

No. 804, S.]

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## CHAPTER 683

AN ACT to create 70.11 (24) of the statutes, relating to the granting of an assessment freeze under certain conditions.

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

70.11 (24) of the statutes is created to read:

70.11 (24) ASSESSMENT FREEZE. (a) *Legislative declaration.* It is hereby declared that in municipalities in the state, owners of real property from time to time are required to convey the same to public bodies either under threat of condemnation or because of condemnation proceedings. Property conveyed under such circumstances is designed to be used for a public purpose. Because of the circumstances attending such transfer, property owners frequently find that they must purchase on the open market property similar to that which was conveyed and frequently the property so purchased requires greater financial obligations on the part of the owner. In order to minimize the impact of the economic readjustment which results from conveyance of property either under threat of condemnation or through condemnation proceedings, it is deemed reasonable to provide an assessment freeze made applicable to the new property acquired by the owners under the conditions here enumerated.

(b) *Definitions.* As used in this subsection, unless the context clearly indicates otherwise:

1. "Assessment freeze" means the assessment placed upon the real property, both land and improvements, by the taxing authorities in the year immediately preceding the conveyance of such property under threat of condemnation or by virtue of condemnation proceedings to a public body, and which shall include a redevelopment or housing authority, expressway

board or commission, or municipal utility. The assessed valuation so determined shall be the assessment of the new property required to replace such conveyed property, subject, however, to the conditions hereinafter set forth.

2. "Condemnation" means condemnation of property as undertaken under ch. 32 or under any other applicable provisions of law.

3. "New property" means the property which is acquired by the owner to replace the property which has been conveyed under threat of condemnation or through condemnation proceedings.

4. "Property" means the real estate plus fixtures attached to the real estate and which together forms the basis for the assessment of real property.

5. "Threat of condemnation" means acquisition of the owner's property which a public entity, including a redevelopment or housing authority, or expressway board or commission, or municipal utility acquires for a public purpose.

(c) *Ordinance providing an assessment freeze.* The local legislative body of any municipality may by ordinance provide for the granting of an assessment freeze on property acquired by the owner for the purpose of replacing other property which had belonged to such owner and which was either conveyed by such owner under threat of condemnation or which was condemned for the benefit of a public entity to be used for public purposes, provided the newly acquired property shall be devoted by such owner to the same general purposes as was the property conveyed under threat of condemnation or through condemnation procedure. The ordinance so adopted shall specify conditions which must be satisfied in order to obtain the assessment freeze. The following conditions shall be embodied in such ordinance:

1. The owner of the property shall establish that he was the owner in fee thereof which was acquired either under threat of condemnation or by condemnation by a public body and for any of the following purposes:

- a. A public expressway, street or highway;
- b. A redevelopment project approved under s. 66.431, or a housing project approved under s. 66.40;
- c. Any other public improvement which has been approved by the local legislative body.

2. The property conveyed as set forth in subd. 1 and the new property acquired shall both be located in the same municipality.

3. The owner of such property shall be either a person, firm, corporation, partnership or association, and such ownership must be in substance rather than as to form.

4. The owner of the property conveyed under threat of condemnation or by condemnation shall have been the owner of such property for at least 5 years prior to such conveyance.

5. The property, which is acquired by the owner and for which an assessment freeze is sought, shall be used for the same general purposes as was the property conveyed or transferred either under threat of condemnation or by condemnation.

6. The land acquired by the owner and for which an assessment freeze is sought shall not be less than 30,000 square feet in area or in the alternative, the improvements or structures located on the land shall not be less than 200,000 cubic feet in volume. The period of the assessment freeze shall not exceed 5 years from the year in which it is first granted. The maximum amount of the assessment freeze allowed shall not be greater than 50 per cent of the assessment of the property acquired and for which an assessment freeze is sought which would have been made by the assessor or the commissioner of taxation, as the case may be, had no assessment freeze been granted. In no event shall the assessment under such assess-

ment freeze be less than the amount of the assessment of the property conveyed under threat of condemnation or by condemnation.

7. The assessment freeze granted shall terminate in the first year of assessment following conveyance of said real property by the owner.

8. Such other conditions may be set forth in the ordinance as the local legislative body determines.

9. The improvements on the land acquired by the owner shall be new or the aggregate amount of such improvements made to existing structures shall be in excess of the assessment on the improvements on the real estate which was conveyed by the owner under threat of condemnation or by condemnation.

10. In applying the provisions of this subsection real property functionally related to the real property conveyed under threat of condemnation or by condemnation shall be deemed an integral part of the property conveyed for the purposes of determining the assessment freeze.

11. This subsection shall be applicable independent of whether the real property is conveyed under threat of condemnation or condemnation or whether an easement is granted for the purposes set forth in subd. 1, c in lieu of condemnation.

(d) *Findings and certification.* The local assessor or the tax commissioner in such municipality shall, upon application by an owner seeking an assessment freeze, make a thorough investigation to ascertain whether such application meets the requirements of the ordinance enacted by the local legislative body. The assessor or tax commissioner, as the case may be, shall make findings to demonstrate that such application complies with the ordinance and shall submit a certification together with his findings to the local legislative body for approval. If the local legislative body determines from the tax commissioner's certification that an assessment freeze shall operate, the the local legislative body shall by resolution provide for such assessment freeze. The local legislative body shall specify the period when such assessment freeze shall commence to operate and when new construction or remodeling of existing structures is required, shall specify the time within which such construction or remodeling shall be completed and the commencement date of the assessment freeze.

Approved February 12, 1962.

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