MEMORANDUM

To: Community Affairs Committee From: Mark Hammond, Development Director Date: March 6, 2025 Subject: Staff Recommendation Regarding Proposed Bird-Friendly Building Ordinance

I. Introduction

While protecting avian wildlife is a noble objective, the proposed Bird-Friendly Building Ordinance introduces financial and competitive disadvantages for Wauwatosa at a time when development is already constrained by high interest rates and rising construction costs. If adopted, Wauwatosa would be the first city in the Milwaukee metro area to impose such a regulation, placing us at a disadvantage compared to neighboring municipalities that do not have similar requirements.

This memo presents counterarguments to the supporting proposal, highlighting concerns regarding economic viability, regional competitiveness, and potential unintended consequences. However, at the end of the day, this is a policy decision for our elected officials to make.

II. Financial and Economic Impact

The proposal states that the fiscal impact is "minimal" when integrated during the design phase. The development community is unlikely to agree. Bird-safe glazing and other compliance measures can add tens of thousands—or even over \$100,000—to a project's costs, which add real costs at a time when development is already difficult. It also creates another requirement to incorporate into their design that is not typical. This additional cost—and time—burden is especially concerning given:

- **Historically High Interest Rates**, making financing new projects significantly more expensive.
- Rising Material and Labor Costs, already stretching development budgets.
- **Increasing Reliance on TIF**, with many recent developments requiring financial incentives to be viable.

Unlike Madison, which benefits from a university-driven economy and a different market dynamic, Wauwatosa competes directly with other Milwaukee-area municipalities for private investment. This regulation would further increase costs, pushing potential projects to cities like Brookfield, West Allis, or Milwaukee, where such financial burdens do not exist.

Further, additional staff time would be needed to verify compliance at submission and completion. The complexity of the proposed ordinance shows how verification would be time consuming. We believe staff time may be better spent advancing, for example, our ADU program or zoning changes necessary to better align with our recently adopted comprehensive plan.

III. Competitive Disadvantage: No Other Milwaukee-Area City Has This Regulation

The supporting proposal highlights Madison and Minneapolis as examples of cities with birdfriendly ordinances. However, no other municipality in the Milwaukee metro area has adopted such a policy. Does Wauwatosa want to be an outlier by creating an additional hurdle—even if relatively limited—for commercial development?

If Wauwatosa implements this regulation alone, we risk losing potential development to nearby communities with fewer restrictions and lower associated costs. Rather than making Wauwatosa a leader in sustainability, this ordinance would make us an outlier in the regional market, discouraging developers from choosing our city for their projects.

IV. Future Considerations: A More Strategic Approach

Rather than implementing this ordinance immediately, Wauwatosa should instead monitor and consider future adoption under the following conditions:

- 1. **Regional Adoption** If multiple neighboring municipalities adopt similar regulations, ensuring a level playing field for development, Wauwatosa can reconsider implementing its own ordinance.
- 2. **Market Conditions** If economic conditions improve—particularly if significant new development occurs without reliance on TIF assistance—the city could reassess whether the financial burden of bird-friendly requirements would still pose a significant obstacle.
- 3. Private Fundraising and Grant Support If outside funding sources, such as private donations or grants, can be secured to offset the tens of thousands of dollars per project (up to \$100,000 in some cases) for compliance, as well as administrative costs to manage a grant program, Wauwatosa could establish a voluntary financial assistance program. This would allow developers to opt into bird-friendly design without mandating an unfunded burden on every project.

By taking this more measured approach, Wauwatosa can balance environmental responsibility with economic realities, supporting sustainability efforts without jeopardizing our city's growth and development.

V. Conclusion

While bird conservation is an important issue, the proposed Bird-Friendly Building Ordinance would impose significant new costs on development, making Wauwatosa less competitive in the Milwaukee metro area. Given that no other local municipality has adopted such a policy, we would be placing ourselves at an unnecessary disadvantage, further straining an already challenging development environment.

For these reasons, we recommend the Community Affairs Committee set aside this ordinance at this time. However, should market conditions improve, regional adoption occur, or funding sources become available to offset costs, we could revisit this discussion in a more strategic and financially responsible manner.