

(2) If ss. 66.1301 to 66.1329 are inconsistent with any other law, the provisions of these sections are controlling.

(3) The powers conferred by ss. 66.1301 to 66.1329 are in addition and supplemental to the powers conferred by any other law.

History: 1999 a. 150 ss. 428, 429, 431, 433.

66.1329 Urban redevelopment; enforcement of duties.

If a redevelopment corporation fails to substantially comply with the development plan within the time limits for the completion of each stage, reasonable delays caused by unforeseen difficulties excepted, or violates or is about to violate ss. 66.1301 to 66.1329, the failure to comply or actual or possible violation may be certified by the planning commission to the city attorney of the city. The city attorney may commence a proceeding in the circuit court of the county in which the city is in whole or in part situated in the name of the city for the purpose of seeking appropriate relief. The court shall, immediately after a default in answering or after answer, inquire into the facts and circumstances in the manner that the court directs without other or formal proceedings, and without respect to any technical requirements. The court may join as parties any other persons it deems necessary or proper in order to make its order or judgment effective. The final judgment or order in the action or proceeding shall dismiss the action or proceeding or grant appropriate relief.

History: 1997 a. 187; 1999 a. 150 s. 413; Stats. 1999 s. 66.1329.

66.1331 Blighted area law. (1) **SHORT TITLE.** This section shall be known and may be cited and referred to as the “blighted area law.”

(2) **FINDINGS AND DECLARATION OF NECESSITY.** It is found and declared that there have existed and continue to exist in cities within the state, substandard, insanitary, deteriorated, slum and blighted areas which constitute a serious and growing menace, injurious and inimical to the public health, safety, morals and welfare of the residents of the state. The existence of these areas contributes substantially and increasingly to the spread of disease and crime (necessitating excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, punishment, and the treatment of juvenile delinquency and for the maintenance of adequate police, fire and accident protection, and other public services and facilities), constitutes an economic and social liability, substantially impairs or arrests the sound growth of cities, and retards the provision of housing accommodations. This menace is beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in this section. The acquisition of property for the purpose of eliminating substandard, insanitary, deteriorated, slum or blighted conditions or preventing recurrence of these conditions in the area, the removal of structures and improvement of sites, the disposition of the property for redevelopment incidental to these activities, and any assistance which may be given by cities or any other public bodies, are public uses and purposes for which public money may be expended and the power of eminent domain exercised. The necessity in the public interest for the provisions of this section is declared as a matter of legislative determination.

(2m) **DISCRIMINATION.** Persons otherwise entitled to any right, benefit, facility, or privilege under this section may not be denied the right, benefit, facility, or privilege in any manner for any purpose nor be discriminated against because of sex, race, color, creed, sexual orientation, status as a victim of domestic abuse, sexual assault, or stalking, as defined in s. 106.50 (1m) (u), or national origin.

(3) **DEFINITIONS.** In this section, unless a different intent clearly appears from the context:

(a) “Blighted area” means any area, including a slum area, in which a majority of the structures are residential or in which there is a predominance of buildings or improvements, whether residential or nonresidential, and which, by reason of dilapidation,

deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals or welfare.

(c) “Housing” includes housing, dwelling, habitation and residence.

(d) “Land” includes bare or vacant land, the land under buildings, structures or other improvements, and water and land under water. When employed in connection with “use”, for instance, “use of land” or “land use”, “land” includes buildings, structures and improvements existing or to be placed on land.

(e) “Lessee” includes the successors or assigns and successors in title of the lessee.

(f) “Local legislative body” means the board of alderpersons, common council, council, commission or other board or body vested by the charter of the city or other law with jurisdiction to enact ordinances or local laws.

(g) “Planning commission” means the board, commission or agency of the city authorized to prepare, adopt or amend or modify a master plan of the city.

(h) “Project area” means a blighted area or portion of a blighted area of such extent and location as adopted by the planning commission and approved by the local legislative body as an appropriate unit of redevelopment planning for a redevelopment project, separate from the redevelopment projects in other parts of the city. In the provisions of this section relating to leasing or sale by the city, for abbreviation “project area” is used for the remainder of the project area after taking out those pieces of property which have been or are to be transferred for public uses.

(i) “Public body” means the state or any city, county, town, village, board, commission, authority, district or any other subdivision or public body of the state.

(j) “Purchaser” includes the successors or assigns and successors in title of the purchaser.

(k) “Real property” includes land; land together with the buildings, structures, fixtures and other improvements on the land; liens, estates, easements and other interests in the land; and restrictions or limitations upon the use of land, buildings or structures, other than those imposed by exercise of the police power.

(L) “Redevelopment company” means a private or public corporation or body corporate, including a public housing authority, carrying out a plan under this section.

(Lm) “Redevelopment plan” means a plan for the acquisition, clearance, reconstruction, rehabilitation or future use of a redevelopment project area.

(m) “Redevelopment project” means any work or undertaking to acquire blighted areas or portions of blighted areas, and lands, structures, or improvements, the acquisition of which is necessary or incidental to the proper clearance or redevelopment of the areas or to the prevention of the spread or recurrence of slum conditions or conditions of blight in the areas; to clear blighted areas by demolition or removal of existing buildings, structures, streets, utilities, or other improvements; to install, construct, or reconstruct streets, utilities, and site improvements essential to the preparation of sites for uses in accordance with a redevelopment plan; or to sell, lease or otherwise make available land in blighted areas for residential, recreational, commercial, industrial or other use or for public use, or to retain the land for public use, in accordance with a redevelopment plan. “Redevelopment project” includes the preparation of a redevelopment plan, the planning, surveying, and other work incidental to a redevelopment project, and the preparation of all plans and arrangements for carrying out a redevelopment project.

(n) “Rentals” means rents specified in a lease to be paid by the lessee to the city.

(4) POWER OF CITIES. (a) A city may exercise all powers necessary or convenient to carry out and effectuate the purposes and provisions of this section, including all of the following:

1. Prepare redevelopment plans and undertake and carry out redevelopment projects within its corporate limits.

2. Enter into any contracts determined by the local legislative body to be necessary to effectuate the purposes of this section.

3. Within its boundaries, acquire by purchase, eminent domain or otherwise, any real or personal property or any interest in that property, together with any improvements, necessary or incidental to a redevelopment project; hold, improve, clear or prepare for redevelopment any such property; sell, lease, subdivide, retain for its own use, mortgage, or otherwise encumber or dispose of any such property or any interest in that property; enter into contracts with redevelopers of property containing covenants, restrictions, and conditions regarding the use of the property in accordance with a redevelopment plan and other covenants, restrictions and conditions that it deems necessary to prevent a recurrence of blighted areas or to effectuate the purposes of this section; and make any covenants, restrictions, conditions or covenants running with the land and provide appropriate remedies for their breach.

4. Borrow money and issue bonds, and apply for and accept advances, loans, grants, contributions, and any other form of financial assistance from the federal, state or county government, or other public body or from any sources, for the purpose of this section; and give security as may be required and enter into and carry out contracts in connection with the security.

(b) Condemnation proceedings for the acquisition of real property necessary or incidental to a redevelopment project shall be conducted in accordance with ch. 32 or any other laws applicable to the city.

(c) Notwithstanding any other provision of law, the local legislative body may designate, by ordinance or resolution, any local housing authority existing under ss. 66.1201 to 66.1211, any local redevelopment authority existing under s. 66.1333, or both jointly, or any local community development authority existing under s. 66.1335, as the agent of the city to perform any act, except the development of the general plan of the city, which may otherwise be performed by the planning commission under this section.

(5) GENERAL AND PROJECT AREA REDEVELOPMENT PLANS. (a) The planning commission shall make and develop a comprehensive or general plan of the city, including the appropriate maps, charts, tables and descriptive, interpretive and analytical matter. The plan shall serve as a general framework or guide of development within which the various area and redevelopment projects under this section may be more precisely planned and calculated. The plan shall include at least a land use plan which designates the proposed general distribution and general locations and extents of the uses of the land for housing, business, industry, recreation, education, public buildings, public reservations and other general categories of public and private uses of the land.

(b) For the exercise of the powers granted and for the acquisition and disposition of real property for the redevelopment of a project area, the following steps and plans are required:

1. Designation by the planning commission of the boundaries of the project area proposed by it for redevelopment, submission of the boundaries to the local legislative body and the adoption of a resolution by the local legislative body declaring the area to be a blighted area in need of redevelopment.

2. Adoption by the planning commission and approval by the local legislative body of the redevelopment plan of the project area. The redevelopment plan shall conform to the general plan of the city and shall be sufficiently complete to indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements in the project area. The plan shall include a statement of the boundaries of the project area; a map showing existing uses and

conditions of real property in the area; a land use plan showing proposed uses of the area; information showing the standards of population density, land coverage, and building intensity in the area after redevelopment; a statement of proposed changes, if any, in zoning ordinances or maps and building codes and ordinances; a statement as to the kind and number of site improvements and additional public utilities which will be required to support the new land uses in the area after redevelopment; and a statement of a feasible method proposed for the relocation of families to be displaced from the project area.

3. Approval of a redevelopment plan of a project area by the local legislative body may be given only after a public hearing conducted by it, and a finding by it that the plan is feasible and in conformity with the general plan of the city. Notice of the hearing, describing the time, date, place and purpose of the hearing and generally identifying the project area, shall be published as a class 2 notice, under ch. 985, the last insertion to be at least 10 days prior to the date set for the hearing. All interested parties shall be afforded a reasonable opportunity at the hearing to express their views respecting the proposed plan, but the hearing is only for the purpose of assisting the local legislative body in making its determination.

(c) In relation to the location and extent of public works and utilities, public buildings and other public uses in the general plan or in a project area plan, the planning commission shall confer with those public officials, boards, authorities and agencies under whose administrative jurisdictions the uses respectively fall.

(d) After a project area redevelopment plan of a project area has been adopted by the planning commission and approved by the local legislative body, the planning commission may certify the plan to the local legislative body. The local legislative body shall exercise the powers granted to it in this section for the acquisition and assembly of the real property of the area. Following certification, no new construction may be authorized by any agencies, boards or commissions of the city, in the area, unless as authorized by the local legislative body, including substantial remodeling or conversion or rebuilding, enlargement or extension of major structural improvements on existing buildings, but not including ordinary maintenance or remodeling or changes necessary to continue the occupancy.

(6) TRANSFER, LEASE OR SALE OF REAL PROPERTY IN PROJECT AREAS FOR PUBLIC AND PRIVATE USES. (a) After the real property in the project area has been assembled, the city may lease or sell all or part of the real property, including streets to be closed or vacated in accordance with the plan, to a redevelopment company or to an individual, a limited liability company or a partnership for use in accordance with the redevelopment plan. Real property in the project area shall be leased or sold at its fair value for uses in accordance with the redevelopment plan notwithstanding that the fair value may be less than the cost of acquiring and preparing the property for redevelopment. In determining the property's fair value, a city shall take into account and give consideration to the following:

1. The uses and purposes required by the plan.

2. The restrictions upon and covenants, conditions and obligations assumed by the purchaser or lessee, and the objectives of the redevelopment plan for the prevention of the recurrence of slum or blighted areas.

3. Any other matters that the city considers appropriate.

(b) Any lease or sale under this subsection may be made without public bidding, but only after a public hearing by the planning commission upon the proposed lease or sale and its provisions. Notice of the hearing shall be published as a class 2 notice, under ch. 985.

(c) The terms of a lease or sale under this subsection shall be fixed by the planning commission and approved by the local legislative body. The instrument of lease may provide for renewals upon reappraisals and with rentals and other provisions adjusted to the reappraisals. Every lease or sale shall provide that the lessee

or purchaser shall carry out the approved project area redevelopment plan or approved modifications and that no use may be made of any land or real property included in the lease or sale nor any building or structure erected which does not conform to the approved plan or approved modifications. In the instrument of lease or sale, the planning commission, with the approval of the local legislative body, may include other terms, conditions and provisions as in its judgment will provide reasonable assurance of the priority of the obligations of the lease or sale and of conformance to the plan over any other obligations of the lessee or purchaser and assurance of the financial and legal ability of the lessee or purchaser to carry out and conform to the plan and the terms and conditions of the lease or sale; and may include terms, conditions and specifications concerning buildings, improvements, subleases or tenancy, maintenance and management and any other matters as the planning commission, with the approval of the local legislative body, may impose or approve, including provisions whereby the obligations to carry out and conform to the project area plan shall run with the land. If maximum rentals to be charged to tenants of housing are specified, provision may be made for periodic reconsideration of rental bases.

(d) Until the planning commission certifies, with the approval of the local legislative body, that all building constructions and other physical improvements specified to be done and made by the purchaser of the area have been completed, the purchaser may not convey all or part of the area, without the consent of the planning commission and the local legislative body, and no consent may be given unless the grantee of the purchaser is obligated, by written instrument, to the city to carry out that portion of the redevelopment plan which falls within the boundaries of the conveyed property. The grantee, and the heirs, representatives, successors and assigns of the grantee, may not convey, lease or let the conveyed property or any part of the property, or erect or use any building or structure erected on the property free from obligation and requirement to conform to the approved project area redevelopment plan or approved modifications.

(f) The planning commission may, with the approval of the local legislative body, demolish an existing structure or clear the area of any part of the structure, or may specify the demolition and clearance to be performed by a lessee or purchaser and the time schedule for the work. The planning commission, with the approval of the local legislative body, shall specify the time schedule and conditions for the construction of buildings and other improvements.

(g) In order to facilitate the lease or sale of a project area or, if the lease or sale is of parts of an area, the city may include in the cost payable by it the cost of the construction of local streets and sidewalks within the area or of grading and other local public surface or subsurface facilities necessary for shaping the area as the site of the redevelopment of the area. The city may arrange with the appropriate federal, state or county agencies for the reimbursement of outlays from funds or assessments raised or levied for these purposes.

(7) HOUSING FOR DISPLACED FAMILIES. The housing authority shall formulate a feasible method for the temporary relocation of persons living in areas that are designated for clearance and redevelopment. The housing authority and the local legislative body shall assure that decent, safe and sanitary dwellings substantially equal in number to the number of substandard dwellings to be removed in carrying out the redevelopment are available, or will be provided, at rents or prices within the financial reach of the income groups displaced.

(8) USE-VALUE APPRAISALS. After the city has assembled and acquired the real property of the project area, it shall, as an aid in determining the rentals and other terms upon which it will lease or the price at which it will sell all or part of the area, place a use value upon each piece or tract of land within the area which, in accordance with the plan, is to be used for private uses or for low-rent housing. The use value shall be based on the planned use and, for the purposes of this use valuation, the city shall provide a use

valuation appraisal prepared by the local commissioner of assessments or assessor. Nothing contained in this section may be construed as requiring the city to base its rentals or selling prices upon the appraisal.

(9) PROTECTION OF REDEVELOPMENT PLAN. (a) Before execution and delivery by the city of a lease or conveyance to a redevelopment company, or before consent by the city to an assignment or conveyance by a lessee or purchaser to a redevelopment company, the articles or certificate of incorporation or association or charter or other basic instrument of the company shall contain provisions defining, limiting and regulating the exercise of the powers of the company so that neither the company nor its stockholders, officers, directors, members, beneficiaries, bondholders or other creditors or other persons may amend the terms and conditions of the lease or the terms and conditions of the sale without the consent of the planning commission, together with the approval of the local legislative body, or, in relation to the project area development plan, without the approval of any proposed modification in accordance with sub. (10). No action of stockholders, officers, directors, bondholders, creditors, members, partners or other persons, nor any reorganization, dissolution, receivership, consolidation, foreclosure or any other change in the status or obligation of any redevelopment company, partnership, limited liability company or individual in any litigation or proceeding in any federal or other court may effect any release or any impairment or modification of the lease or terms of sale or of the project area redevelopment plan unless consent or approval is obtained.

(b) A redevelopment corporation may be organized under the general corporation law of the state to be a redevelopment company under this section; may acquire and hold real property for the purposes set forth in this section; and may exercise all other powers granted to redevelopment companies in this section.

(c) A redevelopment company, individual, limited liability company or partnership to which all or part of a project area is leased or sold under this section shall keep books of account of its operations of or transactions relating to the area entirely separate and distinct from accounts of and for any other project area or part of the other project area or any other real property or enterprise. No lien or other interest may be placed upon any real property in the area to secure any indebtedness or obligation of the redevelopment company, individual, limited liability company or partnership incurred for or in relation to any property or enterprise outside of the area.

(10) MODIFICATION OF DEVELOPMENT PLANS. An approved project area redevelopment plan may be modified at any time after the lease or sale of all or part of the area if the modification is consented to by the lessee or purchaser, and if the proposed modification is adopted by the planning commission and submitted to the local legislative body and approved by it. Before approval, the local legislative body shall hold a public hearing on the proposed modification, notice of the time and place of which shall be given by mail sent at least 10 days prior to the hearing to the then owners of the real properties in the project area and of the real properties immediately adjoining or across the street from the project area. The local legislative body may refer back to the planning commission any project area redevelopment plan, project area boundaries or modification submitted to it, together with its recommendation for changes in the plan, boundaries or modification and, if recommended changes are adopted by the planning commission and formally approved by the local legislative body, the plan, boundaries or modification as changed becomes the approved plan, boundaries or modification.

(11) LIMITATION UPON TAX EXEMPTION. Nothing contained in this section may be construed to authorize or require the exemption of any real property from taxation, except real property sold, leased or granted to and acquired by a public housing authority. No real property acquired under this section by a private redevelopment company, individual, limited liability company or part-

nership either by lease or purchase is exempt from taxation by reason of the acquisition.

(12) FINANCIAL ASSISTANCE. The city may accept grants or other financial assistance from the federal, state and county governments or from other sources to carry out the purposes of this section, and may do all things necessary to comply with the conditions attached to the grants or loans.

(13) COOPERATION AND USE OF CITY FUNDS. (a) To assist any redevelopment project located in the area in which it may act, a public body may, upon terms that it determines, furnish services or facilities, provide property, lend or contribute funds, and perform any other action of a character which it may perform for other purposes.

(b) A city may appropriate and use its general funds to carry out the purposes of this section and, to obtain funds, may incur indebtedness, and issue bonds in amounts that the local legislative body determines by resolution to be necessary for use in carrying out the purposes of this section. The issuance of bonds by a city under this paragraph shall be in accordance with statutory and other legal requirements that govern the issuance of obligations generally by the city.

(14) LIMITED OBLIGATIONS. (a) In this subsection, “municipal obligation” has the meaning specified in s. 67.01 (6).

(b) For the purpose of carrying out or administering a redevelopment plan or other functions authorized under this section, a city may issue municipal obligations payable solely from and secured by a pledge of and lien upon any or all of the income, proceeds, revenues, funds, and property of the city derived from or held by it in connection with redevelopment projects, including the proceeds of grants, loans, advances, or contributions from any public or private source. Municipal obligations issued under this subsection may be registered under s. 67.09 but shall otherwise be in a form, mature at times, bear interest at rates, be issued and sold in a manner, and contain terms, covenants, and conditions that the local legislative body of the city, by resolution, determines. The municipal obligations shall be fully negotiable, shall not require a referendum, and are not subject to the provisions of any other law or charter relating to the issuance or sale of municipal obligations. Obligations under this section sold to the United States government need not be sold at public sale.

(15) CONSTRUCTION. This section shall be construed liberally to effectuate its purposes and the enumeration in this section of specific powers does not restrict the meaning of any general grant of power contained in this section or to exclude other powers comprehended in the general grant.

(16) LIQUIDATION AND DISPOSAL. Projects held under this section may be liquidated and disposed of under s. 66.1201 (25).

History: 1975 c. 94, 311; 1981 c. 112; 1983 a. 24; 1983 a. 189 ss. 58, 329 (7); 1983 a. 207 s. 95; 1991 a. 156, 316; 1993 a. 112, 184, 213; 1995 a. 225; 1999 a. 150 ss. 297, 434 to 440; Stats. 1999 s. 66.1331; 2001 a. 30, 103; 2009 a. 95.

Blight Prevention: The Use of Eminent Domain to Condemn Underwater Mortgages in Wisconsin. Williams. 2014 WLR 1231.

66.1333 Blight elimination and slum clearance.

(1) SHORT TITLE. This section shall be known and may be cited as the “Blight Elimination and Slum Clearance Act”.

(2) FINDINGS. In addition to the findings and declarations made in ss. 66.1331 (2) and 66.1337, it is found and declared that the existence of substandard, deteriorated, slum and blighted areas and blighted properties is a matter of statewide concern. It is the policy of this state to protect and promote the health, safety, morals and general welfare of the people of the state in which these areas and blighted properties exist by the elimination and prevention of these areas and blighted properties through the utilization of all means appropriate for that purpose, thereby encouraging well-planned, integrated, stable, safe and healthful neighborhoods, the provision of healthful homes, a decent living environment and adequate places for employment of the people of this state and its communities in these areas and blighted properties. The purposes of this section are to provide for the elimina-

tion and prevention of substandard, deteriorated, slum and blighted areas and blighted properties through redevelopment and other activities by state-created agencies and the utilization of all other available public and private agencies and resources. State agencies are necessary in order to carry out in the most effective and efficient manner the state’s policy and declared purposes for the prevention and elimination of substandard, deteriorated, slum and blighted areas and blighted properties. State agencies shall be available in all the cities in the state to be known as the redevelopment authorities of the particular cities and carry out and effectuate the provisions of this section when the local legislative bodies of the cities determine there is a need for them to carry out within their cities the powers and purposes of this section. Assistance which may be given by cities or any other public bodies under this section is a public use and purpose for which public money may be expended. The necessity in the public interest for the provisions of this section is declared a matter of legislative determination. Nothing in this subsection contravenes, repeals or rescinds the finding or declaration of necessity before the recreation of this subsection on June 1, 1958.

(2m) DEFINITIONS. In this section, unless the context clearly indicates otherwise:

(a) “Abandoned highway corridor” means land in any city designated by the department of transportation for use as part of an expressway or a freeway, which is no longer designated by the department for that purpose.

(am) “Arts incubator” has the meaning given in s. 41.60 (1) (a).

(ar) “Authority” means a redevelopment authority.

(b) “Blighted area” means any of the following:

1. An area, including a slum area, in which there is a predominance of buildings or improvements, whether residential or non-residential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

2. An area which by reason of the presence of a substantial number of substandard, slum, deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.

3. An area which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.

(bm) “Blighted property” means any property within a city, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, light, air or sanitation, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime, and is detrimental to the public health, safety, morals or welfare, or any property which by reason of faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax

or special assessment delinquency exceeding the fair market value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a city, retards the provisions of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use, or any property which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.

(c) “Blight elimination, slum clearance and urban renewal program,” “blight elimination and urban renewal program,” “redevelopment, slum clearance or urban renewal program,” “redevelopment or urban renewal program,” and “redevelopment program,” mean undertakings and activities for the elimination and for the prevention of the development or spread of blighted areas.

(d) “Blight elimination, slum clearance and urban renewal project,” “redevelopment and urban renewal project,” “redevelopment or urban renewal project,” “redevelopment project,” “urban renewal project,” and “project” mean undertakings and activities in a project area for the elimination and for the prevention of the development or spread of slums and blight, and may involve clearance and redevelopment in a project area, or rehabilitation or conservation in a project area, or any combination or part of the undertakings and activities in accordance with a “redevelopment plan,” “urban renewal plan,” “redevelopment or urban renewal plan,” “project area plan,” or “redevelopment and urban renewal plan,” either one of which means the redevelopment plan of the project area prepared and approved as provided in sub. (6). These undertakings and activities include all of the following:

1. Acquisition of all or a portion of a blighted area.
2. Demolition and removal of buildings and improvements.
3. Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out in the project area the objectives of this section in accordance with the redevelopment plan.
4. Disposition of any property acquired in the project area, including sale, initial leasing or retention by the authority itself, at its fair value for uses in accordance with the redevelopment plan.
5. Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the redevelopment plan.
6. Acquisition of any other real property in the project area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.
7. Studying the feasibility of and initial design for an arts incubator, developing and operating an arts incubator, and applying for a grant or loan under s. 41.60 in connection with an arts incubator.
8. Studying the feasibility of an initial design for a technology-based incubator and developing and operating a technology-based incubator.

(e) “Bonds” means any bonds, including refunding bonds; notes; interim certificates; certificates of indebtedness; debentures; or other obligations.

(g) “Local legislative body” means the board of alderpersons, common council, council, commission or other board or body vested by the charter of the city or other law with jurisdiction to enact ordinances or local laws.

(h) “Project area” means a blighted area which the local legislative body declares to be in need of a blight elimination, slum clearance and urban renewal project.

(i) “Public body” means the state or any city, county, town, village, town board, commission, authority, district, or any other subdivision or public body of the state.

(j) “Real property” includes all lands, together with improvements and fixtures, and property of any nature appurtenant to the lands, or used in connection with the lands, and every estate, interest, right and use, legal or equitable, in the lands, including terms for years and liens by way of judgment, mortgage or otherwise.

(t) “Technology-based incubator” means a facility that provides a new or expanding technically-oriented business with all of the following:

1. Office and laboratory space.
2. Shared clerical and other support service.
3. Managerial and technical assistance.

(3) REDEVELOPMENT AUTHORITY. (a) 1. It is found and declared that a redevelopment authority, functioning within a city in which there exists blighted areas, constitutes a more effective and efficient means for preventing and eliminating blighted areas in the city and preventing the recurrence of blighted areas. Therefore, there is created in every city with a blighted area a redevelopment authority, to be known as the “redevelopment authority of the city of”. An authority is created for the purpose of carrying out blight elimination, slum clearance, and urban renewal programs and projects as set forth in this section, together with all powers necessary or incidental to effect adequate and comprehensive blight elimination, slum clearance and urban renewal programs and projects.

2. An authority may transact business and exercise any of the powers granted to it in this section following the adoption by the local legislative body of a resolution declaring in substance that there exists within the city a need for blight elimination, slum clearance and urban renewal programs and projects.

3. Upon the adoption of the resolution by the local legislative body by a two-thirds vote of its members present, a certified copy of the resolution shall be transmitted to the mayor or other head of the city government. Upon receiving the certified copy of the resolution, the mayor or other head of the city government shall, with the confirmation of four-fifths of the local legislative body, appoint 7 residents of the city as commissioners of the authority.

4. The powers of the authority are vested in the commissioners.

5. In making appointments of commissioners, the appointing power shall give due consideration to the general interest of the appointee in a redevelopment, slum clearance or urban renewal program and shall, insofar as is possible, designate representatives from the general public, labor, industry, finance or business group, and civic organizations. Appointees shall have sufficient ability and experience in related fields, especially in the fields of finance and management, to assure efficiency in the redevelopment program, its planning and direction. One of the 7 commissioners shall be a member of the local legislative body. No more than 2 of the commissioners may be officers of the city in which the authority is created.

6. Commissioners shall receive their actual and necessary expenses, including local traveling expenses incurred in the discharge of their duties.

(b) The commissioners who are first appointed shall be designated by the appointing power to serve for the following terms: 2 for one year, 2 for 2 years, one for 3 years, one for 4 years, and one for 5 years, from the date of their appointment. After the first appointments, the term of office is 5 years. A commissioner holds office until a successor is appointed and qualified. Removal of a commissioner is governed by s. 66.1201. Vacancies and new appointments are filled in the manner provided in par. (a).

(c) The filing of a certified copy of the resolution adopted under par. (a) with the city clerk is prima facie evidence of the authority’s right to proceed, and the resolution is not subject to challenge because of any technicality. In any suit, action or proceeding commenced against the authority, a certified copy of the

resolution is conclusive evidence that the authority is established and authorized to transact business and exercise its powers under this section.

(d) Following the adoption of a resolution, under par. (a), a city is precluded from exercising the powers provided in s. 66.1331 (4), and the authority may proceed to carry on the blight elimination, slum clearance and urban renewal projects in the city, except that the city is not precluded from applying, accepting and contracting for federal grants, advances and loans under the housing and community development act of 1974 (P.L. 93–383).

(e) 1. An authority has no power in connection with any public housing project.

2. Persons otherwise entitled to any right, benefit, facility, or privilege under this section may not be denied the right, benefit, facility, or privilege in any manner for any purpose nor be discriminated against because of sex, race, color, creed, sexual orientation, status as a victim of domestic abuse, sexual assault, or stalking, as defined in s. 106.50 (1m) (u), or national origin.

(f) An authority is an independent, separate and distinct public body and a body corporate and politic, exercising public powers determined to be necessary by the state to protect and promote the health, safety and morals of its residents, and may take title to real and personal property in its own name. The authority may proceed with the acquisition of property by eminent domain under ch. 32, or any other law relating specifically to eminent domain procedures of redevelopment authorities.

(g) An authority may employ personnel as required to perform its duties and responsibilities under civil service. The authority may appoint an executive director whose qualifications are determined by the authority. The director shall act as secretary of the authority and has the duties, powers and responsibilities delegated by the authority. All of the employees, including the director of the authority, may participate in the same pension system, health and life insurance programs and deferred compensation programs provided for city employees and are eligible for any other benefits provided to city employees.

(5) POWERS OF REDEVELOPMENT AUTHORITIES. (a) An authority may exercise all powers necessary or incidental to carry out and effectuate the purposes of this section, including the power to do all of the following:

1. Prepare redevelopment plans and urban renewal plans and undertake and carry out redevelopment and urban renewal projects within the corporate limits of the city in which it functions.

2. Enter into any contracts determined by the authority to be necessary to effectuate the purposes of this section. All contracts, other than those for personal or professional services, in excess of \$25,000 are subject to bid and shall be awarded to the lowest qualified and competent bidder. The authority may reject any bid required under this paragraph. The authority shall advertise for bids by a class 2 notice, under ch. 985, published in the city in which the project is to be developed. If the estimated cost of a contract, other than a contract for personal or professional services, is between \$3,000 and \$25,000, the authority shall give a class 2 notice, under ch. 985, of the proposed work before the contract is entered into.

3. Within the boundaries of the city, acquire by purchase, lease, eminent domain, or otherwise, any real or personal property or any interest in the property, together with any improvements on the property, necessary or incidental to a redevelopment or urban renewal project; hold, improve, clear or prepare for redevelopment or urban renewal any of the property; sell, lease, subdivide, retain or make available the property for the city's use; mortgage or otherwise encumber or dispose of any of the property or any interest in the property; enter into contracts with redevelopers of property containing covenants, restrictions and conditions regarding the use of the property in accordance with a redevelopment or urban renewal plan, and other covenants, restrictions and conditions that the authority considers necessary to prevent a recurrence of blighted areas or to effectuate the purposes of this section; make

any restrictions, conditions or covenants running with the land and provide appropriate remedies for their breach; arrange or contract for the furnishing of services, privileges, works or facilities for, or in connection with a project; temporarily operate and maintain real property acquired by it in a project area for or in connection with a project pending the disposition of the property for uses and purposes that may be deemed desirable even though not in conformity with the redevelopment plan for the area; within the boundaries of the city, enter into any building or property in any project area in order to make inspections, surveys, appraisals, soundings or test borings, and obtain a court order for this purpose if entry is denied or resisted; own and hold property and insure or provide for the insurance of any real or personal property or any of its operations against any risks or hazards, including paying premiums on any insurance; invest any project funds held in reserves or sinking funds or the funds not required for immediate disbursement in property or securities in which savings banks may legally invest funds subject to their control; redeem its bonds issued under this section at the redemption price established in the bonds or purchase the bonds at less than redemption price, all bonds so redeemed or purchased to be canceled; develop, test and report methods and techniques, and carry out demonstrations and other activities, for the prevention and elimination of slums and blight; and disseminate blight elimination, slum clearance and urban renewal information.

4. a. Borrow money and issue bonds; execute notes, debentures, and other forms of indebtedness; apply for and accept advances, loans, grants, contributions, and any other form of financial assistance from the city in which it functions, from the federal government, the state, county, or other public body, or from any sources, public or private for the purposes of this section, and give such security as may be required and enter into and carry out contracts or agreements in connection with the security; and include in any contract for financial assistance with the federal government for or with respect to blight elimination and slum clearance and urban renewal such conditions imposed pursuant to federal laws as the authority considers reasonable and appropriate and that are not inconsistent with the purposes of this section.

b. Any debt or obligation of the authority is not the debt or obligation of the city, county, state or any other governmental authority other than the redevelopment authority itself.

c. Issue bonds to finance its activities under this section, including the payment of principal and interest upon any advances for surveys and plans, and issue refunding bonds for the payment or retirement of bonds previously issued by it. Bonds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds of the authority derived from or held in connection with its undertaking and carrying out of projects or activities under this section. Payment of the bonds, both as to principal and interest, may be further secured by a pledge of any loan, grant or contribution from the federal government or other source, in aid of any projects or activities of the authority under this section, and by a mortgage of all or a part of the projects or activities. Bonds issued under this section are not an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction of the state, city or of any public body other than the authority issuing the bonds, and are not subject to any other law or charter relating to the authorization, issuance or sale of bonds. Bonds issued under this section are declared to be issued for an essential public and governmental purpose and, together with interest and income, are exempt from all taxes. Bonds issued under this section shall be authorized by resolution of the authority, may be issued in one or more series and shall bear a date, be payable upon demand or mature at a time, bear interest at a rate, be in a denomination, be in a form either with or without coupon or registered, carry conversion or registration privileges, have rank or priority, be payable in a medium of payment, at a place, and be subject to terms of redemption, with or without premium, be secured in a manner, and have other characteristics, as provided by the resolution, trust indenture or mortgage issued pur-

suant to the transaction. Bonds issued under this section shall be executed as provided in s. 67.08 (1) and may be registered under s. 67.09. The bonds may be sold or exchanged at public sale or by private negotiation with bond underwriters as the authority provides. The bonds may be sold or exchanged at any price that the authority determines. If sold or exchanged at public sale, the sale shall be held after a class 2 notice, under ch. 985, published before the sale in a newspaper having general circulation in the city and in any other medium of publication that the authority determines. Bonds may be sold to the federal government at private sale, without publication of any notice, at not less than par, and, if less than all of the authorized principal amount of the bonds is sold to the federal government, the balance may be sold at private sale at not less than par at an interest cost to the authority that does not exceed the interest cost to the authority of the portion of the bonds sold to the federal government. Any provision of law to the contrary notwithstanding, any bonds issued under this section are fully negotiable. In any suit, action or proceeding involving the validity or enforceability of any bond issued under this section or the security for any bond, any bond reciting in substance that it has been issued by the authority in connection with a project or activity under this section is deemed to have been issued for that purpose and the project or activity is deemed to have been planned, located and carried out in accordance with this section.

5. Establish a procedure for preservation of the records of the authority by the use of microfilm, another reproductive device, optical imaging, or electronic formatting, if authorized under s. 19.21 (4) (c). The procedure shall assure that copies of the records that are open to public inspection continue to be available to members of the public requesting them. A photographic reproduction of a record or copy of a record generated from optical disc or electronic storage is deemed the same as an original record for all purposes if it meets the applicable standards established in ss. 16.61 and 16.612.

6. Authorize the chairperson of the authority or the vice chairperson in the absence of the chairperson, selected by vote of the commissioners, and the executive director or the assistant director in the absence of the executive director to execute on behalf of the authority all contracts, notes and other forms of obligation when authorized by at least 4 of the commissioners of the authority to do so.

7. Commence actions in its own name. The authority shall be sued in the name of the authority. The authority shall have an official seal.

8. Exercise other powers that may be required or necessary to effectuate the purposes of this section.

9. Exercise any powers of a housing authority under s. 66.1201 if done in concert with a housing authority under a contract under s. 66.0301.

(b) 1. Condemnation proceedings for the acquisition of real property necessary or incidental to a redevelopment project shall be conducted in accordance with ch. 32, or any other law relating specifically to eminent domain procedures of redevelopment authorities.

3. Where a public hearing has been held with respect to a project area under this section the authority may proceed with such project and the redevelopment plan by following the procedure set forth in ch. 32. Any owner of property who has filed objections to the plan as provided under sub. (6) may be entitled to a remedy as determined by s. 32.06 (5).

4. The authority may acquire by purchase real property within any area designated for urban renewal or redevelopment purposes under this section before the approval of either the redevelopment or urban renewal plans or before any modification of the plan if approval of the acquisition is granted by the local governing body. If real property is acquired, the authority may demolish or remove structures with the approval of the local governing body. If acquired real property is not made part of the urban renewal project the authority shall bear any loss that may arise as a result of the

acquisition, demolition or removal of structures acquired under this section. If the local legislative body has given its approval to the acquisition of real property that is not made a part of the urban renewal project, it shall reimburse the authority for any loss sustained as provided for in this subsection. Any real property acquired in a redevelopment or in an urban renewal area under this subsection may be disposed of under this section if the local governing body has approved the acquisition of the property for the project.

(c) 1. Notwithstanding sub. (6), the authority of a 1st class city may acquire any property determined by the authority to be blighted property without designating a boundary or adopting a redevelopment plan. The authority may not acquire property under this subdivision without the approval of the local legislative body of the city in which the authority is located.

1g. Notwithstanding sub. (6), the authority of any 2nd, 3rd or 4th class city may acquire blighted property without designating a boundary or adopting a redevelopment plan, if all of the following occur:

a. The authority obtains advance approval for the acquisition by at least a two-thirds vote of the members of the local legislative body in which the authority is located.

b. The two-thirds approval in subd. 1g. a. shall be by resolution and the resolution shall contain a finding of the local legislative body that a comprehensive redevelopment plan is not necessary to determine the need for the acquisition, the uses of the property after acquisition and the relation of the acquisition to other property redevelopment by the authority.

1r. Condemnation proceedings for the acquisition of blighted property shall be conducted under ch. 32 or under any other law relating specifically to eminent domain procedures of authorities. The authority may hold, clear, construct, manage, improve or dispose of the blighted property, for the purpose of eliminating its status as blighted property. Notwithstanding sub. (9), the authority may dispose of the blighted property in any manner. The authority may assist private acquisition, improvement and development of blighted property for the purpose of eliminating its status as blighted property, and for that purpose the authority has all of the duties, rights, powers and privileges given to the authority under this section, as if it had acquired the blighted property.

2. Before acquiring blighted property under subd. 1. or 1g., the authority shall hold a public hearing to determine if the property is blighted property. Notice of the hearing, describing the time, date, place and purpose of the hearing and generally identifying the property involved, shall be given to each owner of the property, at least 20 days before the date set for the hearing, by certified mail with return receipt requested. If the notice cannot be delivered by certified mail with return receipt requested, or if the notice is returned undelivered, notice may be given by posting the notice at least 10 days before the date of hearing on any structure located on the property which is the subject of the notice. If the property which is the subject of the notice consists of vacant land, a notice may be posted in some suitable and conspicuous place on that property. For the purpose of ascertaining the name of the owner or owners of record of property which is subject to a public hearing under this subdivision, the records of the register of deeds of the county in which the property is located, as of the date of the notice required under this subdivision, are conclusive. An affidavit of mailing or posting the notice which is filed as a part of the records of the authority is prima facie evidence of that notice. In the hearing under this subdivision, all interested parties may express their views on the authority's proposed determination, but the hearing is only for informational purposes. Any technical omission or error in the procedure under this subdivision does not invalidate the designation or subsequent acquisition. If any owner of property subject to the authority's determination that the property is blighted property objects to that determination or to the authority's acquisition of that property, that owner shall file a written statement of and reasons for the objections with the authority

before, at the time of, or within 15 days after the public hearing under this subdivision. The statement shall contain the mailing address of the person filing the statement and be signed by or on behalf of that person. The filing of that statement is a condition precedent to the commencement of an action to contest the authority's actions under this paragraph.

(5m) BONDS TO FINANCE MORTGAGE LOANS ON OWNER–OCCUPIED DWELLINGS. (a) Subject to par. (b), an authority may issue bonds to finance mortgage loans on owner–occupied dwellings. Bonds issued under this paragraph may be sold at a private sale at a price determined by the authority.

(b) The redevelopment authority shall submit the resolution authorizing the issuance of bonds under par. (a) to the common council for review. If the common council disapproves the resolution within 45 days after its submission, no bonds may be issued under the authority of the resolution.

(c) The redevelopment authority may:

1. Issue mortgage loans for the rehabilitation, purchase or construction of any owner–occupied dwelling in the city.
2. Issue loans to any lending institution within the city which agrees to make mortgage loans for the rehabilitation, purchase or construction of any owner–occupied dwelling in the city.
3. Purchase loans agreed to be made under subd. 2.

(5r) FINANCING OF CERTAIN SCHOOL FACILITIES. (a) *Legislative declaration.* The legislature determines that the development of new public schools will help alleviate the substandard conditions described in sub. (2) and will promote the sound growth and economic development of cities and enhance the education of youth in neighborhood settings. The legislature determines that the social and economic problems sought to be addressed are particularly acute in more densely populated areas. The legislature desires to make certain financing and economic tools available in 1st class cities with the view that there are likely to be positive statewide benefits in light of the impact that 1st class cities have on the economy and welfare of the entire state.

(b) *Bond issuance for public school facilities.* 1. The authority of a 1st class city may issue up to \$170,000,000 in bonds to finance or refinance the development or redevelopment of sites and facilities to be used for public school facilities by the board of school directors of the school district operating under ch. 119 if all of the following apply:

a. The board of school directors of the school district operating under ch. 119 requests the issuance of the bonds to implement the report approved under 1999 Wisconsin Act 9, section 9158 (7tw) (b).

b. The authority determines that the purposes of the financing are consistent with the 1st class city's master plan.

2m. The authority of a 1st class city may issue refunding bonds to fund, refund, or advance refund any bonds previously issued by the authority under subd. 1., to fund a debt service reserve fund for such refunding bonds, to pay capitalized interest with respect to such refunding bonds, and to pay the costs incurred in connection with the issuance of such refunding bonds.

(c) *Terms and conditions.* The terms and conditions of bonds issued under this subsection shall be those specified in sub. (5) (a) 4. except that it shall not be necessary that the financed property be located in a project area or a blighted area. The bonds may not have a maturity in excess of 20 years and, other than refunding bonds, may not be issued later than October 1, 2004.

(d) *Designation of special debt service reserve funds.* The authority may designate one or more accounts in funds created under the resolution authorizing the issuance of bonds under this subsection as special debt service reserve funds if, prior to each issuance of bonds to be secured by the special debt service reserve fund, the secretary of administration determines that all of the following conditions are met with respect to the bonds:

1. 'Purpose.' The proceeds of the bonds, other than refunding bonds, will be used for public school facilities in the school district operating under ch. 119.

2. 'Feasibility.' There is a reasonable likelihood that the bonds will be repaid without the necessity of drawing on funds in the special debt service reserve fund that secures the bonds. The secretary of administration may make this determination of reasonable likelihood only after considering all of the following:

a. The extent to which and manner by which revenues of the school district operating under ch. 119 are pledged to the payment of the bonds.

c. The proposed interest rates of the bonds and the resulting cash–flow requirements.

d. The projected ratio of annual pledged revenues from the school district operating under ch. 119 to annual debt service on the bonds, taking into account capitalized interest.

e. Whether an understanding exists providing for repayment by the authority to the state of all amounts appropriated to the special debt service reserve fund pursuant to par. (j).

f. Whether the authority has agreed that the department of administration will have direct and immediate access, at any time and without notice, to all records of the authority relating to the bonds.

3. 'Limit on bonds issued.' The principal amount of all bonds, other than refunding bonds, that would be secured by all special debt service reserve funds of the authority will not exceed \$170,000,000.

4. 'Refunding bonds.' All refunding bonds to be secured by the special debt service reserve fund meet all of the following conditions:

a. The bonds to be refunded by the refunding bonds are secured by a special debt service reserve fund.

b. The refunding will not adversely affect the risk that the state will be called on to make a payment under par. (j).

c. The refunding bonds do not extend the maturity of bonds previously issued by the authority under par. (b) 1.

5. 'Approval of outstanding debt.' All outstanding bonds of the authority issued under this subsection have been reviewed and approved by the secretary of administration. In determining whether to approve outstanding bonds under this subdivision, the secretary may consider any factor that the secretary determines to have a bearing on whether the state moral obligation pledge under par. (j) should be granted with respect to an issuance of bonds.

6. 'Financial reports.' The authority has agreed to provide to the department of administration all financial reports of the authority and all regular monthly statements of any trustee of the bonds on a direct and ongoing basis.

(e) *Payment of funds into a special debt service reserve fund.* The authority shall pay into any special debt service reserve fund of the authority any moneys appropriated and made available by the state for the purposes of the special debt service reserve fund, any proceeds of a sale of bonds to the extent provided in the bond resolution authorizing the issuance of the bonds and any other moneys that are made available to the authority for the purpose of the special debt service reserve fund from any other source.

(f) *Use of moneys in the special debt service reserve fund.* All moneys held in any special debt service reserve fund of the authority for bonds issued under this subsection, except as otherwise specifically provided, shall be used solely for the payment of the principal of the bonds, the making of sinking fund payments with respect to the bonds, the purchase or redemption of the bonds, the payment of interest on the bonds or the payment of any redemption premium required to be paid when the bonds are redeemed prior to maturity. If moneys in a special debt service reserve fund at any time are less than the special debt service reserve fund requirement under par. (h) for the special debt service reserve

fund, the authority may not use these moneys for any optional purchase or optional redemption of the bonds. Any income or interest earned by, or increment to, any special debt service reserve fund due to the investment of moneys in the special debt service reserve fund may be transferred by the authority to other funds or accounts of the authority relating to the bonds to the extent that the transfer does not reduce the amount of the special debt service reserve fund below the special debt service reserve fund requirement under par. (h) for the special debt service reserve fund.

(g) *Limitation on bonds secured by a special debt service reserve fund.* The authority shall accumulate in each special debt service reserve fund an amount equal to the special debt service reserve fund requirement under par. (h) for the special debt service reserve fund. The authority may not at any time issue bonds under this subsection secured in whole or in part by a special debt service reserve fund if upon the issuance of these bonds the amount in the special debt service reserve fund will be less than the special debt service reserve fund requirement under par. (h) for the special debt service reserve fund.

(h) *Special debt service reserve fund requirement.* The special debt service reserve fund requirement for a special debt service reserve fund, as of any particular date of computation, is equal to an amount of money, as provided in the bond resolution authorizing bonds under this subsection with respect to which the special debt service reserve fund is established, that may not exceed the maximum annual debt service on the bonds of the authority for that fiscal year or any future fiscal year of the authority secured in whole or in part by that special debt service reserve fund. In computing the annual debt service for any fiscal year, bonds deemed to have been paid in accordance with the defeasance provisions of the bond resolution authorizing the issuance of the bonds shall not be included in bonds outstanding on such date of computation. The annual debt service for any fiscal year is the amount of money equal to the aggregate of all of the following calculated on the assumption that the bonds will, after the date of computation, cease to be outstanding by reason, but only by reason, of the payment of bonds when due, and the payment when due, and application in accordance with the bond resolution authorizing those bonds, of all of the sinking fund payments payable at or after the date of computation:

1. All interest payable during the fiscal year on all bonds that are secured in whole or in part by the special debt service reserve fund and that are outstanding on the date of computation.
2. The principal amount of all of the bonds that are secured in whole or in part by the special debt service reserve fund, are outstanding on the date of computation, and mature during the fiscal year.
3. All amounts specified in bond resolutions of the authority authorizing any of the bonds that are secured in whole or in part by the special debt service reserve fund to be payable during the fiscal year as a sinking fund payment with respect to any of the bonds that mature after the fiscal year.

(i) *Valuation of securities.* In computing the amount of a special debt service reserve fund for the purposes of this subsection, securities in which all or a portion of the special debt service reserve fund is invested shall be valued at par, or, if purchased at less than par, at their cost to the authority.

(j) *State moral obligation pledge.* If at any time of valuation the special debt service reserve fund requirement under par. (h) for a special debt service reserve fund exceeds the amount of moneys in the special debt service reserve fund, the authority shall certify to the secretary of administration, the governor and the joint committee on finance the amount necessary to restore the special debt service reserve fund to an amount equal to the special debt service reserve fund requirement under par. (h) for the special debt service reserve fund. If this certification is received by the secretary of administration in an even-numbered year prior to the completion of the budget compilation under s. 16.43, the secretary shall include the certified amount in the budget compilation. In any case, the joint committee on finance shall introduce in either

house, in bill form, an appropriation of the amount so certified to the appropriate special debt service reserve fund of the authority. Recognizing its moral obligation to do so, the legislature hereby expresses its expectation and aspiration that, if ever called upon to do so, it shall make this appropriation. This paragraph applies only to bonds issued under, and in compliance with, this subsection.

(L) *Types of schools.* The proceeds of bonds issued under this subsection may not be used for modular schools.

(5s) UNFUNDED SERVICE LIABILITY. (a) *Bond issuance.* Subject to s. 119.499 (1), the authority of a 1st class city may issue up to \$200,000,000 in bonds to finance or refinance the payment of unfunded prior service liability contributions under the Wisconsin Retirement System for the board of school directors of the school district operating under ch. 119 if the board of school directors of the school district operating under ch. 119 requests the issuance of the bonds.

(b) *Terms and conditions.* The terms and conditions of bonds issued under this subsection shall be those specified in sub. (5) (a) 4. The bonds may not have a maturity in excess of 40 years.

(c) *Bonds not secured by special debt service reserve funds.* If the authority issues bonds under this subsection that are not secured by a special debt service reserve fund, as provided under par. (d), pars. (e) to (i) do not apply.

(d) *Designation of special debt service reserve funds.* The authority may designate one or more accounts in funds created under the resolution authorizing the issuance of bonds under this subsection as special debt service reserve funds if, prior to each issuance of bonds to be secured by the special debt service reserve fund, the secretary of administration determines that all of the following conditions are met with respect to the bonds:

1. ‘Purpose.’ The proceeds of the bonds, other than refunding bonds, will be used for the purpose specified in par. (a).

2. ‘Feasibility.’ There is a reasonable likelihood that the bonds will be repaid without the necessity of drawing on funds in the special debt service reserve fund that secures the bonds. The secretary of administration may make this determination of reasonable likelihood only after considering all of the following:

a. The extent to which and manner by which revenues of the school district operating under ch. 119 are pledged to the payment of the bonds.

c. The proposed interest rates of the bonds and the resulting cash-flow requirements.

d. The projected ratio of annual pledged revenues from the school district operating under ch. 119 to annual debt service on the bonds, taking into account capitalized interest.

f. Whether the authority has agreed that the department of administration will have direct and immediate access, at any time and without notice, to all records of the authority relating to the bonds.

3. ‘Limit on bonds issued.’ The principal amount of all bonds, other than refunding bonds, that would be secured by all special debt service reserve funds of the authority as designated under par. (d) will not exceed \$200,000,000.

4. ‘Refunding bonds.’ All refunding bonds to be secured by the special debt service reserve fund are to be issued to fund, refund, or advance refund bonds secured by a special debt service reserve fund.

5. ‘Approval of outstanding debt.’ All outstanding bonds of the authority issued under this subsection have been reviewed and approved by the secretary of administration.

6. ‘Financial reports.’ The authority has agreed to provide to the department of administration all financial reports of the authority and all regular monthly statements of any trustee of the bonds on a direct and ongoing basis.

(e) *Payment of funds into a special debt service reserve fund.* The authority shall pay into any special debt service reserve fund of the authority any moneys appropriated and made available by

the state for the purposes of the special debt service reserve fund, any proceeds of a sale of bonds to the extent provided in the bond resolution authorizing the issuance of the bonds and any other moneys that are made available to the authority for the purpose of the special debt service reserve fund from any other source.

(f) *Use of moneys in the special debt service reserve fund.* All moneys held in any special debt service reserve fund of the authority for bonds issued under this subsection, except as otherwise specifically provided, shall be used solely for the payment of the principal of the bonds, the making of sinking fund payments with respect to the bonds, the purchase or redemption of the bonds, the payment of interest on the bonds or the payment of any redemption premium required to be paid when the bonds are redeemed prior to maturity. If moneys in a special debt service reserve fund at any time are less than the special debt service reserve fund requirement under par. (h) for the special debt service reserve fund, the authority may not use these moneys for any optional purchase or optional redemption of the bonds. Any income or interest earned by, or increment to, any special debt service reserve fund due to the investment of moneys in the special debt service reserve fund in excess of the special debt service reserve fund requirement under par. (h) may be transferred by the authority to other funds or accounts of the authority relating to the bonds.

(g) *Limitation on bonds secured by a special debt service reserve fund.* The authority shall accumulate in each special debt service reserve fund an amount equal to the special debt service reserve fund requirement under par. (h) for the special debt service reserve fund. The authority may not at any time issue bonds under this subsection secured in whole or in part by a special debt service reserve fund if upon the issuance of these bonds the amount in the special debt service reserve fund will be less than the special debt service reserve fund requirement under par. (h) for the special debt service reserve fund.

(h) *Special debt service reserve fund requirement.* The special debt service reserve fund requirement for a special debt service reserve fund, as of any particular date of computation, is equal to an amount as provided in the bond resolution authorizing bonds under this subsection with respect to which the special debt service reserve fund is established, and that amount may not exceed the maximum annual debt service on the bonds of the authority for that fiscal year or any future fiscal year of the authority secured in whole or in part by that special debt service reserve fund. In computing the annual debt service for any fiscal year, bonds deemed to have been paid in accordance with the defeasance provisions of the bond resolution authorizing the issuance of the bonds shall not be included in bonds outstanding on such date of computation. The annual debt service for any fiscal year is the amount of money equal to the aggregate of all of the following calculated on the assumption that the bonds will, after the date of computation, cease to be outstanding by reason, but only by reason, of the payment of bonds when due, and the payment when due, and application in accordance with the bond resolution authorizing those bonds, of all of the sinking fund payments payable at or after the date of computation:

1. All interest payable during the fiscal year on all bonds that are secured in whole or in part by the special debt service reserve fund and that are outstanding on the date of computation.

2. The principal amount of all of the bonds that are secured in whole or in part by the special debt service reserve fund, are outstanding on the date of computation, and mature during the fiscal year.

3. All amounts specified in bond resolutions of the authority authorizing any of the bonds that are secured in whole or in part by the special debt service reserve fund to be payable during the fiscal year as a sinking fund payment with respect to any of the bonds that mature after the fiscal year.

(i) *Valuation of securities.* In computing the amount of a special debt service reserve fund for the purposes of this subsection, securities in which all or a portion of the special debt service

reserve fund is invested shall be valued at par, or, if purchased at less than par, at their cost to the authority.

(6) **COMPREHENSIVE PLAN OF REDEVELOPMENT; DESIGNATION OF BOUNDARIES; APPROVAL BY LOCAL LEGISLATIVE BODY.** (a) The authority may make and prepare a comprehensive plan of redevelopment and urban renewal which shall be consistent with the general plan of the city, including the appropriate maps, tables, charts and descriptive and analytical matter. The plan is intended to serve as a general framework or guide of development within which the various area and redevelopment and urban renewal projects may be more precisely planned and calculated. The comprehensive plan shall include at least a land use plan which designates the proposed general distribution and general locations and extents of the uses of the land for housing, business, industry, recreation, education, public buildings, public reservations and other general categories of public and private uses of the land. The authority may make all other surveys and plans necessary under this section, and adopt or approve, modify and amend the plans.

(b) For the exercise of the powers granted and for the acquisition and disposition of real property in a project area, the following steps and plans are required:

1. Designation by the authority of the boundaries of the proposed project area, submission of the boundaries to the local legislative body, and adoption of a resolution by two-thirds of the local legislative body declaring the area to be a blighted area in need of a blight elimination, slum clearance and urban renewal project. After these acts, the local legislative body may, by resolution by two-thirds vote, prohibit for an initial period of not to exceed 6 months from enactment of the resolution any new construction in the area except upon resolution by the local legislative body that the proposed new construction, on reasonable conditions stated in the resolution, will not substantially prejudice the preparation or processing of a plan for the area and is necessary to avoid substantial damage to the applicant. The order of prohibition is subject to successive renewals for like periods by like resolutions, but no new construction contrary to any resolution of prohibition may be authorized by any agency, board or commission of the city in the area except as provided in this subdivision. No prohibition of new construction may be construed to forbid ordinary repair or maintenance, or improvement necessary to continue occupancy under any regulatory order.

2. Approval by the authority and by two-thirds of the local legislative body of the redevelopment plan of the project area which has been prepared by the authority. The redevelopment plan shall conform to the general plan of the city and shall be sufficiently complete to indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements in the project area. The redevelopment plan shall include a statement of the boundaries of the project area; a map showing existing uses and conditions of real property; a land use plan showing proposed uses of the area; information showing the standards of population density, land coverage and building intensity in the area after redevelopment; present and potential equalized value for property tax purposes; a statement of proposed changes in zoning ordinances or maps and building codes and ordinances; a statement as to the kind and number of site improvements and additional public utilities which will be required to support the new land uses in the area after redevelopment; and a statement of a feasible method proposed for the relocation of families to be displaced from the project area.

3. Approval of a redevelopment plan of a project area by the authority, which may be given only after a public hearing conducted by the authority and a finding by the authority that the plan is feasible and in conformity with the general plan of the city. Notice of the hearing, describing the time, date, place and purpose of the hearing and generally identifying the project area, shall be published as a class 2 notice, under ch. 985, the last insertion to be at least 10 days before the date set for the hearing. At least 20

days before the date set for the hearing on the proposed redevelopment plan of the project area a notice shall be transmitted by certified mail, with return receipt requested, to each owner of real property of record within the boundaries of the redevelopment plan. If transmission of the notice by certified mail with return receipt requested cannot be accomplished, or if the letter is returned undelivered, then notice may be given by posting the notice at least 10 days before the date of hearing on any structure located on the property or, if the property consists of vacant land, a notice may be posted in some suitable and conspicuous place on the land. The notice shall state the time and place at which the hearing will be held with respect to the redevelopment plan and that the owner's property might be taken for urban renewal. For the purpose of ascertaining the name of the owner of record of the real property within the project boundaries, the records, at the time of the approval by the redevelopment authority of the project boundaries, of the register of deeds of the county in which the property is located are conclusive. Failure to receive the notice does not invalidate the plan. An affidavit of mailing or posting of the notice filed as a part of the records of the authority is prima facie evidence of the giving of notice. All interested parties shall be afforded a full opportunity to express their views on the proposed plan at the public hearing, but the hearing shall only be for the purpose of assisting the authority in making its determination and in submitting its report to the local legislative body. Any technical omission in the procedure outlined in this subdivision does not invalidate the plan. Any owner of property included within the boundaries of the redevelopment plan who objects to the plan shall state the owner's objections and the reasons for objecting, in writing, and file the s document with the authority before the public hearing, at the time of the public hearing, or within 15 days after the hearing. The owner shall state his or her mailing address and sign his or her name. The filing of objections in writing is a condition precedent to the commencement of an action to contest the right of the redevelopment authority to condemn the property under s. 32.06 (5).

(c) In relation to the location and extent of public works and utilities, public buildings and public uses in a comprehensive plan or a project area plan, the authority shall confer with the planning commission and with such other public officials, boards, authorities and agencies of the city under whose administrative jurisdictions these uses fall.

(d) After the redevelopment plan has been approved both by the authority and the local legislative body, it may be amended by resolution adopted by the authority, and the amendment shall be submitted to the local legislative body for its approval by a two-thirds vote before it becomes effective. It is not required in connection with any amendment to the redevelopment plan, unless the boundaries described in the plan are altered to include other property, that the provisions in this subsection with respect to public hearing and notice be followed.

(e) After a project area redevelopment plan of a project area has been adopted by the authority, and the local legislative body has by a two-thirds vote approved the redevelopment plan the authority may certify the plan to the local legislative body. After certification, the authority shall exercise the powers granted to it for the acquisition and assembly of the real property of the area. The local legislative body shall upon the certification of the plan by the authority direct that no new construction be permitted. After this direction, no new construction may be authorized by any agencies, boards or commissions of the city in the area unless authorized by the local legislative body, including substantial remodeling or conversion or rebuilding, enlargement, or extension or major structural improvements on existing buildings, but not including ordinary maintenance or remodeling or changes necessary to continue the occupancy.

(f) Any city in which a redevelopment authority is carrying on redevelopment under this section may make grants, loans, advances or contributions for the purpose of carrying on redevelopment, urban renewal and any other related purposes.

(9) TRANSFER, LEASE OR SALE OF REAL PROPERTY IN PROJECT AREAS FOR PUBLIC AND PRIVATE USES. (a) 1. a. Upon the acquisition of any real property in the project area, the authority may lease, sell or otherwise transfer to a redevelopment company, association, corporation or public body, or to an individual, limited liability company or partnership, all or any part of the real property, including streets or parts of streets to be closed or vacated in accordance with the plan, for use in accordance with the redevelopment plan. No assembled lands of the project area may be either sold or leased by the authority to a housing authority created under s. 66.1201 for the purpose of constructing public housing projects upon the land unless the sale or lease of the lands has been first approved by the local legislative body by a vote of not less than four-fifths of the members elected.

b. Any real property sold or leased under subd. 1. a. shall be leased or sold at its fair market value for uses in accordance with the redevelopment plan, notwithstanding that the fair market value may be less than the cost of acquiring and preparing the property for redevelopment. In determining fair market value, an authority shall give consideration to the uses and purposes required by the redevelopment plan; the restrictions upon and covenants, conditions and obligations assumed by the purchaser or lessee, the objectives of the redevelopment plan for the prevention or recurrence of slum and blighted areas; and other matters that the authority considers appropriate.

c. A copy of the redevelopment plan shall be recorded in the office of the register of deeds in the county where the redevelopment project is located. Any amendment to the redevelopment plan, approved under sub. (6), shall be recorded in the office of the register of deeds of the county.

d. Before the transfer, lease or sale of any real property in the project area occurs, a report as to the terms, conditions and other material provisions of the transaction shall be submitted to the local legislative body, and the local legislative body shall approve the report prior to the authority proceeding with the disposition of the real property.

2. Any lease, including renewal options, which can total more than 5 years shall be approved by the local legislative body.

(b) A lease or sale may be made without public bidding, but only after public hearing is held by the authority after a notice is published as a class 2 notice, under ch. 985. The hearing shall be predicated upon the proposed sale or lease and the provisions of the sale or lease.

(c) The terms of a lease or sale shall be fixed by the authority, and the instrument of lease may provide for renewals upon reappraisals and with rentals and other provisions adjusted to the reappraisals. Every lease or sale shall provide that the lessee or purchaser will carry out the approved project area redevelopment plan or approved modifications of the redevelopment plan, and that the use of land or real property included in the lease or sale, and any building or structure, shall conform to the approved plan or approved modifications of the plan. In the instrument of lease or sale, the authority may include other terms, provisions and conditions that will provide reasonable assurance of the priority of the obligations of the lease or sale, of conformance to the plan over any other obligations of the lessee or purchaser, and of the financial and legal ability of the lessee or purchaser to carry out and conform to the plan and the terms and conditions of the lease or sale. In the instrument of lease or sale, the authority may include terms, conditions and specifications concerning buildings, improvements, subleases or tenancy, maintenance and management, and any other matters that the authority imposes or approves, including provisions under which the obligations to carry out and conform to the project area plan run with the land. If maximum rentals to be charged to tenants are specified, provision may be made for periodic reconsideration of rental bases.

(d) Until the authority certifies that all building constructions and other physical improvements specified by the purchaser have been completed, the purchaser may not convey all or part of an

area without the consent of the authority. No consent may be given unless the grantee of the purchaser is obligated, by written instrument, to the authority to carry out that portion of the redevelopment plan which falls within the boundaries of the conveyed property and unless the written instrument specifies that the grantee and the heirs, representatives, successors and assigns of the grantee may not convey, lease or let all or part of the conveyed property, or erect or use any building or structure on the conveyed property free from obligation and requirement to conform to the approved project area redevelopment plan or approved modifications of the redevelopment plan.

(e) The authority may demolish any existing structure or clear all or part of an area or specify the demolition and clearance to be performed by a lessee or purchaser and a time schedule for the demolition and clearance. The authority shall specify the time schedule and conditions for the construction of buildings and other improvements.

(f) In order to facilitate the lease or sale of a project area, or if the lease or sale is part of an area, the authority may include in the cost payable by it the cost of the construction of local streets and sidewalks in the area, or of grading and any other local public surface or subsurface facilities or any site improvements necessary for shaping the area as the site of the redevelopment of the area. The authority may arrange with the appropriate federal, state, county or city agencies for the reimbursement of outlays from funds or assessments raised or levied for these purposes.

(10) HOUSING FOR DISPLACED FAMILIES; RELOCATION PAYMENTS. An authority shall formulate a feasible method for the temporary relocation of persons living in areas that are designated for clearance and redevelopment. The authority shall prepare a plan for submittal to the local legislative body for approval which shall assure that decent, safe and sanitary dwellings substantially equal in number to the number of substandard dwellings to be removed in carrying out the redevelopment are available or will be provided at rents or prices within the financial reach of the income groups displaced. The authority may make relocation payments to or with respect to persons, including families, business concerns and others, displaced by a project for moving expenses and losses of property for which reimbursement or compensation is not otherwise made, including making payments financed by the federal government.

(11) MODIFICATION OF REDEVELOPMENT PLAN. (a) An approved project area redevelopment plan may be modified at any time after the lease or sale of all or part of the area if the modification is consented to by the lessee or purchaser, and the proposed modification is adopted by the authority and submitted to, and approved by, the local legislative body. Before approval, the authority shall hold a public hearing on the proposed modification, and notice of the time and place of hearing shall be sent by mail at least 10 days before the hearing to the owners of the real properties in the project area and of the real properties immediately adjoining or across the street from the project area. The local legislative body may refer back to the authority any project area redevelopment plan, project area boundaries or modifications submitted to it, together with recommendations for changes in the plan, boundaries or modification, and if the recommended changes are adopted by the authority and approved by the local legislative body, the plan, boundaries or modifications as changed become the approved plan, boundaries or modification.

(b) Whenever the authority determines that a redevelopment plan with respect to a project area that has been approved and recorded in the register of deed's office is to be modified to permit land uses in the project area, other than those specified in the redevelopment plan, the authority shall notify all purchasers of property within the project area of the authority's intention to modify the redevelopment plan, and it shall hold a public hearing on the modification. Notice shall be given to the purchasers of the property by personal service at least 20 days before the holding of the public hearing, or if the purchasers cannot be found notice shall be given by registered mail to the purchasers at their last-known

address. Notice of the public hearing shall also be given by publication as a class 2 notice, under ch. 985. The notice shall specify the project area and recite the proposed modification and its purposes. The public hearing is advisory to the authority. If the authority, following the public hearing, determines that the modification of the redevelopment plan will not affect the original objectives of the plan and that it will not produce conditions leading to a reoccurrence of blight within the project area, the authority may by resolution act to modify the plan to permit additional land uses in the project area, subject to approval by the legislative body by a two-thirds vote of the members-elect. If the local legislative body approves the modification to the redevelopment plan, an amendment to the plan containing the modification shall be recorded with the register of deeds of the county in which the project area is located and shall supplement the redevelopment plan previously recorded. Following the action with respect to modification of the redevelopment plan, the plan is amended and no legal rights accrue to any person or to any owner of property in the project area by reason of the modification of the redevelopment plan.

(c) The provisions of this subsection shall be construed liberally to effectuate its purposes and substantial compliance is adequate. Technical omissions do not invalidate the procedure in this subsection with respect to acquisition of real property necessary or incidental to a redevelopment project.

(12) LIMITATION UPON TAX EXEMPTION. The real and personal property of the authority is declared to be public property used for essential public and governmental purposes, and the property and an authority are exempt from all taxes of the state or any state public body. The city in which a redevelopment or urban renewal project is located may fix a sum to be paid annually in lieu of taxes by the authority for the services, improvements or facilities furnished to the project by the city if the authority is financially able to do so, but the sum may not exceed the amount which would be levied as the annual tax of the city upon the project. No real property acquired under this section by a private company, corporation, individual, limited liability company or partnership, either by lease or purchase, is exempt from taxation because of the acquisition.

(13) COOPERATION BY PUBLIC BODIES AND USE OF CITY FUNDS. To assist any redevelopment or urban renewal project located in the area in which the authority is authorized to act, a public body may, upon terms that it determines: furnish services or facilities, provide property, lend or contribute funds, perform any other action of a character which it may perform for other general purposes, and enter into cooperation agreements and related contracts in furtherance of the purposes enumerated. A city and a public body may levy taxes and assessments and appropriate funds and make expenditures that may be necessary to carry out the purposes of this subsection, but taxes and assessments may not be levied under this subsection by a public body which may not levy taxes and assessments for any other purpose.

(14) OBLIGATIONS. For the purpose of financially aiding an authority to carry out blight elimination, slum clearance and urban renewal programs and projects, the city in which the authority functions may issue and sell general obligation bonds under ch. 67, except that no referendum is required, and may levy taxes without limitation for the payment of the bonds, as provided in s. 67.035. The bonds authorized under this subsection are fully negotiable and except as provided in this subsection are not subject to any other law or charter pertaining to the issuance or sale of bonds.

(15) BUDGET. The local legislative body shall approve the budget for each fiscal year of the authority, and may alter or modify any item of the budget relating to salaries, office operation or facilities.

(16) LEGAL SERVICES TO AUTHORITY. The legal department of a city in which the authority functions can provide legal services to the authority and a member of the legal department having the necessary qualifications may, subject to approval of the authority,

be its counsel. The authority may retain specialists to render legal services as required by it.

(17) CONSTRUCTION. This section shall be construed liberally to effectuate its purposes and the enumeration in this section of specific powers does not restrict the meaning of any general grant of power contained in this section or exclude other powers comprehended in the general grant.

History: 1973 c. 172; 1975 c. 4, 94, 350; 1979 c. 89, 110, 221; 1981 c. 20, 112, 232; 1983 a. 24, 189; 1985 a. 219; 1987 a. 27, 403; 1989 a. 31, 89; 1991 a. 316; 1993 a. 16, 112, 172, 184, 268, 301; 1995 a. 27, 225; 1999 a. 9; 1999 a. 150 ss. 441 to 446; Stats. 1999 s. 66.1333; 1999 a. 185 s. 58; 2001 a. 30; 2003 a. 43, 320; 2005 a. 453; 2007 a. 96; 2009 a. 28, 95; 2011 a. 32; 2015 a. 196.

The general rule of strict construction of eminent domain statutes does not apply due to the requirement of liberal construction of this section under sub. (17). Whether an area is “blighted” under this section may be determined by focusing on the general overall character of the area in the context of its surrounding neighbors. *Grunwald v. City of West Allis*, 202 Wis. 2d 471, 551 N.W.2d 36 (Ct. App. 1996), 95–2920.

When a property owner refuses access to property and an authority seeks to obtain a court order under sub. (5) (a) 3. authorizing entry for inspecting and testing, the opportunity must be provided to consider the necessity of the entry, the scope of the entry, and the time, place, and manner of the entry. *Redevelopment Authority of the City of Milwaukee v. Uptown Arts and Education, Inc.* 229 Wis. 2d 458, 599 N.W.2d 655 (Ct. App. 1999), 98–2389.

A city may reimburse a commissioner of the city redevelopment authority for his legal expenses incurred when charges are filed against him in his official capacity seeking his removal from office for cause and the charges are found by the common council to be unsupported. Such reimbursement is discretionary. The city redevelopment authority lacks statutory authority to authorize reimbursement for such legal expenses. 63 Atty. Gen. 421.

A redevelopment authority may condemn any property within the project area even though some portions of the urban renewal area are not in fact blighted. 65 Atty. Gen. 116.

Certain local governments and public agencies may issue obligations to provide mortgage loans on owner-occupied residences. However, compliance with the federal Mortgage Subsidy Bond Tax Act of 1980 is necessary to allow exemption of interest from federal taxation. 71 Atty. Gen. 74.

66.1335 Housing and community development authorities. (1) AUTHORIZATION.

A city may, by a two-thirds vote of the members of the city council present at the meeting, adopt an ordinance or resolution creating a housing and community development authority which shall be known as the “Community Development Authority” of the city. It is a separate body politic for the purpose of carrying out blight elimination, slum clearance, urban renewal programs and projects and housing projects. The ordinance or resolution creating a housing and community development authority may also authorize the authority to act as the agent of the city in planning and carrying out community development programs and activities approved by the mayor and common council under the federal housing and community development act of 1974 and as agent to perform all acts, except the development of the general plan of the city, which may be otherwise performed by the planning commission under s. 66.1105, 66.1301 to 66.1329, 66.1331 or 66.1337. A certified copy of the ordinance or resolution shall be transmitted to the mayor. The ordinance or resolution shall also do all of the following:

(a) Provide that any redevelopment authority created under s. 66.1333 operating in the city and any housing authority created under s. 66.1201 operating in the city, shall terminate its operation as provided in sub. (5).

(b) Declare in substance that a need for blight elimination, slum clearance, urban renewal and community development programs and projects and housing projects exists in the city.

(2) APPOINTMENT OF MEMBERS. Upon receipt of a certified copy of the ordinance or resolution, the mayor shall, with the confirmation of the council, appoint 7 resident persons having sufficient ability and experience in the fields of urban renewal, community development and housing, as commissioners of the community development authority.

(a) Two of the commissioners shall be members of the council and shall serve during their term of office as council members.

(b) The first appointments of the 5 noncouncil members shall be for the following terms: 2 for one year and one each for terms of 2, 3 and 4 years. Thereafter the terms of noncouncil members shall be 4 years and until their successors are appointed and qualified.

(c) Vacancies shall be filled for the unexpired term as provided in this subsection.

(d) Commissioners shall be reimbursed their actual and necessary expenses including local travel expenses incurred in the discharge of their duties, and may, in the discretion of the city council, receive other compensation.

(3) EVIDENCE OF AUTHORITY. The filing of a certified copy of the ordinance or resolution referred to in sub. (1) with the city clerk is prima facie evidence of the community development authority’s right to transact business and the ordinance or resolution is not subject to challenge because of any technicality. In a suit, action or proceeding commenced against the community development authority, a certified copy of the ordinance or resolution is conclusive evidence that the community development authority is established and authorized to transact business and exercise its powers under this section.

(4) POWERS AND DUTIES. The community development authority has all powers, duties and functions set out in ss. 66.1201 and 66.1333 for housing and redevelopment authorities. As to all housing projects initiated by the community development authority it shall proceed under s. 66.1201, and as to all projects relating to blight elimination, slum clearance, urban renewal and redevelopment programs it shall proceed under ss. 66.1105, 66.1301 to 66.1329, 66.1331, 66.1333 or 66.1337 as determined appropriate by the common council on a project by project basis. As to all community development programs and activities undertaken by the city under the federal housing and community development act of 1974, the community development authority shall proceed under all applicable laws and ordinances not inconsistent with the laws of this state. In addition, if provided in the resolution or ordinance, the community development authority may act as agent of the city to perform all acts, except the development of the general plan of the city, which may be otherwise performed by the planning commission under ss. 66.1105, 66.1301 to 66.1329, 66.1331 or 66.1337.

(5) TERMINATION OF HOUSING AND REDEVELOPMENT AUTHORITIES. Upon the adoption of an ordinance or resolution creating a community development authority, all housing and redevelopment authorities previously created in the city under ss. 66.1201 and 66.1333 terminate.

(a) Any programs and projects which have been begun by housing and redevelopment authorities shall, upon adoption of the ordinance or resolution, be transferred to and completed by the community development authority. Any procedures, hearings, actions or approvals taken or initiated by the redevelopment authority under s. 66.1333 on pending projects are deemed to have been taken or initiated by the community development authority as if the community development authority had originally undertaken the procedures, hearings, actions or approvals.

(b) Any form of indebtedness issued by a housing or redevelopment authority shall, upon the adoption of the ordinance or resolution, be assumed by the community development authority except as indicated in par. (e).

(c) Upon the adoption of the ordinance or resolution, all contracts entered into between the federal government and a housing or redevelopment authority, or between these authorities and other parties shall be assumed and discharged by the community development authority except for the termination of operations by housing and redevelopment authorities. Housing and redevelopment authorities may execute any agreements contemplated by this subsection. Contracts for disposition of real property entered into by the redevelopment authority with respect to any project are deemed contracts of the community development authority without the requirement of amendments to the contracts. Contracts entered into between the federal government and the redevelopment authority or the housing authority bind the community development authority in the same manner as if originally entered into by the community development authority.

(d) A community development authority may execute appropriate documents to reflect its assumption of the obligations set forth in this subsection.

(e) A housing authority which has outstanding bonds or other securities that require the operation of the housing authority in order to fulfill its commitments with respect to the discharge of principal or interest or both may continue in existence solely for that purpose. The ordinance or resolution creating the community development authority shall delineate the duties and responsibilities which shall devolve upon the housing authority with respect to that purpose.

(f) The termination of housing and redevelopment authorities pursuant to this section is not subject to s. 66.1201 (26).

(5m) TAX EXEMPTION. Community development authority bonds issued on or after January 28, 1987, are declared to be issued for an essential public and governmental purpose and to be public instrumentalities and, together with interest on the bonds and income from the bonds, are exempt from taxes.

(6) CONTROLLING STATUTE. The powers conferred under this section are in addition and supplemental to the powers conferred by any other law. To the extent that this section is inconsistent with any other law, this section controls.

(7) CONSTRUCTION. This section shall be construed liberally to effectuate its purposes and the enumeration of specific powers in this section does not restrict the meaning of any general grant of power contained in this section nor does it exclude other powers comprehended in the general grant.

History: 1975 c. 311; 1979 c. 110; 1987 a. 27; 1999 a. 150 s. 448; Stats. 1999 s. 66.1335.

66.1337 Urban renewal. (1) SHORT TITLE. This section shall be known and may be cited as the “Urban Renewal Act”.

(2) FINDINGS. It is found and declared that there exists in municipalities of the state slum, blighted and deteriorated areas which constitute a serious and growing menace injurious to the public health, safety, morals and welfare of the residents of the state, and the findings and declarations made in s. 66.1331 are affirmed and restated. Certain slum, blighted or deteriorated areas may require acquisition and clearance, as provided in s. 66.1331, since the prevailing condition of decay may make impracticable the reclamation of the area by conservation or rehabilitation in a manner that eliminates, remedies or prevents the conditions and evils of these areas. To the extent feasible salvable slum and blighted areas should be conserved and rehabilitated through voluntary action and the regulatory process. All acts and purposes provided for by this section are for and constitute public uses and are for and constitute public purposes. Moneys expended under this section are for public purposes and to preserve the public interest, safety, health, morals and welfare. Any municipality in carrying out the provisions of this section shall afford maximum opportunity consistent with the sound needs of the municipality as a whole to the rehabilitation or redevelopment of areas by private enterprise.

(2m) DEFINITIONS. In this section:

(a) “Rehabilitation or conservation work” includes any of the following:

1. Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements.
2. Acquisition of real property and demolition, removal or rehabilitation of buildings and improvements on the property where necessary to eliminate unhealthful, unsanitary or unsafe conditions, lessen density, reduce traffic hazards, eliminate obsolete or other uses detrimental to the public welfare, to otherwise remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.
3. Installation, construction or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the objectives of the urban renewal project.

4. The disposition, for uses in accordance with the objectives of the urban renewal project, of any property acquired in the area of the project. The disposition shall be in the manner prescribed in this section for the disposition of property in a redevelopment project area.

(b) “Urban renewal project” includes undertakings and activities for the elimination and for the prevention of the development or spread of slums or blighted, deteriorated or deteriorating areas and may involve any work or undertaking for this purpose constituting a redevelopment project or any rehabilitation or conservation work, or any combination of the undertaking or work.

(3) URBAN RENEWAL PROJECTS. A municipality may plan and undertake urban renewal projects.

(4) WORKABLE PROGRAM. (a) 1. The governing body of the municipality, or the public officer or public body that it designates, including a housing authority organized and created under s. 66.1201, a redevelopment authority created under s. 66.1333 or a community development authority created under s. 66.1335, may prepare a workable program for utilizing appropriate private and public resources to eliminate, and prevent the development or spread of, slums and urban blight and deterioration, to encourage needed urban rehabilitation, to provide for the redevelopment of blighted, deteriorated or slum areas, or to undertake those activities or other feasible activities that may be suitably employed to achieve these objectives. The governing body may by resolution or ordinance provide the specific means by which a workable program can be effectuated and may confer upon its officers and employees the power required to carry out a program of rehabilitation and conservation for the restoration and removal of blighted, deteriorated or deteriorating areas. If a municipality finds that there exists in the municipality dwellings or other structures that are unfit for human habitation due to dilapidation, defects that increase the hazards of fire, accidents or other calamities, lack of ventilation, light or sanitary facilities or other conditions, rendering the dwellings or other structures unsanitary, dangerous or detrimental to the health, safety or morals, or otherwise inimical to the welfare of the residents of the municipality, the municipality may enact the resolutions or ordinances that it considers appropriate and effectual in order to prevent those conditions and may require the repair, closing, demolition or removal of the dwellings or other structures.

2. In this subsection:

a. “Dwelling” means any building, structure or part of the building or structure that is used and occupied for human habitation or intended to be so used and includes any appurtenances belonging to it or usually enjoyed with it.

b. “Structure” includes fences, garages, sheds, and any type of store or commercial, industrial or manufacturing building.

3. The ordinances or resolutions under subd. 1. shall require that, if there are reasonable grounds to believe that there has been a violation of the ordinances or resolutions, notice of the alleged violation shall be given to the alleged responsible person by appropriately designated public officers or employees of the municipality. Every such notice shall be in writing; include a description of the real estate sufficient for identification; include a statement of the reason for issuance; specify a time for the performance of any act that the notice requires; and be served upon the alleged responsible person. The notice of violation is properly served on the person if a copy of it is delivered to the person personally; is left at the person’s usual place of abode, in the presence of someone in the family of suitable age and discretion who shall be informed of the contents of the notice; is sent by registered mail or by certified mail with return receipt requested to the person’s last-known address; or, if the registered or certified letter with the copy of the notice is returned showing the letter has not been delivered to the person, by posting a copy of the notice in a conspicuous place in or about the dwelling or other structure affected by the notice.