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LRB-2355/1 EVM:cdc&wlj

2025 ASSEMBLY BILL 453

September 25, 2025 - Introduced by Representatives ARMSTRONG, BROOKS, DITTRICH, KNODL, KREIBICH, MURPHY, O'CONNOR, PIWOWARCZYK, SUMMERFIELD and PENTERMAN, cosponsored by Senator JAGLER. Referred to Committee on Housing and Real Estate.

AN ACT to repeal 66.1001 (1) (am) and 66.1001 (3m); to renumber and amend 66.1001 (2) (h), 66.1001 (3), 66.10016 (3) and 66.10016 (4); to amend 59.69 (3) (a), 62.23 (3) (b), 66.1001 (2m) (title), 66.1001 (2m) (a), 66.1002 (2) (intro.), 66.1105 (6) (g) 1. (intro.) and 66.1105 (6) (g) 3.; to repeal and recreate 66.1001 (3) (title); to create 66.1001 (2) (h) 4., 66.1001 (3) (b), 66.1001 (3) (c), 66.10016 (3) (b), 66.10016 (4) (b), 66.10016 (5) and 66.1105 (2) (cs) of the statutes; relating to: required approvals of rezoning requests related to residential development, contents of and consistency of local ordinances with local comprehensive plans, certain tax incremental district project costs related to residential development, and tax incremental district lifespan extension.

Analysis by the Legislative Reference Bureau

This bill provides for mandatory rezoning upon certain requests for rezoning related to residential development, requires certain information in comprehensive

plans of political subdivisions, allows for a longer extension of the lifespan of a tax incremental district (TID) for housing stock improvement purposes, and provides a definition of "newly platted residential construction" for the purpose of defining certain costs that may be included as project costs for a TID.

Mandatory rezoning and comprehensive planning

This bill requires a political subdivision to grant a request for rezoning when a person submits a request for a change to a zoning classification of land that is required to proceed with a residential housing development and all of the following apply:

- 1. The proposed change is for an area identified in the political subdivision's comprehensive plan as projected for residential land use.
 - 2. The area is contiguous with existing development.
- 3. The proposed minimum and maximum net density of residences in the residential housing development are within the minimum and maximum net density for the area specified by the political subdivision in its comprehensive plan or the political subdivision has failed to comply with the requirement created in the bill to specify the minimum and maximum net density in the area.
- 4. Current housing supply in the political subdivision does not meet existing housing demand or forecasted housing demand within the next five years, as provided in the comprehensive plan.

The bill provides that a political subdivision may refuse to grant a request meeting these requirements if the political subdivision demonstrates that the denial is necessary either 1) to prevent a shortage in, or the overburdening of, public facilities located in the political subdivision or 2) to address a significant threat to public health or safety.

The bill provides an exception to this mandatory rezoning procedure upon the failure of certain attempts to develop properties within a political subdivision. Specifically, if a political subdivision requests proposals for certain residential development and no proposals are received, the mandatory rezoning procedure created in the bill does not apply in that political subdivision for one year after the last date on which responses to the request were to be accepted.

The bill also specifies that a person who enforces the requirements of the bill by a mandamus action may recover any court costs and reasonable attorney fees attributable to the failure to approve the request within 60 days.

Comprehensive planning

Under current law, unless certain conditions apply, certain ordinances enacted or amended by a political subdivision that affect land use must be consistent with that political subdivision's comprehensive plan. The ordinances to which this requirement applies are official mapping, local subdivision regulation, and zoning ordinances. Also under current law, if a political subdivision enacts or amends any of these ordinances, the comprehensive plan must contain at least all of the required planning elements. The required planning elements include the following: housing; transportation; utilities and community facilities; agricultural,

natural, and cultural resources; economic development; land use; and intergovernmental cooperation.

The bill requires political subdivisions to identify in their comprehensive plans the areas in which residential land use is projected and, for each of these areas, to specify the minimum and maximum net density of residences that will be authorized. These projections and authorized densities must be provided for five-year increments over 20 years. Political subdivisions must ensure that their comprehensive plans satisfy this requirement if, after the effective date of the bill, the political subdivision enacts or amends an official mapping ordinance, local subdivision ordinance, or zoning ordinance or adds lands by annexation or consolidation intended for residential development. In addition, if a person requests rezoning or the approval of a permit related to residential housing development, the political subdivision must amend its comprehensive plan within 180 days to satisfy the residential use and density specification requirement.

If a person requests rezoning for a residential housing development and the political subdivision has not complied with the residential use and density specification requirement, the bill provides that the land is either rezoned to the person's requested zoning classification or that certain dimensional, physical, and location requirements requested by the person or the least restrictive dimensional, physical, and location requirements in the political subdivision's zoning ordinance for any residential classification apply.

TIF generally

Under current law, cities and villages may use tax incremental financing (TIF) to encourage development in the city or village. In general, under TIF, a city or village pays for improvements in a TID and then collects tax moneys attributable to all taxing jurisdictions on the increased property value in the TID for a certain period of time to pay for the improvements. Ideally, after that period of time, the city or village will have been repaid for its initial investment and the property tax base in the TID will have permanently increased in value.

In general and in brief, a city or village makes use of TIF using the following procedure:

- 1. The city or village designates an area as a TID and creates a project plan laying out the expenditures that the city or village will make within the TID, and the designation and project plan are approved by representatives of the other taxing jurisdictions (joint review board).
- 2. The Department of Revenue establishes the "base value" of the TID. This value is the equalized value of all taxable property within the TID at the time of its creation.
- 3. Each year thereafter, the "value increment" of the property within the TID is determined by subtracting the base value from the current value of property within the TID. The portion of taxes collected on any positive value increment (the tax increment) is collected by the city or village for use solely for the project costs of the TID. Tax increments collected by the city or village include taxes that would

have been collected by other taxing jurisdictions, such as counties or school districts, if the TID had not been created.

4. Tax increments are collected until the city or village has recovered all of its project costs or until the TID reaches its statutory termination date.

Extending the life of a TID for housing stock purposes

Currently, a city or village may extend the life of a TID for up to one year for housing stock improvement if all of the following occur:

- 1. The city or village pays off all of the TID's project costs.
- 2. The city or village adopts a resolution stating that it intends to extend the life of the TID, the number of months it intends to do so, and how it intends to improve housing stock.
 - 3. The city or village notifies DOR.

Current law requires the city or village to use 75 percent of the tax increments received during the period specified in the resolution to benefit affordable housing in the city or village and 25 percent to otherwise improve the city's or village's housing stock.

Under the bill, a TID's life may be extended for up to two years for housing stock improvement. Also, under the bill, all tax increments for housing stock improvement must be expended to purchase goods or services from for-profit entities.

Expenditures for residential development

Under current law, the project costs of a TID must be enumerated in the TID's project plan. These project costs are the expenditures that the city or village expects to make in carrying out the project plan. Current law limits the types of expenditures that may be included as project costs. For example, public works such as sewers, streets, and lighting systems; financing costs; and site preparation costs may be included. The costs of constructing administrative buildings, for example, may not.

Generally, under current law, project costs may, under certain circumstances, include expenditures for newly platted residential development. Currently, such expenditures may qualify as project costs only in TIDs for which a project plan was approved before September 30, 1995, or for mixed-use TIDs. With regard to a mixed-use TID, such expenditures qualify only if certain density or development quality standards are also satisfied.

The bill defines "newly platted residential development" as residential development on a parcel that has not previously been the site of permanent structures other than structures used solely for agricultural purposes.

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

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For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

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

SECTION 1. 59.69 (3) (a) of the statutes is amended to read:

59.69 (3) (a) The county zoning agency may direct the preparation of a county development plan or parts of the plan for the physical development of the unincorporated territory within the county and areas within incorporated jurisdictions whose governing bodies by resolution agree to having their areas included in the county's development plan. The plan may be adopted in whole or in part and may be amended by the board and endorsed by the governing bodies of incorporated jurisdictions included in the plan. The county development plan, in whole or in part, in its original form or as amended, is hereafter referred to as the development plan. To the extent that the development plan applies to unincorporated areas of a county with the population described in s. 60.23 (34), it applies only to those unincorporated areas that are subject to county zoning. Beginning on January 1, 2010, or, if the county is exempt under s. 66.1001 (3m), the date under s. 66.1001 (3m) (b), if the county engages in any program or action described in s. 66.1001 (3), the development plan shall contain at least all of the elements specified in s. 66.1001 (2).

SECTION 2. 62.23 (3) (b) of the statutes is amended to read:

62.23 (3) (b) The commission may adopt the master plan as a whole by a single resolution, or, as the work of making the whole master plan progresses, may from time to time by resolution adopt a part or parts of a master plan. Beginning on

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January 1, 2010, or, if the city is exempt under s. 66.1001 (3m), the date under s. 66.1001 (3m) (b), if the city engages in any program or action described in s. 66.1001 (3), the master plan shall contain at least all of the elements specified in s. 66.1001 (2). The adoption of the plan or any part, amendment, or addition, shall be by resolution carried by the affirmative votes of not less than a majority of all the members of the city plan commission. The resolution shall refer expressly to the elements under s. 66.1001 and other matters intended by the commission to form the whole or any part of the plan, and the action taken shall be recorded on the adopted plan or part of the plan by the identifying signature of the secretary of the commission, and a copy of the plan or part of the plan shall be certified to the common council, and also to the commanding officer, or the officer's designee, of any military base or installation, with at least 200 assigned military personnel or that contains at least 2.000 acres, that is located in or near the city. The purpose and effect of the adoption and certifying of the master plan or part of the plan shall be solely to aid the city plan commission and the council in the performance of their duties.

SECTION 3. 66.1001 (1) (am) of the statutes is repealed.

SECTION 4. 66.1001 (2) (h) of the statutes is renumbered 66.1001 (2) (h) (intro.) and amended to read:

66.1001 (2) (h) Land-use element. (intro.) A compilation of objectives, policies, goals, maps, and programs to guide the future development and redevelopment of public and private property. In this paragraph, determinations of the net density of lands shall exclude only those portions of the lands that are wetlands, that are included in a 100-year floodplain, or that are owned by the

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1	federal government, a local governmental unit, as defined in s. 20.931 (1) (a), or a
2	state agency, as defined in s. 20.931 (1) (c), and are not intended for redevelopment
3	The element shall contain do all of the following:
4	1. Contain a listing of the amount, type, intensity, and net density of existing
5	uses of land in the local governmental unit, such as agricultural, residential
6	commercial, industrial, and other public and private uses. The element shall
7	analyze
8	2. Analyze trends in the supply, demand, and price of land, opportunities for
9	redevelopment, and existing and potential land-use conflicts. The element shall
10	contain
11	3. Contain projections, based on the background information specified in par
12	(a), for 20 years, in 5-year increments, of future residential, agricultural
13	commercial, and industrial land uses including the assumptions of net densities or
14	other spatial assumptions upon which the projections are based. The element shall
15	also include
16	5. Include a series of maps that shows current land uses and future land uses
17	that indicate productive agricultural soils, natural limitations for building site
18	development, floodplains, wetlands and other environmentally sensitive lands, the
19	boundaries of areas to which services of public utilities and community facilities, as
20	those terms are used in par. (d), will be provided in the future, consistent with the
21	timetable described in par. (d), and the general location of future land uses by net
22	density or other classifications.
23	SECTION 5. 66.1001 (2) (h) 4. of the statutes is created to read:

66.1001 (2) (h) 4. For 20 years, in 5-year increments, identify the areas in

	which residential land use is projected and, for each of these areas and increments,	
	specify the minimum and maximum net density of residences, expressed in	
	residential units per acre, that will be authorized.	
	SECTION 6. 66.1001 (2m) (title) of the statutes is amended to read:	
	66.1001 (2m) (title) Effect of enactment of a comprehensive plan,	
	CONSISTENCY REQUIREMENTS.	
	SECTION 7. 66.1001 (2m) (a) of the statutes is amended to read:	
	66.1001 (2m) (a) The Notwithstanding s. 66.1001 (2) (h) 4., the enactment of	
	a comprehensive plan by ordinance does not make the comprehensive plan by itself	
	a regulation.	
	SECTION 8. 66.1001 (3) (title) of the statutes is repealed and recreated to read:	
	66.1001 (3) (title) Consistency requirements.	
	SECTION 9. 66.1001 (3) of the statutes is renumbered 66.1001 (3) (a), and	
66.1001 (3) (a) (intro.), as renumbered, is amended to read:		
	66.1001 (3) (a) (intro.) Except as provided in sub. (3m), beginning Beginning	
	on January 1, 2010 the effective date of this paragraph [LRB inserts date], if a	
	local governmental unit enacts or amends any of the following ordinances, the	
	ordinance shall be consistent with that local governmental unit's comprehensive	
	plan:	
	SECTION 10. 66.1001 (3) (b) of the statutes is created to read:	
	66.1001 (3) (b) 1. An ordinance enacted or amended under par. (a) is	
	consistent with the comprehensive plan if the ordinance permits a land use that is	

expressly identified for the land affected by the ordinance enacted or amended

under par. (a) in the adopted land use map contained in the comprehensive plan.

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- 2. An ordinance under par. (a) is not inconsistent with the comprehensive plan solely because it permits additional land uses beyond those identified in the plan.
- 3. With regard to the comprehensive plan, in determining consistency under par. (a), only the adopted land use map and the corresponding land use category descriptions in the comprehensive plan may be considered.

SECTION 11. 66.1001 (3) (c) of the statutes is created to read:

- 66.1001 (3) (c) 1. Beginning on the effective date of this subdivision [LRB inserts date], if a political subdivision enacts or amends any of the ordinances under par. (a) or adds lands by annexation or consolidation intended for residential development, the political subdivision shall do all of the following:
- a. Ensure that the comprehensive plan of the political subdivision includes the material required under sub. (2) (h) 4.
- b. Ensure that the residential net density standards specified under sub. (2)(h) 4. are incorporated into the ordinance.
- 2. If a person submits to a political subdivision an application for a permit, as defined in s. 66.10016 (1) (a), or a request for a change to an existing zoning classification, and the submission or request is related to a residential housing development, as defined in s. 66.10016 (1) (c), and the comprehensive plan of the political subdivision does not include the material required under sub. (2) (h) 4., the political subdivision shall amend its comprehensive plan to include the material required under sub. (2) (h) 4. within 180 days of receiving the application.
- 3. Subsection (4) does not apply to the amendment of a comprehensive plan under this paragraph.
 - **SECTION 12.** 66.1001 (3m) of the statutes is repealed.

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SECTION 13

SECTION 13. 66.10016 (3) of the statutes is renumbered 66.10016 (3) (a) and amended to read:

66.10016 (3) (a) If a person submits a complete application for a permit related to a residential housing development meeting all existing requirements that must be satisfied to obtain the permit at the time the application is filed, the political subdivision shall grant the application. An application is deemed complete under this subsection paragraph if it complies with form and content requirements. An application is filed under this subsection paragraph on the date that the political subdivision receives the application.

SECTION 14. 66.10016 (3) (b) of the statutes is created to read:

- 66.10016 (3) (b) 1. Notwithstanding s. 66.1001 (2m) (a), and except as provided in subd. 4., sub. (5), and s. 66.1001 (3) (c) 2., if a person submits a request for a change to a zoning classification of land that is required to proceed with a residential housing development and all of the following are satisfied, the political subdivision shall grant the request within 60 days:
- a. The proposed change is for an area identified in the political subdivision's comprehensive plan as projected for residential land use under s. 66.1001 (2) (h) 4.
- b. The proposed change is for an area that is contiguous to existing development.
- c. Either the proposed minimum and maximum net density of residences in the residential housing development falls within the minimum and maximum net density for the area specified under s. 66.1001 (2) (h) 4. for the current 5-year increment or the comprehensive plan does not include the material required under

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- s. 66.1001 (2) (h) 4. and the political subdivision has not complied with s. 66.1001 (3) (c) 2.
- d. Current housing supply in the political subdivision does not meet existing housing demand or forecasted housing demand within the next 5 years, as provided in the comprehensive plan.
- 2. In a request under subd. 1., the requester may specify its preferences regarding any of the following:
 - a. The zoning classification provided in the political subdivision's zoning ordinance into which the land should be reclassified.
 - b. Building setback requirements.
 - c. Lot width or frontage requirements.
- d. Lot size requirements.

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- e. Building size or bulk requirements.
- 3. If a request is granted by action of subd. 1., all of the following apply:
 - a. If the requester specified a zoning classification under subd. 2. a., and the zoning classification allows the net density of residences in the proposed residential housing development, the land subject to the request is reclassified into that classification.
 - b. If the requester did not specify a zoning classification under subd. 2. a., the specifications under subd. 2. b. to e. shall apply together with the least restrictive dimensional, physical, and locational requirements in the political subdivision's zoning ordinance for any residential classification or, if the political subdivision does not have a residential classification, the least restrictive dimensional, physical,

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- and locational requirements for any classification in the political subdivision's zoning ordinance.
- 4. a. Subdivision 1. does not apply to a request that does not identify the proposed minimum and maximum net density of residences in the residential housing development.
 - b. A request for a change to a zoning classification of land that satisfies the requirements of subd. 1. may be denied by the political subdivision if the political subdivision demonstrates that the denial is necessary to prevent a shortage in, or the overburdening of, public facilities located in the political subdivision or to address a significant threat to the public health or safety.
 - **SECTION 15.** 66.10016 (4) of the statutes is renumbered 66.10016 (4) (a) and amended to read:
- 66.10016 (4) (a) A person aggrieved by a political subdivision's failure to approve an application under sub. (3) (a) or a request under sub. (3) (b) may seek relief through an action for mandamus as provided in ch. 783. If the court finds that the political subdivision improperly failed to approve the application under sub. (3) (a) or the request under sub. (3) (b), the court shall issue a writ of mandamus ordering the political subdivision to approve the application or request. For purposes of any mandamus claim filed under this subsection, substantial damages or injury shall be assumed.
 - **SECTION 16.** 66.10016 (4) (b) of the statutes is created to read:
- 66.10016 (4) (b) In an action for mandamus under par. (a) based upon a political subdivision's failure to approve a request under sub. (3) (b), the petitioner may recover court costs and reasonable attorney fees attributable to the failure to

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approve the request within the time frame provided in sub. (3) (b) 1. of submission of the request.

SECTION 17. 66.10016 (5) of the statutes is created to read:

66.10016 (5) In this subsection "qualifying residential development" means a residential development that is reasonably expected to receive sewerage and sanitary water services from a public utility and that is not reasonably believed to be environmentally contaminated. If a political subdivision issues a request for proposals for a qualifying residential development that specifies minimum and maximum net density of residences in the development that are within the densities specified for the area in the political subdivision's comprehensive plan, and no person responds to the request by the date provided in the request for submissions, sub. (3) does not apply in that political subdivision for one year after the last date on which responses were to be accepted. A response under this subsection includes a response that does not include a qualifying residential development proposal if the response is from a person with the capability to construct a qualifying residential development in the requesting political subdivision and the response explains with specificity the person's economic reasons for not submitting a proposal.

SECTION 18. 66.1002 (2) (intro.) of the statutes is amended to read:

66.1002 (2) MORATORIUM ALLOWED. (intro.) Subject to the limitations and requirements specified in this section, a municipality may enact a development moratorium ordinance if the municipality has enacted a comprehensive plan, is in the process of preparing its comprehensive plan, or is in the process of preparing a significant amendment to its comprehensive plan in response to a substantial

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- change in conditions in the municipality, or is exempt from the requirement as described in s. 66.1001 (3m), and if at least one of the following applies:
- 3 **SECTION 19.** 66.1105 (2) (cs) of the statutes is created to read:
 - 66.1105 (2) (cs) "Newly platted residential development" means residential development on a parcel that has not previously been the site of permanent structures other than structures used solely for agricultural purposes.
 - **SECTION 20.** 66.1105 (6) (g) 1. (intro.) of the statutes is amended to read:
 - 66.1105 (6) (g) 1. (intro.) After the date on which a tax incremental district created by a city pays off the aggregate of all of its project costs, and notwithstanding the time at which such a district would otherwise be required to terminate under sub. (7), a city may extend the life of the district for one year up to 2 years if the city does all of the following:
 - **SECTION 21.** 66.1105 (6) (g) 3. of the statutes is amended to read:
 - 66.1105 (6) (g) 3. If a city receives tax increments as described in subd. 2., the city shall use at least 75 percent of the increments received to benefit affordable housing in the city. The remaining portion of the increments shall be used by the city to improve the city's housing stock. All tax increments used under this subdivision shall be expended to purchase services or goods from for-profit entities.

SECTION 22. Initial applicability.

- (1) This act first applies to an application for a permit, as defined in s. 66.10016 (1) (a), or a request for rezoning made on the effective date of this subsection.
 - SECTION 23. Effective date.

SECTION 23

1 (1) This act takes effect on January 1, 2028.

2 (END)