

# City of Watertown Zoning Ordinance Evaluation Key Issues and Recommendations

November 2024

## **Project Introduction**

Watertown's Zoning Ordinance was last rewritten in 2002. Over time, the Ordinance has seen a patchwork of amendments resulting in a code that is outdated in many areas relative to modern development standards and presents challenges in administration for staff.

The City of Watertown Comprehensive Plan (adopted 2019) recommends reviewing and updating the Zoning Ordinance. Many of the issues the City faces cannot be addressed without modernizing the entire code. The principal goals of any Zoning Ordinance rewrite are to implement the Comprehensive Plan, modernize the code, address the land use needs of the community, and make the code more user-friendly, flexible, and predictable. With these goals in mind, Vandewalle & Associates has reviewed the Comprehensive Plan and the existing Zoning Ordinance and identified overarching issues to be addressed during a code rewrite.

## **Issues Summary**

Potential zoning code amendments identified after a code-audit can be categorized into the following broader policy recommendation groups. These amendment opportunities have been identified based on the goals listed in the City of Watertown Comprehensive Plan and trends in zoning reform. To address these broad issues, there are several potential policy solutions that may be presented as choices that can be best matched and customized for the City of Watertown.

- 1. **Streamline processes** where appropriate for efficient and effective local government review and staff administration, as well as reducing unnecessary costs for property owners, applicants, and developers. Additionally, this review can **identify barriers** to community goals and consider alternative policies.
- 2. Match land uses and dimensions in the zoning code with housing goals and needs of the community, including amendments to address the state-wide housing demand, rather than present barriers and mandated, added costs.
- 3. Reconsider components of traditional "Euclidean Zoning," which strictly segregates land uses into separate zones, to instead allow mixed-land uses in appropriate areas and with appropriate "guardrails" for neighborhood compatibility. Examples of mixing uses include commercial and residential uses within a building vertically, or with mixed uses in standalone buildings next to each other along an arterial or collector community corridor. Neighborhood mixed-use may be appropriate for neighborhood transitions such as corner stores or small offices. Mixed industrial may allow indoor industrial uses, commercial tech space, flex space, small beverage production, and office uses.

<sup>&</sup>lt;sup>1</sup> Please refer to the appendix for background on zoning systems like "Euclidean Zoning."

- 4. Modernize development regulations to match **modern development practices** and needs such as review of parking requirements, performance standards, defined standards for building design and landscaping, as well as updated dimensional standards.
- 5. Make the zoning code compliant with changes in **state and federal law**.
- 6. Reduce jargon and confusing language.

## **Proposed Ordinance Outline**

While the goals and impacts of zoning regulations can be broad, the regulatory and administrative framework should be well-organized and easy to follow. We propose minor reorganization and additions of topic areas for a new ordinance outline as summarized below.

	Current Outline	Proposed Outline
Article 1:	Introduction and Definitions	Introduction and Definitions
Article 2:	Establishment of Zoning Districts	Establishment of Zoning Districts
Article 3:	Land Use Regulations	Land Use Regulations
Article 4:	Detailed Land Use Descriptions & Regulations	Bulk Regulations
Article 5:	Nonconforming Use Regulations	Nonconforming Situations
Article 6:	Group Developments	Performance Standards
Article 7:	Density and Intensity	Exterior Building Design Standards
Article 8:	Bulk Regulations	Landscaping Requirements
Article 9:	Natural Resource Protection Regulations	Sign Ordinance
Article 10:	Landscaping and Bufferyard Regulations	Administration and Procedures
Article 11:	Performance Standards	
Article 12:	Signs and Projections	
Article 13:	Procedures and Administration	

## Comprehensive Plan Implementation

In a modern planning-implementation relationship, the Comprehensive Plan is designed to be implemented in part through zoning ordinances. Wisconsin Statutes require that regulations such as the Zoning Ordinance be developed to be consistent with the Comprehensive Plan's recommendations. The City should review their regulatory framework through the lens of consistency with community-wide planning goals and ensure that zoning regulations do not work at odds with the Comprehensive Plan policies. Zoning controls are one set of tools to implement community plans and goals, amongst other examples such as land division ordinances and official mapping. The chart below shows how broader plans guide regulations (implementation tools), which then advise administrative permits and approvals.



Watertown adopted its most recent Comprehensive Plan in 2019 after a public engagement process and multiple public meetings to review the goals, policies, and strategies within the Plan. The Plan was recommended for approval by the Plan Commission and adopted by the Common Council after formal public hearings were held. The Comprehensive Plan recommends that the City take the following actions – which are relevant to zoning regulations - to implement the City's Land Use goals:

- Foster a compact, mixed-use development pattern through updated plans and ordinances. Encourage
  infill development, redevelopment, mixed-use neighborhoods, and economic centers, Traditional
  Neighborhood Design, and smaller lot sizes.
- Prioritize infill and redevelopment opportunities, especially downtown and along the river, before new greenfield development along the City's boundary.
- Direct new housing development in locations with convenient access to commercial and recreational
  facilities, transportation systems, schools, employment opportunities, and other necessary facilities and
  services.
- Encourage the strengthening of existing neighborhoods through maintenance of the existing housing stock, creative reuse of vacant or underutilized budlings, and infill on vacant parcels.
- Adopt a new small lot single-family zoning district that allows for lots under 8,000 square feet.
- Promote Traditional Neighborhood Design principles in new Planned Neighborhoods.
- Encourage construction of narrower streets in new neighborhoods, where practical, and require sidewalks along all streets.
- Encourage neighborhood-oriented retail and service uses. Encourage small-scale multi-story buildings, minimal front setback, architectural ornamentation, pedestrian-oriented design.
- Consider mixed-use zoning districts such as Central Mixed-Use, Planned-Mixed Use, Riverside Mixed-Use and Mixed Industrial with dimensions suited to the purpose of each district.
- Require new multi-family development to incorporate high-quality design features, materials, and styles.
- Encourage residential uses for upper-story downtown buildings, infill, redevelopment, and new commercial/office development to increase the viability of the community.
- Promote the use of Accessory Dwelling Units and In-Family Suites as an alternative affordable housing option that is allowed within the single- and two-family zoning districts.
- Promote Traditional Neighborhood Design to include the following principles: housing variety, smaller lot sizes, blend land uses, promote walkability, street connectivity.
- Implement stormwater best management practices into development regulations, the Zoning Ordinance, and the Subdivision Code. Keep up with evolving stormwater and erosion control requirements.

- Rewrite the City's Sign Ordinance and include dedicated downtown sign guidelines.
- Incorporate community gardens into the zoning code.
- Promote energy efficiency and reduce the City's and reduce the city's dependence on fossil fuels.

## Law Consistency

In recent years, numerous legislative changes have occurred in State Statutes which impact local zoning control. Changes since the 2002 codification of Watertown's zoning code impact short-term rentals, conditional uses, content-based signage, large and small-scale solar, community living arrangements, nonconforming structures, nonconforming lots, telecommunication land uses, and more.

2017 Wisconsin Act 67 requires that municipalities approve conditional use permits if the applicant meets all the requirements specified in the ordinance. The only way a conditional use may be denied is through a higher scrutiny finding of substantial evidence. Essentially, conditional uses were reviewed with a high degree of discretion by the community in the past which has been stripped away. The City can reduce the need for conditional uses and streamline their development review by utilizing zoning districts and zoning map amendment processes instead of the conditional use process for defined land uses such as institutional, multifamily, outdoor storage and activity, etc. Additionally, all procedural steps can be updated to reflect statutory requirements and outline processes that are in-line with state laws.

The U.S. Supreme Court case Reed v. Gilbert (2015) established that the regulation of signs must be contentneutral. The City can establish new sign categories and names to remove content-based terms. Some revisions have already been made in Watertown's code, however additional opportunity for clarification and ease-of-use is apparent. Tables with graphics, for example, can make reading the sign code much easier for the public and businesses, and easier to administer for staff.

## **Recommended Revisions**

Completing substantial revisions or rewriting of any zoning code should include an analysis of the set of zoning districts. This analysis includes consideration of zoning district types that are needed to accommodate existing development, and consideration of districts that are needed to further community goals that may not exist currently or are otherwise prohibited and unclear in the regulations. An on-the-ground mapping review is used to "test" the proposed zoning framework to ensure it works for Watertown's specific conditions and geography. Geographic Information Systems (GIS) is also used to analyze lot sizes and dimensions relative to existing and proposed zoning districts. It is expected that this will result in a new map with new zoning districts that have new names. Beyond refreshing the zoning framework, there are many interrelated recommendations to be reviewed and potentially integrated throughout the code. Below is an example of a zoning district translation exercise that would be completed with a zoning overhaul project (the full framework of zoning districts would be reviewed and customized for Watertown).

## Zoning District Framework

Existing Zoning	Example Potential New Zoning District	
Countryside Residential (CR-10ac)	Review whether this is needed	
Exurban Residential (ER-)	Review whether this is needed	
Single-Family Residential-4 (SR-4)	Consider the addition of new single-family districts. Names could change such as "Single-Family Low Density"	
Planned Business (PB) General Business (GB)	Consider combining these districts	

## Revisions by Zoning Code Article

The following table summarizes key recommendations based on the analysis in this memo, summarized into each proposed Article of the Zoning Code.

### **Introduction and Definitions**

1. Modernize and simplify definitions

## **Zoning Districts**

- 2. Barriers exist to housing development both in single family and multi-formats especially given market conditions related to housing affordability.
- 3. Developing new multi-family has significant challenges
- 4. Two-family development is likely overly complicated particularly regarding zero-lot line development
- 5. There is very little opportunity for mixed-use development in Watertown due to code limitations
- 6. There is little opportunity for infill and corridor redevelopment due to mixed-use and multi-family restrictions
- 7. Complicated overlay zoning districts exist with circular code references
- 8. There is opportunity to review the code for downtown land use barriers such as outdoor dining in downtown commercial district
- 9. Consider adding new zoning districts for high impact uses to reduce need for CUPs and allow a legislative option for the city to consider rezoning
- 10. Review how standard "built-in" conditions are recorded in the code, and which chapter they should be documented in for ease of understanding
- 11. Review the list of 21 existing zoning districts. Opportunities exist for removal of some zoning districts, combination, and addition of new zoning districts (zoning district translation exercise).

## **Zoning District Dimensional Requirements**

- 12. Dimensional requirements are currently in a long list for every zoning district. Move them into tables for better accessibility.
- 13. Remove or adjust required on-site strict minimums for multi-family recreational space
- 14. Clarify application of density requirements associated with zoning districts (gross v. net)
- 15. Remove duplicative or unnecessary dimensional requirements such as Floor Area Ratio that overcomplicate zoning review
- 16. Review policy for exceptions via CUP in light of 2017 WI Act 67 and consider alternative avenues for flexibility

## Land Use

## Sustainability and Energy Efficiency

- 17. Allow community gardens as a land use in more zoning districts and other urban agricultural land uses
- 18. Define EV charging as a permitted accessory use in all districts
- 19. Consider whether minimum bicycle parking standards are appropriate for Watertown
- 20. Define and allow small-scale wind and solar as a permitted accessory use in all zoning districts and consider appropriate locations for large-scale (State Law)
- 21. Revisit effectiveness of certain land use regulations such as the keeping of chickens as a residential accessory use. Reduce over complicated regulations where appropriate.

### Housing Needs

- 22. Adopt new single family zoning districts that allow lot formats of less than 8,000 sf
- 23. Clarify where zero-lot line duplex, duplex, and two-flat housing is allowed and adjust dimensions of lots and setbacks accordingly
- 24. Review the code for smaller scale missing middle housing formats and expand allowances (4-to-12-unit buildings)

- 25. The maximum density and dimensional requirements on any multi-family land uses is very restrictive such that options for building this type of housing are limited
- 26. Consider mixed use development allowances along appropriate community corridors. This type of development is otherwise prohibited and makes infill or redevelopment difficult
- 27. Review policies for residential in the downtown. Continue to strictly prohibit ground floor residential facing Main Street and in core historic commercial areas. Consider allowing first floor residential in "non-core commercial areas" while preserving historic form-based requirements (Central Business currently covers a very large area).
- 28. Define and permit accessory housing uses such as ADUs and In-Family Suites with clear and appropriate guardrails as appropriate. Such housing types can exist in many different formats with customized ordinances to match.
- 29. Simplify land use definitions for housing types where possible (townhouse, two-flat, downtown apartments, multi-plex, apartment, duplex, two-family)
- 30. Review parking minimums for uses outside of the CB downtown district. For example, the SR-4 single family zoning district requires 3 parking stalls per housing unit, which can add more than \$50,000 as a mandated extra cost to housing depending on the format.
- 31. Remove minimum lot size per unit and instead maintain a minimum lot size per district (Example: in the MR-8 district, a townhome requires 5,445 sf of lot area per unit x 4 units = 21,780 sf lot. Meanwhile the zoning district lot size minimum is 16,500 sf. It might be impossible to build a 4-unit in this district even though it is listed as permitted and meets the minimum lot size for the district).

#### Mixed Uses

32. Allow mixed-uses in a community corridor zoning district such as along community gateway corridors (see "Issues Summary" number 3 for additional context).

## Align with State Law and Modern Development Needs

- 33. Review and shorten the list of conditional uses throughout the code, however, specifically review the downtown for potential reductions. Consider reductions in fees where modified CUPs for minor amendments are required. Consider allowing more uses as permitted by right, such as small-scale commercial uses, while considering how to categorize larger scale commercial uses.
- 34. Add definitions for accessory and temporary uses but add these to the code with minimal language to avoid lengthening the text (i.e. these uses could be listed in the Table only rather than in long lists within each District). Adding such uses can bring clarity to the code and reduce the need for complicated interpretations.
- 35. Update the Telecommunications ordinance to comply with the 2013 Wireless Siting Law
- 36. Review the Short-Term Rental Ordinance for consistency with State Law and clarity, evaluating effectiveness of revisions made recently.
- 37. Review changing manufacturing and industrial needs taller buildings, flex space, technology needs, beverage production.

## **Bulk Standards**

- 38. Review flexibility for setbacks and height. Specifically, where are certain height exceedances allowed (such as Church Spires, Grain Elevators, or Fire Towers). Ensure the code directs the reader to find these exceptions in appropriate locations.
- 39. Consider language that is clearer such as "dimensional" standards instead of "bulk".

## **Nonconforming Situations**

- 40. Revise the title to more broadly and accurately cover both non-conforming uses and non-conforming structure. It currently is titled to addresses non-conforming "uses".
- 41. Remove references to other zoning code sections where appropriate
- 42. Allow development on substandard lots, remove lot merger requirement (to comply with 2017 WI Act 67).

### **Performance Standards**

- 43. Update lighting measurements to simplify
- 44. Update noise measurements to simplify
- 45. Incorporate regulations to address vacant idle buildings

## **Design Standards**

- 46. Clarify how vacant buildings should be registered and whether zoning regulation is beneficial
- 47. Review appropriate single family design standards that balance neighborhood aesthetics, private property rights, and property values. Examples include use of metal material, exposed fasteners, and garage-dominate architectural design
- 48. Review alignment of the downtown historic district with the CB zoning district and ensure design standards related to historic character are retained and located in the correct areas of the downtown
- 49. Consider incorporating the "gateway community corridor" overlay design standards as a separate zoning district with built-in design standards

## Landscaping

- 50. Add points for native plantings, ornamental grasses, and perennials
- 51. Clarify landscaping maintenance requirements as appropriate

## Sign Code

- 52. Various amendments have been made since 2015; however, the code should be reviewed to ensure content neutrality that complies with the 2015 Reed vs Gilbert Supreme Court Case
- 53. The sign code is a good opportunity for simplifying regulations into easier to read formats such as tables, along with graphics that illustrate types of signs (i.e. what is the difference between a monument sign and a pylon sign)
- 54. Review zoning district allowances and remove barriers for signs such as a school sign for a school, on a property that is zoned single family.
- 55. Review signage regulations for abandoned signs to require removal when the business ceases
- 56. Discuss regulations for billboards and recent inquiries about changing to electronic signs
- 57. Consider simplifying regulations for electronic message center signs

### **Admin and Procedures**

- 58. Remove Group Development rules in most cases
- 59. Reduce the need for PUD and/or align use of PUDs with appropriate applications. For example, where a PUD process may be overly burdensome and time consuming for all parties, a standard zoning district could be created that replaces the need for the PUD flexibility. In addition, PUD projects should deliver a higher quality of design or amenity to the community than would otherwise be possible in standard zoning districts.
- 60. Improve PUD Procedures
- 61. Improve Overlay Procedures for other districts
- 62. Reorganize attachments and worksheets
- 63. Add tables and graphics throughout the code. Example: all the dimensions for a single-family district would be in a table instead of a list
- 64. Clarify whether temporary uses require special event permits

## Zoning Map

If a rewrite of the zoning code is pursued, this project will likely require an entirely new Zoning Map because a new set of zoning districts will be used. We will work with City staff to develop the new Zoning Map using our time-tested approach and "testing" of the zoning districts to ensure they are the right fit for Watertown. This will require a diligent lot-by-lot analysis to determine existing use using all available data, comparing that to the Future Land Use Map, and determining the optimal new zoning district for the parcel. Overall, the goal will be to match the new zoning district with the use occurring already to avoid creation of new nonconformances.

Part of the zoning map testing process is also completing a scan to identify barriers to needed housing types and identify policies to reverse those issues through the new zoning districts, dimensional standards, flexible land uses, and the new zoning map.

We will use the existing Zoning Map as the baseline but expect there to be zoning changes proposed – largely as directed by the Future Land Use Map in the Comprehensive Plan and/or by the presence of existing land uses. An important goal during this process is accommodating existing development and incorporating allowances for existing development to be considered legal conforming.

# **Appendix**

## Approach to Establishing Zoning Districts

With any substantial change in zoning framework, it is helpful to review and understand the theory behind different zoning approaches as they have been developed and used across the country over time. As Watertown considers changes to its zoning make-up, this theory can help determine and explain the desired system as well as the land use make-up within each zoning district.

## **Zoning System**

Zoning codes tend to follow one of four strategies to define and arrange zoning districts.

1. Zoning Districts based on Land Use (Euclidean Zoning)

This oldest form of zoning is primarily designed to segregate different land uses and to arrange them based on a rigid set of dimension requirements for lot area, setbacks, and lot coverage. Euclidean zoning began with the New York City zoning code of 1916, and zoning districts using a letter-number format such as "R-1", "B-2", and "M-3" are a *field mark* of such codes. The high levels of noise, waste, odor, and air and water pollution associated with development in the first half of the 20<sup>th</sup> Century were at the root of this desire to segregate residential, commercial, and industrial land uses from one-another. In establishing residential districts, Euclidean zoning was also used to segregate people based on wealth, and thus the racial and ethnicity characteristics associated with differences in wealth.

In the second half of the 20th Century, Euclidean zoning expanded its scope to require development to accommodate (and ultimately perpetuate) the growing dependence of the automobile and on-site parking requirements, which peaked in the 1980s.

The City's current zoning code is comprised mainly of Euclidean districts, as are most zoning codes around the country.

2. Zoning Districts based on Community Character (Performance Zoning)

Performance Zoning arose in high growth metropolitan fringe counties around Philadelphia, New York, Montreal, and Chicago in the 1970s and 1980s. Zoning districts are arranged along a "Community Character Continuum" focused on the density of residential development and the intensity (lot coverage or floor area ratio) of nonresidential development. A *field mark* is the resulting zoning district names incorporated characters along a continuum ranging from "Wilderness," "Rural," and "Countryside," to "Exurban," "Estate," and "Suburban" and "Transition," to "Urban," "Central," and "Core." The districts focus on segregating densities and intensities, with a few narrow zoning districts for high impact industrial and large-scale commercial uses. Diverse land uses are permitted within each district, so long as multi-family and nonresidential development is of a consistent intensity with the residential development in the same district.

Performance zoning introduced the practice of landscape point systems, formula-based sign area requirements, and infrastructure capacity analysis as common development analysis practice – which have often been retrofitted into older Euclidean codes.

3. Zoning Districts based on Building and Public Realm Design (Form Based Zoning)

Form Based Zoning originated in resort community development in the 1980s but found a second home in gentrifying suburbs in high growth metropolitan areas often transitioning from highway-oriented suburban and transition development areas to a more urban level of intensity. Zoning Districts are also arranged along a community character continuum (called a "Transect"), but the focus of the ordinance is on exterior building form, streetscape, and public space design rather than density, intensity, or building height. A *field mark* is the resulting district names T1 (most rural) through T6 (most urban). Diverse land uses are permitted within each district, so long as the development is consistent with the design standards of the district.

Although many Euclidean and Performance zoning codes included form-based standards for downtown development and basic requirements prohibiting low-quality building exterior materials, Form Based Zoning introduced detailed exterior building and public space design requirements for development throughout a community. Many components of Form Based zoning codes have often been retrofitted into older Euclidean and Performance zoning codes.

## 4. Hybrid Zoning

Hybrid Zoning incorporates elements of Euclidean, Performance, and Form Based codes, recognizing that each of the three systems has its own strengths and weaknesses. For example, in our experience in the Upper Midwest, communities increasingly support mixed-use development. Additionally, most also want to retain essential Plan Commission and Elected Body controls over land use – particularly in Wisconsin in the post Act 67 era where the ability to deny conditional uses has been severely restrained, while the power to determine the most appropriate zoning district and the timing of zoning map amendments are still at the discretion of the Elected Body as advised by the Plan Commission.

However, at the same time, communities want their new zoning code to result in predictable community character, and in more humane building, streetscape, and public space designs.

Hybrid codes offer the strongest ability to customize a code to the realities and aspirations of a community because they are not subject to the more rigid constraints of a Euclidean, Performance, or Form Based zoning system, and thus can capture the best aspects of each, while avoiding the most troubling weaknesses.

Vandewalle & Associates strongly recommends using the more flexible and more responsive Hybrid Zoning approach.