

PUBLIC FACILITIES NEEDS ASSESSMENT

This report supports Town park land and recreational improvement impact fees on new residential development, replacing the Town's current fees, to correspond with requirements of Sections 66.0617 and 236.45(6)(am) of Wisconsin Statutes

Town of Cottage Grove
Dane County,
Wisconsin

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Prepared with Assistance
from MDROffers Consulting

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I. Introduction

Purpose of Report

This report serves as the public facilities needs assessment (“Needs Assessment”) for park land and recreational improvement impact fees on new residential development, as described in Section 66.0617(4) of Wisconsin Statutes (see Appendix A). This report:

- Includes an evaluation of existing public park and recreation facilities in the Town of Cottage Grove.
- Assesses projected future population and housing growth in the Town.
- Suggests capital improvements to the Town park and recreational system.
- Arrives at recommended per new housing unit impact fees for public park land and for public recreational improvements.
- Assesses the impact of imposing those fees on housing affordability.

These impact fees would replace the Town’s current similar fees, which it has required of new residential development for a number of years.

Town Overview

The Town of Cottage Grove is located in Dane County, Wisconsin. The Town surrounds the Village of Cottage Grove on the Village’s east, south, and west sides. Additionally, the Town shares borders on its west end with the City of Madison and Village of McFarland. The Wisconsin Department of Administration estimates the Town’s 2019 population at 3,928 residents, an increase of 53 residents (1.4 percent) since 2010.

Town of Cottage Grove Comprehensive Plan

The Town of Cottage Grove Comprehensive Plan, last updated in October 2015, is the policy guide for future change in the Town of Cottage Grove. The Plan includes this vision statement:

Town of Cottage Grove Vision

At the edge of an expanding urban area, the Town of Cottage Grove is also on the cutting edge of preserving farms and a rural livelihood. The Town...

- Works to preserve its land base, productive farmland, and continued farming.
- Embraces natural resource preservation in an agricultural setting.
- Guides housing development away from farming areas and towards developed areas.
- Encourages rural and agricultural support businesses in planned locations and intensities.
- Provides a quiet location for rural living close to the city.
- Seeks cooperation with neighbors, the County, and State to advance our vision.

The Town’s Comprehensive Plan also includes the following objectives, policies, and recommendations intended to facilitate planned residential and recreational development:

- Direct rural subdivisions and other non-farm rural developments close to already-developed lands— specifically Neighborhood Development Areas and Commercial Development Areas located south of Interstate 94, west of County Highway N, and along Highway 12.
- Plan for a sufficient supply of developable land for housing, in areas consistent with Town wishes, at a pace consistent with recent development trends, and of densities and types consistent with the Town’s rural setting.
- Provide quality and accessible parks and recreational facilities for Town residents.
- Align park and recreational opportunities with community growth and evolving interests and demographics.
- Revisit parks with developable land or facilities that are outdated or underutilized, in order to meet emerging recreational needs and interests.
- Support County and State expansion and improvements to the Glacial Drumlin State Trail, including providing a link between it and the Capital City State Trail.
- Cooperate with other units of government on natural resources, places of recreation, transportation facilities, and other systems that are under shared authority or cross governmental boundaries.

Dane County Parks and Open Space Plan

The Dane County Parks and Open Space Plan (2018-2023) guides Dane County municipalities in acquiring and developing public outdoor parks, trails, and other recreation facilities. It also serves as a tool to obtain recreation grants through the Department of Natural Resources (DNR).

Through this Parks and Open Space Plan, Dane County advises a partnership with the Wisconsin Department of Natural Resources (WisDNR) and the Town of Cottage Grove on implementation of a connector trail between the Capital City Trail and the Glacial Drumlin State Trail. This segment is the remaining gap in a shared-use continuous trail extending between Milwaukee and Dodgeville. This trail is anticipated to parallel the railroad from the Glacial Drumlin State Trail trailhead on Highway N in the Village of Cottage Grove to the Interstate.

The County Parks and Open Space Plan additionally envisions a north-south shared-use bicycle/pedestrian trail extending through the Town of Cottage Grove, from the Glacial Drumlin State Trail in the north to Lake Kegonsa State Park in the south.

Current Town Park and Recreation Fees

For several years, the Town has collected a park and recreation fees on new residential development through Section 15.03(4) of the Land Division and Planning Code in the Town’s Municipal Code. The current fees are referred to as a “fee in lieu of making the required land dedication” and a “parkland equipment fee” in the code. They have been payable by the subdivider. While the code is inconsistent on this point, the Town has typically charged such

fees to new subdivisions in planned Neighborhood Development Areas, but not to smaller divisions (CSMS) outside of these areas.

Changes to State law in recent years require the Town to revisit its park and recreation fees. In 2018, the legislature adopted 2017 Wisconsin Act 243, which amended Section 236(6)(am) of Wisconsin Statutes to read as follows:

“...a municipality, town, or county may not, as a condition of [subdivision plat or certified survey map] approval under this chapter, impose any fees or other charges to fund the acquisition or improvement of land, infrastructure, or other real or personal property, except that a municipality or town may impose a fee or other charge to fund the acquisition or initial improvement of land for public parks if the fee or other charge is imposed under a subdivision ordinance enacted or amended in accordance with the procedures under s. [66.0617 \(3\)](#) to [\(5\)](#) and meets the requirements under s. [66.0617 \(6\)](#) to [\(10\)](#).”

The Town of Cottage Grove must now follow the process and meet the substantive requirements in Section 66.0617 to continue to charge a park fee on new development. Section 66.0617 is reproduced in Appendix A. The key changes are that:

- Fee amounts must be known in advance and based on calculations related to actual impact, as documented in a public facilities needs assessment (i.e., this document).
- Fees must be collected at time of building permit issuance for each new residence unless a development agreement has an alternate timeframe.
- Fees may be different in different “zones” of the municipality, but only where the public facilities needs assessment justifies the differences between zones in the amount of impact fees imposed. (This affects whether the Town can continue to require such fees for lots in subdivisions in Neighborhood Development Areas, but exempt lots in CSMs that are not in Neighborhood Development Areas. This Needs Assessment does not attempt to differentiate between public park and recreational facility demands from new houses in different parts of the Town, or created by subdivision plat or CSM.)
- All newly-collected fees must be expended within eight years of their collection or returned.

II. Existing Parks and Recreation Facilities

Inventory of Existing Town Parks

The Town of Cottage Grove owns and maintains 11 public parks totaling 22.72 acres. Most of the parks are relatively small and were dedicated when new residential subdivisions were platted. They primarily serve surrounding subdivisions and contain a varying mix of recreation equipment.

Some Town parks contain amenities or equipment are not found at any or many other parks in the Town, and therefore have greater appeal to Town residents beyond the surrounding subdivision. Some of these amenities or equipment may be in need of replacement, expansion, or enhancement over the next 20 years. Further, the Town may wish to enhance some existing parks with amenities or equipment that benefit all Town residents. Recreation improvement impact fees imposed pursuant to this Needs Assessment may be utilized to replace, expand, or enhance such amenities or equipment, or to fund such new amenities or equipment, to serve Town residents including and beyond the surrounding subdivision.

The following and Figure 1 contain a detailed inventory of existing Town parks:

Bass Park (also known as Skyhigh Park)

Size: 2.75 acres
Location: 3826 Skyhigh Road, in the Skyhigh subdivision
Amenities: Slide; installed in 1980s
Merry-go-round; installed in 1980s
4 seat rocker; installed in 1980s
Monkey bars – 2 sets; installed in 1980s
Digger; installed in 2000
Swing set; installed in 1980s
Activity jungle gym; installed in 2000
Shelter (only Town park that includes one); constructed in 1980s
Picnic table; installed in 2003
Basketball court; installed in 1980s
Baseball diamond and backstop; installed in 1980s
Park sign; installed in 1980s

Capitol View Park

Size: 2 acres
Location: 2755 Nadene Road, in the Bohnsack subdivision
Amenities: Backstop; date unknown
Bench; date unknown
Basketball court; date unknown
Picnic table; date unknown
Swing set; installed approximately 2000
Playground structure; installed approximately 2000 (stairs replaced in 2020)
Voltage play structure; installed in 2020
75-foot zip venture structure; installed in 2020

Cedar Knolls Park

- Size: 2.69 acres
- Location: 4590 Mulhall Street, in the Cedar Knolls subdivision
- Amenities: Backstop; installed in 1990s
Basketball court; installed in 1990s
Slide; installed in 1990s
Swing set; installed in 1990s
Climber; installed in 1990s
Bench; installed in 1990s
Picnic table; installed in 1990s
Nucleus play structure; installed in 2016

Conestoga Trail Park

- Size: 0.82 acres
- Location: 4570 Conestoga Trail, in the West Ridge Addition to the American Heritage subdivision
- Amenities: Swing set; installed in 1998
Wave slide; installed in 2001
Picnic table; install date unknown
Bench; date unknown
Bouncy animals; date unknown
Slides and climbing play center; installed in 2002
Climbing structure; date unknown

Elmargo Park

- Size: 1.66 acres
- Location: 2659 Bluebird Lane, in the Elmargo Estates subdivision
- Amenities: Backstop; installed in 1980s
Basketball court; installed in 1990s
Slide; installed in 1980s
Swing set; installed in 1980s
Climber; installed in 1980s
Benches (2); installed in 1990s
Picnic table; installed in 1990s
Burke voltage play equipment system; installed in 2017
Burke little digger; installed in 2017
Burke duck rock-n-ride; installed in 2017
Burke brown mare rock-n-ride; installed in 2017

Meadow Grove Park

Size: 2.06 acres
Location: 4309 Damascus Trail, in the Meadow Grove subdivision
Amenities: Slides (2); installed in 1980s
Swing set; installed in 1980s
Monkey bars; installed in 1980s
Horse rocker; installed in 1980s
Volleyball court (only Town park that includes one); installed in 1990s
Baseball diamond and backstop; installed in 1990s
Basketball court; installed in approximately 1999
Benches (2); approximately 1999
Picnic tables (2); approximately 1999
Park sign; installed in 1994

Nondahl Heights North Park

Size: 1.56 acres
Location: 2986 Valley Street, in the 2nd Addition to Nondahl Heights subdivision
Amenities: None

Nondahl Heights South Park

Size: 1.45 acres
Location: 2957 Lane Street, in the Nondahl Heights subdivision
Amenities: Slide; installed in 1980s
Swings; installed in 1980s
Bounce about; installed in 1980s
Climber; installed in 1980s
Basketball; installed in 1980s
Climbing structures (2); installed in 2000
Bench; install date unknown

Ravenwood Park

Size: 2.08 acres
Location: 4595 Sandpiper Trail, in the Ravenwood Estates subdivision
Amenities: Backstop; installed in 1980s
Basketball court; installed in 1990s
Swing set; installed in 1980s
Slides (2); installed in 1980s and 1999
Climber; installed in 1980s
Buck-a-boot; installed in 1980s
Bench; installed in 1990s
Soccer field (only Town park that includes one); installed in 1990s

Rolling Wheels Park

Size: 0.86 acres
Location: 2563 Hupmobile Drive, in the Rolling Wheels subdivision
Amenities: Activity jungle gym; installed in 2003
Swing set; installed in 2003
Merry-go-round; installed in 2003
Digger; installed in 2003
Caterpillar bouncer; installed in 2003
Basketball court; installed in 2003
Tetherball court (only Town park that includes one); installed in 2003

Sr. Airman Dan Johnson Memorial Park (formerly known as American Heritage Park)

Size: 4.73 acres
Location: 4539 American Way, in the American Heritage subdivision
Amenities: Climbing structure (2); install dates unknown
Bouncy animals; date unknown
Tires (5); date unknown
Swing set; installed approximately 1999
Slides (2); approximately 2002
Benches (3); date unknown
Picnic tables (2); date unknown
Basketball court; date unknown
Baseball backstop; date unknown
Memorial for Sr. Airman Dan Johnson; date unknown

Town Hall Soccer Field

Size: Approximately 2 acres of 8.51 acre Town Hall site
Location: 4058 County Highway N, east of the Town Hall building
Amenities: Youth soccer field
Shared parking lot with Town Hall

Figure 1: Existing Town Parks and Amenities

Existing Park	Climbing Structure	Bouncy Animals	Tires	Swing Set	Slide	Bench	Picnic Table	Back-stop	Basket-ball Court
Sr. Airman Dan Johnson	X (2)	X	X (5)	X (4)	X (2)	X (3)	X (2)	X	X
Conestoga Trail	X (2)	X (2)		X (4)	X	X	X		
Meadow Grove		X		X (6)	X (2)	X (2)	X (2)	X	X
Rolling Wheels		X		X (4)		X			X
Bass	X	X		X (4)	X		X	X	X
Capitol View	X (2)			X (4)		X	X	X	X
Cedar Knolls	X (2)	X		X	X	X	X	X	X
Elmargo	X	X (2)		X	X	X (2)	X	X	X
Ravenwood	X			X	X (2)	X		X	X
Nondahl Heights North									
Nondahl Heights South	X (2)	X		X	X	X			X
Town Hall Soccer Field									

Park (continued)	Monkey Bars	Volley-ball Court	Park Sign	Jungle Gym	Merry Go Round	Tether-ball	Digger	Shelter	Zip Venture	Soccer Field
Sr. Airman Dan Johnson										
Conestoga Trail										
Meadow Grove	X	X	X							
Rolling Wheels				X	X	X	X			
Bass	X (2)		X	X	X		X	X		
Capitol View									X	
Cedar Knolls										
Elmargo							X			
Ravenwood										X
Nondahl Heights North										
Nondahl Heights South										
Town Hall Soccer Field										X

Analysis of Town Park System

The Town of Cottage Grove contains less public park acreage to serve its current population than advised by the National Recreation and Park Association (NRPA). The NRPA generally recommends 10.5 acres of public park space for every 1,000 persons. By this standard, the Town should have at least 41.24 acres of park acreage. As of 2020, the Town has approximately 24.72 acres of parkland.

The location and accessibility of parks to the population is also important. Smaller parks that are common in the Town have a typical service area radius of ½ to 1 mile, unless they have unique amenities not generally available at other parks. The combined park service areas provide coverage to most of the Town of Cottage Grove's currently populated areas. However, areas in the southwestern and eastern portions of the Town, especially in smaller rural divisions do not fall within these radii. These include the Gala Heights subdivision, other nearby divisions along Vilas Hope Road, the Wittewood Lane area, the Skartstinden Road divisions, and the Laudon Road area. Some planned Neighborhood Development Areas are not within an existing park service area either.

The Town also has path system gaps, as documented in the Dane County Parks and Open Space Plan and described in Section 1.

This analysis of the Town park and recreation system suggests some existing deficiencies. Still, it is the intent of the Town to use park land impact fees imposed pursuant to this Needs Assessment to address additional needs created by future residents, rather than to address these existing deficiencies. The Town may use park land impact fees to acquire new park and recreation land or expand existing parks to address such additional needs.

Other Park and Recreational Facilities in Area

The Town has focused and intends to focus on fulfilling the park needs of its resident population, as opposed to providing larger community parks, major athletic centers, or similar facilities attracting an area-wide market. Regional and community park needs for Town residents are addressed by other governmental entities, such as school districts, Dane County, the state and private entities such as golf courses. These other parks and recreational facilities are referenced below.

Capital Springs State Recreation Area

Capital Springs State Recreation Area is four miles west of the Town of Cottage Grove with access to Upper Mud Lake and Lake Waubesa. Amenities include several miles of trails, scenic view areas, canoe access, and connection to the Capital City Trail. The recreation area also includes the 52-site Lake Farm campground, containing sites for recreational vehicles as well as tent campsites.

Door Creek Golf Course

Door Creek Golf Course is located in the Town of Cottage Grove at 431 Vilas Road. The course contains 27 holes, including an 18-hole championship par 71 golf course.

Door Creek Park

Door Creek Park is a large 160 acre community park located in the City of Madison immediately west of the Town of Cottage Grove. The park contains tennis courts, basketball courts, a playground, and a 3,300 foot long walking, biking, or jogging path. The Door Creek Master Plan envisions the addition of additional tennis courts, soccer fields, and shelters.

Door Creek Wildlife Area

The 706 acre Door Creek Wildlife Area is a public hunting area in the Town of Dunn consisting of a large wetland complex north of Lake Kegonsa.

Fireman's Park

Fireman's Park is located in the Village of Cottage Grove off of South Grove street. The park includes basketball courts, a playground, a sand volleyball court, a picnic shelter, and restrooms.

Glacial Drumlin State Trail

The trailhead of the Glacial Drumlin State Trail begins in the Village of Cottage Grove and continues east for three miles through the eastern half of the Town of Cottage Grove. The trail extends eastward for 52 miles to Waukesha, connecting Wisconsin's two largest urban areas along an abandoned railroad corridor.

Goose Lake Drumlins State Natural Area

Goose Lake Drumlins State Natural Area is located seven miles east of the Town of Cottage Grove in the Town of Deerfield. The Natural Area contains all or part of six drumlins along with extensive forests and two lakes.

Lake Kegonsa State Park

Lake Kegonsa State Park is three miles south of the Town of Cottage Grove in the Town of Pleasant Springs. The 343 acre park consists of forest, prairie, and wetlands and is located on the north shore of Lake Kegonsa. The park has an 80-site campground, beach, public boat landing, and hiking trails.

McCarthy Youth & Conservation County Park

The only Dane County park near the Town of Cottage Grove is McCarthy Youth & Conservation County Park, located north of Interstate 94 off of County Highway N in the Town of Sun Prairie. The park is 180 acres in size and offers group camping, hiking, cross-country skiing, equestrian trails and picnicking in a prairie and wetland restoration area.

Monona Grove School District Facilities

The Monona Grove School District has indoor and outdoor recreational facilities at its school sites. Included are playground equipment, baseball/softball diamonds, tennis courts, soccer fields, basketball courts, football field, track, and playgrounds and playfields. A 58-acre school forest is located behind Cottage Grove Elementary School.

The Oaks Golf Course

The Oaks Golf Course is located in the Town of Sun Prairie immediately north of Interstate 94. The course contains an 18-hole championship par 71 golf course.

Phoebe Bakken Memorial Park

Phoebe Bakken Memorial Park is located in the Village of Cottage Grove off of Vilas Road. Park amenities include a playground, soccer field, trails, and portable restrooms.

III. Growth Projections and Implications

Projections of population and household growth for the Town of Cottage Grove help determine future public park and recreational needs. Growth projections allow for the generation of an impact fee that will be attributed to new housing growth and allocated on a “per housing unit” basis. Projections through the year 2040 (20+ years) correlate with a reasonable lifespan for most park and recreational facilities.

Through the Town of Cottage Grove Comprehensive Plan and now this Needs Assessment, the Town has generally relied upon the State Department of Administration (DOA) for population and household growth projections. Figure 2 includes the latest DOA projections, prepared in 2013. These suggest a 1.2 percent population increase and approximately 6 new households each year between 2019 and 2040.

Figure 2: Town of Cottage Grove Growth Trends and Projections

	1990	2000	2010	2019	2020	2030	2040	2019-2040 # Change	2019-2040 % Change
Population	3,525	3,839	3,875	3,928	3,935	4,010	3,975	47	1.2%
Households	1,156	1,356	1,463	1,524	1,530	1,586	1,642	118	7.7%

Sources: 1990, 2000, and 2010 are U.S. Census Bureau; 2019 population estimates and 2020, 2030, and 2040 population projections are Department of Administration.

Between 2000 and 2019, the Town averaged 8 new housing units per year, with greater numbers experienced in the early 2000s and fewer numbers in the late 2000s during the Great Recession. The Town expects a modest increase in residential development activity as new residential projects and phases come on-line, local and regional job growth continues, and lands closer to Madison get more and more expensive.

This Needs Assessment is premised on the assumption that there will be an average of 10 new housing units per year over the next 20 years, or 200 total new housing units in the Town. Based on the number of 2019 households and housing vacancies, there were approximately 1,480 housing units in the Town in 2019. Therefore, the Town may have approximately 1,680 housing units in 2040, with 12 percent built between 2020 and 2040. These figures are relevant in the fee calculations in Section V of this Needs Assessment.

IV. Projected Park and Recreational Improvements

To accommodate both the existing population and projected growth, improvements to existing park facilities and new park and recreational facilities will be needed in the Town of Cottage Grove. Based on adopted Town plans and the Town of Cottage Grove Parks Survey described above, this section focuses on the Town’s projected land acquisition and park and recreational improvement projects over the next 20 years that relate to additional needs created by future residents and the impact fees described in this Needs Assessment. All costs in this section are in 2020 dollars.

Community Survey Results

In 2019, the Town of Cottage Grove implemented a survey to evaluate Town perspectives and attitudes concerning Town parks. The majority of Town respondents liked the proximity of Town parks and being able to walk to them. The survey also asked Town residents what they liked least about their nearby neighborhood park. The most common responses were outdated park amenities, old playground equipment, and low-quality maintenance of parks. When asked what specific improvements were most desired, the most common responses were updated the playground equipment, more diverse park amenities, and better park maintenance. There was also some interest in dog exercise areas and water amenities.

Future Neighborhood Parks

Based on the projected amount (200 homes per Section III) and the anticipated locations of new housing development, the Town anticipates the need for two additional neighborhood parks through 2040. Based on existing park sizes, the Town assumes that each of these two anticipated neighborhood parks would be 2.5 acres in area. Per the data in Figure 3, the Town assumes a land purchase price of \$15,000 per acre. Combined, this suggests a projected estimated acquisition price of \$37,500 (2.5 acres X \$15,000) for each future neighborhood park, or \$75,000 for both neighborhood parks, in 2020 dollars.

Figure 3: Recent and Proposed Land Sales in the Town of Cottage Grove

Site	Location	Year	Sale Price	Acres	Price per Acre
Nakoma Grove Farm	2963 Hope Road	2020	\$1,154,830	50.2	\$23,004
Haefer Farm	3073 Femrite Drive	2020	\$1,350,000	58.6	\$23,037
Teran He Heran LLC	County Road AB	2018	\$393,500	54	\$7,287
Star Road	Lot 1 N Star Road	For Sale	\$175,000	17.45	\$10,054
Vilas Hope	30 Ac Vilas Hope Road	For Sale	\$350,000	30.5	\$11,475
				Average	\$14,971

Sources: Town of Cottage Grove, Access Dane

Each of these two projected neighborhood parks would require recreational improvements. Figure 4 includes a list and cost estimate for improving each of these projected parks, with reference to improvements typical of existing Town Parks, NRPA standards, and recent park improvement costs in the area. At \$116,050 per park, the total projected improvement cost for two parks is \$232,100, in 2020 dollars.

Figure 4: Cost Estimate for Improving Each Projected Town Park

Item	Quantity	Unit Cost	Total Cost
Grading, including for sport fields and stormwater	1	\$25,000	\$25,000
Seeding and Landscaping	1	\$5,000	\$5,000
Picnic Table	2	\$1,500	\$3,000
Bench	1	\$500	\$500
Playground Equipment	1	\$60,000	\$60,000
Playground Border Edging	1	\$3,000	\$3,000
Playground Mulch	1	\$3,000	\$3,000
Backstop or Goals for Field Sport(s)	2	\$1,600	\$3,200
Bike Rack	1	\$300	\$300
Park Entrance Sign	1	\$500	\$500
Lighting	1	\$2,000	\$2,000
Subtotal			\$105,500
Add: 10% Engineering			\$10,550
Total			\$116,050

Potential Expansion and Improvements to Existing Parks and Trails

The Town may also elect to utilize park land impact fees to expand existing parks, and park improvement impact fees to help improve existing parks, both in a manner that benefits future residents throughout the Town.

Eligible types of improvements could include, but are not limited to, new or replacement shelters, restroom facilities, new or improved play equipment or fields/courts not typical of neighborhood parks in the Town, dog recreational facilities, and facilities designed to serve the Town’s changing demographics (e.g., exercise stations, gazebos, natural areas). New impact fees collected would not be used to fund new or replacement equipment intended to exclusively serve the needs of any immediate, already-developed subdivision.

The Town may also utilize park land impact fees to acquire land or easements for trails, and park improvement impact fees to help construct trails. This would most likely come in the form of some local match or contribution to facilitate development of trails managed by the County or State.

The Town assumes that such expansions or improvements to existing parks and/or trails would be in lieu of, and not in addition to, certain future neighborhood park acquisition and improvement projects assumed earlier in this section. Therefore, no additional projected cost is put forward for these authorized alternate usage of the impact fees.

V. Cost Allocation and Fee Calculation

The Park Land Impact Fee will be applicable when a residential development has not dedicated public parkland meeting Town ordinance requirements. Figure 5 includes the calculation used to determine a maximum park land impact fee on new residential development in the Town of Cottage Grove, based on calculations in earlier sections of this Needs Assessment.

Figure 5: Calculations to Arrive at Per Housing Unit Park Land Impact Fee

1	Projected neighborhood park acquisition cost (see Sec. IV)	\$75,000
2	/ Years to collect (2020-2040)	20
3	Amount to collect each year between 2020 and 2040	\$3,750
4	/ Projected number of new housing units per year	10
Maximum Per Housing Unit Park Land Impact Fee		\$375

The Recreation Improvement Impact Fee will be applicable when a residential developer has not made sufficient park and recreational improvements. Figure 6 includes the calculation to determine the maximum Recreation Improvement Impact Fee on new residential development in the Town, based on calculations in earlier sections.

Figure 6: Calculations to Arrive at Per Housing Unit Recreation Improvement Impact Fee

1	Neighborhood Park Improvements (see Sec. IV)	\$232,100
4	/ Years to collect (2020-2040)	20
5	Amount to collect each year between 2019 & 2040	\$11,605
6	/ Projected number of new housing units per year	10
Maximum Per Housing Unit Recreation Improvement Impact Fee		\$1,160

The actual impact fee amounts will be established by Town impact fee ordinance, which will take the form of an amendment to Chapter 15, Land Division and Planning Code. Because the calculated maximum impact fee amounts are based on 2020 dollars, the impact fee ordinance may include a method for regular adjustments thereafter based on inflation, using an objective source.

VI. Effect of Impact Fees on Availability of Affordable Housing

Wisconsin Statute 66.0617 requires a needs assessment to address the effect of recovering capital costs through impact fees on the availability of affordable housing within the Town.

The maximum impact fee amounts reported in Section V will result in a small impact on affordable housing in the Town of Cottage Grove. In general, the proposed fees are unlikely to affect households seeking to purchase or build a new home in the Town of Cottage Grove—especially since the Town has historically had a park fee that these are replacing.

The Rolling Wheels Neighborhood, located west of Highway N, is one the Town’s most recent residential subdivisions. The average 2019 assessed value of a home and lot in Rolling Wheels was \$427,500. The maximum impact fee amount in this Needs Assessment is about 0.38 percent of these values.

Viney’s Addition to Skyhigh, in this same general area, is the Town’s most recent subdivision. The average 2019 assessed value of the first five developed homes and lots was \$437,500, suggesting that impact fees have an even lower percentage impact there.

The Town has no other existing or proposed impact fees, which also aids when considering affordability impacts.

This being said, the Town will consider including a potential modification of impact fees for truly affordable (“low-cost”) housing as part of its impact fee ordinance.

Appendix A: Wisconsin's Impact Fee Law (Section 66.0617, Wisconsin Statutes)

66.0617 Impact fees.

(1) DEFINITIONS. In this section:

- (a) "Capital costs" means the capital costs to construct, expand or improve public facilities, including the cost of land, and including legal, engineering and design costs to construct, expand or improve public facilities, except that not more than 10 percent of capital costs may consist of legal, engineering and design costs unless the municipality can demonstrate that its legal, engineering and design costs which relate directly to the public improvement for which the impact fees were imposed exceed 10 percent of capital costs. "Capital costs" does not include other noncapital costs to construct, expand or improve public facilities, vehicles; or the costs of equipment to construct, expand or improve public facilities.
- (b) "Developer" means a person that constructs or creates a land development.
- (c) "Impact fees" means cash contributions, contributions of land or interests in land or any other items of value that are imposed on a developer by a municipality under this section.
- (d) "Land development" means the construction or modification of improvements to real property that creates additional residential housing units within a municipality or that results in nonresidential uses that create a need for new, expanded or improved public facilities within a municipality.
- (e) "Municipality" means a city, village, or town.
- (f) "Public facilities" means all of the following:
 - 1. Highways as defined in s. [340.01 \(22\)](#), and other transportation facilities, traffic control devices, facilities for collecting and treating sewage, facilities for collecting and treating storm and surface waters, facilities for pumping, storing, and distributing water, parks, playgrounds, and land for athletic fields, solid waste and recycling facilities, fire protection facilities, law enforcement facilities, emergency medical facilities and libraries. "Public facilities" does not include facilities owned by a school district.
 - 2. Notwithstanding subd. [1.](#), with regard to impact fees that were first imposed before June 14, 2006, "public facilities" includes other recreational facilities that were substantially completed by June 14, 2006. This subdivision does not apply on or after January 1, 2018.
- (g) "Service area" means a geographic area delineated by a municipality within which there are public facilities.
- (h) "Service standard" means a certain quantity or quality of public facilities relative to a certain number of persons, parcels of land or other appropriate measure, as specified by the municipality.

(2) GENERAL.

- (a) A municipality may enact an ordinance under this section that imposes impact fees on developers to pay for the capital costs that are necessary to accommodate land development.
- (b) Subject to par. [\(c\)](#), this section does not prohibit or limit the authority of a municipality to finance public facilities by any other means authorized by law, except that the amount of an impact fee imposed by a municipality shall be reduced, under sub. [\(6\) \(d\)](#), to compensate for any other costs of public facilities imposed by the municipality on developers to provide or pay for capital costs.
- (c) Beginning on May 1, 1995, a municipality may impose and collect impact fees only under this section.

(3) PUBLIC HEARING; NOTICE. Before enacting an ordinance that imposes impact fees, or amending an existing ordinance that imposes impact fees, a municipality shall hold a public hearing on the proposed ordinance or amendment. Notice of the public hearing shall be published as a class 1 notice under ch. [985](#), and shall specify where a copy of the proposed ordinance or amendment and the public facilities needs assessment may be obtained.

(4) PUBLIC FACILITIES NEEDS ASSESSMENT.

- (a) Before enacting an ordinance that imposes impact fees or amending an ordinance that imposes impact fees by revising the amount of the fee or altering the public facilities for which impact fees may be imposed, a municipality shall prepare a needs assessment for the public facilities for which it is anticipated that impact fees may be imposed. The public facilities needs assessment shall include, but not be limited to, the following:
 - 1. An inventory of existing public facilities, including an identification of any existing deficiencies in the quantity or quality of those public facilities, for which it is anticipated that an impact fee may be imposed.
 - 2. An identification of the new public facilities, or improvements or expansions of existing public facilities, that will be required because of land development for which it is anticipated that impact fees may be imposed. This identification shall be based on explicitly identified service areas and service standards.
 - 3. A detailed estimate of the capital costs of providing the new public facilities or the improvements or expansions in existing public facilities identified in subd. [2.](#), including an estimate of the cumulative effect of all proposed and existing impact fees on the availability of affordable housing within the municipality.
- (b) A public facilities needs assessment or revised public facilities needs assessment that is prepared under this subsection shall be available for public inspection and copying in the office of the clerk of the municipality at least 20 days before the hearing under sub. [\(3\)](#).

(5) DIFFERENTIAL FEES, IMPACT FEE ZONES.

- (a) An ordinance enacted under this section may impose different impact fees on different types of land development.
- (b) An ordinance enacted under this section may delineate geographically defined zones within the municipality and may impose impact fees on land development in a zone that differ from impact fees imposed on land development in other zones within the

municipality. The public facilities needs assessment that is required under sub. (4) shall explicitly identify the differences, such as land development or the need for those public facilities, which justify the differences between zones in the amount of impact fees imposed.

- (6) STANDARDS FOR IMPACT FEES.** Impact fees imposed by an ordinance enacted under this section:
- (a) Shall bear a rational relationship to the need for new, expanded or improved public facilities that are required to serve land development.
 - (am) May not include amounts for an increase in service capacity greater than the capacity necessary to serve the development for which the fee is imposed.
 - (b) May not exceed the proportionate share of the capital costs that are required to serve land development, as compared to existing uses of land within the municipality.
 - (c) Shall be based upon actual capital costs or reasonable estimates of capital costs for new, expanded or improved public facilities.
 - (d) Shall be reduced to compensate for other capital costs imposed by the municipality with respect to land development to provide or pay for public facilities, including special assessments, special charges, land dedications or fees in lieu of land dedications under ch. [236](#) or any other items of value.
 - (e) Shall be reduced to compensate for moneys received from the federal or state government specifically to provide or pay for the public facilities for which the impact fees are imposed.
 - (f) May not include amounts necessary to address existing deficiencies in public facilities.
 - (fm) May not include expenses for operation or maintenance of a public facility.
 - (g) Except as provided under this paragraph, shall be payable by the developer or the property owner to the municipality in full upon the issuance of a building permit by the municipality. Except as provided in this paragraph, if the total amount of impact fees due for a development will be more than \$75,000, a developer may defer payment of the impact fees for a period of 4 years from the date of the issuance of the building permit or until 6 months before the municipality incurs the costs to construct, expand, or improve the public facilities related to the development for which the fee was imposed, whichever is earlier. If the developer elects to defer payment under this paragraph, the developer shall maintain in force a bond or irrevocable letter of credit in the amount of the unpaid fees executed in the name of the municipality. A developer may not defer payment of impact fees for projects that have been previously approved.
- (7) LOW-COST HOUSING.** An ordinance enacted under this section may provide for an exemption from, or a reduction in the amount of, impact fees on land development that provides low-cost housing, except that no amount of an impact fee for which an exemption or reduction is provided under this subsection may be shifted to any other development in the land development in which the low-cost housing is located or to any other land development in the municipality.
- (7r) IMPACT FEE REPORTS.** At the time that the municipality collects an impact fee, it shall provide to the developer from which it received the fee an accounting of how the fee will be spent.

- (8) REQUIREMENTS FOR IMPACT FEE REVENUES.** Revenues from each impact fee that is imposed shall be placed in a separate segregated interest-bearing account and shall be accounted for separately from the other funds of the municipality. Impact fee revenues and interest earned on impact fee revenues may be expended only for the particular capital costs for which the impact fee was imposed, unless the fee is refunded under sub. [\(9\)](#).
- (9) REFUND OF IMPACT FEES.** Except as provided in this subsection, impact fees that are not used within 8 years after they are collected to pay the capital costs for which they were imposed shall be refunded to the payer of fees for the property with respect to which the impact fees were imposed, along with any interest that has accumulated, as described in sub. [\(8\)](#). Impact fees that are collected for capital costs related to lift stations or collecting and treating sewage that are not used within 10 years after they are collected to pay the capital costs for which they were imposed, shall be refunded to the payer of fees for the property with respect to which the impact fees were imposed, along with any interest that has accumulated, as described in sub. [\(8\)](#). The 10-year time limit for using impact fees that is specified under this subsection may be extended for 3 years if the municipality adopts a resolution stating that, due to extenuating circumstances or hardship in meeting the 10-year limit, it needs an additional 3 years to use the impact fees that were collected. The resolution shall include detailed written findings that specify the extenuating circumstances or hardship that led to the need to adopt a resolution under this subsection. For purposes of the time limits in this subsection, an impact fee is paid on the date a developer obtains a bond or irrevocable letter of credit in the amount of the unpaid fees executed in the name of the municipality under sub. [\(6\) \(g\)](#).
- (10) APPEAL.** A municipality that enacts an impact fee ordinance under this section shall, by ordinance, specify a procedure under which a developer upon whom an impact fee is imposed has the right to contest the amount, collection or use of the impact fee to the governing body of the municipality.