

EXECUTIVE SUMMARY

Over the past 150 years, human activity has altered the landscape of Wisconsin more radically than anything since the retreat of the last glacier some 12,000 years ago. Nearly half of the state's original ten million acres of wetlands, for example, has been lost to urban and agricultural development. Attitudes have also changed. Land that was once viewed as a "useless swamp" is now perceived by many as a valued recreational and environmental resource.

This report of the Wisconsin Strategic Growth Task Force attempts to put these profound physical and attitudinal changes in perspective:

- It documents Wisconsin's changing population, agricultural economy, transportation system, urban centers, and other features that shape land use in the state.
- It inventories state and local government involvement in land use, including the conflicting organizational priorities that often frustrate sound decision-making.
- It surveys public and expert views on land use planning, urban growth patterns, farmland preservation, protecting historic sites, and other key dimensions of land use policy in Wisconsin.
- It describes land use management programs and processes used by other states.
- It identifies key land use issues facing Wisconsin in 1996 and beyond.
- It suggests optional ways that Wisconsin can address these issues.

Creation and organization of the task force

The Wisconsin Strategic Growth Task Force was created by Governor Tommy G. Thompson in September 1994 in conjunction with the State Interagency Land Use Council. Executive Order 236 declared that "land use issues are becoming increasingly challenging for all levels of government in Wisconsin due to the multiple objectives and diverse viewpoints involved."

The council was directed to create a task force "to recommend processes for coordinating land use activities and issues between state agencies and local public and private interests." A twenty-two member task force was created with representation from state agencies, local governments and the private sector. In May 1995, Mark D. Bugher, chair of the Interagency Land Use Council, formed three teams to carry out the work of the task force:

- Team One was charged with collecting and evaluating information about land use planning processes and programs in other states.
- Team Two was asked to document Wisconsin state and local government involvement in land use, including shortcomings and strengths.
- Team Three was directed to collect public sentiments and expert opinions about land use procedures and options in Wisconsin.

The work of these three teams, together with the consensus judgements of the task force as a whole, forms the core of this report.

Wisconsin trends

Demographic, economic, agricultural, social, cultural, natural resources, and other trends all contribute to Wisconsin's changing land use patterns. The task force found that as urbanization in Wisconsin spreads far beyond historic population centers, it places increasing stress on natural and other resources in the state. Several factors help to either explain or document this trend, including:

- **Population expansion.** Between 1990 and 1994, the state's population grew by 170,000, a gain of 0.9 percent per year. Much of this growth is concentrated in a few areas: Dane County, southeastern Wisconsin, areas east of the Twin Cities, and the Fox River Valley. Within metropolitan areas, the largest growth is concentrated in the urban fringe. In rural counties growth is greatest in recreational areas.
- **Household patterns.** Average household size in Wisconsin has dropped from 3.43 in 1950 to 2.61 in 1994 and is projected to fall to 2.5 by 2010, resulting in greater demand for new housing lots and attendant public services. Housing demand has increased sharply in some areas and is projected to continue to do so for the foreseeable future.
- **Farmland conversion.** A combination of residential development, global agricultural changes, new technologies, and other factors have contributed to a decline in Wisconsin farmland acreage from 23.2 million acres in 1950 to an estimated 16 million acres by 1990. The number of farms dropped from 92,000 to 79,000 between 1981 and 1992.
- **Employment location.** The decentralization of employment away from the urban core is difficult to measure because some moves occur within the same municipality, including newly annexed areas. However, between 1985 and 1994, the average employment gain was 25 percent in 13 central cities, compared to 30 percent for the counties in which they are located. Other research has documented job decentralization within counties and to adjacent counties, especially in the Milwaukee metropolitan area. In addition, a study of tax incremental financing (TIF) districts formed from 1988 to 1990 showed that two-thirds of them were on the urban periphery.
- **Transportation.** The construction of new roads, bypasses, interchanges and other transportation facilities that serve cars and trucks is both a response to and a stimulus for changing land use patterns. During the 1980s, total vehicle miles traveled increased by more than one-third. Meanwhile, average vehicle occupancy in seven southeastern Wisconsin counties dropped from 1.42 in 1972 to 1.26 in 1991.
- **Cultural resources.** The cultural heritage that defines Wisconsin as a state and gives communities their identity is threatened. Only a quarter of the state's estimated 20,000 Native American burial mounds remain intact; 25 of 88 nationally significant historic buildings documented in the 1930s are gone; thousands of wood-frame barns are decaying; and hundreds of downtown business districts are threatened.

- **Natural resources.** Many elements of Wisconsin's unique natural heritage are virtually gone and others are stressed. Wisconsin retains less than 1 percent of its original grassland ecosystem and fewer than 500 acres of an estimated 5.5 million acres of oak savanna remain. Water and air quality are also areas of growing concern as urbanization proceeds. For example, urban growth in the West Bend area is expected to more than double storm water runoff and increase pollution loads in one part of the community by 450 percent. Automobiles contribute 40 percent of volatile organic compound emissions, threatening public health and economic expansion in some parts of the state. Recent environmental protection laws such as the wetland water quality standards and storm water management administrative codes are helping to address these concerns.

Inventory of government land use tools

Local units of government (72 counties, 188 cities, 395 villages and 1,266 towns) are the primary land use regulators in Wisconsin. Several state agencies also impact land use either directly through such means as land acquisition, or indirectly through regulation and other activity. These include the following agencies:

- Department of Administration (DOA)
- Department of Agriculture, Trade & Consumer Protection (DATCP)
- Department of Development (DOD)
- Department of Industry, Labor and Human Relations (DILHR)
- Department of Natural Resources (DNR)
- Department of Revenue (DOR)
- Department of Transportation (DOT)
- State Historical Society of Wisconsin (SHS)

The task force reviewed many different state laws and government activities, including:

- **Municipal boundaries.** Annexation, consolidation, and incorporation have been part of the statutes for decades. Recently, a cooperative boundary planning process was added.
- **Land acquisition.** State and local agencies have the authority to acquire land for a variety of public purposes.
- **Planning authority.** Various statutes authorize municipalities (cities, villages, and towns) to adopt master plans and official maps to guide the physical development of the community. Counties have limited powers to create development plans. Regional planning commissions are required to prepare advisory master plans for the physical development of their regions. The state DOT has adopted *Translinks 21*, a long range transportation plan that includes a backbone multi-lane highway network and modernization of other transportation systems. Other statutes authorize or require planning activities addressing such needs as parks, historic and archeological sites, forest management, farmland preservation, erosion control, solid waste management, and sewer service.

- **Subdivision regulation.** County and municipal governments are authorized to regulate subdivisions for such matters as the location and characteristics of streets and other public improvements. Cities and villages can exercise limited extraterritorial subdivision oversight in adjoining towns.
- **Zoning.** Most cities and villages have adopted zoning ordinances that regulate the type, size and use of buildings. As of 1991, 362 towns had no zoning ordinance, 199 towns had their own zoning ordinances, and 705 were covered by county zoning. Special zoning provisions apply to shoreland, certain controlled-access highways, navigable waters, floodplains, wetlands, erosion control sites, certain historic buildings, burial sites, and town mobile home parks. In addition, certain activities such as correctional institutions are exempt from local zoning regulation.
- **Tax and fiscal policy.** TIF districts allow cities and villages to finance some public improvements by capturing tax increments, the increased revenue generated by tax base expansion. Direct financial assistance to either local governments or private entities is available through categorical payment programs administered by DOA, DOT, DOD, and DNR. DOR administers the shared revenue formula, which distributes unrestricted aids based, in part, on per capita tax capacity. Targeted property tax relief is directed to agricultural, forest, historical and archeological property that meets certain criteria.
- **Special districts and special purpose units of government.** Local governments can create districts to promote neighborhood preservation, business improvement, and archeological conservancy. Cities can also create urban redevelopment areas. Special purpose districts, including school, sanitary, sewerage, drainage and inland lake protection districts, also impact land use patterns.

Other state and local government activities, ranging from regulation of private septic systems to protecting human burial sites, also influence land use patterns in the state.

Intergovernmental relationships

As this inventory shows, land use authority in Wisconsin is widely distributed among local governments and state agencies. Major findings include:

- **Conflicting priorities.** Because these activities derive from different missions and authorities, there are areas of overlapping jurisdiction and fragmented priorities. For example, neighboring communities' development plan may be at odds, and state agencies often pursue disjointed agendas. No formal mechanisms exist to resolve these conflicts.
- **Poor communication.** Due in part to tax base competition, communication among local governments is often limited — even issues that have "spillover" effects are often dealt with in isolation. State agencies have established some formal interagency communication mechanisms, but these are inadequate.
- **Legal considerations.** Current laws do not encourage cooperation among local governments and planning is not usually integrated with regulatory activities. New legal issues may be posed by court action involving "regulatory takings" of private property.

- **Resources.** While DOA, DOT, DATCP, DNR, and SHS provide some financial and technical assistance to local governments, the assistance is fragmented and does not address land use planning per se.
- **Compatibility of data.** Data is incomplete and poorly integrated. New technologies offer promising new options.

Shortcomings and strengths of land use decision-making in Wisconsin

The task force identified the following shortcomings in the current land use decision-making process:

- A common land use vision is lacking in Wisconsin.
- Land use planning is under-utilized and inadequately implemented at both the local and state government levels.
- Conflicting organizational goals undercut sound decision-making.
- Infrastructure decisions are often made without adequately considering land use impacts.
- Tax and fiscal policies often drive land use patterns in ways that conflict with land use goals.
- Lack of financial and technical resources needed to plan and regulate land use effectively hampers many local governments.

Task force members identified the following strengths:

- Wisconsin has many laws and programs such as farmland preservation that protect the environment and a high quality of life.
- Community and state leaders have become increasingly aware of the importance of land use planning and regulation.
- Local governments and state agencies have scored some success in cooperative planning.
- Twenty-three Wisconsin communities have implemented programs to revitalize their downtowns. Other steps have also been taken to protect cultural resources.

Public attitudes

While no comprehensive, statewide polling data are available, there is substantial evidence that shows some general agreement about land use issues. The task force reviewed available survey data, conducted five interest group discussions and four focus group meetings, and heard a day of testimony from land use experts. The task force found that there is a general recognition that land use is part of a larger pattern of public policy concerns. Specific findings include:

- Support for local decision-making regarding land use, but recognition that the state has a role in five areas:
 - a. requiring or encouraging local governments to plan and to make land use decisions consistent with their own plans
 - b. providing broad guidelines for local land use plans and decisions
 - c. coordinating plans and decisions across municipal boundaries
 - d. providing technical assistance for planning, like visual imaging technology
 - e. changing tax policy to encourage farmers to continue farming or to pass their farms to new farmers
- Desire to preserve the family farm lifestyle which involves the economic viability of small-scale farming and a host of other social and economic issues not related to land use
- Desire to preserve agricultural land which is especially suited to or highly productive regarding genuine agricultural activities as opposed to land used for open space or marginal farming activities
- Broad recognition that government impacts land use through its decisions to provide and change infrastructure, especially roads, but there is also a sense that those impacts are not always taken into account
- Strong sense that some land use problems are a function of issues beyond land use policies and decisions themselves
- Support for making urban areas more liveable and for making farming more profitable
- Greater citizen involvement at all levels is a crucial component of support for land use plans and decisions
- Sense that efforts regarding land use regulation and the preservation of agricultural land, natural resources or historic areas should be undertaken in a manner which respects private property rights

Task force members also found that more research is needed on several pertinent issues:

- Attitudes about the proper balance between private interests and community goals
- Public awareness of how land use affects the environment
- Information about how density of development affects land use patterns

Comparison of land use programs in other states

The task force surveyed the literature on state planning activities and collected detailed data on land use laws and processes in fourteen other states. The group identified six major planning models in use elsewhere:



- **Direct state planning.** Hawaii is unique in that the state directly plans and regulates land use statewide, with some local involvement.
- **State mandated planning with strong state role.** Florida, Oregon, Maine, Minnesota and several other states set mandatory planning standards with state agency oversight of local activities. Wisconsin does this for shoreland, floodplain, and wetland zoning.
- **State promoted planning.** Georgia offers incentives to local governments to meet planning standards, including inter jurisdictional coordination (Wisconsin's farmland preservation plan is similar).
- **Direct state permitting.** Vermont preempts local regulation of certain types and scales of development.
- **State mandated planning with weak state role.** South Dakota, Iowa and New York mandate planning and link regulatory decisions to plans, but there is no state agency oversight.
- **State enabling.** Wisconsin, Kansas, Michigan and Minnesota authorize local governments to plan and regulate land use.

The task force found support in the literature for mandatory planning because it produces more and better planning, but also noted several strong objections, including concerns about cost, loss of local control and delays in approving development plans.

Issues and options

The task force outlined twelve broad land use issues facing Wisconsin and individual members proposed over 150 reform options. Following is a list of options that were identified as high priority consensus items by the task force:

- Define a land use vision for Wisconsin.
- Develop a coordinating mechanism between state agencies for state level development decisions.
- Develop new economic incentives to meet environmental goals.
- Develop a conflict resolution process.
- Create an ongoing formal or informal process for state agencies to share and coordinate state agency plans and corresponding program activities.
- Prioritize farmland and environmental features for protection based on their size, quality, and viability.
- Encourage planning by and between all levels of government within a consistent framework that addresses state and local goals and objectives, if defined.

- Modify plans as pertinent circumstances change.
- Allow and encourage tax base sharing tools among neighboring municipalities.
- Create ways for municipalities to reduce costs and improve service by sharing resources.
- Analyze and adjust tax levies for property owners currently subject to double taxation for certain services.
- Improve cooperative boundary agreement law to make it a more attractive alternative to local units of government.
- Address statutory review criteria for annexation, incorporations and consolidations.
- Provide greater incentives or modify regulatory standards to further promote the redevelopment of contaminated land in urban areas.
- Tie state aids to local land use plans.
- Provide incentives for infill development.
- Change inheritance tax laws to favor intergenerational transfer of farms.
- Provide property-tax exemptions for wetlands and other native plant communities, historic properties and districts, archeological sites, and regionally significant resources.
- Facilitate software development to support land use planning and decision-making, for distribution to all units of government.
- Provide technical assistance from state agencies to local governments.
- Recodify and group land use and planning related statutes and regulations to make them more accessible.
- Encourage coordination and consistency between sewer and water approvals and local land use plans.
- Encourage coordination and consistency between local transportation plans and state land use plans.
- Discourage local governments from adopting "gold plated" minimum standards for infrastructure, lot size, house size, garages, and other amenities that have economic or social exclusion as their intent
- Enhance secondary impact analyses for infrastructure approvals.