

# STATE SENATOR

Senate Committee on Insurance, Financial Services, Constitution and Federalism
14 February 2018
Senate Bill 800
Senator David Craig, 28th Senate District

Chair and Committee Members,

Thank you for hearing testimony on Senate Bill 800 – the local regulation of historic property designations.

Senate Bill 800 seeks to uphold the rights of property owners while allowing for a clear process for local governments and property owners if a historic district or historic landmark designation is proposed. Given the fundamental nature and importance of private property right to our nation's history and continued economic vitality, it is imperative that lawmakers continue to protect this basic right.

Historic districts are authorized and created by political subdivisions which establish criteria and guidelines which then govern the properties within the district's boundaries. Homeowners who find themselves in these districts are often denied the ability to make improvements, additions, or basic repairs without approval from the district board or pursuing costly alternatives which may or may improve the look, functionality, or value of the property. Often, homeowners are not made aware their property has been included in a historic district until their building permit is denied. Ultimately, I believe the decision to be included in a historic district and how to use one's property lies with the property owner and not a quasi-governmental historic district board.

This bill does several things to ensure that homeowners have due process when facing the prospect of losing autonomy over the future of their property. First, the bill requires that a local unit of government notify all property owners in the proposed historic district at least 180 days prior to the proposed establishment of the historic district. This gives homeowners ample opportunity to consider the costs and benefits of such a district and consult with neighbors or professionals about the impact such a district would have on their community.

Second, the bill requires that one-half of the owners within the proposed district consent to being included in the district. This ensures that a majority of the homeowners do not object to the district's creation, boundaries, or requirements.

Third, the bill prohibits a local government from designating a single property as a historic landmark without the consent of the property owner.

These are reasonable, measured changes which give due process to homeowner and uphold property rights within the historic designation process. Again, I appreciate your hearing of this bill today and would be happy to answer any questions you may have.

# Why Wisconsin needs to require owner consent in the Historic Landmark authorization process

1. Wisconsin needs to require owner consent in the Historic Landmark authorization process to ensure that federal, state and local objectives and requirements are adhered to and applied fairly.

In an important analysis related to the growth and impact of historic preservation activity in the 1980's, Harvard Law professors Chauncey L. Walker and Marcia A. Israeloff wrote:

The traditional goals of historic preservation arose from obvious and authentic cultural impulses. However, preservation's original goals are sometimes tainted by "those with a hidden agenda."

Historic preservation statutes provide those who wish to stop development or exact concessions from property owners with still another environmental vehicle to obstruct, delay, or, sometimes, destroy a project no matter how well conceived and how worthy. As

the initial targets of preservationist protection have been saved, or sometimes lost, increasingly bitter struggles are fought over buildings, landscapes, and other artifacts which are merely old and are not of either widely recognized or demonstrable historic importance."

Walker and Israelof's analysis was prompted in part by the explosion of state and local activity following the passage of the National Historic Preservation Act of 1966, which had led to an increase of local historic district commissions around the

When everyone wants the same thing the local approval process is not a problem. But if there are differences of opinions about what should be done, the property owner who is not in agreement rapidly discovers that there is a political element to the process that makes it nearly impossible to raise legitimate concerns about the appropriateness of the proposed action.

country from 100 in 1966 to more than 1,000 in 1982, an increase in activity which led the authors to conclude that, "...the large number of people involved, even nominally, in preservation efforts, does signal the widespread, popular appeal of historic preservation. In turn, this appeal and involvement directly affect how "historic" is defined and how local ordinances are drafted."

Those who own property in Historic Districts should, can and do play a role in preserving the districts, not least of which involves the maintenance and up-keep of their properties, complying with the historic preservation requirements related to that up-keep and maintenance and paying their fees and property taxes.

They also, however, tend to be active in any new landmarking and preservation activities that occur in their districts. When everyone wants the same thing the local approval process is not a problem. But if there are differences of opinions about what should be done, the property owner who is not in agreement rapidly discovers that there is a political element to the process that makes it nearly impossible to raise legitimate concerns about the appropriateness

of the proposed action. Requiring property owner consent is the only mechanism that provides property owners with some ability to require consideration of the legitimate issues and questions they are raising.

2. Wisconsin needs to require owner consent in the Historic Landmark authorization process to ensure the economic viability, sustainability and safety of the historic districts.

Historic Districts are not supposed to be museums. They are also not supposed to economically depressed, dangerous, or dilapidated. Rather they are supposed to be well-kept reminders of our past, places where people and families can live and visit. Places where they can wander safe streets gathering a sense of the past while they enjoy the community of the now.

Achieving the legitimacy and ambiance we all want ultimately requires not just up-keep and maintenance, but some appropriate growth and new development. The federal regulations and requirement recognize this fact. Most state and local requirements but are less supportive. Not surprisingly, there is a certain amount of NIMBYism in historic districts. Consequently, far too often when developments are proposed in historic districts there is local push back and far too often, when

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those opposed to a development can not or do not make the progress they want based on the merits their efforts become political. As Walker and Israelof concluded in their article,

"The traditional goals of historic preservation arose from obvious and authentic cultural impulses. However, preservation's original goals are sometimes tainted by "those with a hidden agenda."

Historic preservation statutes provide those who wish to stop development or exact concessions from property owners with still another environmental vehicle to obstruct, delay, or, sometimes, destroy a project no matter how well conceived and how worthy. As the initial targets of preservationist protection have been saved, or sometimes lost, increasingly bitter struggles are fought over buildings, landscapes, and other artifacts which are merely old and are not of either widely recognized or demonstrable historic importance."

Requiring property owner consent is the only mechanism that provides property owners with some ability to require consideration of the legitimate issues and questions they are raising *and* to ensure that sustaining economic viability and livability will be given appropriate weight in the decision making process.

3. Wisconsin needs to require owner consent in the Historic Landmark authorization process to ensure that ownership of historic properties does not become a form of second class citizenship in which owners are not only expected to invest in complying with expensive rules and regulation, but are also effectively prohibited from undertaking or supporting appropriate development they

# believe is necessary to the economic and social wellbeing of their own investment and of the district in which they own property.

Real Estate and property development contribute to the long-term viability of historic districts. To encourage this type of investment, Real Estate transactions are disclose clear expectations and requirements affecting the property and attempt to provide a certain level of confidence to the investor.

Real Estate investment and property development generates the following positive impacts:

- Property owners provide Jobs
- Property owners stabilize and strengthen the district economic base through owner buy in, affordable choices in maintaining the property and therefore, affordable rents for residents.
- Increase desirability of a region or district through attraction of diverse demographics via reinvestment and diversification of housing stock
- Expand the choice of housing opportunities to ensure region or district remains a place where people of different ages, incomes and ethnicities can live together.
- Enhance the livability of a region or district through creation and maintenance of a quality urban environment

When a local municipality creates a Historic District or designates a Historic Property it places a restrictive covenant on property. When a local municipality is allowed this power without Owner Consent it erodes investor confidence, clouds expectations and jeopardizes the long-term viability of a region or district via lack of economic activity.

- Encourage a safe living environment via diverse and well-maintained housing stock.
- Increase affordability of housing through diversification of housing types.
- Enhance economic value by encouraging high value projects that add employment and tax base while stabilizing or increasing existing values.

When a local municipality creates a Historic District or designates a Historic Property it places a restrictive covenant on property. When a local municipality is allowed this power without Owner Consent it erodes investor confidence, clouds expectations and jeopardizes the long-term viability of a region or district via lack of economic activity.

It is not right, and it is unfair that any homeowner or property owner is told that their property will be a Landmark or put in a Historic District without providing them with some standing in the process.

Requiring property owner consent is the only mechanism that provides property owners with some ability to: a) require consideration of the legitimate issues and questions they are raising; b) ensure that sustaining economic viability and livability will be given appropriate weight in the decision making process; and c) have enough standing in the approval process to give appropriate weight to the idea of ownership in Wisconsin.

#### SUBCHAPTER 41C: LANDMARKS

### 41.07 DESIGNATING LANDMARKS.

- (1) <u>Designation</u>. The Common Council, after considering the recommendation of the Landmarks Commission under sub. (5) below, may designate a landmark according to this section.
- (2) <u>Standards</u>. A site, improvement, or site with improvements may be designated as a landmark if the proposed landmark meets any of the following:
  - (a) It is associated with broad patterns of cultural, political, economic or social history of the nation, state or community.
  - (b) It is associated with the lives of important persons or with important event(s) in national, state or local history.
  - (c) It has important archaeological or anthropological significance.
  - (d) It embodies the distinguishing characteristics of an architectural type inherently valuable as representative of a period, style, or method of construction, or of indigenous materials or craftsmanship.
  - (e) It is representative of the work of a master builder, designer or architect.
- (3) Nomination. Any person may nominate a site, improvement, or site with improvements for designation as a landmark. The person shall submit the nomination to the City Planning Division, to the attention of the Preservation Planner, on a nomination form approved by the Landmarks Commission. The nomination shall clearly identify the proposed landmark, landmark site, and document why it qualifies under sub. (2). The Preservation Planner may ask the person to submit additional information and documentation as needed to complete or clarify the nomination. When the Preservation Planner determines that the nomination is complete, the Preservation Planner shall refer the nomination to the Landmarks Commission.
- (4) <u>Landmarks Commission Review and Public Hearing</u>. Whenever the Landmarks Commission receives a complete, accurate nomination under sub. (3), the Commission shall review the nomination. As part of its review, the Commission shall publish a hearing notice according to Sec. 41.06 and hold a public hearing on the nomination. The Commission may also conduct its own investigation of the facts, as it deems necessary.
- (5) <u>Landmarks Commission Action</u>. After the Landmarks Commission holds a public hearing and completes its review under sub. (4), the Commission shall report to the Common Council a recommendation supporting or opposing the proposed landmark designation. The Commission may recommend landmark designation subject to terms and conditions that are consistent with this chapter. The Commission shall send a notice of the recommendation to each owner of record of each lot on which the proposed landmark is located at least ten (10) days before any meeting at which the Common Council may act on the Commission's recommendation.
- (6) Common Council Action. After considering the Landmarks Commission's report recommendation under sub. (5), and based on the standards under sub. (2), the Common Council shall vote to designate or decline to designate the property as a landmark. The City Clerk shall promptly notify the Building Inspector and the City Assessor of each landmark designation. The City Clerk shall record the designation with the Dane County Register of Deeds at the City's expense.
- (7) Voluntary Supplemental Restrictions. The Common Council may at any time supplement the terms of a landmark designation, pursuant to an agreement between the landmark owner and the Landmarks Commission, to enhance the preservation and protection of the landmark.

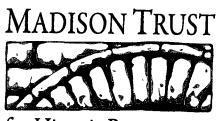


#### SUBCHAPTER 41B: LANDMARKS COMMISSION

- 41.04 LANDMARKS COMMISSION. The Landmarks Commission shall do all of the following with advice and assistance from the Preservation Planner.
  - (1) Administer this chapter.
  - (2) Carry out its responsibilities under Secs. 28.144, 28.185, and 33.19(2), MGO.
- 41.05 PRESERVATION PLANNER. The Preservation Planner is a staff member of the Department of Planning and Community and Economic Development. The Preservation Planner shall staff the Landmarks Commission and carry out the duties that the Landmarks Commission properly delegates to the Preservation Planner under this chapter. In carrying out those duties, the Preservation Planner shall exercise his or her own professional judgment and expertise, consistent with this chapter and subject to general oversight by the Landmarks Commission.

### 41.06 PUBLIC HEARINGS AND HEARING NOTICES.

- (1) <u>Hearings. General.</u> The Landmarks Commission shall hold a public hearing whenever a hearing is required by this chapter, and may hold other hearings as necessary to carry out its responsibilities under Sec. 41.04 and Sec. 33.19.
- (2) Hearing Notices. General. Notice of the time, place and purpose of the hearing shall be given by a Class 2 Notice in the official City newspaper or as otherwise allowed under Wis. Stat. § 985.07, for all of the following:
  - (a) Any hearing on the proposed designation of a landmark under Sec. 41.07 or the proposed rescission of a landmark designation under Sec. 41.08.
  - (b) Any hearing on a proposed certificate of appropriateness under Subchapter F.
  - (c) Any hearing on a proposed variance under Sec. 41.19.
  - (d) Any hearing on the proposed creation or amendment of a historic district under Subchapter D.
  - (e) Any hearing on a Notice of Demolition by Neglect under Sec. 41.15. (Cr. by ORD-16-00082, 9-15-16)
- (3) Additional Notice: When Required. In addition to notice provided under sub. (2) above, the Commission shall in the following cases provide additional notice to the following persons at least ten (10) days prior to the hearing date:
  - (a) If the hearing pertains to a specific site or structure:
    - 1. Each owner of record of the lot on which that site or structure is located.
    - Each owner of record of each lot located within two hundred (200) feet, measured according to Sec. 41.03(5) of any lot on which the site or structure is wholly or partially located.
  - (b) If the hearing pertains to the creation or amendment of a historic district:
    - All owners of record of lots located wholly or in part within the historic district.
    - The alder of each aldermanic district in which any part of the historic district is located.
  - (c) If the hearing pertains to a proposed certificate of appropriateness or variance, to the alder in whose aldermanic district the affected site or structure is located.



for Historic Preservation

NATIONAL TRUST FOR HISTORIC PRESERVATION Local Partner

February 14, 2018

Senator David Craig Chair, Senate Committee on Insurance, Financial Services, Constitution and Federalism State Capitol Madison, Wisconsin

Re: 2017 Senate Bill 800

Senator Craig and members of the Senate Committee on Insurance, Financial Services, Constitution and Federalism:

Thank you for the opportunity to appear and explain the position of the Madison Trust for Historic Preservation (MTHP or Madison Trust) on this proposed legislation.

This is a poorly considered bill that would undermine historic preservation efforts in every corner of the State of Wisconsin. In the extremely brief period since February 13 when this bill was introduced and scheduled for today's 1:00 p.m. public hearing, we have been unable to fully explore the likely consequences.

We support the written comments submitted by John Decker on behalf of the Wisconsin Council for Local History.

In addition, we believe the written notice requirements in this bill have been intentionally set to provide any individual property owner the opportunity to opt out of a historic district designation. Sections 5 and 8 establish the requirement that each property owner within a proposed historic district receive written notice "not less than 180 days before the proposed establishment date of the district." It further requires an affirmative vote by the "majority" of the property owners within the proposed district (majority as determined by assessed value or land area) within 60 days of the notification. The 120 day period suggests that the goal of the bill is to provide each property owner within the proposed district the opportunity to significantly alter or tear down their buildings in order to subvert the public's interest in maintaining such a district.

The Madison Trust was established in the 1970s because a beautiful and gracious historic farmhouse constructed of locally quarried stone and located on University Avenue near Midvale Boulevard was abruptly torn down and replaced by a ubiquitous Burger King restaurant and parking lot. Just like in innumerable other cities within Wisconsin, the loss of a lovely and unique structure representing an important historical context for future generations prompted a reaction designed to reduce similar events in the future.

Our organization was informed earlier today that a landmark nomination we filed with the City of Madison in January is being used as a justification for passage of Senate Bill 800. While it is clear that a small group of property owners in Madison have been trying for years to remake the center of Madison in order to substantially increase their return on investment by advancing "owner consent" language to emasculate historic preservation throughout Wisconsin, they have now apparently seized on one particular nomination to support this draconian measure.

The particular nomination relates to a property on Madison's Capitol Square that was identified as "historic" at the time it was purchased by the current owner in 1974. It was included in a survey of historic buildings in downtown Madison conducted the same year, and was again recognized for its historic significance in 1983 and 1994. The City of Madison's 1998 Downtown Historic Preservation Plan identified the building as a "potential Madison Landmark" in 1998.

While MTHP was unaware of any formal announcement of an intent to redevelop much of the block in which this building sits, we understood that redevelopment was being considered and that the State of Wisconsin hoped to include the Museum of the State Historical Society within the scope of that redevelopment. Early in January of this year, I contacted the Historical Society and informed them we were preparing a nomination for a building on the block and we hoped that it would "not have an adverse effect on the Society's interests." I followed this verbal contact with a letter dated January 9 that reiterated the information and sent a copy of that letter to the owner of the property. We understood that the nomination did not conflict with the interests of the State Historical Society and had no knowledge it conflicted with the interests of any other aspect of state government. On January 20, 2018, the Board of Trustees of the MTHP voted to file the landmark nomination. After that vote, I sent a second letter to the property owner to inform them of our intent to nominate the building as a local landmark. We filed the nomination on February 1<sup>st</sup>.

In a telephone conversation earlier today, I was indirectly informed that the nomination would, in some manner, interfere with the State's interest in the redevelopment project.

Assuming this information to be true, it is not information we were aware of at the time our Board voted to file the nomination documents. It represents significant new information that MTHP should consider before pursuing the nomination and may well serve as a basis for withdrawing the nomination.

The information we received this morning is of sufficient moment to cause MTHP to reconsider our January 16 decision. While I am President of MTHP, I lack the authority to unilaterally overturn the Board decision made on January 16. However, I will place reconsideration on the agenda for our February 20<sup>th</sup> meeting. In the interim, I hope to obtain additional documentation and engage in additional conversations so that our Board fully understands the nature of the planned redevelopment and the interests of the State.

In other words, it would be highly inappropriate to any advancement of Senate Bill 800 on the landmark nomination filed by the Madison Trust for Historic Preservation earlier this month.

Sincerely,

Kurt Stege

President

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# Memorandum

To:

The Apartment Association of South Central Wisconsin

From:

Katie C. Hinkle Hamang B. Patel

Date:

December 12, 2017

Subject:

Modifications to the Historic Landmark Designation Process

This Memorandum sets forth our conclusions regarding whether changes in the manner in which historic properties are nominated to and placed on the National Register of Historic Places in Wisconsin (the "National Register"), the State Register of Historic Places in Wisconsin (the "State Register"), and/or locally designated lists of historic places (the "Local Registers") impact funding received by the State of Wisconsin (the "State") or local property owners by the Federal government for the rehabilitation and preservation of historic properties?

### **CONCLUSION**

Nothing in the Federal law governing historic preservation grants would explicitly restrict or prohibit grant money payments to the State if the State requires that property owners consent to the inclusion of their property on a historic register.

### **ANALYSIS**

- I. <u>The Nomination Process</u>. There is currently no requirement that a property owner consent to a nomination or to the listing of their property on a register. Generally, any person may nominate a district, building, structure, or object to the State Register, and the National Register, and a property must fulfil certain requirements to be accepted. Once an application is made to the State Historic Preservation Review Board (the "<u>State Board</u>"), the State Board will notify local municipalities and request that they forward comments from affected neighborhood groups, public bodies, and interested citizens. Then, the State Board will accept and approve nominations to the State Register and the National Register upon the recommendation of the State historic preservation officer.
- II. <u>Receipt of Federal Grant Money.</u> In order to further historic preservation programs, and rehabilitate historic properties, states may apply for funds from the Federal government. However, to be eligible to apply, states and local governments have to have preservation programs approved by the Federal government.

At the State level, the historic preservation program is approved by the National Park Service if it meets certain standards.<sup>4</sup> At the local level, a local historic preservation ordinance (a "<u>Local Ordinance</u>"), is approved by the State Historical Society (the "<u>Society</u>") if it contains the appropriate methods for approving historic properties and an

approved governing structure.<sup>5</sup> Once the Local Ordinance is approved, the municipality may then receive funding from the Federal government through grants.<sup>6</sup> The Federal Historic Preservation Fund distributes up to an aggregate of One Hundred and Fifty Million Dollars annually for preservation projects across the nation, including grants to state and municipalities.<sup>7</sup>

Impact of Proposed Changes on CLG Status. Requiring the Society or a municipality to seek the consent of a property owner prior to that property being nominated to or listed on a historic register likely does not conflict with any of the requirements for certification of a Local Ordinance or state historic preservation program, and would likely not impact the ability for the State to receive Federal grant funding. Approval of both the State and local programs generally only requires that the programs include the establishment of adequate historic review commissions and adequate public participation in the historic preservation program. Requiring owner consent would be consistent with the requirement for "public participation" in the nomination process and requirements that the local governments notify owners who may be nominated to the National Register.

It is possible that a historic preservation commission may not be considered adequate if its recommendations to the State or National Registers are subject entirely to the consent of a property owner. However, there is nothing explicit in Federal law which indicates that this is the case. The Secretary of the Interior has the ability to revoke the approval of a state program if "a major aspect of the state program is not consistent" with Federal law. However, there is no indication that a consent requirement would trigger this provision. Therefore, if a State law requiring a property owner to consent to a property's inclusion in a historic register were enacted, there is no evidence that such legislation would cause the State to lose Federal grant funding for historic preservation.

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Wis. Stat. § 44.36(4) (2017). A property must be historically significant to be nominated to a historic register. Wis. Stat. § 44.36(2) describes the criteria required for "significance" as the following: "The quality of significance is present in districts, sites, buildings, structures and objects that possess integrity of location, design, setting, materials, workmanship, feeling and association and that satisfy any of the following conditions: 1. Association with events that have made a significant contribution to the broad patterns of history. 2. Association with the lives of persons significant in the past. 3. Embodiment of the distinctive characteristics of a type, period or method of construction or that represent the work of a master or that possess high artistic values. 4. Representation of a significant and distinguishable entity whose components may lack individual distinction. 5. Yielding, or likely to yield, information important in prehistory or history." There are additional requirements and limitations listed in Wis. Stat. § 44.36(2)(b) (2017). See also Wis. Stat. § 44.36(3) (2017).

<sup>&</sup>lt;sup>2</sup> Wis. Stat. § 44.33(7) (2017).

<sup>&</sup>lt;sup>3</sup> Wis. Stat. § 44.33 (2017).

<sup>&</sup>lt;sup>4</sup> 54 U.S.C. § 302301 (2017). The Secretary of the Interior is responsible for consulting with the National Conference of State Preservation Officers and the National Trust and promulgating regulations for state historic preservation programs. *Id.* 

<sup>&</sup>lt;sup>5</sup> Wis. Stat. § 44.44 (2017). The Society shall certify a local historical preservation ordinance if it meets the following conditions: (a)Contains criteria for the designation, on the register of a political subdivision, of historic structures and historic districts which are substantially similar to the criteria for inclusion in the national register of historic places in Wisconsin; (b) Provides a procedure for the designation of historic structures or historic districts which includes, at a minimum, a nomination process, public notice of nominations and an opportunity for written and oral public comment on nominations; (c) Provides for the exercise of control by a political subdivision by ordinance, to achieve the purpose of preserving and rehabilitating historic structures and historic districts; (d) Creates a historic preservation commission in the

political subdivision. Wis. Stat. § 44.44(1) (2017). The Local Ordinance will govern the nomination and approval of property to a Local Register, but the criteria for inclusion must be substantially similar to the criteria for inclusion in the State Register for the Local Ordinance to be approved by the Society. Wis. Stat. § 44.44(1) (2017).

<sup>6</sup> 54 U.S.C. § 302505 (2017). Certified Local Governments are eligible for matching grants under 54 U.S.C. § 302902(c)(4) (2017). Certified Local Governments will generally be eligible to receive not less than 10% of the annual apportionment distributed by the Federal government to each state pursuant to the National Historic Preservation Act. 54 U.S.C. § 302902(c)(4) (2017).

<sup>7</sup> 54 U.S.C. § 3031 (2017).

<sup>8</sup> With regard to the approval of the State program, 54 U.S.C. § 302301 (2017) requires that "The regulations shall provide that a State program submitted to the Secretary under this chapter shall be approved by the Secretary if the Secretary determines that the program provides for—(1) the designation and appointment by the chief elected official of the State of a State Historic Preservation Officer to administer the program in accordance with section 302303 of this title and for the employment or appointment by the officer of such professionally qualified staff as may be necessary for those purposes; (2) an adequate and qualified State historic preservation review board designated by the State Historic Preservation Officer unless otherwise provided for by State law, and (3) adequate public participation in the State Historic Preservation Program, including the process of recommending properties for nomination to the National Register." Approval of a local program requires that the local historical preservation body do the following under 54 U.S.C. § 302503 (2017) "(1) enforces appropriate State or local legislation for the designation and protection of historic property; (2) has established an adequate and qualified historic preservation review commission by State or local legislation; (3) maintains a system for the survey and inventory of historic property that furthers the purposes of chapter 3023; (4) provides for adequate public participation in the local historic preservation program, including the process of recommending properties for nomination to the National Register, and (5) satisfactorily performs the responsibilities delegated to it under this division."

<sup>9</sup> 54 U.S.C. § 302504(b) (2017). <sup>10</sup> 54 U.S.C. § 302302(b) (2017). Honorable Senator Frank Lasee, Chair Senate Committee on Insurance, Housing and Trade and Committee Members

12-12-17

I own two buildings in downtown Stevens Point, WI. The first property I purchased was extensively remodeled, including replacement all of the windows. When I first met with the historic district committee and the city zoning department I was instructed that the windows on the façade would need to be made of wood or they had to be aluminum clad. I could use vinyl windows on the rear of the building that had an overlay on them so that they looked the same as the other two options. I argued but was not allowed to use the vinyl clad windows on the façade. At the time the city had a matching funds program for improvements to facades in the historic district which helped to offset the cost. The aluminum clad windows were three times the cost of the vinyl windows and you cannot tell a difference from 10' away much less the 30' they are from the street.

My second building is sitting without any windows having been replaced. It simply has more windows along the façade than our first building did and the city's matching funds program is no more. Because I cannot use like kind materials we are stuck not replacing the windows and improving the façade. If I were allowed to use a vinyl window that is a third the cost and a better overall product that work would have been completed already.

I understand and completely support the need for the historic districts and maintaining the look of the historic buildings. Stevens Point's downtown has a great feel and that needs to be maintained. But to not allow like kind materials to be used in these historic districts significantly hurts the redevelopment and improvement of these buildings.

The cost of the windows is not my only concern. Improvements in materials have allowed for better materials to be used. They are low maintenance and have better thermal properties and longer useful lives. Being forced to spend three times more on a product that will require more maintenance, be less energy efficient and last half as long does not make any sense to me.

It is also a concern that any municipality can unilaterally place a property in a historic district without the owner's consent. It is important to me that an owner would need to consent to being placed in a historic district. Often times because of the restrictions of those districts property values have seen declines after being lumped into a designated historic district. We have several properties that are in a proposed historic district that, while near some historic homes, have little historic significance themselves. The burden of being in the historic district would limit the repairs we would take on at those properties and they would in all likelihood not be maintained to the level they would had they not been placed in a historic district given the cost of repairs to meet the historic district standards.

Thank you for your time

Noah Eschenbauch

Owner/Manager of multiple properties in Stevens Point WI



Department of Administration Intergovernmental Relations Division Tom Barrett Mayor

Sharon Robinson
Director of Administration

La Keisha W. Butler Director of Intergovernmental Relations

## City of Milwaukee Testimony on SB 800

# Senate Committee on Insurance, Financial Services, Constitution and Federalism

February 14, 2018

The City of Milwaukee is opposed to SB 800. Generally, protecting and preserving our housing stock is a benefit to neighborhood stabilization, homeowner and taxpayer investment and to the overall health of the City's tax base.

Current law allows political subdivisions to designate and regulate historic landmarks, establish historic districts and regulate the properties within a historic district for historic preservation purposes. The bill only allows us to regulate for historic preservation purposes with the owner's consent. Some of Milwaukee's highest valued neighborhoods have local historic designation.

Having uniform, consistent, predictable, and objective criteria for exterior alterations allows for the assurance that investment will help maintain and even increase property values. Poorly and inappropriately maintained properties hurt the property values of those around them and thereby hurt the city's tax base. A current, or prospective, property owner would be hesitant and have less incentive to invest in preservation-related improvements or acquisition without some level of certainty that neighboring landowners will similarly invest. The historic district provides a level of assurance to an owner that a standard level of care and maintenance will be maintained. In all likelihood, this legislation is a disincentive to the investment in historic properties, and could prompt abandonment of historic areas.

Thank you for the consideration of our concerns and we urge you to oppose SB 800.

For more information, please contact:

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