



PATRICK TESTIN

STATE SENATOR

DATE: January 10, 2024

RE: **Testimony on Senate Bill 691**

TO: The Senate Committee on Transportation and Local Government

FROM: Senator Patrick Testin

I would like to thank Chairman Tomczyk and the committee for accepting my testimony on Senate Bill 691 (SB 691), the "Urban Towns Bill".

First, it should be described what would qualify as an "Urban Town". Under SB 691, a town may designate itself as an "Urban Town" if it meets the following criteria:

1. The town has a population of more than 5,000 and a population density of 750 persons in one square mile.
2. The town provides law enforcement service.
3. The town has enacted a subdivision ordinance.
4. The town has also enacted a zoning ordinance or is subject to county zoning.

If the town meets all those criteria, they can seek approval at the town meeting to become an urban town.

One of the main reasons I worked on SB 691 with the Towns Association and Representative Hurd was to fight the un-American idea of regulation without representation. As a resident of a town, I was frustrated with seeing sections of the town being controlled by a governing body, in this case, a city council, that I and other town residents did not have a vote on electing.

Further, under current law, cities or villages, can repress or outright deny growth in towns through development regulations that they don't exert of their own community. They convey to residents of this area and interested developers that the way to escape these chilling regulations is to be annexed into the city or village.

There is also the menace of a lack of property rights. You may choose specifically to buy property that is in a town. With forced annexation, a majority, but not all, landowners can agree to an annexation to a village or city. Imagine you move into a subdivision which consists of five houses. You and your next door neighbor enjoy living in a township, but your three other neighbors are being swayed by the neighboring municipality which would like to annex your subdivision. One vote, which you lose 3-2, and you suddenly are no longer living in a town.

Finally, in addition to restoring democracy to town voters and promoting personal property rights, this bill will also promote the development of additional housing in growing communities that desperately need it.

Wisconsin has a great composition of cities, village and towns. When new home buyers look to purchase a home in Wisconsin, they take into account the plusses and minuses a home has in regards to services provided by the local governmental body. For those that choose to live in a town, this proposed legislation would help to ensure that their rights are not callously disregarded by a larger, neighboring municipality.

Thank you again for listening to my testimony and I hope that you will join me in support of SB 691 needed reform. Thank you.



KAREN HURD

STATE REPRESENTATIVE • 68TH ASSEMBLY DISTRICT

Senate Bill 691
Public Testimony
Senate Committee on Transportation and Local Government
January 10, 2024

Thank you, Chair Tomczyk and committee members for hearing Senate Bill 691.

“Territorial disputes have at all times been found one of the most fertile sources of hostility among nations. Perhaps the greatest proportion of wars that have desolated the earth have sprung from this origin.” (Alexander Hamilton, Federalist Paper No. 7)

The push and pull of territorial disputes and territorial control has always been with us. It is a part of Wisconsin history since the dispute with Illinois over the town of Beloit in 1818 to the Michigan-Wisconsin quarrel over the “Wisconsin Wedge” in 1926. In the most recent past, many such bills as we have before us today in SB 691 have been proposed and debated in these hallowed halls.

1991 AB 1085

1993 SB 685/AB 647

1995 SB 493/AB 777

1997 AB 114

1999 AB 202

2001 AB 501

2003 AB 136

2005 SB 165/AB 266

2007 SB 36/AB 79

2009 SB 172/AB 239

Even as recently as last session, SB 835 passed both houses and was signed into law in March of 2022. This bill addressed among other related topics the interim ordinances that froze extraterritorial zoning. At some point our legislature will have to settle the disputes over extraterritorial land division, zoning, and annexation between our towns and cities/villages so that we can live in peace with our neighbors such as Beloit now lives in peace with its neighbor Illinois, and Wisconsinites live in peace with the neighboring Michigianians at the Wisconsin Wedge.

SB 691 allows for representation in regulation. Currently, cities and villages can unilaterally dictate to a town the land division in the extra-territorial area without the town’s consent. The residents/property owners have no say in this regulation as they are not residents of the city or village that is dictating the terms. They are unable to vote for or against any of the elected officials that are making the decisions as they are not residents of that municipality.

SB 691 protects property rights. People choose where they want to live. Citizens of Wisconsin who live in towns have chosen to do so. They could have chosen to reside in a village or city. However, they purchase or rent property in a town so they might enjoy the benefits of town

living. Annexations by anything less than an unanimity means that some landowners are forced into becoming a part of another municipality against their will.

SB 691 maintains the precious right of direct democracy. Towns alone in the state of Wisconsin enjoy this form of government. It is perhaps the most appealing of all the benefits of living in a town. The people of the town collectively make decisions regarding tax levies, services, and the future of their town.

SB 691 benefits cities and villages that want to continue to have extraterritorial rights in zoning, plat approval, and annexation. When a town incorporates, all extraterritorial rights of surrounding cities or villages are abolished no matter the size, population, or density of the town. As SB 691 only applies to a small handful of the 1,253 towns in the state of Wisconsin—the bill specifies a population of 5,000 and a density of 750 persons in any one square mile—incorporation will remain as infrequent as it already is. Incorporation permanently puts a town outside of any extraterritorial intergovernmental agreements with surrounding cities or villages.

SB 691 includes a provision of water and sewer system connections. Several concerns with this part of the bill have been brought to my attention as well as Senator Testin's attention. Although efficiency in housing as well as clean water for residents is the intent behind this portion of the bill, the issues that have been brought forward have merit. Therefore, Senator Testin and I will be introducing an amendment to eliminate this portion of the bill.

I am happy to address any questions the committee may have.

STATE SENATOR

JESSE



JAMES

23RD DISTRICT

January 10th, 2024

Senator Tomczyk, Chair
Senator Cowles, Vice-Chair
Members of the Senate Committee on Transportation and Local Government

Testimony on 2023 Senate Bill 691

Relating to: water and sewerage system connections and annexation of territory and extraterritorial zoning in certain towns

Dear Chairman Tomczyk, Vice-Chair Cowles, and Committee Members:

Townships across Wisconsin are under attack. Predatory cities and villages are exploiting current laws to freeze development in townships in preparation for future city or village expansion into those areas. By inhibiting the natural growth of these communities, these cities and villages are not only denying land owners free use of their own land, but they are also chasing away investment into these areas. This desertification drives up costs for future development, including housing and commercial spaces, and takes away opportunities for future generations.

Senate Bill 691 seeks to fix this unfair situation by creating a new designation, an "urban town". An urban town is a township with a population over 5,000, a high residential density, a zoning ordinance, a subdivision ordinance, and one that provides for additional law enforcement services.

Under this new designation, an "urban town" is freed from many of the restrictions placed on town by the adjacent city or village. The "urban town" would no longer be subject to the extra-territorial land division and zoning requirements of the other municipalities, except through intergovernmental agreements. The "urban town" would also no longer be vulnerable to forced annexations or coerced annexations by the predatory city or village next door. This mechanism will allow residents in the qualified town territory to develop their properties as they please over the objections of neighboring municipalities that were not elected to represent the affected territory.

Fundamentally, this bill is about freedom. Right now, you have scenarios where landowners are being subject to the will of elected officials they have zero say in electing. To put it bluntly, the future prospects of these landowners is being held hostage for political gain. This bill gives these individuals an opportunity to build their own futures outside the controls of unaccountable bureaucrats and outside officials.

Thank you all again for allowing me to provide input on this legislation. I strongly encourage your support of this bill.

Respectfully,

A handwritten signature in black ink, appearing to read "Jesse James".

Senator Jesse James
23rd Senate District
Sen.James@legis.wisconsin.gov



ROBERT WITTKE

STATE REPRESENTATIVE • 62nd ASSEMBLY DISTRICT

Senate Committee on Transportation and Local Government
January 10, 2024
201 Southeast, State Capitol

Dear Chair Tomczyk and Committee Members,

Thank you for holding a public hearing on Senate Bill 691 (SB 691) which would allow certain towns to designate themselves as “urban towns” and thus limit the effect of extraterritorial zoning and annexation by other municipalities. I also thank Senator Testin and Representative Hurd for bringing this bill forward.

This bill is important to me because I have seen firsthand the consequences of the abuse of extraterritorial zoning law. I believe that this bill will provide a start to resolving issues municipalities in these zones face. My hope is that this will encourage border agreements and development in towns that previously may have been prohibited by a neighboring municipality – a municipality that doesn’t represent those constituents.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "R Wittke". The signature is stylized and fluid.

Robert Wittke
State Representative
62nd Assembly District



Senate Committee on Transportation and Local Government

2023 Senate Bill 691 *Water and Sewerage System Connections* *January 10, 2024*

The Wisconsin Department of Natural Resources (DNR) welcomes the opportunity to provide written testimony on Senate Bill 691, related to water and sewerage system connections and annexation of territory and extraterritorial zoning in certain towns.

Senate bill 691 (SB 691) requires local governments to allow connection, with limited exceptions, to their water or sewerage systems by certain other local governments and landowners. This presents several concerns across different DNR programs, including drinking and groundwater, water quality management, and stormwater management. In some instances, these required connections may conflict with existing statute or rule. In others, the required connections may inhibit regulated entities, such as Municipal Separate Storm Sewer Systems (MS4s) from complying with their existing permit conditions.

An example of a conflict with existing statute would be the requirements specified under Wis. Stat. § 281.346, Wisconsin's Great Lakes Compact implementing statute. The Great Lakes Compact – which Wisconsin, eight other states, and two Canadian provinces are member to – prohibits diversions. There are very limited and highly regulated exceptions to that prohibition. The bill language does not provide an exception for the Great Lakes Compact's prohibition on diversions. For example, if a request is made to a governmental unit or urban town that has an approved diversion, the governmental unit or urban town does not have an avenue to deny the request. Providing water outside its existing diversion area to the entity that requested the extension or connection would violate its diversion approval, state law, federal law, and an international treaty.

Another concern is the use of 'sufficient capacity' throughout the bill. The bill uses capacity in a financial sense; if a municipality or landowner requests connection to a service, and agrees to pay for the expansion, the problem of capacity is cured. It does not contemplate the actual ability of the service provider to provide the requested service. For a water utility, the public water supply system may lack the ability to obtain the necessary groundwater or surface water supply to serve the urban town that requested connection. For stormwater services, it does not consider the impact an increase in storm water volume and pollutant loading associated with an extension of services may have on a MS4's ability to meet existing permit requirements and the effect it will have on the efficiency of existing treatment practices within the municipality's MS4 system. For wastewater services, it does not account for the ability of a publicly owned treatment work to properly treat the new infusion of wastewater while still complying with applicable state and federal permits. These are all non-financial capacity issues that are not addressed in SB 691.

Senate Bill 691 also does not account for the impact that a required connection between the governmental unit and urban town may have on public health and infrastructure. Changing source water for a water system requires lead and copper review, which sometimes includes a corrosion control study and additional monitoring before approval and transitioning to the new water source. This can be costly and time consuming. If water from the municipal public water system will cause corrosion and subsequent leaching of lead or copper in the distribution system of the adjacent public water system requesting water, the department would not approve this connection.

Municipalities have also historically reached agreements on water sales based on what makes sense financially to both municipalities. If one municipality receives water from another municipality, it is generally as a wholesale system that receives water through a master meter. Each municipality is its own public water system, one selling water to the other. Alternatively, one public water system may serve water within another municipalities jurisdiction (retail system). Both situations generally require an intergovernmental agreement outlining each municipalities' responsibilities. The bill creates the potential for a hostile connection to another public water system, where the municipality that provides the water is not interested, willing, or capable of coordinating or negotiating an agreement with the requesting municipality.

In addition to the drinking water concerns, SB 691 may cause problems for municipalities when managing stormwater. The bill may inadvertently affect the ability of municipalities that are subject to MS4 permitting, to comply with existing Wisconsin Pollutant Discharge Elimination System storm water rules and corresponding permit conditions.

The bill does not contemplate requirements related to ordinance or legal authorities extending beyond the boundaries of the municipality regulated under an MS4 permit, but which ultimately impacts the MS4. These gaps in regulatory authority reduce an MS4's ability to control and remove illicit discharges, meet, and maintain Total Suspended Solids requirements, and attain Total Maximum Daily Load Waste Load Allocation requirements, as required by Chapter NR 216, Wis. Adm. Code, and corresponding permit conditions. For each of these categories of requirements, municipalities have invested considerable time and expense in plan development and efforts taken to implement those plans.

Finally, the bill presents numerous concerns for the management of wastewater. One main issue is found in the pretreatment program, which regulates discharges of nondomestic wastewater into publicly owned treatment works (POTWs).

The bill does not mention discharge limits or other sewer use ordinance legal authorities extending beyond the boundaries of the municipality providing sewer service in this bill. Sewer service extensions authorized under this bill could allow discharges in violation of existing sewer use ordinances in effect for the sanitary sewer system. This could also directly cause wastewater discharges that violate the POTW's WPDES permit limits, or allow for discharges to exceed other limits in a sanitary sewer system's sewer use ordinance such as pH, disposable wipes, hypodermic needles, and FOG (fats, oils and greases) that are enacted to protect the sanitary sewer infrastructure and workers and are not directly related to "capacity."

There could be significant legal issues if the system that receives a request for service has an existing, approved pretreatment program. Both state and federal regulations require all discharges to sanitary sewers in jurisdictions that contribute to sanitary sewer systems with approved pretreatment programs be regulated by either the approved program's regulations or by pretreatment controls identical to the approved program. The proposed bill does not appear to contain provisions that allow for this legal requirement. This could create a situation where a sanitary sewer system is required to provide an extension but is deprived of its ability to control industrial discharges into the system.

The bill requires that fees for sewer service to either bear a reasonable relationship to costs, or are proportionate to a similarly situated parcel withing the extending sewer service area. This could allow an industrial discharger in the "extended" municipality to argue for a "proportionate rate" based on real estate parcel parameters that have no bearing on actual pollutant loading discharged to the receiving sanitary sewer system.

This bill also presents several concerns relating to the Areawide Water Quality Management Plan (AWQMP) program, which helps identify management activities and strategies to enhance and protect state waters.

One major aspect of the AWQMP program is sewer service area planning. Communities create environmentally sound 20-year sewerage system growth plans, which identify existing sewerage areas and plan for future needs based on anticipated development. The bill states that a connection request can only be denied if there is not sufficient capacity to serve “as of the date of the request.” This provision could hinder the community’s ability to effectively plan for the future. For example, if a new connection request comes in that uses up the remaining capacity of the system, the community may have to cancel any planned development projects that were reliant on that remaining capacity.

The AWQMP process requires that “the most cost-effective regional wastewater systems for all urban areas shall be identified over a 20-year planning period based upon an analysis of alternative waste treatment system configurations.” Wis. Admin. § NR 121.05(1)(g)1. The bill does not allow the recipient of the connection request to consider the cost-effectiveness of the request, in contrast to the requirements of the AWQMP process. Situations may arise where connection is not the most cost-effective option for the region.

We appreciate that the authors have indicated their intent to amend the bill to remove the water and sewerage connection portions of the bill. This should resolve our concerns, and we would be happy to work with the authors review the amended bill and ensure that there will not be any unintended consequences for public utilities and permitting.

Thank you for the opportunity to provide this written testimony. If you have questions or if there is any further information the department can provide, please contact Calvin Boldebuck, DNR Legislative Director, at Calvin.Boldebuck@Wisconsin.gov.



131 W. Wilson St., Suite 505
Madison, Wisconsin 53703
phone (608) 267-2380; (800) 991-5502
fax: (608) 267-0645
league@lwm-info.org; www.lwm-info.org

To: Senate Transportation and Local Government Committee
From: Jerry Deschane, Executive Director and Toni Herkert, Government Affairs Director
League of Wisconsin Municipalities
Date: January 10, 2024
RE: Senate Bill 691 – Related to Self-Designation of urban towns

Chairman Tomczyk, Vice Chair Cowles, and members of the Transportation and Local Government Committee,

The League of Wisconsin Municipalities represents over 600 municipalities and their governing bodies, both large and small, rural and urban throughout the state. Wisconsin's 190 cities and 417 villages are where most Wisconsinites live, work and play. Our communities are the hubs of industrial activity and the engines of commerce hosting 89% of the manufacturing and 90% of the state's commercial property value. To support this economic activity and 72% of the state's population, League members offer essential services businesses, residents, and visitors want and need including police, fire, EMS, garbage, recycling, engineered roadways, and water, sewer, and stormwater management. These services support more than just our municipal population including town residents who work, shop, and recreate in our communities. On behalf of our members, we thank you for the opportunity to provide testimony today in strong opposition to SB 691 regarding the creation of an entirely new category of local government that is not a town and not a village.

Wisconsin law provides for a variety of local governments that are structured and empowered in different ways to best serve the unique needs of citizens within the same locality, including cities, villages, towns, counties, and special purpose districts such as school districts and sanitary districts. Towns were created within counties to enable sparsely populated areas to obtain fundamental services like road maintenance and some form of emergency management either independently or in partnership with counties or neighboring municipalities. Existing state law permits residents in towns to incorporate into a city or village should those citizens desire more substantial governmental services.

Cities and villages have carefully planned the long-term investment of resident taxpayer dollars to efficiently and effectively provide capital-intensive services. These services require infrastructure to host a vast transportation network and other public works services such as drinking water, sanitary sewer, stormwater and other expanded municipal services. City and village taxpayers have shouldered the costs to plan, engineer, build, maintain, repair, operate, and eventually replace these infrastructure investments to adequately support the needs of current and future residents and businesses within their borders.

Senate Bill 691 allows three dozen of Wisconsin's roughly 1,200 towns to seize these investments by imposing demands on their neighbors. This is not only a one-sided policy, but it removes all incentive for communities to collaborate in partnership. Specifically, SB 691:

- **Rescinds Wisconsin's system of rational land use** by allowing one unit of government to ignore decades of land use plans, patterns and investments. Exempting urban towns from extraterritorial zoning and plat approval minimizes the compatibility of uses and planned organizational growth into these boundary areas and further undermines a municipality's ability to provide sound, long-term

infrastructure planning to its own residents. To remove this important check may mean sprawl without regard to existing patterns of development. Well planned, orderly and phased development is generally more efficient and less costly to serve than low density or scattered development.

In addition, the Wisconsin Legislature mandates that local governments engage in ten-year comprehensive plans. Senate Bill 691 does not account for the countless hours and financial resources invested by all forms of government to produce comprehensive plans and plan updates. This bill makes those plans and controlled growth irrelevant for the neighbors of the three dozen “urban towns.”

- **Destroys cooperation between municipalities.** Senate Bill 691 ignores and may nullify existing boundary agreements across Wisconsin. There are currently over 150 agreements in place in communities throughout Wisconsin (this number does not include utility agreements). Boundary agreements allow communities to proactively problem solve and develop solutions to benefit multiple communities as they move toward desired growth and service goals. SB 691 could significantly impact existing boundary agreements between cities/villages and towns by placing their validity in question. Cities, villages, and towns that negotiated in good faith should not see that work tossed aside.
- **Disregards Housing and Workforce Needs Statewide -** Wisconsin has a housing crisis. For nearly 15 years, since the Great Recession, the number of new housing units needed to house Wisconsin’s growing and changing population has been falling behind. Credible estimates are that Wisconsin needs nearly 130,000 additional units **JUST TO PROVIDE FOR CURRENT NEEDS** of working individuals and families. This shortage is limiting economic growth in the state, because employers cannot expand without workers, and workers cannot live in communities that have no workforce housing.

SB 691 will make this crisis worse. While the bill forces municipalities to extend expensive utilities to towns that demand it, the bill does not require those towns to build at the densities and price ranges needed to provide workforce housing. By exempting those same towns from planning and zoning review, the bill “weaponizes” zoning, and can be used to prevent the rational development of workforce housing. This is not a theory. There are documented cases where towns that would qualify under the bill as “urban towns” have expressed a desire to have their own independent zoning and subdivision authority for the express purpose of prohibiting higher-density workforce housing.

- **Suppresses the rights of property owners** by creating additional barriers for them to annex into an adjoining municipality. According to the Municipal Boundary Review Department at DOA, in the last decade **96% of all annexations have been unanimous**. Out of 868 annexations from 2013 to 2023, 833 have been unanimous and only 35 have been approved by annexation by one half approval.

Existing case law holds that cities and villages cannot coerce or unfairly induce an elector or property owner into agreeing to annexation. Annexation cannot be the result of any undue influence or pressure from the annexing municipality and the city cannot use economic pressure to promote annexation.

We have heard that towns want to develop *their* property, but the property is not owned by a governmental body, it is owned by private property owners. Those property owners should be able to



131 W. Wilson St., Suite 505
Madison, Wisconsin 53703
phone (608) 267-2380; (800) 991-5502
fax: (608) 267-0645
league@lwm-info.org; www.lwm-info.org

choose to annex into a city or village for economic development and the determination of the highest and best use of their property. Instead, this bill allows the town to control the wishes of their citizens.

- **Threatens economic development.** Utility capacity is a valuable asset that municipalities have spent decades planning and billions of dollars building and maintaining. Job creators, from cheese factories to data centers, need water capacity. Allowing a town to seize that capacity without planning, oversight, or negotiation will harm Wisconsin's collective economic future.
- **Is unfair to city and village taxpayers** who invested billions in utility system planning, design and expansion. The short-term costs of connection and usage, which is all the bill allows the municipality to recover, does not reflect those decades of investment. The legislation may usurp existing agreements for utility service developed through joint planning and partnership between municipalities and completely ignores state agency rules, regulations, approvals, and municipal compliance. You will hear testimony today from our partners at the Municipal Environmental Group (MEG) Water and Wastewater Divisions on additional reasons that utility extension on demand is a bad policy for the state of Wisconsin. The League shares their concerns.
- **Ignores Existing Options. Towns willing to invest the time and effort to develop already have the tools to do so.** They can (and many have) adopt village powers. They can (and every year some do) incorporate into villages. They can (and dozens have) negotiate municipal boundary agreements with their neighbors. They can (and several have) engage their neighbors in Extraterritorial Zoning negotiations. They can (and some do) invest in their own municipal utility systems. SB 691 is a one-sided attempt to "end run" around these laws.

The difference between a town and a city or village is nearly always seen in the broader range of services; services that were requested and paid for by citizens of that municipality. Providing and sustaining those services requires decades of planning and significant investments of taxpayer funds. Advocates for this bill want to "have their cake and eat it too." They want the benefits of a village without the responsibilities and cumulative costs. To allow a neighbor to come in and hand pick the services they want, disrupt ongoing economic and housing development, and ignore existing agreements, without any recognition of the decades of underlying planning and investment necessary to provide those services, is the equivalent of a taking, and is wrong.

The League understands that there may be some land use policies that deserve review and a careful conversation. We are willing to sit down with a blank slate and have a discussion that begins by outlining the problems that we are seeking to solve. We did that last session with the towns on a comprehensive land use package that was discussed, debated, and negotiated in partnership from the beginning. It sailed through the Legislature. We have worked on comprehensive policy this session including local government funding and a package of groundbreaking housing legislation. We are not shy of taking on weighty issues and finding a path forward to compromise. We recognize that legislators what to help their constituents but pitting them against each other is not the path forward. We have worked in partnership with several varying interest groups, including the towns, in the past and we are willing to do it again, but it is not this bill, not in this format. We respectfully request the committee not advance this bill. If you have any questions or require additional information, please feel free to contact the League at your convenience at jdeschane@lwm-info.org or therkert@lwm-info.org.

YOUR VOICE. YOUR WISCONSIN.



10 January 2024

**Senate Transportation and Local Government Committee
Testimony on SB 691**

Good morning, I am Mayor Rob Nelson from the City of Baraboo, and I'd like to thank Senator Tomczyk and members of the committee for letting me speak today.

By way of full disclosure, let me first acknowledge that none of the towns surrounding our city would qualify as "urban towns" as defined in this bill, so this legislation does not immediately affect us. But that doesn't mean that it couldn't in the future, and that is what this issue is all about, the future.

I am a firm believer that responsible, efficient, and community-focused development doesn't happen by accident. It requires foresight, collaboration, and oftentimes productive disagreement among residents to imagine the future you want for your community, and develop the roadmap to get there. This is something we take seriously in Baraboo. We received a grant in 2021 from the U.S. Economic Development Administration to bolster our City's economic resiliency, and are in the midst right now of updating our Comprehensive Plan, as required by state statutes. We're working hard to ensure that we've got enough housing, emergency responders, parks, and other services that our residents expect.

Prior to my election as mayor, I also held a seat on the Sauk County Board, where I served on the Land Resources and Environment Committee, which also had the responsibility for making sure that land-use patterns adhered to long-range goals, and I can tell you that our county takes planning seriously, too.

The reason I bring this up is that I believe the bill under consideration today would undermine these cooperative, forward-looking efforts. When we add extra capacity to our utility services, when we lay out where future road and neighborhoods might go, when we work to preserve the essential characteristics that make our community unique, we are relying on a long-range vision of where we want to be. By granting townships the extraordinary privileges outlined in this bill, you remove any incentive for cities like mine to go through the hard work of planning. Why try to maintain an attractive gateway to your city when a town can build a strip mall or landfill on your border? Why build extra capacity into your water system when neighboring residents can demand connection and suck it all dry?

I am all for cooperation between municipalities. Since at least 1995, we have handled sanitary sewer services for our neighboring village of West Baraboo, and we recently agreed to serve as an emergency backup water system, saving them the expense of drilling an extra well just to have on standby. We've also had an agreement since 1971 to provide service to a sanitary district in the Town of Baraboo, and we have a successful boundary agreement with the Town of Greenfield to our east. Just last year we created a joint Fire and EMS District with all our neighbors. We continuously explore opportunities for cooperation and efficiencies, but this bill is not going to make any of that easier or help us build these important relationships.

With all due respect, I believe SB691 is a solution to a problem that doesn't exist, and will ultimately hurt communities like Baraboo. Thank you once again for your time this morning.

Most sincerely,

A handwritten signature in black ink, appearing to be "Rob Nelson", written over a light blue horizontal line.

Mayor Rob Nelson
City of Baraboo

Comments to Senate Committee on Transportation and Local Government on SB 691

Mark Rohloff, City Manager

City of Oshkosh

MRohloff@Oshkoshwi.gov; (920) 236-5002

- I have 40 years of experience in local government, including 12 as a town administrator
- I understand the growth needs of urban towns, and also understand the growth management needs of surrounding cities. My experience is that providing opportunities for collaboration creates the best circumstances for strong, orderly growth that serves our economic interests.
- Currently, only one of the towns surrounding Oshkosh qualifies as an urban town from a size perspective, and we have an excellent working relationship with them. We have successfully adopted border agreements with several of our surrounding towns, and have also created Extraterritorial Zoning collaboration. In fact, Council just adopted an extraterritorial zoning request last evening for a property that is in the city's growth area and is not due to be attached to the city for another 19 years. The ETZ provisions enable a city and town to do advance planning so that our respective growth areas are well planned.
- Regarding utilities, our concern is that the management discretion of our utility's growth will be subject to another entity that is not accountable to the city of Oshkosh. We have successfully negotiated terms in our sanitary sewer contracts through partnership and cooperation, ensuring the infrastructure can be funded and maintained to municipal standards.
- SB 691 mandates that cities must serve and can only deny service if it does not have sufficient capacity to serve the requestor.
- The term "sufficient capacity" is vague and subject to interpretation.
- Oshkosh is currently negotiating the renewal of our agreement to provide regional sanitary sewer treatment services to our surrounding towns and their sanitary districts. One sanitary district in particular, does not want us to meter sewage flows to even gauge their volume impact on our system. The vagueness of the term "capacity" would limit our ability to stop such a transfer, instead relying solely on plant capacity.
- This same district is refusing to provide us with verifiable information regarding concentrations of their sewage, which is more concerning than the actual volume capacity. This town has significant concentrations of BOD, phosphorus, and radon, and we need to monitor this to determine the sources of contaminants entering our system. SB 691 would only rely on treatment system capacity, putting our system at risk and transferring responsibility for this pollution to city residents rather than the sanitary district actually causing the pollution.
- In addition to the utility concerns, SB 691 effectively eliminates years of rational land use by allowing one unit of government to ignore decades of land use plans and public/private investments. It seems as though some urban towns and adjoining cities or villages may have some issues, but they should be encouraged to cooperate with each other, or alternatively, the towns may adopt village powers, or incorporate into a city or village. Urban towns have a multitude of options available to them.
- SB 691 will create disincentives for cities, villages, and towns to negotiate in good faith to jointly plan for the benefit of our regions. Please encourage continued good faith collaboration and not reverse those efforts with the adoption of this legislation.



HOLZINGER • HOMES •

January 9, 2024

Dear Members of the Senate Committee on Transportation and Local Government:

I am writing to urge you to oppose Senate Bill 691 (SB 691), relating to water and sewerage system connection and annexation of territory and extraterritorial zoning in certain towns.

This legislation can prevent cities and villages with municipal water and sewer services from growing when they need to. The bill would remove the extraterritorial review rights of cities and villages, and grant townships connection to city and village water and sewer services, resulting in the long-term effect of landlocking the cities and villages from future growth. When cities and villages cannot grow, they have no other way to increase tax revenue, except to raise property taxes. Higher property taxes contribute to the growing problem of housing affordability.

City and village zoning allows for smaller lot sizes and higher housing density, and allows for many different housing types (single family, twin home, small and large apartments, mixed use.) This increased density is also a key component of housing affordability. Because township and county zoning dictate larger minimum lot sizes than does city and village zoning, this also means we use up more land long term, and we perpetuate upper middle- and high-income level price point homes, while ignoring housing types for lower middle and workforce incomes.

Please vote NO on Senate Bill 691.

Sincerely,

Paul Holzinger
Owner – Holzinger Homes
Member – CDPG Developers
2024 President – Chippewa Valley Home Builders Association



Municipal Environmental Group Wastewater Division

TO: Senate Committee on Transportation and Local Government

FROM: Municipal Environmental Group – Wastewater Division

DATE: January 10, 2024

RE: Senate Bill 691 – Urban Towns

MEG Wastewater is an organization of over 100 municipalities statewide who own and operate wastewater treatment plants. MEG Wastewater represents facilities ranging in size from small communities to large utilities like Racine and Green Bay. The mission of our members is to protect public health and the environment through the treatment and reclamation of wastewater.

Although our members have several concerns with SB 691, our testimony primarily focuses on the provisions related to municipal sewer systems, including how, when, and where municipalities are required to extend sewer service beyond their boundaries.

As you may know, the regulation of sewer service is complex. Such regulation involves the review and approval of a sewer service area, facility planning requirements that consider current and future growth projections, and the ongoing regulation of facility operations. This bill undermines many of these existing regulatory requirements and disrupts the long-term planning performed by municipalities, designated planning agencies, and state agencies. It does so in a way that inexplicably treats “urban towns” more preferentially than similarly situated cities and villages that may face the same types of concerns.

1. Facility Planning Process

Under current law, municipalities must undergo a facility planning process when constructing many types of sewer infrastructure facilities. This process requires that projects be designed to meet the projected long-term needs of the municipality. For example, sewage treatment and collection projects must be designed to provide capacity for estimated future flows over a 20-year planning period. These plans are based on assumptions about the anticipated growth and development of the community, in addition to when, where, and how the municipality intends to provide sewerage services.

SB 691 effectively allows urban towns to demand unlimited services from a municipality at any time. By mandating that municipalities extend or allow connections to its sewer systems, the bill disregards the extensive planning that municipalities have undertaken to evaluate the needs of their communities over a 20-year planning period and to design facilities that meet those needs. In such cases, establishing and maintaining a 20-year plan for such services becomes a futile exercise.

2. *Service Areas*

Similarly, SB 691 does not account for the concept of service areas. Plans for new or expanded sewerage facilities must conform with approved areawide waste treatment management plans and any sewer service area required under such plans. The establishment of a sewer service area delineates the area in which sewer is expected to be provided over a 20-year planning period. Changing the boundaries of an existing sewer service area can be a complex process that requires the approval of certain planning agencies and the DNR. By allowing urban towns to effectively demand unlimited service at any time, SB 691 undermines the development of these service areas and disrupts the ability of municipalities to plan for and determine the needs of their communities over time.

3. *Establishing Charges for Sewer Service*

We also have concerns with how municipalities are permitted to establish charges under SB 691. Under the bill, a municipality may charge “benefited landowners” a fee that “bears a reasonable relationship to the costs incurred” by the municipality to provide services to those properties. This language materially differs from the way that municipalities are currently required to establish sewer charges and does not address whether and to what extent the charges imposed must be established in accordance with existing statutes and administrative regulations and orders.

Second, the bill is not clear whether a municipality could charge new customers in the urban town for the cost of existing infrastructure, such as costs that the municipality initially incurred to construct a wastewater treatment plant or plant upgrade. Municipalities typically pass such debt service costs on to their ratepayers through sewer service charges. If that practice is prohibited here, the “benefitted landowners” in an urban town would receive the benefits of existing infrastructure at the cost of current municipal customers.

Third, for a variety of reasons, municipalities typically do not directly bill nonresidents being served outside of the corporate limits of the municipality. Instead, municipalities providing such services typically do so on a wholesale basis. Under this arrangement, a contract community would pay the municipality for the bulk cost of the service and, in turn, would pass on to the properties being served their proportionate share of such costs. SB 691 appears to prohibit this practice under these circumstances.

Fourth, if required to bill such nonresident customers directly, municipalities have limited authority or means to address nonpayment. In theory, a municipality may impose reasonable penalties and interest on unpaid balances and seek private action to have such debts collected. However, such actions could be unenforceable or at best impractical for a municipality to impose on nonresidents directly.

4. *Determining “Sufficient Capacity”*

Under the bill, a municipality may disapprove a request to extend sewer service only if its system does not have “sufficient capacity” to serve the area that is the subject of the request. SB 691,

however, does not adequately define the term “sufficient capacity.” The “capacity” of a sewer system includes more than the volume of wastewater passing through the system. The “capacity” of the system includes the type, volume, and other characteristics of the wastewater that it is designed to treat, in addition to how such wastewater might affect the conveyance system and any treatment plant operations.

Plans for new sewerage facilities typically include certain assumptions about the future needs of the municipality, as well as some excess capacity in the event of unforeseen changes or emergencies. The bill, however, does not state whether a municipality may disapprove a request if it has existing, unused capacity that the municipality has specifically reserved for future growth, anticipated development, or other purposes. Neither an urban town nor other extra-territorial user should be allowed to appropriate such planned-for future capacity.

5. *Landowner Requests for Lateral Connections*

Under the bill, any landowner may request a lateral connection to the sewerage system of a municipality. This language is drafted broadly enough to apply to *any* landowner, including those located in any adjacent city, village, or town. This provision is likely to create issues where a municipality has previously agreed to extend service outside of its corporate boundaries. Many municipalities contract to provide sewer service to certain delineated areas or other extra-territorial facilities. Such agreements typically establish the rates, rules, and regulations of such services. However, the bill does not address whether municipalities may impose such reasonable regulations on any landowner requesting a lateral connection under this bill.

In addition, the bill disregards how such connections might impact existing service agreements. For example, a municipality may charge an outside customer for the total volume of wastewater discharged into the system and require the customer to discharge only domestic strength wastewater, among other requirements. To evaluate compliance with the terms of the agreement, the municipality may monitor the volume and characteristics of the wastewater at a facility located within its corporate boundaries. Allowing any landowner “upstream” of that facility to discharge into the same system jeopardizes the municipality’s ability to accurately monitor and measure the amount of flow attributable to that outside facility. Given these concerns, this provision will likely disincentivize municipalities from ever agreeing to voluntarily extend service outside of their boundaries.

For more information contact Vanessa Wishart at vwishart@staffordlaw.com or Paul Kent at pkent@staffordlaw.com.



660 John Nolen Drive, Suite 320
Madison, Wisconsin 53713-1469

DATE: January 10, 2024

TO: Members of the Senate Committee on Transportation and Local Government

FROM: Brad Boycks
Executive Director
Wisconsin Builders Association

SUBJECT: **Opposition to Senate Bill 691 (SB 691)**, relating to water and sewerage system connection and annexation of territory and extraterritorial zoning in certain towns

I am writing on behalf of the 3500 members of the Wisconsin Builders Association (WBA) to express our opposition to SB 691. While we understand the intentions behind the bill, we believe that its provisions could have detrimental effects on the development of new housing in the long term. Our concerns are rooted in the potential barriers this bill could pose to annexations, economic burdens on local infrastructure, and the overall impact on housing opportunities within villages and cities.

Stifling Annexations into Villages and Cities:

SB 691's restrictions on extraterritorial zoning and plat approval, as well as limitations on annexations, may stifle the growth and development of smaller, denser lots within villages and cities. By imposing unanimous approval requirements for annexation and limiting the ability of neighboring municipalities to exert zoning control, the bill could hinder the flexibility needed to accommodate diverse housing options. This may impede the ability of villages and cities to respond effectively to changing demographics and housing preferences.

Economic Burden on Sewer and Water Systems:

The bill places an undue economic burden on villages and cities by requiring them to allow connections to their sewer and water systems with limited exceptions. This obligation, coupled with the potential denial of requests based solely on existing system capacity, may lead to increased costs for upgrading and expanding infrastructure. Such costs are likely to be passed on to developers that build within the villages and cities and, ultimately, to the consumers of the housing units. This could create an environment where the financial viability of housing developments within villages and cities becomes compromised.

Long-Term Impact on Housing:

In the long term, the limitations imposed by the bill may have a detrimental effect on housing opportunities. By constraining annexations, stifling zoning flexibility, and burdening local infrastructure, the bill may increase the costs of developments within villages and cities and replace such developments with fewer, larger lot developments in towns. This could result in a shortage of diverse housing options, negatively impacting housing affordability and availability in the state.

In light of these concerns, the Wisconsin Builders Association urges a reconsideration of the provisions outlined in SB 691. We believe that a more collaborative and balanced approach is needed to ensure the continued growth and vitality of Wisconsin's housing market.

Thank you for considering our perspective on this matter. We are open to further discussion and collaboration to find solutions that benefit both the interests of the building industry and the broader community.

CITY OF NEW LONDON



January 9th, 2024

The Honorable Cory Tomczyk, Chairman,
and Members of the Wisconsin Senate Committee
on Transportation and Local Government

Dear Mr. Chairman and Honored Committee Members:

We are writing to you today to express our strong opposition to Senate Bill 691, and to formally submit our written testimony for the public hearing held on January 10th, 2024.

We believe that SB 691, poses a significant threat to the well-being, autonomy, and economic prosperity of cities and village across the state. The bill's provisions dismantle fundamental safeguards currently in place, jeopardizing the ability to plan for responsible growth and protect the interests of residents in those affected cities and villages. While this bill doesn't currently impact the City of New London directly, it opens the door for future amendments that could significantly affect our city. The lack of immediate impact on New London shouldn't mask the larger concern: this bill sets a precedent for future legislative changes that could directly encroach upon our city's autonomy.

Specifically, we are concerned with the following aspects of SB 691:

- **Erosion of Local Control:** The bill undermines the fundamental principle of local control, which empowers communities to make decisions that directly impact their residents. By stripping municipalities of their zoning authority, SB 691 disenfranchises local voters and hinders their ability to shape the future of their own communities.
- **Elimination of Exterritorial Control and Plat Review:** By stripping municipalities of their extraterritorial zoning and plat review authority, SB 691 paves the way for potential uncontrolled development on the fringes of our city. This undermines our ability to manage land use within a broader context, potentially introducing incompatible uses that clash with existing infrastructure, services, and character. Without proper vetting, incorporated communities risk the development of subdivisions with inadequate infrastructure, incompatible housing densities, and a disregard for long-term planning considerations. Unchecked sprawl can lead to increased traffic congestion, environmental degradation, negatively impact property values, strain city resources, and ultimately harm the quality of life for existing residents.

- **Unanimous Approval Requirement for Annexation:** Demanding unanimous approval from affected landowners for any future annexation effectively grants a veto power to a small number of individuals over a city's growth and development trajectory. This creates an undemocratic system where the needs of the broader community can be stopped by the interests of a limited few. Moreover, it hinders our ability to address critical growth needs, potentially limiting access to resources and essential services for new residents.
- **Financial Strain on Existing Infrastructure:** Many Wisconsin communities are facing a barrage of costly mandates. Municipal utility departments are tasked with removing contaminants like lead and PFAS from drinking water, while simultaneously minimizing items like microplastics, nitrogen, and phosphorus in wastewater discharge. Demanding that established cities, already grappling with their own infrastructure needs, fund utilities for new developments outside their jurisdiction is fundamentally unfair. Furthermore, forced infrastructure expansion requirements encroach on local control, dictating how cities manage resources and allocate funding. We believe decisions about essential resources like water and sewer should rest with local authorities, who are best equipped to grasp and respond to their communities' unique needs.

The extensive concerns we've outlined reveal the dire consequences SB 691 would inflict on Wisconsin's cities and villages, including, potentially, New London. We implore you to consider our written testimony and firmly oppose this legislation.

Instead of focusing on legislation that will divide cities, villages and town, let's expand on programs that bring municipalities together and share resources. A great example is New London's collaboration with surrounding townships for shared fire protection and brush disposal services. We urge you to instead prioritize efforts expanding state financial programs that incentivize such resource-sharing between municipalities. We firmly believe that through collaborative solutions, we can foster economic growth, safeguard local control, and secure a thriving future for every Wisconsin community.

Sincerely,



Mark Herter, Mayor
City of New London



Chad R. Hoerth, City Administrator
City of New London

ORDINANCE NO. 688-050922

Amending and Recreating Chapter 235 of the Village of Waterford's Code of Ordinances. Subdivision of Land.

The Village Board of the Village of Waterford, Racine County, Wisconsin, do ordain as follows:

235.40. Extraterritorial Plat Review.

MINIMUM LOT OR PARCEL SIZE FOR LOTS OR PARCELS IN THE VILLAGE'S EXTRATERRITORIAL PLAT APPROVAL JURISDICTION

(a) General Regulations

1. It is necessary in the interest of public health, safety and welfare to establish minimum lot or parcel sizes for any lot or parcel in the Village's extraterritorial plat approval jurisdiction provided for in §236.10, Wis. Stats.

(b) Lands Described

1. Lands included in this regulation are defined as all properties lying within 1.5 miles of the Boundaries of the Village of Waterford as defined in §236.02 (5), Wis. Stats.

(c) Minimum Lot Size

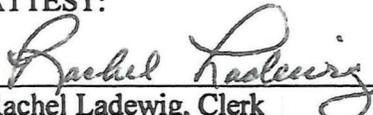
1. The minimum lot or parcel size for a lot or parcel within the Village's 1.5 mile Extraterritorial Plat Review Authority shall be 20 acres.

BY ORDER OF THE VILLAGE BOARD



Don Houston, President

ATTEST:

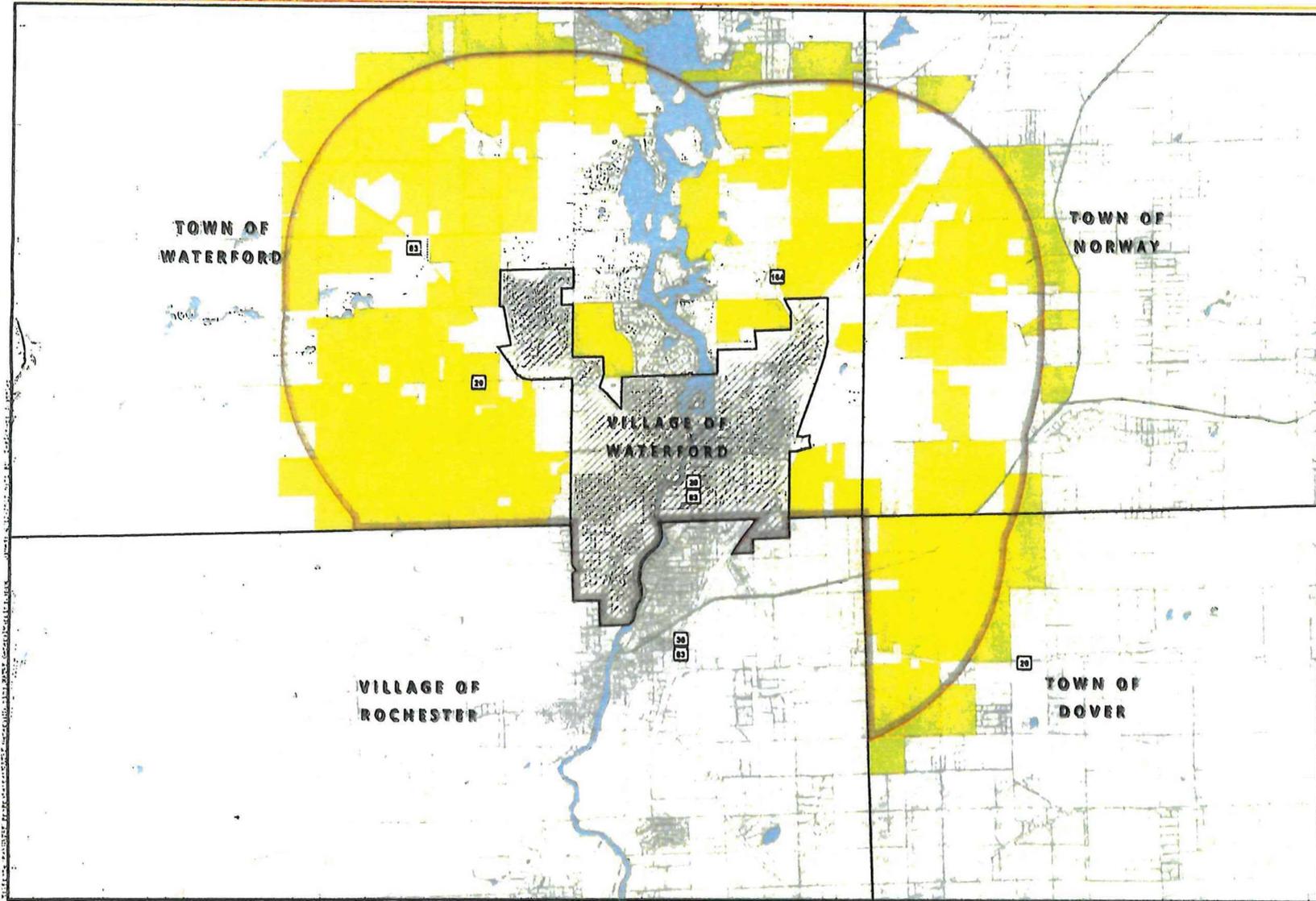


Rachel Ladewig, Clerk

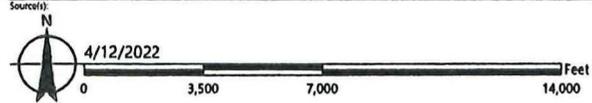
Drafted By:
Zeke Jackson

EXTRATERRITORIAL PLAT MAP

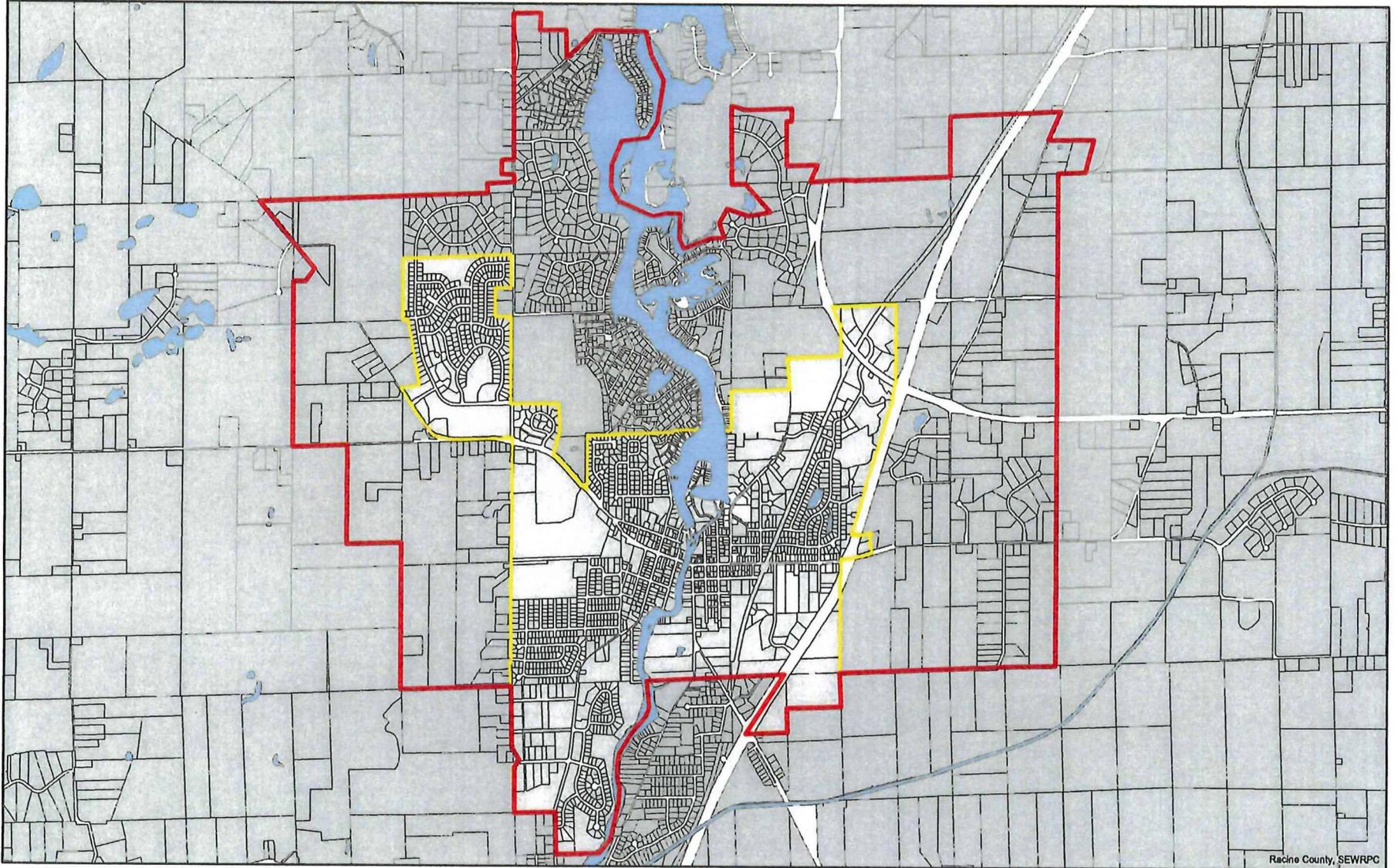
Village of Waterford.



- Extraterritorial Boundary - 1.5 mile buffer around Village of Waterford
- Parcels of 20 acres or more within the Extraterritorial Area
- Municipal Boundaries



Map H: Surface Water



Racine County, SEWRPC

Legend

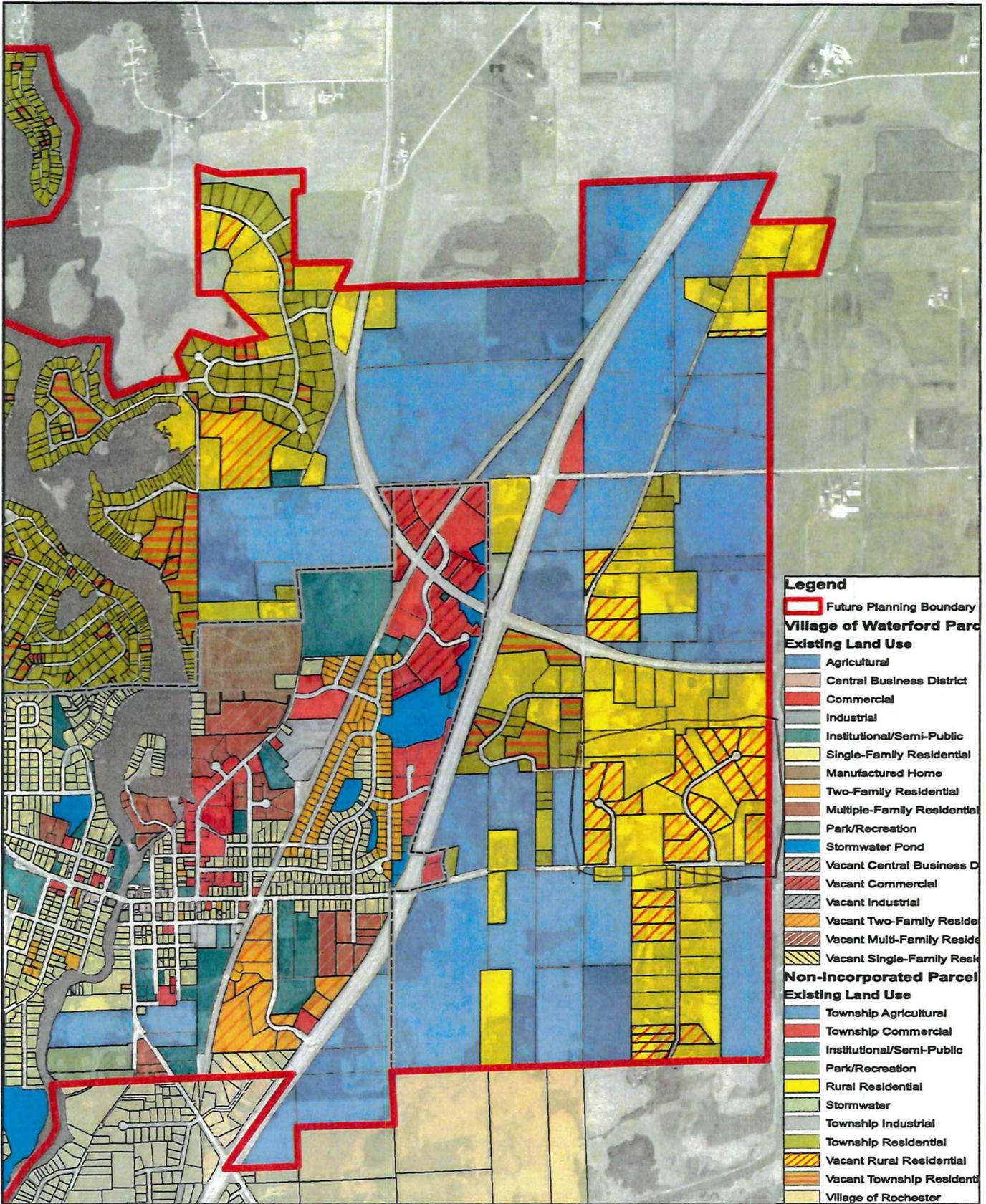
-  Future Planning Boundary
-  Village Corporate Boundary
-  Waterbody

SURFACE WATER FEATURES

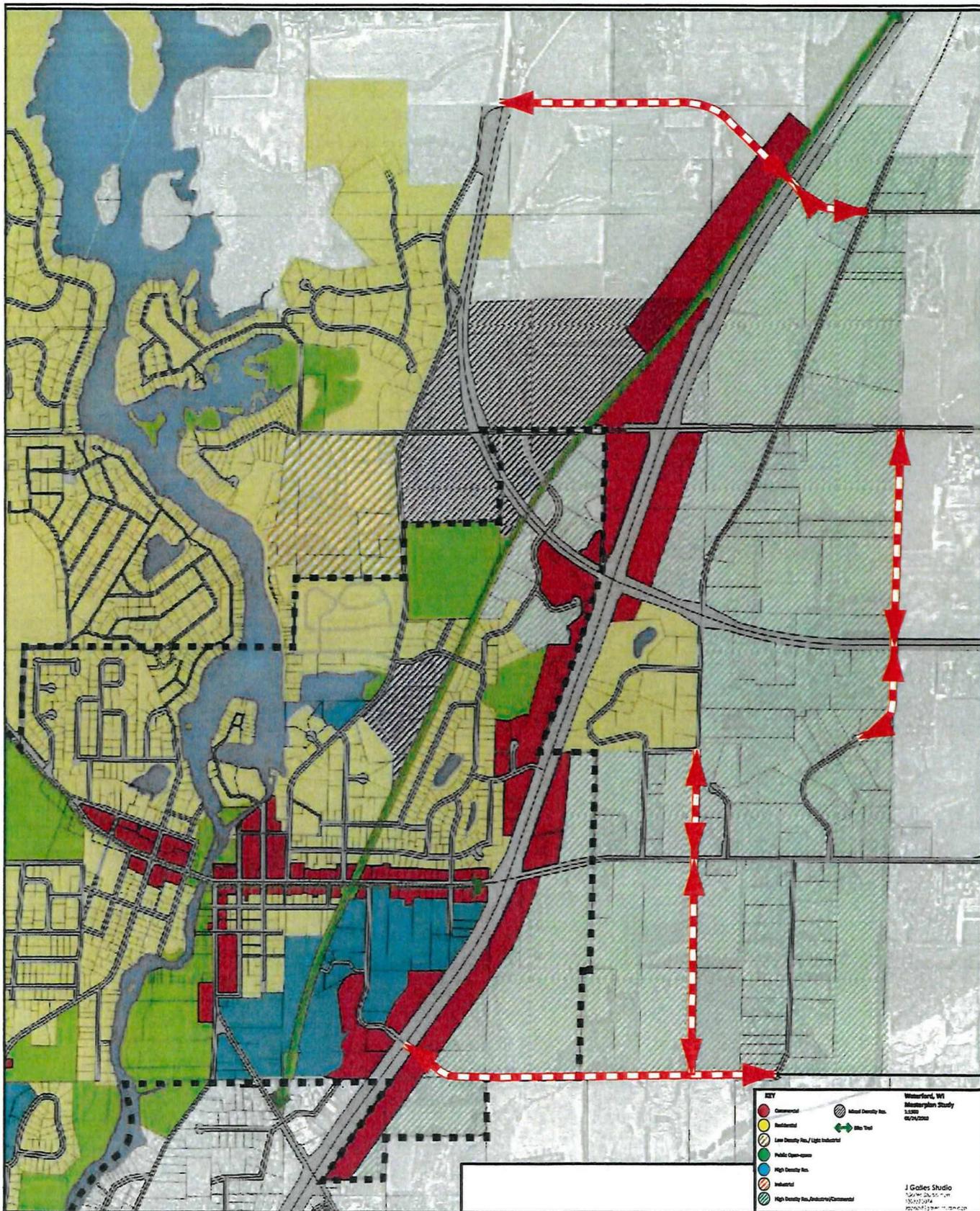
municipalgroup.org



Map N: Existing Land Use Map, East-Side



Map O: Future Land Use Map, East-Side



Agriculture & Natural Resources

Goals & Objectives

Goal #1: Protect, conserve, and enhance the Village of Waterford's natural resources and areas of environmental sensitivity

Objective 1.A: Identify wetland, native species, and sensitive areas in proposed developments.

Objective 1.B: Limit development in unsuitable areas that may include steep slopes, wet soils, and floodplains.

Objective 1.C: Continue to strictly implement Wellhead protection areas to ensure long-term supply of safe drinking water.

Objective 1.D: Expand passive public uses along the Fox River to prevent loss of life or private property in the event of flooding.

Policy 1.A: Consider implementing a conservation residential zoning district to limit impacts of human development near natural resources and areas of environmental sustainability.

Policy 1.B: Create conservation districts that include passive trails for natural resources and areas of environmental sensitivity to prevent future development of those areas.

Policy 1.C: Implement sustainable design approaches to new and updated parking lots that include storm water and hazard material runoff, and extensive interior and exterior landscaping.

Policy 1.D: Continue to enforce FEMA Floodplain and Floodzone regulations as outlined in the Village Zoning Code.

Policy 1.E: Identify and purchase properties to create passive public parks and uses along the Fox River.

Goal #2: Create connectivity to the Village of Waterford's natural resources

Objective 2.A: Recognize the importance and value of the Fox River to the Village and offer way to interact with the Fox River through recreation and educational programming.

Objective 2.B: Expand passive park uses in natural resource areas and areas of environmentally sensitivity.

Objective 2.C: Implement plans with surrounding municipalities to connect the Village of Waterford to the Tichigan Wildlife Area and the WR Wadewitz Nature Camp through shared-use paths to encourage non-motorized transportation to these sensitive areas.

Policy 3.A: Continue working with local businesses such as the Fox River Paddle Sports, conservation groups, and Management Districts like the Waterford Waterway Management District to encourage use and education of the Fox River.

Policy 3.B: Require that future subdivisions constructed near natural areas or environmentally sensitive areas are dedicated to the community for preservation.

Policy 3.C: Work with local municipalities to create a connected non-motorized transportation system to natural areas and environmentally sensitive areas.

 Policy 3.D: Work to develop large lot "Hobby Farm" Agricultural Subdivisions that do not require connection to municipal water and sewer service. These farms should focus on intensive agriculture, and provide a stream of high quality herbs, flowers, fruits, vegetables, meats, eggs, dairy and other agricultural products to the Village's residents.

ment types. Incentives, such as discounted land or utilities services could be given to facilitate job creation in this industry segment.

Hobby Farms

Sustainable development in modern urban areas necessitate the preservation of open spaces for food production. The development of Agricultural Subdivisions would allow for maintenance of the rural agricultural heritage of the community while simultaneously fostering resiliency in the local economy. Local food production has been proven to strengthen local economies, and can provide an impetus to the creation of food processing jobs. The Village should consider a pilot 50-100 acre development that does not feature municipal water and sewer connections, but instead, values sustainability, common agricultural facilities such as barns or tractors, common production facilities such as a commercial kitchen or animal processing facilities and makes use of wind and solar power on 5-10 acre hobby farm production sites.

Downtown

The Village should focus on mixed-use development options, including high-density multi-family residential in the Downtown. Housing choices should consider senior options, as well as mid-to-high priced condominiums that allow Waterford's empty nesters to stay within their community.

The area along the river should be converted into a Riverwalk (see insert plans) that facilitates outdoor recreation, community gatherings, and public access to the Fox River. Comparative areas that have been redeveloped along a waterfront would be Waterfront Park in Sister Bay, WI, or Buffalo Bayou Park in Houston, TX. These areas formerly had blighted properties in close proximity to their waterfront areas. Tourism was relatively low, and civic pride had waned. Following redevelopment of those waterfront areas, both communities experienced massive investments by the private sector.

Given the state of repair of many of the structures, Waterford's Downtown is typical of many declining urban core districts in America. The Village should be prepared to plan, purchase, develop, incentivize, and in many respects, be involved in the redevelopment process. Communities where the local government is not actively engaged financially do not typically see investments in their downtowns. The Village should create opportunities for temporary uses in the Downtown to create some immediate traffic flows. Some businesses will no doubt feel threatened by "competition" but without additional pedestrian oriented traffic flows, the Downtown will eventually die off, one business and building at a time.

The 2018 presentation by Roger Brooks is incorporated into the Downtown Plan section of this document. Many of the recommendations that came from his work are incredibly insightful and if implemented, could pave the way for a resurgence in the core of our community.

Waterford, like many communities, has chosen to focus on "history". This choice has benefits and challenges. Many communities have chosen to "freeze" time and have memorialized this decision in architectural review codes. The Village should contemplate developing a bold path for it's future development by rethinking its "Heritage" area. Given the structural integrity of many of the buildings in Downtown, it may make more sense to raze many of them. When turned back into greenfield space for development, the Village should consider futurist architectural elements blended into their "turn of the century" theme. Architectural elements such as living walls, rooftop gardens, large windows, and exposed metal elements can be attractively situated to pay homage to the past while acknowledging the

Community input was honed through a multiple iterative process to galvanize many ideas into one workable set of goals. The goals as determined by the community were:

1. Focus on Mixed Use development to redevelop the Downtown (2018).
2. Utilize and enhance the Fox River and provide tourism elements as a draw to the community (2018). Work to see that Lake Tichigan is dredged and more usable (2038).
3. Focus on Highway 36 Corridor Development (2018).
4. Utilize programming and area partners such as the Chamber of Commerce to promote Waterford as an area "Go To" Destination (2018).
5. Build an outdoor sports complex with a variety of activities and sports fields/equipment made available for use (2018-2028).
6. Keep the small town charm of Waterford; avoid strip mall and big box development (2018).
7. Build an indoor recreational facility that can be used for aquatics and for regional competitions (2018-2028).
8. Promote the growth of the industrial growth of the community and build additional industrial park space (2028).
9. Modify Zoning Code to promote growth. In particular along the river to offer more than parking and encourage building (2018).
10. Encourage Single Family Development(2018-2038)
11. Acquire sites through purchase or annexation for the future growth of the Village (ongoing).
12. Improve the Village's existing parks system, and expand that system (ongoing).

Some additional comments from citizens were memorialized as ancillary goals:

1. Create a Preferred Development Overlay District that has elements of the Future Land Use Plan spelled out in areas identified in the Future Land Use Map (2018).
2. Create zoning suitable for pocket neighborhoods with smaller lot sizes for development (2018).



Office of the Mayor

Satya Rhodes-Conway, Mayor

City-County Building, Room 403

210 Martin Luther King, Jr. Blvd.

Madison, WI 53703

Phone: (608) 266-4611 | Fax: (608) 267-8671

mayor@cityofmadison.com

cityofmadison.com

January 10th, 2024

Thank you for the opportunity to provide comments in opposition to Senate Bill 691.

SB 691 will upend the positive cooperative relationships many cities have developed with their surrounding towns. The City of Madison has numerous intergovernmental agreements with its surrounding communities. These have been in place for decades and have provided exactly what they were designed to achieve - consistency, predictability and cooperation in the relationship between bordering communities. For example, the City of Madison and Town of Middleton recently reached an agreement for the city to provide sanitary sewer to a development in the town that lies outside of our Cooperative Plan area. The territory otherwise wouldn't have been able to connect to City services and develop. Instead, we have an agreement that works for both municipalities, the Town's property owners, and the City's existing sewer customers. If this bill had been in place, there would have been a far less desirable outcome for everyone.

As a practical matter, the bill fails to adequately take account of existing cooperative agreements and intergovernmental agreements. SB 691 contains provisions that conflict with the terms of our current agreements, including for utility connections and plat review authority, and it is unclear whether this bill would supersede those provisions. These agreements took many months and years to negotiate, and have minimized and largely eliminated intermunicipal disputes for the City. The bill's uncertainty will lead to confusion, hostility, and the likely need to renegotiate or litigate our current agreements. This bill will severely undermine the cooperative relationships we've fostered over time, and the long-term planning that has shaped the responsible growth of our community.

As a policy matter, requiring a utility to allow Town connections merely if it has sufficient existing capacity fails to take account of how utilities operate. Utilities operate like a business. SB 691's blanket requirement does not account for issues such as future planning, prior investments, and possible repairs. Madison's utility does not allow new City customers to just connect and only pay rates; they have to pay a connection charge to essentially buy into the system. The bill does not address how that would be handled. If a repair is needed, can the City assess the Town residents or the Town itself? Again, the legislation does not address this.

I would urge you not to recommend adoption of SB 691. Current intergovernmental negotiations can work through these issues more effectively than forcing it through statewide legislation, which in this case is likely to undermine actual intermunicipal cooperation through the imposition of these State authorized mandates. If isolated municipalities are having a hard time reaching mutually beneficial agreements between themselves, the solution isn't to make statewide changes that will hurt those municipalities who have been working cooperatively with their neighbors for decades. Those municipalities should instead be encouraged to try to work through their issues on their own.

Thank you,

A handwritten signature in blue ink, appearing to read "SR-Conway".

Satya Rhodes-Conway
Mayor



City of Fort Atkinson
City Manager's Office
101 N. Main Street
Fort Atkinson, WI 53538

DATE: January 10, 2024

TO: **Senate Committee on Transportation and Local Government:**
Senator and Chairperson Tomczyk, Senator and Vice-Chairperson Cowles,
Senator Hutton, Senator Carpenter, and Senator Pfaff

FROM: **Rebecca Houseman, Fort Atkinson City Manager**

RE: **Testimony in Opposition of SB 691 (Urban Towns Bill)**

Thank you for holding this public hearing and encouraging participation in the review of this proposed bill. I am here today to express my deep concerns and opposition to the proposed Urban Towns Bill, SB 691. As the City Manager of the City of Fort Atkinson, I believe that this legislation would have a detrimental impact on cities and villages in Wisconsin, including my own community. I urge you to consider opposing this bill for the following reasons:

- 1. Loss of Local Control:** SB 691 would significantly diminish local control and decision-making authority, undermining the principles of home rule and the ability to address our City's unique needs and challenges.
- 2. Erosion of Zoning Regulations:** The bill would weaken municipal zoning regulations, leading to haphazard urban development in rural areas that may not align with the existing character and values of the City or Village, the Town, and the County.
- 3. Increased Traffic Congestion and Required Maintenance:** The urbanization of areas without proper planning can result in increased traffic congestion, impacting the quality of life for residents and creating safety hazards. New infrastructure constructed to support unplanned town development would need to be maintained and eventually replaced. The state and local municipalities already struggle to maintain existing roads, and adding roads to serve less dense town areas would exacerbate the problem.
- 4. Strain on Infrastructure:** Rapid, unplanned urban development could strain our city's infrastructure, including utilities and public services, leading to increased costs for taxpayers. Many municipalities oversize water and sewer infrastructure to prepare for businesses or industries to locate or grow within the municipality. Using that capacity to serve 1-2-acre lots with single-family dwellings outside the taxing jurisdiction contradicts and nullifies long-standing efforts at economic and community development.
- 5. Environmental Impact:** Towns typically have fewer regulations relating to stormwater run-off, open burning, and gravel surfaces. The bill may allow towns with such a development style to locate immediately adjacent to the borders of a city or village, inhibiting planned growth and negatively impacting the quality of life for city or village residents.
- 6. Discouraging Consolidation:** Overall, this bill removes any motivation for cities, villages, and towns to work together to solve local problems. The intent of the Innovation Fund

created by Act 12 is to incentivize local governments to consolidate, combine, and/or coordinate to efficiently manage municipal services. This bill would have the opposite effect on efficiency and encourage conflictual relationships between residents and elected officials in cities, villages, and towns throughout the state.

The Town of Koshkonong surrounds the City of Fort Atkinson. While the Town of Koshkonong is not eligible to designate itself as an Urban Town under this bill at this time; if it becomes law, the Town may be able to designate in the future. If the Town of Koshkonong could self-designate as an urban town, it would block the City's growth and halt our ability to provide additional housing for our thriving businesses. Without growth of our tax base, we will not be able to sustain critical services such as Fire/EMS and Police, which are required through Act 12's maintenance of effort provisions.

The City of Fort Atkinson contracts with the Towns of Koshkonong, Hebron, Oakland, Sumner, and Jefferson for Fire and/or EMS services. The City has entered into intergovernmental agreements and memorandums of understanding with the Town of Koshkonong relating to plowing roads, trimming trees, assessing the condition of roads, certain engineering services, and other services. We work together with our neighbors to provide efficient, effective services. Allowing towns to seize home rule authority through self-designation as an urban town negates these efforts and discourages future collaboration.

The City of Fort Atkinson is a member of the League of Wisconsin Municipalities and supports this organization's opposition to SB 691.

In conclusion, I strongly urge you to oppose SB 691 to protect the home rule authority provided to cities and villages in State Statute and preserve local control by local elected officials. I appreciate your dedication to serving our state and trust that you will consider these concerns as you deliberate on this important legislation.

Respectfully submitted,

Rebecca Houseman
City Manager, City of Fort Atkinson
rhouseman@fortatkinsonwi.gov
(920) 397-9901

PUBLIC HEARING COMMENTS FOR SB691 URBAN TOWNS

The City of Oconomowoc has a long history of working with our neighbors regarding extraterritorial zoning and plats. Although we have seen lots created without street frontage, odd-shaped lots, subdivisions where connections to existing streets to allow proper traffic flow was not required due to political pressure, we have been able to either effectuate changes in the proposals or allow statutory time limits to expire which allows for approval. Annexations have followed the processes currently in place; a process, mind you, that remains in place for every City and Village that doesn't abut an Urban Town. This is an important point. This proposed bill would only change annexation requirements affecting the handful of cities and villages that abut an Urban Town as defined.

The wording regarding the connection of water or sewer service, written solely on the desired outcome to unilaterally force service, raises several regulatory, engineering and operational questions. For the City of Oconomowoc, all extensions or need for increase of system capacity undergoes review and permitting by the Public Service Commission (PSC) for water and Department of Natural Resources (DNR) for sewer. Currently, as authorized by the DNR, there are areas of Towns abutting our City where we are not permitted to serve as they are outside the approved sanitary sewer service area. For the Town areas we could legally serve, the proposed legislation poorly dictates how costs will be applied, ignoring the fact that the PSC has review authority regarding rates.

As proposed, an Urban Town can simply select a connection point and demand connection. This mandate does not take into consideration our ability to serve that point. We may have system capacity, but are there pipes at that location and do they have unused capacity? Who pays for any work required downstream of the connection point? For water, who pays the added cost to loop the system? If a Town maintains the part of the water system within their boundaries, who is responsible for water quality? These are just a few of the easier questions to ask, there are more.

The City of Oconomowoc has eight sanitary districts that we receive flow from outside of the City. Five of these districts are within two of the potential Urban Towns. For each of these, we were able to arrive at an agreement that provided the sanitary sewer service without annexation. What will happen to these agreements?

For many years, the City and what was the Town of Summit (now Village) had many disputes regarding the extension of sanitary sewer service outside of the City limits and annexations. To resolve this, the two municipalities approved a border agreement that put in place an orderly plan for how to coexist as neighbors. This has worked well and the relationship between us has never been better. It was this

agreement that recently allowed the Village to approve and have constructed a 300-home subdivision that has City sanitary sewer and water. With these services, they were able to increase their tax base by building on smaller lots than what would have been required for private well and septic. As part of the border agreement, the City direct bills the residents receiving the service. The Village is notified of any delinquent bills at the end of the year and if needed they will place the charge on the tax bill.

Sanitary Districts and Border Agreements are two examples of how the determination of zoning, annexations and the extension of utility services can happen between neighboring communities. All of this was done within the framework of current State law. For these reasons we ask you not to support this or similar legislation.

In closing, this proposed legislation uses a sledgehammer to break a system the legislature already has in place that is logical, rational and fair. It ignores our historical efforts to plan for structured and orderly growth, does an end around of the established incorporation process and disregards the role the Public Service Commission and Department of Natural Resources. Examples have been provided as to what can be done without the proposed legislation.

Currently there are 30 plus towns that meet the proposed definition of an urban town based upon the population requirement. Why are we looking to change the regulations and protections for Cities and Villages that are adjacent to a handful of Towns? The utility regulations written into this the bill were written with just a desired outcome in mind with no consideration for the regulatory, engineering and operational impacts of what would be mandated. The tools are already in place to accomplish what is being asked; put the sledgehammer away.

Thank you for listening to our concerns.

Mark Frye
City Administrator
City of Oconomowoc
262.569.2183
Mfrye@oconomowoc-wi.gov

Memo

To: Senate Committee on Transportation and Local Government
From: Mayor Emily McFarland
Date: January 9, 2024
Re: SB 691

Dear Committee Members,

Please find enclosed my comments that I intend to provide during the public hearing on January 10, 2024 for SB 691.

I appreciate the careful consideration of this committee and welcome any questions you may have.

Sincerely,



Emily McFarland

emcfarland@watertownwi.gov

Mayor, City of Watertown

- Good Morning committee members, on behalf of the city of Watertown, a community of about 25,000 located halfway between Madison and Milwaukee, I thank you for carefully considering the implications of this bill, SB 691, on communities across the state and communities like ours.
- I am Emily McFarland, Mayor of the city of Watertown. For those unfamiliar, Watertown is that quintessential medium sized Wisconsin community. We are large enough to accommodate you and your needs, and small enough to appreciate you- to know who you are in the grocery store and ask about your family.
- While we do not have an Urban Town directly next to us, there is a town that meets the definition very close, we are entirely surrounded by towns; we have no city or village neighbors.
- We have worked very carefully over many years to consider our growth strategically. We have worked to find a balance between that growth and what we ask of our taxpayers in the way of taxes to support that growth.
- We have studied and right sized our government and its operations to ensure compliance, safety and potential future growth possibilities.
- We have generated five-year capital plans that bear in mind the overarching requirements of local governments and the heavy compliance implications associated with them.
- Senators, I could go on and on about the ways we've planned, but the point is, that we in Watertown, and hundreds of my colleagues throughout the state have done our best to plan, strategize, and ask as little as possible from our taxpayers to achieve it, and Senate Bill 691, is a substantial threat to that framework.
- I'd like to highlight a few critical reasons why:
 - First, funding. Many of us, including all of you, have spent countless hours working to ensure our taxpayers' dollars are spent wisely, strategically, and that those paying a tax are the ones receiving services from that tax. This bill is contrary to that effort.
 - The residents and businesses of Watertown have made a substantial investment in their water and sewer systems. They have financed the planning, construction, and maintenance for those systems; systems that were sized to serve Watertown now and into the future. While the connection fees would be the responsibility of the town, future plant upgrades to accommodate the town, would be unequally taxed to city residents.

- I should add, the future does at times include our neighbors outside of our city limits, when needs necessitate that, we work collaboratively with our neighbors to make those extensions happen with careful planning through intergovernmental agreements that include sequencing and financial equitability.
- This bill greatly risks the successful collaboration we've witnessed through intergovernmental agreements with our neighboring towns, and it potentially, by having no oversight authority over the declaration as an urban town, calls into question our existing intergovernmental agreements with towns.
- We have successfully worked with our neighboring towns when individuals request annexation into the city, this collaboration allows Wisconsinites to be best served; this bill makes that process more difficult. It makes it more difficult for property owners to annex in and have their basic needs met. I can't imagine any of us wanting to make life harder for our fellow residents.
- I know I sure don't. I know that when a young parent contiguous to the city boundary calls me with a failed septic they can't afford to replace, or a senior on fixed income calls because their well needs work and they can't afford it, I know I want to be able to say "yes, let's figure out a way to make that happen."
- Second, this bill is a substantial risk to compliance requirements from both the DNR and the federal EPA. There is a slew of compliance requirements from the DNR and EPA that have very serious implications if they are not met.
- From thousands of dollars a day in fines, to time consuming sampling, the inability for Watertown to enforce compliance in another jurisdiction but have to compensate in our system and be responsible for the impacts of another jurisdiction, is damaging.
- We achieve compliance, in part, through our local water and sewer ordinances. Those ordinances are ours; we do not have the authority to unilaterally enforce our water and sewer ordinances outside of Watertown.
- This leads to the third item, economic development. The quality, compliance and availability of our water and sanitary services is paramount to economic development. Large manufacturers, one of the golden eggs of economic development, have large capacity and flow needs- this bill would require sacrificing Watertown's opportunity for growth for a neighboring town.
- Our state needs housing now more than ever. Cities and villages are where 72% of our population is, we are 89% of the state's manufacturing value- we are where we need housing. I can't imagine that an intended consequence of this bill was to threaten the possibility of needed water and sanitary capacity for the purposes of housing and economic development in exchange for urban town's access.

- The other aspect of economic development is that state law requires that we complete Comprehensive Plans. These plans are costly, but they require us to create future land use plans and maps, they require us to plan for increases in population, types of development, utility capacity etc.
- Under this bill, Comprehensive plans would effectively be nullified beyond a Municipalities current boundary by the creation of an adjacent urban town. Consistency with the plans will be called into question, and our ability to follow our plans in our extraterritorial jurisdiction would be difficult at best.
- By allowing one unit of government to ignore decades of land use plans, patterns and investments, our best laid plans become irrelevant. For the neighbors of the three dozen urban towns that impact could be immediate, for the other cities and villages there is no telling what the impact could be into the future.
- If this bill prevails, when a developer comes to Watertown and asks a very common, basic question, “do you have room for product XYZ, capacity of X,” I won’t be able give them answer. And everyone will tell you, the number one thing developers want is certainty.
- My final point is this, you all through existing law, have equipped towns to do the very things this bill is asking. They can (and many have) adopted village powers. They can (and every year some do) incorporate into villages. They can (and dozens have) negotiate municipal boundary agreements with their neighbors. I’m currently renegotiating an agreement with our neighboring town. They can (and several have) engaged their neighbors in Extraterritorial Zoning negotiations. They can (and some do) invest in their own municipal utility systems.
- Wisconsin law creates and recognizes the purpose of individual governmental structures to best service the needs of citizens including cities and villages, towns, counties, and special purpose districts such as school districts and sanitary districts.
- Towns were created within counties to enable sparsely populated areas to provide fundamental services. Existing state law permits residents in towns to incorporate the territory as a city or village, should those citizens desire more governmental services.
- The challenges in front of all of us are great, but we’ve demonstrated an ability to persevere, to collaborate and to overcome the challenges that face us.
- I encourage you all to oppose this bill, and to instead maintain a structure where we all succeed- a structure where existing law, existing plans, existing strategy propels us to tackle the challenges in front of us.

**Cynthia Richson, Town Board Chair, Town of Middleton,
Public Hearing Testimony FOR the Urban Towns Bill, Senate Bill 691,
to the Wisconsin Senate Transportation and Local Government Committee,
January 10, 2024**

We agree with the following Wisconsin Towns Association statement:

Town officials apply common sense leadership and practical solutions to everyday local situations...and...town government has components of direct democracy where the people vote on decisions directly at a town meeting. Approving the tax levy is one of the powers directly allocated to the people... [T]owns are the most frugal and efficient form of government in Wisconsin. No other form of government is as connected to the people as town government, where the people govern themselves... (<https://www.wisctowns.com/about-us/town-government/>).

It is for this very reason that the Town of Middleton, and other towns, do not want to be forced to incorporate in order to preserve its property values, tax base, and efficient, frugal form of self-governing.

The Wisconsin League of Municipalities, in its widely distributed city and villages Template Resolution in opposition to the Urban Towns Bill, makes three major specious claims:

First, "...towns were created within counties to enable sparsely populated areas to provide fundamental services for themselves."

Town of Middleton Response:

It is interesting to note that that there are 456 cities and villages in Wisconsin with populations under 5,000, which includes 240 cities and villages with sparsely populated areas of less than 1,000 people and as small as only 53 people (the Village of Yuba), per 2023 WI DOA data.

In contrast, the Town of Middleton ("Town") has a large population of 7,032 people, and has also adopted village powers. The Town is surrounded by two large cities; the City of Madison and the City of Middleton.

The Town has a comprehensive intergovernmental agreement with the City of Madison. However, it does not have one with the City of Middleton because its Common Council refuses to meet with the Town to discuss entering into a comprehensive agreement, which the Town began requesting in June 2020, and followed up with additional meeting requests thereafter.

Towns engage in comprehensive and long-range planning to the same extent that cities and villages do, and should have the same autonomy that the law already grants to cities and villages in engaging in that planning. The Town updated its comprehensive plan on

May 18, 2020. In addition, the Town of Middleton also holds a seat on the Capital Area Regional Planning Commission and is engaged in long-term planning for the region.

Second, the Wisconsin League of Municipalities claims:

“...SB-691 and AB-768 also exempts an urban town from extraterritorial zoning or extraterritorial plat approval by a neighboring city or village, thereby minimizing the compatibility of uses and planned organizational growth into these boundary areas and further undermining a municipality’s ability to provide sound, long-term infrastructure planning to its own residents.”

Town of Middleton Response:

The City of Middleton has failed to engage in long-term planning with its municipal neighbors, and continues to approve incompatible projects to the detriment of its neighbors thereby adversely affecting the Town’s ability to continue to provide sound, long-term infrastructure planning for Town residents.

A city or village, like the City of Middleton (“City”), that will not meet with its neighboring town to discuss boundary agreement issues is creating, not minimizing, incompatibility and growth issues in these boundary areas and undermining the town’s ability to provide sound planning for its residents.

Finally, the Wisconsin League of Municipalities asserts “there are significant policy, funding, and taxpayer fairness concerns” at issue here for Cities and Villages.

Town of Middleton Response:

Quite the contrary is true. We agree that there are significant policy, funding, and taxpayer fairness concerns at issue here, but those concerns relate to towns.

The Town of Middleton provides a broad array of services for its residents, including:

- Administering elections;
- Conducting property tax assessment, dispute procedures, and billing and collection;
- Providing fire protection, ambulance service, and law enforcement services;
- Maintaining and building roads;
- Providing for garbage collection and recycling;
- Providing land use management; and
- Providing public parks, open space and recreational trails.

Providing a broad array of services for Town residents is a continuing funding challenge for the Town when its tax base is in a state of perpetual uncertainty and under threat of continuing shrinkage due to annexation and the exercise of extraterritorial jurisdiction, especially when such power is used against the Town by an adjacent City for incompatible land uses as a result of the City's lack of or poor planning.

The harm and unfairness alleged by the Wisconsin League of Municipalities is not to the city or village, but to the Town residents and taxpayers. Enactment of the Urban Towns Bill would help level the playing field for towns and would incent greater intergovernmental cooperation and planning.

Towns are willing to pay their fair share to protect water quality, but in order to do so they must simultaneously be provided with the authority to protect their property values and tax base so they will have the ability to fund such services.

The Town of Middleton strongly supports enactment of the Urban Towns Bill, Senate Bill 691.

Good morning. I am Mike Golat, City Administrator for the City of Altoona, WI. Altoona is one of the fastest growing municipalities in Wisconsin over the past ten years, and is bordered by a township that would likely qualify as an urban township.

I am testifying to voice my concerns regarding SB691, the Urban Towns bill. The bill, if passed, will have a chilling impact on the future growth and prosperity of Altoona. The bill establishes inequitable and undemocratic laws that pose a significant threat to orderly, affordable and rational land development in Wisconsin at a time when we need it most. Further, SB691 establishes rules that discourage working together at a time when you and your colleagues have established incentives for neighboring municipalities to find ways to cooperate and be more efficient.

The threat this bill poses to economic development in Wisconsin cannot be denied. If self-designated urban towns are allowed to develop on the borders of incorporated municipalities without regard for sound planning, compact, orderly growth will be a thing of the past in those affected municipalities. The NIMBYs will prevail and development that provides housing options for all will be replaced by sprawling large lot residential development that only a small percentage of Eau Claire County's population can afford. This approach flies in the face of your very commendable goal of providing more affordable work force housing in Wisconsin.

To further curtail well-planned growth in Wisconsin, the bill provides that only unanimous consent annexations will be allowed within urban townships. The City of Altoona has had two significant annexations in the recent past that required incorporation of additional parcels located between city limits and the parcel seeking annexation. Had the provisions of SB691 been in place, the annexation would have been illegal and the rights of the property owners to attain the highest and best use of their properties would have been crushed.

The bill goes on to require that municipalities provide utility service to urban towns upon request if the municipality has excess capacity. This concept is preposterous. It is akin to a law that would require you, as an individual homeowner, to allow your neighbor to hook up to your well and septic after you paid for it and while you are planning to grow your family which would

necessitate use of the excess capacity in the future. The bill provides the perfect recipe for long, acrimonious legal battles that will only serve to further curtail economic development in Wisconsin for the foreseeable future rather than promoting working together with tools already available to townships, cities and villages through existing state statutes.

Those tools include incorporation by the townships, border agreements between townships and incorporated municipalities, investment by townships in their own utility systems and formation of water and sewer districts through interlocal agreements. Readily available tools allow for equitable cost sharing, sound planning and cooperation rather than placing the burden for township growth on city tax and rate payers and setting the stage for bitter legal battles between neighbors.

At their core, incorporated municipalities and townships are two different animals and there is good reason for this distinction. Towns were created within counties to enable more rural areas to provide very fundamental services to their residents. If the residents of those townships want more governmental services, as noted, they have the option to incorporate. Cities and villages, on the other hand, provide a broad range of services, and people choose to live there because they value those services and are willing to pay for them. These more robust services require village and city tax and rate payers to plan, engineer, build, maintain, fund, operate and eventually replace those infrastructure investments to serve residents and businesses within their borders. Those services and infrastructure are developed for the benefit of those that choose to live within the jurisdiction and pay their fair share, not for neighbors that expect access to amenities paid for by others.

The fact that the realtors and home builders have registered opposition to this bill should tell you something. This bill is not good for economic development, disrupts sound, long-range planning, is unfair to city and village tax and rate payers and tramples on private property rights. The only constituency this bill is good for are the attorneys who will make a fortune engaged in the sure-to-be long, nasty legal battles that will materialize if this bill is passed. Please do not support moving this bill forward. Thank you.

Sierra Roeske
Support of Senate Bill 691

Dear Committee on Transportation and Local Government,

My name is Sierra Roeske. I want to thank you for meeting today to discuss some critical issues impacting our state. I was supposed to come speak in person, but the current weather system made travel difficult. Thank you all for braving the snow and meeting today. I wanted to write regarding Senate Bill 691.

A little bit about me: I'm currently studying for my Masters in Public Health with an emphasis on rural population health at the University of Wisconsin, Eau Claire. I'm currently serving part time in the United States Army Reserve.

I grew up in the small city of Altoona, Wisconsin. When I was born, the population of the city was about 5500 people. According to the 2022 census, the population of Altoona in 2022 is 9,139. I went bow hunting for the first time on public land in 2000. Now, those trees have been torn down to make room for high-rise apartments, Starbucks, banks, and CrossFit centers. I have watched as referendum after referendum has failed to support Altoona's ever-growing school-aged population. I have watched as my parents' assessed land value increases, as does their property tax.

Currently, I live in Eleva, Wisconsin. Although I have an Eleva zip code, I am close to Eau Claire. My family owns roughly 400 acres of farmland bordering the city of Eau Claire. For reference, a football field is roughly one acre. The land is still actively being farmed.

Recently, something close to home happened to our family. The city of Eau Claire voted to annex acreage from the Town of Washington into the city, to build a development called "Orchard Hills". Twice the city attempted an annexation, and twice the Town of Washington sued. Eventually, the Town of Washington allowed the land to be annexed, under conditions that the city provides water supply, and a fund for road maintenance. I will explain the difficulties

surrounding this issue, from a public health perspective.

The main roads that will be used for transportation are old. They are not properly graded for traffic that will result from the desired building. The original building ideas consisted of apartment complexes. Eventually, the City of Eau Claire decided on single family housing. I understand that there is an issue regarding housing in the state right now. However, there are issues with approaching housing shortages via urban sprawl. Building houses far from the city center ensures difficulty accessing needed resources. Resources such as grocery stores, public parks, and hospitals are not accessed easily.

Dear Committee, it is important to understand this annexation from a social aspect as well. Farmers around Eau Claire have been pressured into selling their land to developers. This annexation was a result of a farmer selling their land to a developer, and the developer needing to go through the City of Eau Claire to build.

It is unfair to put these types of societal pressures on farmers. Wisconsin farmland has been steadily decreasing. The rate of decrease will only speed up if cities realize they can simply annex land into their developments. Individuals are also being held to city regulation without city representation.

Dear Committee, farmers are being pressured into selling. It happened to my grandmother on my father's side. Once she passed, the family members were pressured to sell. The social pressure is very real, whether you believe it is there or not. If you have never been faced with the decision to sell your family's land, then you are lucky.

I would like to offer an amendment to this bill. Currently, line 2 through 5, the bill states "Under the bill, a town that meets all of the following may designate itself as an "urban town" upon approval by the town meeting: 1. The town has a population of more than 5,000 and a

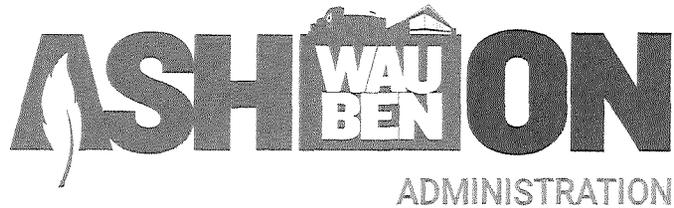
Sierra Roeske
Support of Senate Bill 691

population density of 750 persons in any one square mile.” I would recommend altering the text of this line to “Designate the town as an urban town *if the following criteria apply*: “the town has a population of more than 5000 and a population density of 750 persons in one square mile *AND/OR*”

Adding this “AND/OR” phrase would greatly impact the number of towns who could benefit from this bill.

This bill would also regulate and prevent one-half annexations. Under this bill, certain developed territory of an urban town may not be annexed to a city except by the unanimous approval of every landowner wanting to be annexed; no one-half approval annexations that subjects town landowners to undesired annexation of their land or the use of government, public, or railroad lands to make connections to areas sought for annexation. As examples, **one-half approval annexations** have taken place in the Town on CTH KB to CTH SS, Lowes Creek Park to Mischler Rd, and USH12.

Dear Committee, I ask you to consider the small towns of Wisconsin. These towns are what add to Wisconsin’s greatness. “Small Town Nice” is a phrase I constantly hear regarding the attitude in these towns. If a town wants to develop, that is fine. They can do that themselves. Annexing land into a city that wants to continue its growth is irresponsible city planning. It negatively impacts the public health of those living in the city, as well as the surrounding towns. I hope that you will consider Senate Bill 691.



January 10, 2024

Honorable Senator Cory Tomczyk
Committee Chair - Senate Committee on Transportation and Local Government
Room 310 South, State Capitol
PO Box 7882
Madison, WI 53707

Re: Strong Opposition to SB 691

Honorable Senator Tomczyk,

I write on behalf of the Village of Ashwaubenon to convey our strong opposition to Senate Bill 691. Senate Bill 691 (SB 691) allows three dozen of Wisconsin's roughly 1,200 towns to dictate to their neighboring community and to demand neighbors' property. Ashwaubenon will be negatively affected by this bill as the Town of Lawrence is contiguous to the Village of Ashwaubenon. The Village of Ashwaubenon shares its southern jurisdictional boundary with the Town of Lawrence.

Wisconsin law creates and recognizes the purpose of individual governmental structures to best service the needs of citizens including cities and villages, towns, counties, and special purpose districts such as school districts and sanitary districts. Towns were created within counties to enable sparsely populated areas to provide fundamental services, such as fire protection, rural roads and highways, emergency medical response, and refuse collection.

Cities and villages have used their powers under state law to institute long-term planning and investment of resident taxpayer dollars to provide capital-intensive services such as drinking water, sanitary sewer, stormwater, and other expanded municipal services efficiently and effectively. These more robust services require city and village taxpayers to pay the costs to plan, engineer, build, maintain, repair, operate, and eventually replace these infrastructure investments to adequately support the needs of residents and businesses within their borders. Should a town's population desire a higher level of services, existing state law permits residents in towns to incorporate the territory as a city or village. SB 691 circumvents existing incorporation statutes by effectively giving certain towns a higher degree of authority than that of villages and cities. As an example, a village of the city cannot compel a neighboring municipality to provide certain services. Under SB 691, certain urban towns would be able to compel a neighboring village of the city to provide services that it otherwise would be required to provide itself if said town would otherwise incorporate into a village or city.

Village of Ashwaubenon
2155 Holmgren Way, Ashwaubenon, WI 54304
P: 920.492.2301 F: 920.492.2328
ashwaubenon.gov

SB 691 is a one-sided proposal which gives certain towns the ability to self-designate as an "Urban Town" without review or approval by the Department of Administration, a designated review board, a regional planning commission, or another board or agency. This is in stark contrast to the incorporation of provisions found in Chapter 66, Wis. Stats. Due to the self-designation, there is no opportunity for any public hearing or public comment opportunity where neighboring city and village officials, residents, and businesses could raise concerns or objections. There is no way that a city or village would be guaranteed that the urban town even meets all the criteria and standards outlined for designation because there is no oversight body responsible for approval.

More directly for Ashwaubenon, our village has long-standing intergovernmental agreements with the Town of Lawrence. This legislation may usurp our agreements for utility services, land use planning, and other intergovernmental services. Ashwaubenon has invested millions in utility system planning, design, and expansion to support our village's growth and economic development. The short-term costs of connection and usage, which is all this bill allows our village to recover, do not reflect decades of investment and planning our local elected leaders have made. To allow a neighbor to come in and hand-pick the services they want is wrong. Doing so will disrupt ongoing economic development, decrease planned infrastructure capacity, and reduce the quality and continuity of services. Furthermore, it ignores decades of underlying planning and investment necessary to provide those services. Again, this is the equivalent of theft or taking and is wrong.

The Village of Ashwaubenon strongly opposes this bill. Incorporation is the opportunity for towns that have grown to a size and density to provide additional municipal services to better serve their residents. Although the incorporation process is comprehensive and exhaustive, it provides an effective due process for towns. SB 691 eliminates the due process of incorporation and allows certain towns to take from their neighbors, effectively denying equal protection to the neighboring village or city's taxpayers and utility ratepayers.

Sincerely



Joel Gregozeski, ICMA-CM
Village Manager

2155 Holmgren Way, Ashwaubenon, WI 54304

P: 920.492.2301 F: 920.492.2328

ashwaubenon.gov

Senator Tomczyk & members of the committee, Thank you for allowing me to speak this morning regarding SB691.

My name is Rick Petfalski and I currently serve as the Mayor of the City of Muskego.

I would like to go on record in opposition to SB691 for several reasons, but mainly because I believe the legislation is anti-planning.

Benjamin Franklin stated, "If you fail to plan, you are preparing to fail" and that is what I believe this legislation does.

There are many aspects of this bill that are in direct opposition to the decades of planning the City of Muskego and all other municipalities have done to ensure controlled, well planned sustainable growth and development. Sometimes that planning requires oversight of development plans for lands that are in unincorporated communities which border municipalities. This bill removes that oversight.

I view the underlying reasoning for this legislation as attempting to increase local control. Nearly 3 out of 4 Wisconsin residents live in a municipality. However, if passed, this bill will take away some local control from those State of Wisconsin residents, shifting that control to the small minority of our residents who live in these "Urban Towns." The wants of the few do not outweigh the needs of the many.

We should be encouraging intergovernmental co-operation, but Ironically, this bill actually treats "Urban Towns" better than other municipalities who might be trying to negotiate an intergovernmental cooperation agreement with each other, as the bill has a prohibition of any kind of limitation of utility extensions to these towns, which does not exist in municipal to municipal agreements.

As the Mayor of Muskego, I am fearful that as we expand our water and sewer utility services closer to a bordering Urban Town, that town may exhaust the planned capacity we have reserved for future economic development by demanding to use that well planned capacity we have built for future economic development.

I am also fearful of that our standard practice of billing neighboring communities for water or sewer services indirectly vs directly to the landowners as the texts of the bill suggest, will limit our abilities to collect on nonpayment from those end users.

The State of Wisconsin already has a well thought out process and option for residents of "Urban Towns" to have more local control, it is called incorporation. This incorporation process can be long and sometimes onerous; however, this is for a reason. We as a state, need to ensure that the proper requirements are in place to guarantee well planned, sustainable communities. This bill is in direct opposition to that reasoning.

In closing, there are many specifics of this bill that are horribly wrong that I could list, but I am confident many of my colleagues will go over those specifics today. I respectfully ask you vote against SB691. Thank you.

Respectfully submitted by,

Rick Petfalski
Mayor - City of Muskego
(262) 679-5675
rpetfalski@muskego.wi.gov



Department of Administration
Intergovernmental Relations Division

Cavalier Johnson
Mayor

Preston Cole
Director of Administration

James A. Bohl, Jr.
Director of Intergovernmental Relations

City of Milwaukee's Testimony of SB 691

Chairman Tomczyk and members of the Senate Committee on Transportation and Local Government,

My name is Jim Bohl and I am director of the Intergovernmental Relations Division of the City of Milwaukee. I thank you for the opportunity to relay the City of Milwaukee's sole issue with the current drafting of SB 691 and our request for an amendment to rectify this concern.

The City of Milwaukee provides wholesale and retail sales of water to 16 area communities surrounding us, including most but not all of our bordering neighbors. At first blush, it would appear that this legislation would not be applicable to the City as there are no adjacent towns bordering Milwaukee. However, based upon a current read of the bill, it would seem to apply to Milwaukee based upon there being two non-contiguous urban towns adjacent to communities that are current Milwaukee Water Works wholesale customers.

Let me spell out the challenge for us presented by one of the two applicable communities. The City of Milwaukee provides water service to Waukesha through service pipes that run first from our water plants located adjacent to Lake Michigan on the City's eastern border, covering long distances through to the City's western border, traversing next through the City West Allis and then through New Berlin, before finally reaching Waukesha. Movement of this water in mains over such distances involves use of pumps in pressure stations to maintain water pressures across rising elevations and ensuring homeowners, businesses, and perhaps most importantly fire departments in those far reaching communities have the necessary water pressures for their needs. Adjacent to the

City of Waukesha is the Town of Brookfield (not the City of Brookfield) which meets the bill's definition of an urban town.

It would appear feasible based upon the current drafting of SB 691 that the Town of Brookfield may be allowed to petition Waukesha to obligate the City of Milwaukee to sell the Town of Brookfield City of Milwaukee water which Waukesha purchases as a wholesale customer but does not produce itself. Such a mandate would legally fly in the face of Water Service Agreements the City of Milwaukee has with each of its wholesale customer communities.

Beyond the potential legal concern, and the cost and complexity of maintaining water pressure over vast distances, one final issue this particular water sale example presents is the complexity of federal and international legal hurdles that would rise as the Town of Brookfield is on the western end of the sub-continental divide and Milwaukee is east of it. Approval for water diversion across the divide is complex and involves among many other things the unanimous support of all the Great Lakes state governors and premiers of Great Lakes Canadian provinces.

The City appreciates discussions it has had with the bills legislative authors who've indicated they did not envision situation like our own and did not intend through the bill to obligate water or sewerage service beyond the boundaries of an adjacent community. We appreciate the commitment we have received for amending the bill to effectuate that change. Should that step be taken, the City would be neutral on this bill.

Thank you for the ability to testify here today. I am happy to address any questions you may have.

SB 691 Comments

Good morning,

My name is Doug Rowen, and I am the Chairperson of the Town of Troy on the western border of Wisconsin. I support the approval of SB 691.

Troy is the 4th largest community in St. Croix County with a population of 5,558. Over 75% of our Town is impacted by Extraterritorial Plat Review Zones, with the City of River Falls to the south, and the City of Hudson to the north, including our entire Town Center area and commercial corridor.

The extraterritorial powers have been consistently used to restrict the ability of property owners to subdivide their property, severely limiting market driven residential and commercial development in the Town.

Several recent examples:

- An agricultural property that was for sale, over 2 miles from the City border, was proposed for a new housing development that would have added 18 one acre residential lots, and a horse boarding facility. The adjacent City rejected the request to subdivide the property based on their Extraterritorial Plat review authority. The sale fell through. A City Alderman emailed the realtor involved saying: "the likelihood of your subject property being in the Urban Area Boundary (the area where the City projects to grow), is very low because delivering utilities to the site would not be economically feasible." Yet the City still denied the subdivision request.
- A farmstead owner wanted to divide his parcel in half in order to build a house on the newly created lot for his son. After years of attempts, his subdivision request was rejected by the City, unless he annexed his property into the City.
- A commercial developer was forced to create a "commercial condominium" in order to develop a 35 acre parcel in our commercial corridor off State highway 35, since the City would not allow the parcel to be subdivided. The condominium limitation, rather than allowing businesses to own a subdivided parcel, has limited the ability of some businesses to gain financing, since they would not be allowed to own and control the property they wish to build on. Portions of the property are still searching for replacement businesses.

Experiences like this further discourage other property owners, developers, and realtors from even proposing development activity in the Town, since there is no reasonable path to subdivision in these areas.

The examples given are not related to theoretical future land use planning. They are real families, wanting to build real homes, near existing residential neighborhoods. They are real

entrepreneurs wanting to provide real services to the community in the corridor next to our State highway. All within existing local zoning requirements.

This use of the Extraterritorial authority reduces needed economic development, inhibits market driven housing growth, and significantly limits the ability of property owners to sell and develop their property, all controlled by City officials that they can not vote for.

I would like to thank Senator Stafsholt and the other sponsors of this bill for their support.

Our Town Board has voted unanimously to support SB 691, and I encourage you to do the same in order to promote economic development, property owner's rights, market driven housing development, and "local voter directed development" of Towns in the state of Wisconsin.

Thank you.

Are there any questions?

Doug Rowen, 295 Riverview Drive, Hudson, WI 54016
Chairperson, Town of Troy, WI
chairperson@tn.troy.wi.gov

Town of Brookfield
645 N. Janacek Road
Brookfield, WI 53045
(P) 262-796-3788
(F) 262-796-0339



January 10, 2024

The Committee on transportation and Local Government

RE: January 10, 2024 Public Hearing – Senate Bill 691

Dear Committee Members:

Thank you for the opportunity to speak to you in favor of SB691, often referred to as the 'Urban Towns' bill. I am Keith Henderson, Chairman of the Town of Brookfield. Allow me to familiarize you with the Town of Brookfield. We are the 157th largest population community in the State. We are in the top 9% in population with 6,480 residents, which is larger than 54% of the Cities and 88% of the Villages. Our equalized value is over 1.6 billion. Our very successful Tax Increment District is the 13th largest in the State by increment value and 19th by total value out of over 1,300 TIF districts. If you have not had a chance, please visit the Corners of Brookfield at Bluemound & Barker Roads, exit 297 on I-94.

The Town provides 24/7 Police, Fire, Paramedic, Highway services as well as Court, Recreation, Planning, and Inspection services. The Town Utility District provides Storm Water, Trash Collection, Sewer, and Water services. Over 90% of the Town has sewer service and over 70% has water service. We jointly own the regional sewer treatment facility with several of our neighboring communities and have our own water supply. In fact, the Town provides sewer and/or water service to many of its neighbors, including the City of Waukesha, City of New Berlin, and City of Brookfield.

I provide this information so you understand that we are truly an 'Urban Town' that can help our surrounding neighbors with sewer and water service. The Town of Brookfield believes that if we have ability and capacity to provide the service, we will because it is the residents that will benefit the most. Unfortunately, our neighboring cities/villages have refused to take the same approach.

For example, the City of Brookfield recently wanted to develop two apartment buildings on City land but did not have the ability to provide sewer service. However, the Town had nearby sewer facilities and agreed to provide the sewer service, which saved both the developer and City a large sum of money and kept the development moving forward. I informed the City that the Town would appreciate the same consideration when a Town development may need City services. However, the Town's past experience with the City is that they are only interested in being a good neighbor if it benefits them.

The town experienced this again with the City just a few years later. A developer proposed an apartment building in the town across the street from the City's previous apartment building project. Despite there being substantial capacity in the City's water system, the City's response was that water would be available only if the property annexed to the City. Today, the property remains undeveloped because the owner did not want to pay the City's higher taxes and fees. There is no doubt that if the Town of Brookfield was a Village, the City of Brookfield would have supplied the water service for this development.

SB691 and the companion AB768 will stop this insanity.

Thank you for your time and I am happy to answer any questions you have.

Sincerely,

Keith Henderson

Keith Henderson
Town Chairman

CITY OF DE PERE

Mayor's Office

335 South Broadway Street, De Pere, WI 54115 | 920-339-4040 | www.deperewi.gov
James G. Boyd, Mayor



January 9, 2024

Dear Chairman Tomczyk and honored members of the Senate Transportation and Local Government Committee:

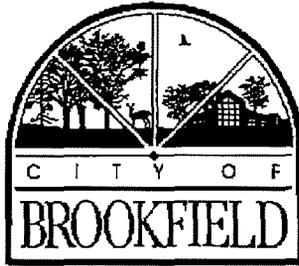
It was brought to my attention that the Senate Transportation and Local Government Committee will hold a public hearing related to the ability for certain towns to self-designate as an "urban town." Granting an "urban town" the ability to self-designate without incorporation would upend long standing governance and unduly burden and harm the city of De Pere and neighboring villages and cities.

The City of De Pere is adamantly opposed to Senate Bill 691 and fully cognizant of the potential economic and political harm as the result of this bill. The City of De Pere has expended a great deal of capital related to our water and sewage systems and to expect mandatory connection is not only unreasonable, but also punitive to our current residents and businesses.

In addition, the City of De Pere, like other municipalities, has enjoyed a congenial relationship with the towns regarding extraterritorial concerns. The city currently has several intergovernmental agreements with the neighboring towns of Ledgeview and Lawrence and a boundary agreement with the town of Lawrence. These relationships would be irreparably damaged if extraterritorial zoning or plat approval by a neighboring city or village is removed. The City of De Pere would like to continue its positive relationship with neighboring towns and this bill would jeopardize that considerably. The City of De Pere strongly opposes the adoption of SB 691.

Sincerely,

James G. Boyd
Mayor
City of De Pere



DEPARTMENT OF COMMUNITY DEVELOPMENT

Daniel F. Ertl, A.I.C.P., Director
2000 North Calhoun Road
Brookfield, Wisconsin 53005-5095
262-796-6695 FAX 262-796-6702

January 10, 2024

Senate Committee on Transportation and Local Government
C/o League of Municipalities
RE: SB 691

Dear Committee Members:

The City of Brookfield joins other cities and villages in strongly opposing the enactment of SB 691. Mayor Steven Ponto and our Common Council, through resolution, will forward detailed reasons of why SB 691 should not be enacted, and these comments are forthcoming.

In my role as a community development Director- who has represented Brookfield and Kenosha for over 40 years I cite two specific examples of the flaws of SB 691. These flaws are illustrated in the attached Map Exhibit.

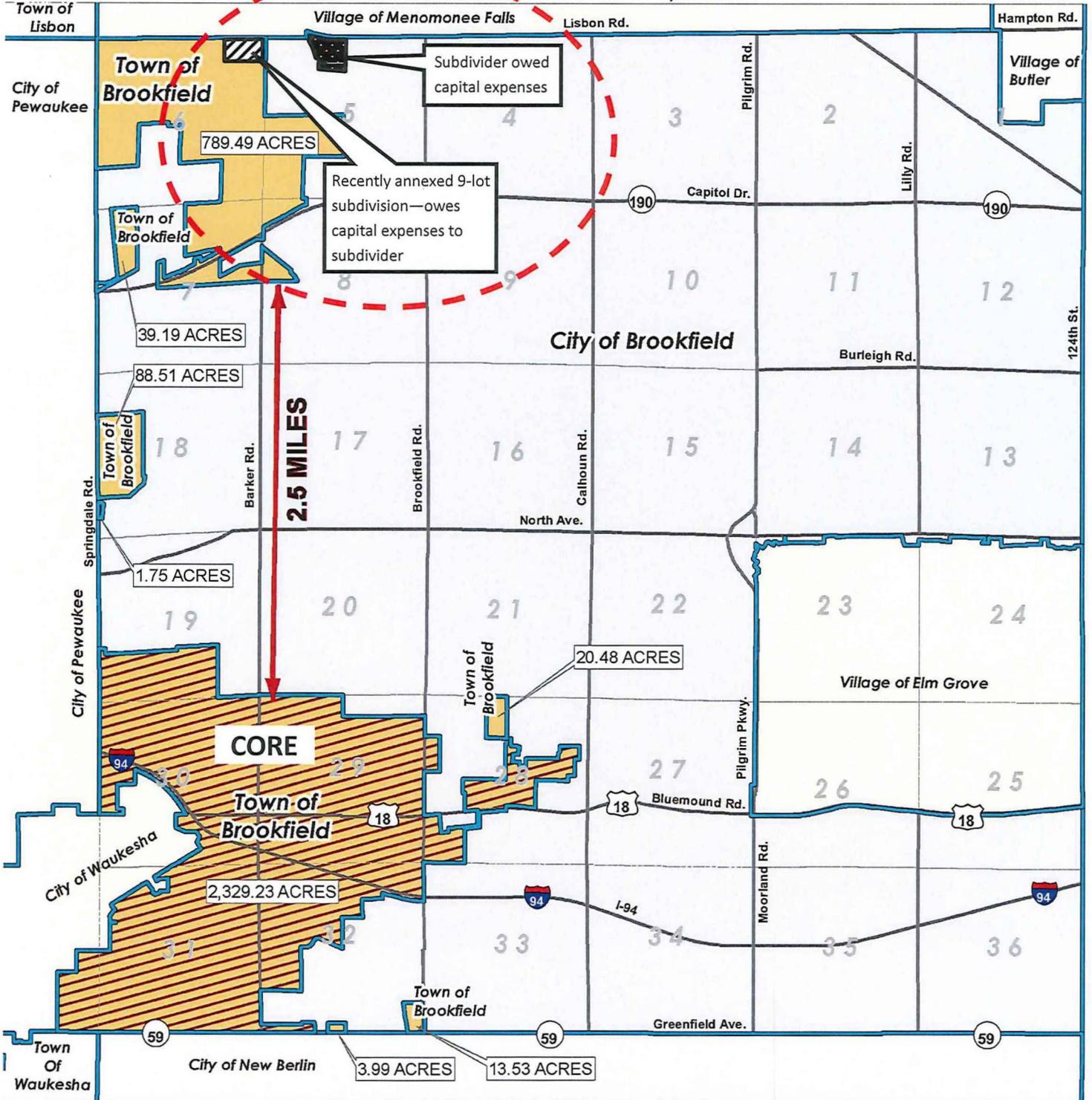
Firstly, SB 691 would prevent cities and villages from entering into **cost recovery measures** for subdividers whom build sewer and water systems using their financial resources and whom must oversize these systems for future extensions to undeveloped lands. The oversizing is prudent infrastructure planning so that duplicate systems do not need to be installed or later systems need capacity expansion. In the case of the *Braden Preserve* subdivision in the City of Brookfield, the subdivider oversized these systems with the promise that the prorated share of oversizing costs that benefit future adjacent developments will reimburse the original costs. Two subdivisions in the City of Brookfield were recently annexed to the City of Brookfield that allowed the original subdivider of *Braden Preserve* to recover his costs. Under SB 691, the benefited property owners could have remained in the Town of Brookfield and have no obligation to pay for those oversizing costs and the original subdivider would not recover spent costs- about \$350,000 plus financing interest. Fairness would be lost in the financing of infrastructure under SB 691. See the circled area in the attached map for location of the subdivisions.

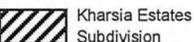
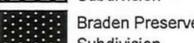
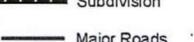
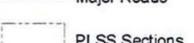
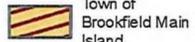
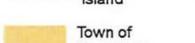
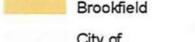
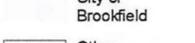
Secondly, if these subdivisions would have been built in the Town of Brookfield, such would permanently create a huge island of town lands that would be separated from the core of town lands by 2 ½ miles. Those town employees providing town services would need to drive 2 ½ miles through the City of Brookfield or the City of Pewaukee to provide services to these subdivisions under the construct of SB 691. See large town island in the attached map.

Submitted respectively.
Daniel F. Ertl, A.I.C.P.
Director of Community Development

EXHIBIT MAP - Disruption of prior Capital Expenditure Reimbursement, Civil Boundaries, and Fragmented Town Areas

TOTAL TOWN OF BROOKFIELD FRAGMENTARY ACREAGE = 3,286.17+/-



 Department of Community Development 2000 N. Calhoun Road Brookfield, WI 53005 (262) 796-6695 www.ci.brookfield.wi.us	<p>TO THE USER</p> <p>This data is provided by the City of Brookfield for informational purposes only. The City does not warrant or guarantee the accuracy or reliability of this data. The recipient of this data assumes any risk of its use for any purpose.</p>	<ul style="list-style-type: none">  Kharsia Estates Subdivision  Braden Preserve Subdivision  Major Roads  PLSS Sections  Town of Brookfield Main Island  Town of Brookfield  City of Brookfield  Other Municipalities 	<div style="display: flex; align-items: center; justify-content: center;"> <div style="margin-right: 10px;">0</div> <div style="margin-right: 10px;">0.5</div> <div style="margin-right: 10px;">1</div> <div style="margin-right: 10px;">2</div> <div>Miles</div> </div> <p>1 inch = 1 miles</p> <p>Drafted By: JKT Date Printed: 5/6/2019 Revised: 1/9/2024 EZ</p> <div style="display: flex; align-items: center; justify-content: center;">   </div>
---	--	--	---