March 15, 1999 – Introduced by Representatives Owens, Ainsworth, Freese, Goetsch, Gunderson, Handrick, Hasenohrl, Ladwig, F. Lasee and Skindrud, cosponsored by Senator Schultz. Referred to Committee on Urban and Local Affairs.

AN ACT *to amend* 60.61 (2) (intro.), 60.61 (3) (intro.), 60.62 (2), 60.62 (3), 62.23 (7a) (a), 66.021 (2) (intro.), 66.024 (intro.), 66.025, 66.32, 70.99 (8) and 236.02 (5); *to create* 60.10 (1) (g), 60.225 and 60.23 (32) of the statutes; and *to affect* Laws of 1975, chapter 105, section 1 (1) and (2); **relating to:** the powers of certain towns and authorizing the creation of charter towns by certain town boards.

Analysis by the Legislative Reference Bureau

Under current law, if a town meeting authorizes a town board to do so, the town board may exercise powers relating to villages and conferred on village boards by statute, except those powers that conflict with statutes relating to towns and town boards. For example, a town board exercising village powers may not create a tax incremental financing district, annex territory, exercise extraterritorial zoning jurisdiction over another town or, in counties that have adopted a county zoning ordinance, enact a town zoning ordinance unless it is approved by the county board. If a town board exercises village powers, the town is still subject to annexation by a city or village and may be subject to extraterritorial zoning powers exercised by a city or village.

This bill authorizes a town board that is authorized to exercise village powers to adopt a resolution, that is subject to ratification in a referendum that the town board must call, declaring that it is a "charter town" and that, under certain

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circumstances and subject to several limitations, allows the town board to create a tax incremental financing district. The bill also allows a charter town board to exercise certain zoning powers, and exempts the town from being subject to certain city and village extraterritorial powers. This bill does not allow such towns to annex territory or to engage in extraterritorial zoning or plat approval.

The powers granted to towns in this bill apply only if certain conditions are met on the date on which the board adopts the resolution. Some of the conditions that must be satisfied include the following:

- 1. The population of the town must be at least 2,500.
- 2. The town board creates a town plan commission and adopts a comprehensive land use plan.
 - 3. The town enacts and enforces building code ordinances.
- 4. The town board enacts a construction site erosion control and storm water management zoning ordinance.

In addition, certain charter towns are exempt from being subject to city and village annexation powers if certain conditions are met. Some of the conditions that must be met include the following:

- 1. At least 10% of the town residents receive water supply or sewage disposal services, or both, from one of several entities, such as a town sanitary district, a town utility district, a metropolitan sewerage district or another city, village or town.
 - 2. The equalized value of the town must exceed \$100,000,000.
 - 3. The town must provide law enforcement services 24 hours a day.

For further information see the *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:

- **SECTION 1.** 60.10 (1) (g) of the statutes is created to read:
- 2 60.10 **(1)** (g) *Approval of resolutions.* Approve a resolution adopted by the town board under s. 60.225 (1).
 - **Section 2.** 60.225 of the statutes is created to read:
 - **60.225 Charter towns. (1)** PROCEDURE. If a town board is authorized to exercise village powers under s. 60.10 (2) (c), and subject to sub. (2), a town board may adopt a resolution declaring its town to be a charter town that is subject to this section if, on the date of adoption of the resolution, all of the following conditions are satisfied:

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- (a) The population of the town is at least 2,500.
- 2 (b) The town board creates and maintains a town plan commission under s. 62.23.
 - (c) The town board enacts a comprehensive zoning ordinance under s. 60.61, 60.62 or 62.23, and establishes an official town map under s. 62.23 (6).
 - (d) The town board adopts a comprehensive land use plan that is similar to a county development plan described under s. 59.69 (3) (b) and (c).
 - (e) The town board enacts a construction site erosion control and storm water management zoning ordinance under s. 60.627.
 - (f) The town board enacts a subdivision ordinance under s. 236.45.
 - (g) The town enacts and enforces building code ordinances under s. 60.61 (1m).
 - (2) RATIFICATION. (a) If a town board adopts a resolution under sub. (1), the town board shall call a referendum to ratify the resolution at the next spring primary or election or September primary or general election, to be held not sooner than 45 days after the ratification referendum is called by the town board. The referendum question shall be: "Do you approve the town board resolution declaring [name of town] to be a charter town?".
 - (b) A resolution adopted by a town board under sub. (1) may not take effect until the resolution is approved by the electors in a ratification referendum under par. (a). If the resolution is ratified, the town clerk shall certify that fact to the secretary of state. The secretary of state shall issue a certificate of charter town status and shall record that status in a book kept for that purpose.
 - (c) If a resolution adopted by a town board under sub. (1) takes effect under par. (b), the town board may adopt a resolution, not sooner than 4 years after the effective date of the resolution declaring the town to be a charter town, that revokes the town's

charter town status. The revocation resolution may not take effect until the resolution is approved by the electors in a ratification referendum called by the town board for that purpose. The referendum shall comply with the requirements for a ratification referendum that is held under par. (a), except that the referendum question shall be: "Do you approve the town board resolution that revokes the status of [name of town] as a charter town?". If the referendum revoking charter town status is approved, county zoning ordinances that did not apply to the town because of its former charter town status apply to the town on the effective date of the revocation resolution. If a county ordinance conflicts with an ordinance enacted by the former charter town board, the county ordinance shall take precedence over the former charter town ordinance on the effective date of the revocation resolution.

- (3) ZONING. (a) 1. Except for a wetlands in shorelands zoning ordinance, no town may be subject to any county zoning ordinance that is enacted by a county board after a town board adopts a resolution under sub. (1) unless the town board approves the ordinance or until the resolution adopted by the town board under sub. (1) is defeated in a ratification vote by the referendum under sub. (2).
- 2. If a town board adopts a resolution under sub. (1) and the resolution is ratified under sub. (2), a town board may adopt a resolution revoking its approval of any county zoning ordinance, other than a wetlands in shorelands zoning ordinance, if the town board notifies the county board in writing at least 60 days before the resolution revoking approval of a county zoning ordinance takes effect. On the effective date of the resolution revoking town approval of a county zoning ordinance, the town board may act under s. 60.61 (2) or 60.62 (1).
- (b) No town may be subject to the extraterritorial zoning jurisdiction or extraterritorial plat approval jurisdiction of a city or village during the period

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village or town under s. 60.56.

1	beginning after a town board adopts a resolution under sub. (1) and before a
2	ratification vote under sub. (2) or at any time after the electors of the town approve
3	the resolution under sub. (2).
4	(4) PROTECTED STATUS. If all of the following apply, no town territory may be
5	annexed by a city or village under s. 66.021, 66.024 or 66.025 during the period
6	beginning after a town board adopts a resolution under sub. (1) and before a
7	ratification vote under sub. (2) or at any time after the electors of the town approve
8	such a resolution under sub. (2), unless the town board approves the proposed
9	annexation:
10	(a) The equalized value of the town exceeds \$100,000,000, according to the most
11	recent assessment.
12	(b) At least 10% of the town residents receive either water supply or sewage
13	disposal services, or both, from one of the following:
14	1. A town sanitary district created by the town under subch. IX.
15	2. A town utility district created under s. 66.072.
16	3. A metropolitan sewerage district created under ss. 66.20 to 66.26 or under
17	ss. 66.88 to 66.918.
18	4. A public utility created under s. 196.01 (5).
19	5. A town sanitary district created by another town under subch. IX.
20	6. A city or village.
21	(c) The town provides law enforcement services, 24 hours a day, by establishing
22	a town police department or by creating a joint police department with another city,

SECTION 3. 60.23 (32) of the statutes is created to read:

60.23 (32) Town tax increment powers. Exercise all powers of cities under s.	
66.46. If the town board exercises the powers of a city under s. 66.46 , it is subject to	
the same duties as a common council under s. 66.46 and the town is subject to the	
same duties and liabilities as a city under s. 66.46.	
Section 4. 60.61 (2) (intro.) of the statutes is amended to read:	
60.61 (2) Extent of authority. (intro.) Subject If a town board revokes its	
approval of a county zoning ordinance under s. 60.225 (3) (a) 2. or, subject to subs.	
(3) and $(3m)$, if a town is located in a county which has not enacted a county zoning	
ordinance under s. 59.69, the town board, by ordinance, may:	
SECTION 5. 60.61 (3) (intro.) of the statutes is amended to read:	
60.61 (3) Exercise of authority. (intro.) Before exercising authority under	
sub. (2), the town board <u>of a town that is located in a county which has not adopted</u>	
$\underline{a\ county\ zoning\ ordinance\ under\ s.\ 59.69}\ shall\ petition\ the\ county\ board\ to\ initiate,$	
at any regular or special meeting, action to enact a county zoning ordinance under	
s. 59.69. The town board may proceed under sub. (2) if:	
SECTION 6. 60.62 (2) of the statutes is amended to read:	
60.62 (2) If the county in which the town is located has enacted a zoning	
ordinance under s. 59.69, the exercise of the authority under sub. (1) is subject to	
approval by the town meeting or by a referendum vote of the electors of the town held	
at the time of any regular or special election, except that this subsection does not	
apply if a town board revokes its approval of a county zoning ordinance under s.	
60.225 (3) (a) 2.	
SECTION 7. 60.62 (3) of the statutes is amended to read:	
60.62 (3) In counties having a county zoning ordinance, no zoning ordinance	

or amendment of a zoning ordinance may be adopted under this section unless

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approved by the county board, except that this subsection does not apply if a town board revokes its approval of a county zoning ordinance under s. 60.225 (3) (a) 2.

Section 8. 62.23 (7a) (a) of the statutes is amended to read:

62.23 (7a) (a) Extraterritorial zoning jurisdiction means the unincorporated area, except as provided in s. 60.225 (3) (b), within 3 miles of the corporate limits of a first, second or third class city, or 1 1/2 miles of a fourth class city or a village. Wherever extraterritorial zoning jurisdictions overlap, the provisions of s. 66.32 shall apply and any subsequent alteration of the corporate limits of the city by annexation, detachment or consolidation proceedings shall not affect the dividing line as initially determined under s. 66.32. The governing body of the city shall specify by resolution the description of the area to be zoned within its extraterritorial zoning jurisdiction sufficiently accurate to determine its location and such area shall be contiguous to the city. The boundary line of such area shall follow government lot or survey section or fractional section lines or public roads, but need not extend to the limits of the extraterritorial zoning jurisdiction. Within 15 days of the adoption of the resolution the governing body shall declare its intention to prepare a comprehensive zoning ordinance for all or part of its extraterritorial zoning jurisdiction by the publication of the resolution in a newspaper having general circulation in the area proposed to be zoned, as a class 1 notice, under ch. 985. The city clerk shall mail a certified copy of the resolution and a scale map reasonably showing the boundaries of the extraterritorial jurisdiction to the clerk of the county in which the extraterritorial jurisdiction area is located and to the town clerk of each town, any part of which is included in such area.

Section 9. 66.021 (2) (intro.) of the statutes is amended to read:

66.021 **(2)** Methods of annexation. (intro.) Subject to s. 66.023 (7) <u>and except as provided in s. 60.225 (4)</u>, territory contiguous to any city or village may be annexed thereto in the following ways:

SECTION 10. 66.024 (intro.) of the statutes is amended to read:

66.024 Annexation by referendum; court order. (intro.) As a complete alternative to any other annexation procedure, and subject to s. 66.023 (7) <u>and except as provided in s. 60.225 (4)</u>, unincorporated territory which contains electors and is contiguous to a city or village may be annexed thereto in the manner hereafter provided. The definitions in s. 66.021 (1) shall apply to this section.

SECTION 11. 66.025 of the statutes is amended to read:

66.025 Annexation of owned territory. In addition to other methods provided by law and subject to ss. 59.692 (7) and 66.023 (7) and except as provided in s. 60.225 (4), territory owned by and lying near but not necessarily contiguous to a village or city may be annexed to a village or city by ordinance enacted by the board of trustees of the village or the common council of the city, provided that in the case of noncontiguous territory the use of the territory by the city or village is not contrary to any town or county zoning regulation. The ordinance shall contain the exact description of the territory annexed and the names of the towns from which detached, and shall operate to attach the territory to the village or city upon the filing of 6 certified copies thereof in the office of the secretary of state, together with 6 copies of a plat showing the boundaries of the territory attached. Two copies of the ordinance and plat shall be forwarded by the secretary of state to the department of transportation, one copy to the department of natural resources, one copy to the department of public instruction.

SECTION 12. 66.32 of the statutes is amended to read:

66.32 Extraterritorial powers. The extraterritorial powers granted to cities and villages by statute, including ss. 30.745, 62.23 (2) and (7a), 66.052, 236.10 and 254.57, may not be exercised within the corporate limits of another city or village and may not be exercised within the corporate limits of a town whose board has adopted a resolution under s. 60.225 (1) unless a majority of the votes cast in the ratification vote on the resolution do not approve the resolution. Wherever these statutory extraterritorial powers overlap, the jurisdiction over the overlapping area shall be divided on a line all points of which are equidistant from the boundaries of each municipality concerned so that not more than one municipality shall exercise power over any area.

SECTION 13. 70.99 (8) of the statutes is amended to read:

70.99 **(8)** Each city, town and village assessor duly appointed or elected and qualified to make the assessment for a city, town or village shall continue in office for all purposes of completing the functions of assessor with respect to such current year's assessment, but is divested of all authority in respect to the January 1 assessment that comes under the jurisdiction of the county assessor, except that a town assessor of any charter town under s. 60.225 is not divested of his or her authority under this subsection and a county assessor does not have jurisdiction in a charter town.

SECTION 14. 236.02 (5) of the statutes is amended to read:

236.02 **(5)** "Extraterritorial plat approval jurisdiction" means the unincorporated area, except as provided in s. 60.225 (3) (b), within 3 miles of the corporate limits of a first, second or third class city, or 1 1/2 miles of a fourth class city or a village.

SECTION 15. Laws of 1975, chapter 105, section 1 (1) and (2) are amended to read:

[Laws of 1975, chapter 105] Section 1 (1) The legislature finds that the existing system of allocating aggregate property tax revenues among tax levying municipalities has resulted in significant inequities and disincentives. The cost of public works or improvements within a city, town or village has been borne entirely by the city, town or village, while the expansion of tax base which is stimulated, directly or indirectly, by such improvements, benefits not only the city, town or village but also all municipalities which share such tax base. This situation is inequitable. Moreover, when the cost to a city, town or village of a public improvement project exceeds the future benefit to the city, town or village resulting therefrom, the city, town or village may decide not to undertake such project. This situation has resulted in the postponement or cancellation of socially desirable projects.

(2) The legislature further finds that accomplishment of the vital and beneficial public purposes of sections 66.405 to 66.425, 66.43, 66.431, 66.435 and 66.52 of the statutes, is being frustrated because of a lack of incentives and financial resources. The purpose of this act is to create a viable procedure by which a city or, village or town, through its own initiative and efforts, may finance projects which will tend to accomplish these laudable objectives.