## **Memo on Moratorium Authority for Towns**

To: Frac Sand Mining Conference Participants

From: Richard J. Stadelman, Attorney and Executive Director

Wisconsin Towns Association

Re: Cover memo on Sample Moratorium Ordinance for Nonmetallic Mining

Date: December 1, 2011

Attached is a sample moratorium ordinance for towns. There are some important points that all town officers should know before considering adopting this ordinance:

- 1. There is no state statute that specifically authorizes towns, villages, cities, or counties to adopt a moratorium ordinance of any type.
- 2. In my legal opinion, towns with village powers (which are granted to the town boards by town electors at an annual or special town meeting of the electors) may adopt a moratorium ordinance to "freeze" things in place pending a reasonable time to research, study, and discuss adopting ordinances (such as zoning or licensing).
- 3. The attached sample ordinance does not shut down any existing nonmetallic mining operation, but limits those operations to the physical dimensions of the existing operations.
- 4. A moratorium ordinance should be limited to a reasonable time period and for the purpose of research, studying, and discussing possible adoption of regulatory ordinances. A moratorium can not be used to permanently or indefinitely delay the creation or expansion of a nonmetallic mining operation.
- 5. In my legal opinion, a reasonable time for a town to impose a moratorium on nonmetallic mining is s six months to not more than one year. Any time greater than one year could be argued to be unreasonable and arbitrary and possibly a "taking of property rights."
- 6. A U.S. Supreme Court case, <u>Tahoe-Sierra Preservation Council, Inc. v. Tahoe</u>
  <u>Regional Planning Agency</u>, <u>535 U.S. 302</u> (2002), held that a moratorium that was for a reasonable time (in this case three years pending the adoption of a comprehensive plan) was not a constitutional taking.
- 7. A Wisconsin Court of Appeals case, <u>Wis. Realtor Assn. V. Town of West Point</u>, **2008 Wi. App 40, 309 Wis. 2d, 747 N.W. 2d 681,** held that a town moratorium for land divisions was authorized under Sec. 236.45 of Wis. Statutes for a two year period of time pending adoption of a comprehensive plan. This case emphasized the importance of a reasonable time for a legitimate purpose.
- 8. The attached sample moratorium ordinance provides that a penalty and injunctive relief can be sought for any violation of the moratorium. Therefore the ordinance must be published as a Class I Notice in a newspaper, pursuant to Sec. 60.80(2) of Wis. Statutes to be effective.