



Rob Hutton

STATE REPRESENTATIVE • 13TH ASSEMBLY DISTRICT

Testimony of Representative Rob Hutton in Support of Assembly Bill 663

Mr. Chairman and members of the Housing and Real Estate committee thank you for scheduling a public hearing on Assembly Bill 663. As we see Wisconsin's economy growing under our reforms we want to continue to minimize our regulatory and bureaucratic environment that still slows business development. AB 633 is another step in that direction.

Current law requires municipalities to follow either a subdivision process or a "certified survey map" (CSM) process when creating business developments. The "subdivision" process requires an extensive state review that takes 4-6 months to complete and costs up to \$3,000 to work through the entire process. Conversely, the CSM process takes 2-3 months, does not require state review, and costs \$500. Currently, the CSM process is only allowed when there are fewer than 5 lot changes in a 5 year period. Once a municipality reaches that threshold they are required to follow the subdivision process with its higher costs and extended waiting period.

This bill promotes further small business development in our state by allowing municipalities, who have staff and ability, to approve CSMs of more than 4 lot changes. Expanding the use of CSM's will allow new businesses to start up sooner and promotes local control by allowing municipalities to keep up with economic development needs of their communities.

Ultimately, we wanted this bill to strengthen local control which is why we made sure that the language is elective. Under this bill municipalities that want to continue using existing rules, or do not have the planning staff or capacity to create CSM changes according to the standards, can continue to operate under the existing rules. At the same time, the language clearly restricts the new CSM process to only municipalities with the staff able to properly review the changes, and who can implement them at state review standards.

Lastly, there are two amendments I would like to outline. The first amendment has been introduced and clarifies that the new CSM process is for commercial, industrial, or mixed use. Residential developments must continue to use the current process. The second amendment is in drafting and clarifies that new CSM's of more than 5 lots must go to DOA for a technical review, but CSM's that are created to change boundaries of an existing lot do not need to be reviewed by DOA.

Thank you for allowing a hearing on this bill and your support in keeping Wisconsin's economy moving in the right direction.



To: All Legislators

From: Tom Larson, Vice President of Legal and Public Affairs

Date: January 28, 2014

RE: SB 502/AB 663 – Streamlining the local plat review process

The Wisconsin REALTORS® Association supports SB 502/AB 663, legislation giving local units of government more flexibility to approve changes to lots in an office and business park without having to go through a more expensive and time consuming process required for “subdivisions” under Ch. 236 of the Wisconsin Statutes.

Background

Under current law, a “subdivision” must be created in situations in which a land owner is seeking the division of a lot, parcel, or tract of land where the division creates five or more parcels or building sites of 1 ½ or less acres in a defined area. A “certified survey map” (CSM) may be created to divide land if the division creates four or fewer parcels of land and does not result in a subdivision. If multiple CSMs in a defined area cumulatively create five or more parcels during a consecutive five year period, a subdivision must be created.

The approval process for a CSM involves approvals from the local municipality and fees totaling \$640. The entire approval process takes between 2 ½ to 3 months. The approval process for a subdivision involves approvals from the both the local municipality and Wisconsin’s Department of Administration and fees totaling upwards of \$3,000. The entire subdivision approval process takes between 4 to 6 months. In some instances, the longer period required for the creation of a subdivision can delay commencement of construction until the next construction season.

When business and office parks are created, the lot sizes and configurations often change due to the specific needs of the businesses looking to locate there. If multiple lot changes occur within a 5-year period, the changes could qualify as a “subdivision” and require a more expensive and time consuming review. This creates problems for local communities who may have businesses interested in locating in the business or office park, but don’t want to wait 4 to 6 months for approval.

SB 502/AB 663

SB 502/AB 663 provides local units of government with more flexibility to attract economic development by streamlining their development-approval process. Specifically, SB 502/AB 663 does the following:

- **Authorizes local governments to determine when a more extensive “subdivision” review is required at the local level.** Under SB 502/AB 663, a municipality is authorized (not required) to change the definition of “subdivision” by ordinance or

resolution. This authority will allow local governments to decide how many new lots must be created in order to trigger a more extensive "subdivision" review at the local level. Rather than requiring a "subdivision" review after the creation of 5 lots within 5 years, a local government could decide to increase that number if they wished.

Depending on the time of the year, the subdivision process has the potential to cause development projects to miss a pivotal construction commencement date due to the layers of approval and length of time for approval. Having the ability to use CSM's would instead provide the local government with additional flexibilities and time savings to accommodate the needs of potential site developers.

- **Maintains state DOA review for the creation of new plats meeting the definition of "subdivision."** To ensure that new plats continue to be reviewed by DOA for compliance with Ch. 236 requirements, SB 502/AB 663 requires local governments to continue to submit plats meeting the definition of "subdivision" to DOA for review.
- **Requires only local review of the reconfiguration of lot lines.** To expedite the approval process of the reconfiguration of existing lot lines, SB 502/AB 663 authorizes local governments to approve lot line reconfigurations, without first requiring state review and approval.
- **Limits this authority to only local governments with professional planning departments.** To ensure that an adequate review of the land division is conducted at the local level, SB 502/AB 663 limits this authority to only local governments with professional planning departments. If a local government does not have a professional planning department, any plats creating 5 lots in 5 years would still require a more extensive "subdivision" review.
- **Limits the scope to only commercial, industrial and mixed-use development.** Under SB 502/AB 663, a local unit of government may change the definition of "subdivision" for only commercial, industrial and mixed-use development. This recognizes the need for flexibility in those types of development to accommodate the different needs of businesses wishing to locate within the community.

We hope that you will support SB 502/AB 663. If you have questions, please contact us at (608) 241-2047.



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**City of Milwaukee Testimony on AB 663 to Assembly Committee on Housing and
Real Estate
February 6, 2014**

I would like to thank Chairman Murtha and members of the Committee for hearing AB 663 relating to expanding the use of Certified Survey Maps by municipalities with established planning agencies. On behalf of the City of Milwaukee, I would like to also thank Representative Hutton and Senator Lasee for authoring the bill.

This bill is about creating a more developer-friendly and streamlined process of dividing land for the promotion of industrial, commercial and mixed-use development.

Industrial, commercial and mixed-use projects frequently require the creation of multiple parcels and involve the creation of Certified Survey Maps (CSMs). Current restrictions on the number of parcels that may be created by CSMs slow down efforts to develop industrial, commercial and mixed-use properties throughout the state. Under the current procedure, a CSM may only be created to divide land if the division creates four or fewer parcels; the creation of five or more parcels of 1.5 acres or less, during a five-year period, requires a formal subdivision plat.

The approval process for a subdivision involves approvals from the local municipality, which take between four to six months. In some instances, the longer period required for the creation of a subdivision can delay commencement of construction until the following construction season.

This bill allows municipalities to permit the creation of multiple CSMs, and unlike the Subdivision process, the approval process for a CSM takes between 2 ½ to 3 months.

In Milwaukee, the flexibility provided by this bill would assist in the development of projects such as the Menomonee Valley Business Park, the North End mixed use project and Century City industrial project.

We see this bill as providing efficiency and cost savings to assist much needed business development in the City of Milwaukee. We ask for your support of AB 663. Thank you.

