

Village of Holmen, Wisconsin
Chapter _____
Impact Fee Ordinance 4.06

- 1) **Purpose and Intent.** The purpose of this ordinance is to promote the public health, safety and general welfare of the community and to facilitate the adequate provision of parks, playgrounds and other recreational facilities; storm and surface water collection and treatment facilities; water pumping, storage and distribution facilities; fire, police and emergency medical facilities; highways and transportation facilities; traffic control facilities; library facilities; sewage collection and treatment facilities; and solid waste and recycling facilities by imposing impact fees upon developers to pay for the capital costs of public facilities that are necessary to accommodate land development.

This chapter is intended to impose impact fees in order to finance public utilities and facilities, the demand for which is generated by new residential development. The Village is responsible for and will meet, through the use of general Village revenues, all capital improvement needs associated with existing development. Only needs created by new development will be met by impact fees. Impact fees shall be spent on new or enlarged capital facilities improvements required by new developments that pay the fees.

- 2) **Authority.** Authority for this section is provided by Wis. Stat 66.0617. The provisions of this section shall not be construed to limit the power of the Village to adopt any ordinance, other impact fee or other fee pursuant to any other source of local authority or to utilize any other methods or powers otherwise available for accomplishing the purposes set forth herein, either in lieu of or in conjunction with this section.
- 3) **Applicability.** This section shall be uniformly applicable to all new development that occurs within the Village of Holmen.
- 4) **Definitions.** The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:
 - a) **Building permit** means the permit required for new construction and additions pursuant to Village of Holmen Municipal Code. The term “building permit”, as used herein, shall not be deemed to include permits required for remodeling, rehabilitation, or other improvements to an existing structure or rebuilding a damaged or destroyed structure, provided there is no increase in the number of dwelling units resulting therefrom.
 - b) **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 ten percent (10%) of capital costs may consist of legal, engineering and design costs unless the Village demonstrated that its legal, engineering and design costs which relate directly to the public improvement for which the Impact fees were imposed exceed ten percent (10%) of capital costs. “Capital costs” does not include other non-capital costs to construct, expand or improve public facilities or the costs of equipment to construct, expand or improve public facilities.
 - c) **Capital improvements** means public facilities that are treated as capitalized expenses according to generally accepted accounting principles and does not include costs associated with the operation, administration, maintenance or replacement of capital improvements, nor does it include administrative facilities.
 - d) **Developer** means a person, party, firm, corporation or other legal entity that constructs or creates a land development.
 - e) **Development** means any man-made change to improved or unimproved real property, the use of any principal structure or land, or any other activity that requires issuance of a building permit.
 - f) **Dwelling unit** means one or more rooms designed as a residential occupancy area by not more than one family or group for living and sleeping purposes.

- g) **Impact fee** means any charge, fee, or assessment levied pursuant to this chapter when any portion of the revenues collected is intended to fund any portion of the capital costs of public facilities or capital improvements identified in this chapter and/or the Public Facilities Needs Assessment.
 - h) **Land development** means the construction or modification of improvements to real property that creates additional residential dwelling units within the Village or that results in nonresidential uses that create a need for new, expanded or improved public facilities within the Village.
 - i) **Needs assessment** means the assessment of needs required to identify public facility costs for the purpose of calculating impact fees as defined by Wis. Stat. sec. 66.0617.
 - j) **Public facilities** means highways, as defined in Section 340.01(22), Wisconsin Statutes, 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 other recreational facilities, 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.
 - k) **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 Village Board.
 - l) **Site** means the land on which development takes place.
 - m) **Subdivision** means a plat, certified survey map, or other method used to divide a parcel of property into two or more separate parcels or lots.
 - n) **Village** means the Village of Holmen, Wisconsin.
 - o) **Zoning districts** are those areas designated in the zoning ordinance as being reserved for specific land uses, subject to development and use regulations specified in the ordinance.
 - p) **Zoning ordinance** means the official adopted zoning map and text regulating all development and land use in the Village of Holmen.
- 5) **Public Facilities Need Assessment.** The basis for the imposition of impacts fees is the *Public Facilities Needs Assessment* prepared by *Vierbicher Associates* in September of 2006, which is on file in the office of the Village Clerk and available for inspection and/or copying in accordance with the State Public Records and Property Law, Subchapter II of Chapter 19, Wisconsin Statutes. The Public Facilities Need Assessment includes:
- a) An inventory of existing public facilities, including an identification of any existing deficiencies in the quantity or quality of those public facilities for which an Impact Fee is imposed.
 - b) 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 an impact fee is imposed.
 - c) A detailed estimate of the capital costs of providing the new public facilities or the improvements or expansions in existing public facilities, including an estimate of the effect of recovering these capital costs through impact fees on the availability of affordable housing within the Village.
- 6) **Finding of Reasonableness and Statutory Compliance.** Impact fees imposed by this Chapter are found by the Village Board of the Village to be reasonable and in compliance with Section 66.55, Wisconsin Statutes in that they:
- a) Bear a rational relationship to the need for new, expanded or improved public facilities that are required to serve land development.
 - b) Do 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 Village.

- c) Are based upon actual capital costs or reasonable estimates of capital costs for new, expanded or improved public facilities.
- d) Do not prohibit or deter the construction of affordable housing within the Village.

7) Impact fee reduction.

- a) Impact fees imposed by this Chapter shall be reduced to the extent necessary:
 - i) To compensate for other capital costs imposed by Village 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 Chapter 236, Wisconsin Statutes, or any other items of value.
 - ii) To compensate for monies received from Federal or State government specifically to provide or pay for the public facilities for which the impact fees are imposed.
 - iii) The Village Board may, in its discretion, provide for an exemption from, or a reduction in the amount of impact fees imposed on a developer that provides low-cost housing in accordance with guidelines established by the Village Board, except no amount of any impact fee for which an exemption or reduction is provided under this section 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 Village.
 - iv) New development in a Tax Incremental Financing District, whether such district is now existing or created in the future, may be exempted from the imposition of Impact Fees for the reason that the Village desires to offer developers an incentive to create projects which will improve blighted neighborhoods and/or create opportunities for employment.

8) Imposition of impact fees. Impact fees shall be imposed by the Village Board on any land division, planned development, conditional use permit, site plan review or building permit for new construction on vacant land, the construction of additional buildings on developed land, and the expansion of existing buildings, at the time any approval or permit is granted which is located in an area on which an impact fee has been imposed. Notwithstanding the above, nothing herein required shall provide for the payment of duplicate impact fees under circumstances where a land development is the subject of more than one (1) approval or permit.

9) Use of funds.

- a) Funds collected from impact fees shall be used solely for the purpose of paying the proportionate costs of providing public facilities that may become necessary due to land development. These costs may include the costs of debt service on bonds or similar debt instruments when the debt has been incurred for the purpose of proceeding with designated public facilities projects prior to the collection of all anticipated impact fees for the projects, to reimburse the Village or Utility for advances of other funds or reserves, and such other purposes consistent with Wis. Stat. sec. 66.0617 which are recorded and approved by the Village Board.
- b) The Village may issue bonds, revenue certificates, and other obligations of indebtedness in such manner and subject to such limitations as may be provided by law in furtherance of the provision of capital improvement projects. Funds pledged toward retirement of bonds, revenue certificates, or other obligations of indebtedness for such projects may include impact fees and other Village revenues as may be allowed by the Village Board. Impact fees paid pursuant to this ordinance, however, shall be restricted to use solely and exclusively for financing directly or as a pledge against bonds, revenue certificates, and other obligations of indebtedness for the cost of capital improvements as specified herein.
- c) These impact fees shall be collected until the capital costs associated with the projects specified in the Public Facilities Needs Assessment Report, as amended from time to time, have been incurred and satisfied unless such time period exceeds seven (7) years beyond projected satisfaction of indebtedness of the specified projects for which these impact fees are imposed.

10) Payment and Collection of fees.

- a) *Payment of fee.* A Developer shall pay an Impact Fee for any new Development (as distinguished from any alteration or addition to existing development) in full, to the Village Clerk or Treasurer, where applicable, as follows:
 - i) With respect to a Land Division, within the time provided in a Subdividers Agreement.
 - ii) With respect to Conditional Use Permits, as provided in the Permit.
 - iii) With respect to Site Plan Review, prior to obtaining a Building Permit.
 - iv) With respect to a Building Permit, prior to issuance of the permit.
- b) *Separate fund account required.* Revenues collected as impact fees shall be placed by the Village of Holmen Treasurer in segregated interest-bearing accounts and shall be accounted for separately from other funds of the Village of Holmen. Impact fee revenues and interest earned on impact fee revenues may be expended by the Village of Holmen only for the capital costs for which the impact fees were imposed and shall be expended on a first-in first-out basis.
- c) *Refund.* Any funds not expended or encumbered by the end of the calendar quarter immediately following seven years from the date the impact fee was paid for any facility described in the needs assessment shall be returned to such landowner. The Village Board considers seven years to be a reasonable time period for planning and financing all public facilities identified in the Public Facilities Needs Assessment.

11) Administration of Impact Fees.

- a) Upon receipt of impact fees, the Village Clerk, Treasurer or the Utility Manager, as applicable, shall be responsible for the placement of such funds into separate accounts as hereinafter specified. All such funds shall be deposited in interest-bearing accounts in a bank authorized to receive deposits of Village or Utility funds, as applicable. Interest earned by each account shall be credited to that account and shall be used solely for the purposes specified for funds of such account.
- b) The Village Clerk, Treasurer or Utility Manager shall maintain and keep accurate financial records for each such account that shall show the source and disbursement of all revenues; that shall account for all monies received; that shall ensure that the disbursement of funds from each account shall be used for projects in the capital improvements program for the particular development sub-area or for Village-wide capital improvements, as specified in the program; and that shall provide an annual report for each impact fee account showing the source and amount of all funds collected and the projects that were funded.
- c) The Village shall annually, in conjunction with the annual capital budget and capital improvements plan adoption processes, review the development potential of the Village and the capital improvements plan and make such modifications as are deemed necessary as a result of:
 - i) Development occurring in the prior year.
 - ii) Capital improvements actually constructed.
 - iii) Changing facility needs.
 - iv) Inflation.
 - v) Revised cost estimates for capital improvements.
 - vi) Changes in the availability of other funding sources applicable to public facility projects.
 - vii) Such other factors as may be relevant.

Modifications of the development potential, the capital improvements program, and the impact fees shall be recommended for adoption prior to December 1st of each year and shall be effective on January 1st.

12) Impact Fee Schedule.

Category	Residential Dwelling Unit	Commercial/Industrial Development per Square Foot of Building Area
1. Highways and Transportation Facilities	\$4	\$0.031
2. Traffic Control Devices	\$0	\$0
3. Sewage Collection & Treatment Facilities	\$586	Based on meter size
4. Storm & Surface Water Collection & Treatment Facilities	\$0	\$0
5. Water Pumping, Storage & Distribution Facilities	\$795	Based on meter size
6. Parks & Playgrounds	\$78	\$0
7. Solid Waste & Recycling Facilities	\$0	\$0
8. Fire Protection & Emergency Medical Facilities	\$0	\$0
9. Law Enforcement Facilities	\$0	\$0
10. Public Library Facilities	\$0	\$0
TOTAL	\$1,463	\$0.031

Sewage Collection & Treatment Facilities Fee Schedule for Commercial/Industrial Development

Meter Size	Meter Size Factor	Water Usage (gpd)	Impact Fee Rate	Impact Fee
0.625 and 0.75 inch	1.00	236	\$2.48	\$586
1 inch	1.67	394	\$2.48	\$978
1.5 inch	3.33	786	\$2.48	\$1,951
2 inch	6.67	1,574	\$2.48	\$3,907
3 inch	16.00	3,776	\$2.48	\$9,372
4 inch	28.00	6,608	\$2.48	\$16,401
6 inch	61.33	14,474	\$2.48	\$35,924

Water Pumping, Storage & Distribution Facilities Fee Schedule for Commercial/Industrial Development

Meter Size	Meter Size Factor	Water Usage (gpd)	Impact Fee Rate	Impact Fee
0.625 and 0.75 inch	1.00	236	\$3.37	\$795
1 inch	1.67	394	\$3.37	\$1,328
1.5 inch	3.33	786	\$3.37	\$2,648
2 inch	6.67	1,574	\$3.37	\$5,303
3 inch	16.00	3,776	\$3.37	\$12,722
4 inch	28.00	6,608	\$3.37	\$22,263
6 inch	61.33	14,474	\$3.37	\$48,764

13) Time for Use of Impact Fees. Impact Fees imposed and collected by the Village under this Chapter shall be used within seven (7) years of the date of collection by the Village to pay the capital costs of all public facilities for which they were imposed, or in the alternative, refunded to the current owner of the real property with respect to which the impact fees were imposed. Said seven (7) year period of time is found to be reasonable by the Village Board of the Village of Holmen in view of the appropriate planning and financing periods for the particular types of Public Facilities for which the Impact Fees are imposed.

14) Appeals.

- a) *Notice of appeal.* Any developer upon whom an impact fee has been imposed may contest the amount, collection or use of the impact fee by filing a notice of appeal to the Village Board. The notice of appeal shall be filed with the Village Clerk within thirty (30) days of the date of the determination appealed from. The notice of appeal shall state in detail the relief sought by the developer and any legal or factual basis for

the relief requested; and shall include all supporting documentation upon which the developer relies in making the appeal.

- b) *Appeal bond.* If the notice of appeal is accompanied by a bond or other sufficient surety satisfactory to the Village attorney in an amount equal to the impact fee due, as calculated by the Village Clerk or the Clerk's designee, and all other requirements have been satisfied, the plumbing or building permit may be issued or the final plan may be approved. The filing of an appeal shall not stay the collection of the impact fee due unless a bond or other sufficient surety has been filed.
- c) *Review by the Village Board.*
 - i) Within ten business days of the date of filing of the notice of appeal, the Village Clerk shall forward a copy of the notice of appeal to the appropriate department head. Within 30 business days of receipt, the appropriate department head shall submit a written report and recommendation to the Village Clerk. The Village Clerk shall review this report and make a written recommendation to the Village Board.
 - ii) Within 45 days of the date of the Village Clerk's written recommendation, the Village Board shall adopt a resolution denying, approving, or approving in part the appeal.

15) Effect of Impact Fee on Zoning and Subdivision Regulations. This chapter shall not affect, in any manner, the permissible use of property, density of development, design and improvement standards and requirements, or any other aspect of the development of land or provision of capital improvements subject to the zoning and subdivision regulations or other regulations of the Village, which shall be operative and remain in full force and effect without limitation with respect to all such development.

16) Impact Fee as Additional and Supplemental Requirement. The impact fees are additional and supplemental to, and not in substitution of, any other requirements imposed by the Village on the development of land or the issuance of building permits. It is intended to be consistent with and to further the objectives and policies of the Comprehensive Plan, the capital improvements plan, and other Village policies, chapters, and resolutions by which the Village seeks to ensure the provision of public facilities in conjunction with the development of land. In no event shall a property owner be obligated to pay for capital improvements in an amount in excess of the amount calculated pursuant to this section; provided however, that a property owner may be required to pay, pursuant to Village ordinances, regulations, or policies, other fees or for other capital improvements in addition to the impact fees for capital improvements as specified in this chapter.

17) Amendments.

- a) Before enacting an ordinance that amends **Chapter X**, the Village Board shall hold a public hearing on the proposed ordinance or amendment.
- b) Pursuant to W.S.A., 66.0617, notice of the public hearing referred to in the preceding section shall be published as a class 1 notice under W.S.A., Ch. 985, and shall specify where a copy of the proposed ordinance or amendment and the public needs assessment may be obtained.
- c) 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 needs assessment shall be prepared and made available for public inspection and copying as required by W.S.A., 66.0617.

18) Liberal Construction; Severability. The provisions of this section are hereby found and declared to be in furtherance of the public health, safety, welfare, and convenience and it shall be liberally construed to effectively carry out its purposes. If any subsection, phrase, sentence, or other portion of this chapter is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed separate, distinct and independent, and such holding shall not affect the validity of the remaining portions thereof.

19) Reserved.