## 1999 DRAFTING REQUEST

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FE Sent For:

Received: 11/24/98				Received By: shoveme			
Wanted: As time permits				Identical to LRB:			
For: Administration-Budget 6-7597				By/Representing: Wong			
This file may be shown to any legislator: NO				Drafter: shoveme			
May Contact:				Alt. Drafters:			
Subject: Munis - miscellaneous Munis - tax incrmntal financing				Extra Copies:			
Topic:  DOA:  Instruction  See Attack	ons:	y blight elimina	tion and slu	m clearance :	authority		
Drafting	History:						
Vers.	<u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required
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/P2	shoveme 01/21/99	chanaman 01/22/99	lpaasch 01/22/99		lrb_docadmin 01/22/99		S&L

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## 1999 DRAFTING REQUEST

Bill

Received: 11/24/98	Received By: shoveme
10000110d. 11/24/70	Received by Shoveing

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Alt. Drafters: May Contact:

Extra Copies: Subject: Munis - miscellaneous

Munis - tax incrmntal financing

Topic:

DOA:.....Wong - Clarify blight elimination and slum clearance authority

**Instructions:** 

See Attached

**Drafting History:** 

Required **Proofed Submitted Jacketed Drafted** Reviewed **Typed** Vers.

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martykr lrb\_docadmin /P1 shoveme chanaman 12/4/98 12/1/98 12/3/98 12/4/98

## 1999 DRAFTING REQUEST

Bill

Received: 11/24/98

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**Instructions:** 

See Attached

**Drafting History:** 

Vers.

**Drafted** 

Reviewed

Typed

**Proofed** 

Submitted

**Jacketed** 

Required

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FE Sent For:

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### Issue: Clarify Blight Elimination and Slum Clearance Authority

#### **Background**

In 1997, the Wisconsin Legislature provided local units of government an exemption from the hazardous substance spill law, s. 292.11, if they acquired a property through slum clearance or blight elimination. The state was following the lead of the US Environmental Protection Agency (EPA) and the Department of Housing and Urban Development (HUD) in providing local

governments both more authority and protection for dealing with blighted brownfields properties. While the Spill Law was clarified, many feel it is necessary to clarify the state's slum clearance and blight elimination authorities with respect to environmental pollution.

#### **Proposal**

The Blight Area Law and the Blight Elimination and Slum Clearance Act should be amended to specifically include "environmental pollution" in the definition of blighted area and blighted property. Also, it should be made clear that a municipality or redevelopment authority has the right to make environmental inspections of properties in blighted areas or of properties determined to be blighted. Due to the length of the suggested statutory changes, it is listed in the Aappendix.

#### Comments

Type of Change: Statutory

Resources: None

### **APPENDICES**

### Appendix A – Statutory Language For Blighted Areas

66.42 Blighted area law

- (3) Definitions. The following terms whenever used or referred to in this section shall, for the purposes of this section and unless a different intent clearly appears from the context, be construed as follows:
- (a) "Blighted area" means any area, including a slum area, in which a majority of the structures are residential or in which there is a predominance of buildings or improvements, whether residential or nonresidential, and which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population: and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals or welfare.

(bm) "Environmental Pollution" has the meaning given in s. 299.01(4)
\*\*\*

- (4) Power of cities.
- (a) Every city is granted, in addition to its other powers, all powers necessary or convenient to carry out and effectuate the purposes and provisions of this section, including the following powers in addition to others herein granted:

\*\*\*

3. Within its boundaries, to acquire by purchase, eminent domain or otherwise, any real or personal property or any interest therein, together with any improvements thereon, necessary or incidental to a redevelopment project; to hold, improve, clear or prepare for redevelopment any such property; to sell, lease, subdivide, retain for its own use, mortgage, or otherwise encumber or dispose of any such property or any interest therein; to enter into contracts with redevelopers of property containing covenants, restrictions, and conditions regarding the use of such property in accordance with a redevelopment plan and such other covenants, restrictions and conditions as ii may deem necessary to prevent a recurrence of blighted areas or to effectuate the purposes of this section; to make any of such covenants, restrictions, conditions or covenants running with the land, and to provide appropriate remedies for any breach thereof; within the boundaries of the city to enter into any buildings or property in any project area or any blighted

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wrong cited be should be p. 66.43

property in order to make inspections, survey apprasals; soundings or test borings; environmental investigations and to obtain an order for this purpose from a court of competent jurisdiction, in the event entry is denied or resisted.

\*\*\*

### 66.431 Blight elimination and slum clearance.

\*\*\*

(2m) Definitions.

\*\*:

- (b) "Blighted area" means any of the following:
- 1. An area, including a slum area, in which there is a predominance of buildings or improvements, whether residential or non-residential, which by reason of dilapidation, deterioration, age, or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to public health, safety, morals or welfare.
- 2. An area which by reason of the presence of a substantial number of substandard, slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective. or unusual conditions of title, environmental pollution or the existence of conditions which endanger life or property by fire arid other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.
- 3. An area which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, <u>environmental pollution</u> or otherwise, substantially impairs or arrests the sound growth of the community.
- (bm) "Blighted property" means any property within a city, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, light, air or sanitation, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime, and is detrimental to the public health, safety,

morals or welfare, or any property which by reason of faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other. improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair market value of the land, defective or unusual conditions of title, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provisions of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use, or any property which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution, or otherwise, substantially impairs or arrests the sound growth of the community.

\*\*\*

#### (fm) "Environmental pollution" has the meaning given in s. 299.01(4)

#### (5) Powers of Redevelopment Authorities.

(a)3. Within the boundaries of the city to acquire, purchase, lease, eminent domain, or otherwise, any real or personal property or any interest therein, together with any improvements thereon, necessary or incidental to a redevelopment or urban renewal project; to hold, improve, clear or prepare for redevelopment or urban renewal any such property; to sell, lease, subdivide, retain or make available for the city's use; to mortgage or otherwise encumber or dispose of any such property or any interest therein; to enter into contracts with redevelopers of property containing covenants, restrictions and conditions regarding the use of such property in accordance with a redevelopment or urban renewal plan, and such other covenants, restrictions and conditions as the authority deems necessary to prevent a recurrence of blighted areas or to effectuate the purpose of this sections to make any of such covenants, restrictions, conditions or covenants running with the land and to provide appropriate remedies for any breach thereof; to arrange or contract for the furnishings of services, privileges, works or facilities for, or in connection with a project; to temporarily operate and maintain real property acquired by it in a project area for or in connection with a project pending the disposition of the property for such uses and purposes as may be deemed desirable even though not in conformity with the redevelopment plan for the area; within the boundaries of the city to enter into any building or property in any project area or any blighted property in order to make inspections, surveys appraisals, soundings or test borings, environmental investigations and to. obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted; to own and hold property and to insure or provide for the insurance of any real or personal property or any of its operations against any risks or hazards, including the power to pay premiums on any such insurance; to invest any project funds held in reserves or sinking funds or any such funds not required for immediate disbursement in property or securities in which savings banks may legally invest funds subject to their control: to

redeem its bonds issued under this section at the redemption price established therein or to purchase such bonds at less than redemption price, all such bonds so redeemed or purchased to be canceled; to develop, test and report methods and techniques, and carry out demonstrations and other activities, for the prevention and elimination of slums and blight; and to disseminate blight elimination, slum clearance and urban renewal information.

#### 66.46 Tax incremental law.

- (1) Short Title. This section shall be known and may be cited as the "Tax increment Law".
- (2) **Definitions.** In this section, unless a different intent clearly appears from the context:
- (a) 1. 'Blighted area" means any of the following:
- a. An area, including a slum area, in which the structures, buildings or improvements, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.
- b. An area which is predominantly open and which consists primarily of an abandoned highway corridor, as defined in s. 66.431(2m)(a) or that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise. substantially impairs or arrests the sound growth of the community.
- 2. "Blighted area" does not include predominantly open land area that has been developed only for agricultural purposes.

  (am) "Environmental pollution" has the meaning given in s. 299.01(4).

  Changes indicated by <u>underline</u>



## State of Misconsin 1999 - 2000 LEGISLATURE

LRB-1006/P1

MES...:... com

DOA:.....Wong - Clarify blight elimination and slum clearance authority For 1999-01 Budget — Not Ready For Introduction

contaminated by a hatardons substance

; relating to: environmental pollution in blighted and slum areas

Analysis by the Legislative Reference Bureau LOCAL GOVERNMENT

OTHER LOCAL GOVERNMENT

Under the current "blighted area law", cities, villages and towns (municipalities) may undertake redevelopment projects, which include the acquisition of property, to improve conditions in blighted or slum areas. Under the current "Blight Elimination and Slum Clearance Act", a redevelopment authority is created in every municipality in which slum and blighted areas exist to engage in blight elimination, slum clearance and urban renewal programs. redevelopment authorities may acquire property and may also enter any building or property in a redevelopment project area to make inspections, surveys, soundings or test borings. If entry to a project area is denied or resisted, a redevelopment authority may obtain a court order to accomplish its work. Under the tax incremental financing (TIF) program, cities or villages may create tax incremental districts to foster redevelopment in blighted or slum areas.

Also under current law, Mocal governmental unit is exemple from THE SPILL by the blighted area law" or the "Blight Elimination and Slum Clearance Action of the "This bill adds "environmental pollution" to the sum of t

This bill adds "environmental pollution" to the current definition of a blighted area "under the "blighted area law", the "Blight Elimination and Slum Clearance

that otherwise apply to owners of property that is contaminated by a hazardous substance

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Act" and the TIF program. The bill also authorizes a redevelopment authority and a municipality acting under the blighted area law to enter any building or property in a redevelopment project area or on blighted property to make environmental investigations. I backed by a court order if entry is denied or resisted

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:

SECTION 1. 66.43 (3) (a) of the statutes is amended to read:

66.43 (3) (a) "Blighted area" means any area, including a slum area, in which a majority of the structures are residential or in which there is a predominance of buildings or improvements, whether residential or nonresidential, and which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals or welfare.

History: 1975 c. 94, 311: 1981 c. 112: 1983 a. 24: 1983 a. 189 ss. 59, 329 (7): 1983 a. 207 s. 95; 1991 a. 156, 316; 1993 a. 112, 184, 213; 1995 a. 225.

SECTION 2. 66.43 (3) (be) of the statutes is created to read:

66.43 (3) (be) "Environmental pollution" has the meaning given in s. 299.01 (4).

SECTION 3. 66.43 (4) (a) 3. of the statutes is amended to read:

66.43 (4) (a) 3. Within its boundaries, to acquire by purchase, eminent domain or otherwise, any real or personal property or any interest therein, together with any improvements thereon, necessary or incidental to a redevelopment project; to hold, improve, clear or prepare for redevelopment any such property; to sell, lease,

subdivide, retain for its own use, mortgage, or otherwise encumber or dispose of any such property or any interest therein; to enter into contracts with redevelopers of property containing covenants, restrictions, and conditions regarding the use of such property in accordance with a redevelopment plan and such other covenants, restrictions and conditions as it may deem necessary to prevent a recurrence of blighted areas or to effectuate the purposes of this section; to make any of such covenants, restrictions, conditions or covenants running with the land, and to provide appropriate remedies for any breach thereof; within the boundaries of the city to enter into any building or property in any project area or any blighted area in order to make inspections, surveys, appraisals, soundings, environmental investigations or test borings, and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted.

History: 1975 c. 94, 311; 1981 c. 112; 1983 a. 24; 1983 a. 189 ss. 58, 329 (7) 1983 a. 207 s. 95; 1991 a. 156, 316; 1993 a. 112, 184, 213; 1995 a. 225.

SECTION 4. 66.431 (2m) (b) 1. of the statutes is amended to read:

66.431 (2m) (b) 1. An area, including a slum area, in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

66.431 (2m) (b) 2. An area which by reason of the presence of a substantial number of substandard, slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.

History: 1973 c. 172; 1975 c. 4, 94, 350; 1979 c. 89, 110, 221; 1981 c. 20, 112, 232; 1983 a. 24, 189; 1985 a. 219; 1987 a. 27, 403; 1989 a. 31, 89; 1991 a. 316; 1993 a. 16, 112, 172, 184, 268, 301; 1995 a. 27, 225.

SECTION 6. 66.431 (2m) (b) 3. of the statutes is amended to read:

66.431 (2m) (b) 3. An area which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or arrests the sound growth of the community.

History: 1973 c. 172; 1975 c. 4, 94, 350; 1979 c. 89, 110, 221; 1981 c. 20, 112, 232; 1983 a. 24, 189; 1985 a. 219; 1987 a. 27, 403; 1989 a. 31, 89; 1991 a. 316; 1993 a. 16, 112, 172, 184, 268, 301; 1995 a. 27, 225.

SECTION 7. 66.431 (2m) (bm) of the statutes is amended to read:

66.431 (2m) (bm) "Blighted property" means any property within a city, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, light, air or sanitation, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any

combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime, and is detrimental to the public health, safety, morals or welfare, or any property which by reason of faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair market value of the land, defective or unusual conditions of title, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provisions of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use, or any property which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or arrests the sound growth of the community.

History: 1973 c. 172; 1975 c. 4, 94, 350; 1979 c. 89, 110, 221; 1981 c. 20, 112, 232; 1983 a. 24, 189; 1985 a. 219; 1987 a. 27, 403; 1989 a. 31, 89; 1991 a. 316; 1993 a. 16, 112, 172, 184, 268, 301; 1995 a. 27, 225.

SECTION 8. 66.431 (2m) (fe) of the statutes is created to read:

66.431 (2m) (fe) "Environmental pollution" has the meaning given in s. 299.01

SECTION 9. 66.431(5)(a)3. of the statutes is amended to read:

66.431 (5) (a) 3. Within the boundaries of the city to acquire by purchase, lease, eminent domain, or otherwise, any real or personal property or any interest therein, together with any improvements thereon, necessary or incidental to a redevelopment or urban renewal project; to hold, improve, clear or prepare for redevelopment or urban renewal any such property; to sell, lease, subdivide, retain

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or make available for the city's use; to mortgage or otherwise encumber or dispose of any such property or any interest therein; to enter into contracts with redevelopers of property containing covenants, restrictions and conditions regarding the use of such property in accordance with a redevelopment or urban renewal plan, and such other covenants, restrictions and conditions as the authority deems necessary to prevent a recurrence of blighted areas or to effectuate the purposes of this section; to make any of such covenants, restrictions, conditions or covenants running with the land and to provide appropriate remedies for any breach thereof; to arrange or contract for the furnishing of services, privileges, works or facilities for, or in connection with a project; to temporarily operate and maintain real property acquired by it in a project area for or in connection with a project pending the disposition of the property for such uses and purposes as may be deemed desirable even though not in conformity with the redevelopment plan for the area; within the boundaries of the city to enter into any building or property in any project area or any blighted property in order to make inspections, surveys, appraisals, soundings environmental inspections or test borings, and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted; to own and hold property and to insure or provide for the insurance of any real or personal property or any of its operations against any risks or hazards, including the power to pay premiums on any such insurance; to invest any project funds held in reserves or sinking funds or any such funds not required for immediate disbursement in property or securities in which savings banks may legally invest funds subject to their control; to redeem its bonds issued under this section at the redemption price established therein or to purchase such bonds at less than redemption price, all such bonds so redeemed or purchased to be canceled; to develop, test and report methods

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and techniques, and carry out demonstrations and other activities, for the prevention and elimination of slums and blight; and to disseminate blight elimination, slum clearance and urban renewal information.

History: 1973 c. 172; 1975 c. 4, 94, 350; 1979 c. 89, 110, 221; 1981 c. 20, 112, 232; 1983 a. 24, 189; 1985 a. 219; 1987 a. 27, 403; 1989 a. 31, 89; 1991 a. 316; 1993 a. 16, 112, 172, 184, 268, 301; 1995 a. 27, 225.

SECTION 10. 66.46 (2) (a) 1. a. of the statutes is amended to read:

66.46 (2) (a) 1. a. An area, including a slum area, in which the structures, buildings or improvements, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

History: 1975 c. 105, 199, 311; 1977 c. 29 ss. 724m, 725, 1646 (1), (3); 1977 c. 418; 1979 c. 221, 343; 1979 c. 361 s. 112; 1981 c. 20, 317; 1983 a. 27, 31, 207, 320, 405, 538; 1985 a. 29, 39, 285; 1987 a. 27, 186, 395; 1989 a. 31, 336; 1993 a. 293, 337, 399; 1995 a. 27 ss. 3330c to 3337, 9116 (5), 9130 (4); 1995 a. 201, 225, 227, 335; 1997 a. 3, 27, 237, 252.

SECTION 11. 66.46 (2) (a) 1. b. of the statutes is amended to read:

66.46 (2) (a) 1. b. An area which is predominantly open and which consists primarily of an abandoned highway corridor, as defined in s. 66.431 (2m) (a), or that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or arrests the sound growth of the community.

History: 1975 c. 105, 199, 311; 1977 c. 29 ss. 724m, 725, 1646 (1), (3); 1977 c. 418; 1979 c. 221, 343; 1979 c. 361 s. 112; 1981 c. 20, 317; 1983 a. 27, 31, 207, 320, 405, 538; 1985 a. 29, 39, 285; 1987 a. 27, 186, 395; 1989 a. 31, 336; 1993 a. 293, 337, 399; 1995 a. 27 ss. 3330c to 3337, 9116 (5), 9130 (4); 1995 a. 201, 225, 227, 335; 1997 a. 3, 27, 237, 252.

## Shovers, Marc

From: Sent:

Wong, Manyee [Manyee.Wong@doa.state.wi.us]

To:

Thursday, January 21, 1999 11:47 AM

To: Subject: Shovers, Marc LRB draft 1006

Hi Marc,

We no longer want to authorize redevelopment authority and a municipality acting under the blighted area law to enter any building or property in a redevelopment project area or on blighted property to make environmental investigations. All we want in that draft is to add "environmental pollution" to the current definition of a "blighted area".

Thanks.



## State of Misconsin 1999 - 2000 LEGISLATURE

Soon

LRB-1006/P1/ MES:cmbilg/m/

DOA:.....Wong - Clarify blight elimination and slum clearance authority

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

AN ACT ...; relating to: environmental pollution in blighted and slum areas.

## Analysis by the Legislative Reference Bureau

#### LOCAL GOVERNMENT

### OTHER LOCAL GOVERNMENT

Under the current "blighted area law" cities, villages and towns (municipalities) may undertake redevelopment projects, which include the acquisition of property, to improve conditions in blighted or slum areas. Under the current "Blight Elimination and Slum Clearance Act", a redevelopment authority is created in every municipality in which slum and blighted areas exist to engage in blight elimination, slum clearance and urban renewal programs. Such redevelopment authorities may acquire property and may also enter any building or property in a redevelopment project area to make inspections, surveys, soundings or test borings. If entry to a project area is denied or resisted, a redevelopment authority may obtain a court order to accomplish its work. Under the tax incremental financing (TIF) program, cities or villages may create tax incremental districts to foster redevelopment in blighted or slum areas.

Also under current law, if a municipality acquires property that is contaminated by a hazardous substance as part of slum clearance or blight elimination under the blighted area law or the "Blight Elimination and Slum Clearance Act", the municipality is generally exempt from clean—up requirements that otherwise apply to owners of property that is contaminated by a hazardous substance.

This bill adds "environmental pollution" to the current definition of a "blighted area" under the blighted area law, the "Blight Elimination and Slum Clearance Act" and the TIF program. The bill also authorizes a redevelopment authority and a municipality acting under the blighted area law to enter any huilding or property in a redevelopment project area or on blighted property to make environmental investigations, backed by a court order if entry is denied or resisted.

For further information see the state and local fiscal estimate, which will be

printed as an appendix to this bill.

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

SECTION 1. 66.43 (3) (a) of the statutes is amended to read:

66.43 (3) (a) "Blighted area" means any area, including a slum area, in which a majority of the structures are residential or in which there is a predominance of buildings or improvements, whether residential or nonresidential, and which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals or welfare.

SECTION 2. 66.43 (3) (be) of the statutes is created to read:

66.43 (3) (be) "Environmental pollution" has the meaning given in s. 299.01 (4).

Section 3. 66.43 (4) (a) 3. of the statutes is amended to read:

66.43 (4) (a) 3. Within its boundaries, to acquire by purchase, eminent domain or otherwise, any real or personal property or any interest therein, together with any improvements thereon, necessary or incidental to a redevelopment project; to hold, improve, clear or prepare for redevelopment any such property; to sell, lease,

such property or any interest therein; to enter into contracts with redevelopers of property containing covenants, restrictions, and conditions regarding the use of such property in accordance with a redevelopment plan and such other covenants, restrictions and conditions as it may deem necessary to prevent a recurrence of blighted areas or to effectuate the purposes of this section; to make any of such covenants, restrictions, conditions or covenants running with the land, and to provide appropriate remedies for any breach thereof; within the boundaries of the city to enter into any building or property in any project area or any blighted area in order to make inspections, surveys, appraisals, soundings, environmental investigations or test borings, and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted.

SECTION 4. 66.431 (2m) (b) 1. of the statutes is amended to read:

66.431 (2m) (b) 1. An area, including a slum area, in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

SECTION 5. 66.431 (2m) (b) 2. of the statutes is amended to read:

66.431 (2m) (b) 2. An area which by reason of the presence of a substantial number of substandard, slum, deteriorated or deteriorating structures,

predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.

Section 6. 66.431 (2m) (b) 3. of the statutes is amended to read:

obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or arrests the sound growth of the community.

SECTION 7. 66.431 (2m) (bm) of the statutes is amended to read:

66.431 (2m) (bm) "Blighted property" means any property within a city, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, light, air or sanitation, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime, and is detrimental to the public health, safety, morals or welfare, or any property which by reason of faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe

conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair market value of the land, defective or unusual conditions of title, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provisions of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use, or any property which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or 11 arrests the sound growth of the community

12 SECTION 8. 66.431 (2m) (fe) of the statutes is created to read:

66.431 (2m) (fe) "Environmental pollution" has the meaning given in s. 299.01

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SECTION 9. 66.431 (5) (a) 3. of the statutes is amended to read:

66.431 (5) (a) 3. Within the boundaries of the city to acquire by purchase, lease, minent domain, or otherwise, any real or personal property or any interest therein, together with any improvements thereon, necessary or incidental to a redevelopment or urban renewal project; to hold, improve, clear or prepare for redevelopment or urban renewal any such property; to sell, lease, subdivide, retain or make available for the city's use; to mortgage or otherwise encumber or dispose of any such property or any interest therein; to enter into contracts with redevelopers of property containing covenants, restrictions and conditions regarding the use of such property in accordance with a redevelopment or urban renewal plan, and such other covenants, restrictions and conditions as the authority deems necessary to

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prevent a recurrence of blighted areas or to effectuate the purposes of this section; to make any of such covenants, restrictions, conditions or covenants running with the land and to provide appropriate remedies for any breach thereof; to arrange or contract for the furnishing of services, privileges, works or facilities for, or in connection with a project; to temporarily operate and maintain real property acquired by it in a project area for or in connection with a project pending the disposition of the property for such uses and purposes as may be deemed desirable even though not in conformity with the redevelopment plan for the area; within the boundaries of the city to enter into any building or property in any project area or any blighted property in order to make inspections, surveys, appraisals, soundings, environmental inspections or test borings, and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted; to own and hold property and to insure or provide for the insurance of any real or personal property or any of its operations against any risks or hazards, including the power to pay premiums on any such insurance; to invest any project funds held in reserves or sinking funds or any such funds not required for immediate disbursement in property or securities in which savings banks may legally layest funds subject to their control/to redeem its bonds issued under this section at the redemption price established therein or to purchase such bonds at less than redemption price, all such bonds so redeemed or purchased to be canceled; to develop, test and report methods and techniques, and carry out demonstrations and other activities, for the prevention and elimination of slums and blight; and to disseminate bight elimination, slum clearance and urban renewal information.

SECTION 10. 66.46 (2) (a) 1. a. of the statutes is amended to read:

66.46 (2) (a) 1. a. An area, including a slum area, in which the structures, buildings or improvements, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

SECTION 11. 66.46 (2) (a) 1. b. of the statutes is amended to read:

66.46 (2) (a) 1. b. An area which is predominantly open and which consists primarily of an abandoned highway corridor, as defined in s. 66.431 (2m) (a), or that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or arrests the sound growth of the community.

(END)



## State of Misconsin 1999 - 2000 LEGISLATURE

LRB-1006/P2 MES:cmh&jlg:lp

DOA:.....Wong – Clarify blight elimination and slum clearance authority

FOR 1999–01 BUDGET — NOT READY FOR INTRODUCTION

AN ACT ...; relating to: environmental pollution in blighted and slum areas.

# Analysis by the Legislative Reference Bureau LOCAL GOVERNMENT

#### OTHER LOCAL GOVERNMENT

Under the current "blighted area law" cities, villages and towns (municipalities) may undertake redevelopment projects, which include the acquisition of property, to improve conditions in blighted or slum areas. Under the current "Blight Elimination and Slum Clearance Act", a redevelopment authority is created in every municipality in which slum and blighted areas exist to engage in blight elimination, slum clearance and urban renewal programs. Such redevelopment authorities may acquire property and may also enter any building or property in a redevelopment project area to make inspections, surveys, soundings or test borings. If entry to a project area is denied or resisted, a redevelopment authority may obtain a court order to accomplish its work. Under the tax incremental financing (TIF) program, cities or villages may create tax incremental districts to foster redevelopment in blighted or slum areas.

Also under current law, if a municipality acquires property that is contaminated by a hazardous substance as part of slum clearance or blight elimination under the blighted area law or the "Blight Elimination and Slum Clearance Act", the municipality is generally exempt from clean—up requirements that otherwise apply to owners of property that is contaminated by a hazardous substance.

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This bill adds "environmental pollution" to the current definition of a "blighted area" under the blighted area law, the "Blight Elimination and Slum Clearance Act" and the TIF program.

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:

**SECTION 1.** 66.43 (3) (a) of the statutes is amended to read:

66.43 (3) (a) "Blighted area" means any area, including a slum area, in which a majority of the structures are residential or in which there is a predominance of buildings or improvements, whether residential or nonresidential, and which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals or welfare.

**SECTION 2.** 66.43 (3) (be) of the statutes is created to read:

66.43 (3) (be) "Environmental pollution" has the meaning given in s. 299.01 (4).

SECTION 3. 66.431 (2m) (b) 1. of the statutes is amended to read:

66.431 (2m) (b) 1. An area, including a slum area, in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, environmental pollution or the existence of conditions

which endanger life or property by fire and other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

SECTION 4. 66.431 (2m) (b) 2. of the statutes is amended to read:

66.431 (2m) (b) 2. An area which by reason of the presence of a substantial number of substandard, slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.

**Section 5.** 66.431 (2m) (b) 3. of the statutes is amended to read:

66.431 (2m) (b) 3. An area which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or arrests the sound growth of the community.

SECTION 6. 66.431 (2m) (bm) of the statutes is amended to read:

66.431 (2m) (bm) "Blighted property" means any property within a city, whether residential or nonresidential, which by reason of dilapidation,

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Section 7. 66.431 (2m) (fe) of the statutes is created to read:

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**SECTION 8.** 66.46(2)(a) 1. a. of the statutes is amended to read:

66.46 (2) (a) 1. a. An area, including a slum area, in which the structures, buildings or improvements, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open

spaces, high density of population and overcrowding, <u>environmental pollution</u> or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

**SECTION 9.** 66.46 (2) (a) 1. b. of the statutes is amended to read:

66.46 (2) (a) 1. b. An area which is predominantly open and which consists primarily of an abandoned highway corridor, as defined in s. 66.431 (2m) (a), or that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or arrests the sound growth of the community.

(END)

## **NOTE TO DRAFTING FILE for LRB-1006:**

Per the drafter, this draft has been redrafted to a "/1" as no problems remain in the draft that require resolution before introduction of the budget bill. There are no changes between the "/PX" and the "/1."

DOA:.....Wong – Clarify blight elimination and slum clearance authority

FOR 1999–01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: environmental pollution in blighted and slum areas.

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66.431 (2m) (b) 2. An area which by reason of the presence of a substantial number of substandard, slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, environmental pollution or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.

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66.431 (2m) (bm) "Blighted property" means any property within a city, whether residential or nonresidential, which by reason of dilapidation,

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**SECTION 9.** 66.46 (2) (a) 1. b. of the statutes is amended to read:

66.46 (2) (a) 1. b. An area which is predominantly open and which consists primarily of an abandoned highway corridor, as defined in s. 66.431 (2m) (a), or that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, environmental pollution or otherwise, substantially impairs or arrests the sound growth of the community.

(END)