under this section, or under s. 66.0219, such that an
11 annexation described in sub. (2m) (b) 1. would have occurred if those separate
12 annexations had been done as a single annexation, the city or village may not annex
13 territory under this section to complete the final annexation in the series, except as
14 provided in subd. 2.

15 2. The final annexation described under subd. 1. may occur if the town board
16 of the town in which the territory to be annexed is located adopts a resolution
17 approving the proposed annexation.

18 **SECTION 7.** 66.0219 (intro.) of the statutes is amended to read:

19 **66.0219 Annexation by referendum initiated by city or village.** (intro.)
20 As a complete alternative to any other annexation procedure, and subject to sub. (10)
21 and ss. 66.0301 (6) (d) and 66.0307 (7), unincorporated territory which contains
22 electors and is contiguous, as that term is used in sub. (1m), to a city or village may
23 be annexed to the city or village under this section. The definitions in s. 66.0217 (1)
24 apply to this section.

25 **SECTION 8.** 66.0219 (1m) of the statutes is created to read:

SENATE BILL 826**SECTION 8**

1 66.0219 **(1m)** CONTIGUITY. (a) Subject to par. (b), and except as provided in par.
2 (c), town territory that may be annexed under this section may be considered to be
3 contiguous to the annexing city or village only if all of the following apply:

4 1. The contiguity of the parcel that may be annexed to the city or village must
5 include a continuous border that is at least as long as a distance equal to 25 percent
6 of the perimeter of the parcel that is proposed to be annexed.

7 2. The minimum width of the parcel that may be annexed is a distance equal
8 to 25 percent of the perimeter of the parcel that is proposed to be annexed.

9 (b) 1. Except as provided in subd. 2., no territory may be annexed by a city or
10 village under this section if 50 percent or more of the territory to be annexed is located
11 0.25 miles or more from the city's or village's border.

12 2. An annexation described under subd. 1. may occur if the town board of the
13 town in which the territory to be annexed is located adopts a resolution approving
14 the proposed annexation.

15 (c) A proposed annexation under this section may occur, even if the territory
16 to be annexed is not contiguous to the annexing city or village, under par. (a), if the
17 annexation is associated with a cooperative plan under s. 66.0307 entered into
18 between the town and the city or village that proposes to annex town territory.

19 **SECTION 9.** 66.0219 (10) (c) of the statutes is created to read:

20 66.0219 **(10)** (c) A city or village may annex territory under this section only
21 if the city or village has less than 10 percent of its total land area available for
22 development due to such land being unoccupied or vacant property, as that term is
23 used in s. 66.1105 (4) (gm) 1. The department of administration may certify whether
24 the 10 percent threshold in this paragraph applies to a city or village that wishes to
25 annex territory under this section.

