



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1732/P4
KRP:skw&amn

DOA:.....Rice, BB0403 - Municipal Zoning Incentive Grant Program

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HOUSING

Grants to incentivize eliminating zoning barriers to affordable housing

This bill requires DOA to establish a competitive grant program to award grants to cities, villages, towns, counties, and federally recognized American Indian tribes and bands in this state that adopt one or more of the policy initiatives enumerated in the bill to eliminate zoning barriers for the creation or expansion of affordable housing.

Because this bill may increase or decrease, directly or indirectly, the cost of the development, construction, financing, purchasing, sale, ownership, or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

For further information see the state 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. 16.3066 of the statutes is created to read:

16.3066 Grants to incentivize eliminating zoning barriers to affordable housing. (1) In this section, "local governmental unit" means a city, village, town, county, or federally recognized American Indian tribe or band in this state.

(2) From the appropriation under s. 20.505 (7) (fq), the department shall establish a competitive grant program to award grants to local governmental units

BILL**SECTION 1**

that adopt one or more of the following policy initiatives to eliminate zoning barriers for the creation or expansion of affordable housing:

(a) Reduce minimum lot sizes and widths.

(b) Reduce setback requirements to allow greater use of existing lots.

(c) Increase allowed lot coverages to match historic patterns.

(d) Adoption of a traditional neighborhood development ordinance, such as the model ordinance developed under s. 66.1027 (2).

(e) Allow accessory dwelling units.

(3) The department may establish eligibility requirements and other program guidelines for the grant program under this section.

SECTION 2. 20.505 (7) (fq) of the statutes is created to read:

20.505 (7) (fq) *Grants to incentivize eliminating zoning barriers to affordable housing.* Biennially, the amounts in the schedule for grants under s. 16.3066.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

(END)