

**Village of Holmen  
Special Board Meeting  
Holmen Village Hall – Board Room  
November 15, 2016**

President Proctor called the Special Holmen Village Board meeting to order at 6:00 pm on Tuesday, November 15, 2016, at the Holmen Village Hall.

Board members present: Nancy Proctor, Dawn Kulcinski, Bill Ebner, Rich Anderson, Steve Johnston, Doug Jorstad and Chuck Olson. Also present were Administrator Heinig, Chief Collins, Public Works Director Olson, Park & Rec Director Brogan, Clerk/Treasurer Hornberg, Andrew Bremer from MSA Professional Services, Sarah Murphy and Pat McKnight.

Administrator Heinig opened the public information meeting and Board discussion on Impact Fee Facility Needs Assessment and Proposed Impact Fee Ordinance. He explained that Impact Fees are charged to incoming residents for their impact on the current and future facilities. Heinig gave examples such as the sewer plant, library and Police Department which have all been designed to accommodate a growing population for the next thirty years. Heinig explained the original calculation of approximately \$15,000 per new residential unit was determined to be too high to be competitive in the market, so he requested that it be re-analyzed to compete with other communities and promote economic development. Heinig remarked that he and Bremer were very aggressive balancing fairness to current residents and businesses, as well as future developers.

Bremer explained the methodology of the impact fee calculation which only allows consideration of future aspects for each impact fee category. An inventory was taken of all existing facilities, and present deficiencies were removed from the equation. Future needs are identified based on the level of service standards applied to the projected population. Bremer also noted that the population from 2000 through 2010 in the Village of Holmen increased by 45.2%; this surpassed the growth rate for the City of Onalaska (20%), La Crosse County (7%) and the State (6%).

Bremer and Heinig reviewed the current impact fees compared to the proposed impact fees. The proposed increase of Highway Impact Fees from \$4 per to \$413 per Residential Dwelling Unit was adjusted based on the future need for an additional Public Works building to house equipment and staff, as well as the expansion of the salt shed. The cost of future streets will be driven and paid for by future developers.

The Sewer Impact Fee will combine the current hook-up fees of \$540, impact fee of \$586 as well as Aid-in-Construction fees (in eligible areas) of \$310, for a current total of \$1,436. The proposed fee will include all aspects of sewer connection fees at an amount of \$1,587, a slight increase to accommodate the needs for the new Wastewater Treatment Plant.

The Water Impact Fee will increase from \$795 to \$877, as the PSC requires all future infrastructure needs to be funded with Impact Fees alone. The Water Impact Fee is calculated by dividing the cost allocated to new growth by the proposed increased water demand as determined in the study.

The Park Impact Fee is proposed to increase from \$78 per Residential Dwelling Unit to \$828, as the current fees do not provide sufficient funds to provide adequate park facilities for future growth projections.

Storm and Surface Water, Traffic Control Devices and Solid Waste Impact Fees were all reviewed, and it was determined there are no current need to collect fees in those areas.

The Fire Protection Impact Fee may be added at a future date to be determined based on the Fire Department's ten-year study that is currently being prepared.

A Law Enforcement Impact Fee of \$160 per Residential Dwelling Unit was added due to the new Police Department facility which was completed in 2015 and designed to accommodate the Village of Holmen law enforcement needs through 2036.

A Library Impact Fee of \$295 per Residential Dwelling Unit has also been added; the study found that the existing library facility was not suitable for expansion and the existing site was too small to accommodate future needs. Current library space needs were calculated at 6,300 square feet. Future library space needs, based on a projected population in 2026 are 1,128 square feet of space; additional space to accommodate needs for 2026-2036 population is an additional 963 square feet. Currently, the Village of Holmen is constructing a 15,500 square foot library facility. The fees are calculation to cover costs that can be attributed to the new library facility such as land acquisition, infrastructure and site preparation, as well as building construction.

Trustee Olson inquired as to why Park Impact Fees are not included in the Commercial/Industrial Development fees. Administrator Heinig stated that there was no justification to charge Park or Library Impact Fees since there was no benefit to businesses in those areas. Olson also inquired as to a cost comparison of fees with other communities.

Bremer cautioned that Impact Fees in other communities would be directly related to current projects going on in each community, so that needs to be considered when comparing rates. He noted that adjacent communities did not have the same types of fees that the Village is proposing but that several comparable communities, population exceeding 10,000, experiencing percentage population growth changes meeting or exceeding Holmen did have similar fees. He reviewed fees for the Village of Waunakee, City of Verona, Village of Howard and Village of Bellevue. The results of the comparable communities' research indicate that communities similar in nature to Holmen are collecting impact fees based on their own public facility needs.

Trustee Olson remarked that his concern was more with the local municipalities and stated that we need to be careful not to price ourselves out of the market. He inquired as to the how the total per unit fees compared to other local communities.

Heinig stated that Holmen currently has the lowest building permit fees in the area, however, the current building permit fee and current impact fees per Residential Dwelling Unit is approximately \$3,000 which is slightly over the average for other local communities. Heinig posed the question if it is fair for current residents to pay for future growth.

Olson inquired as to adding some additional costs, such as park fees, to the developer rather than to the permit costs. Heinig responded that the developer is already required to donate the necessary land needed for park space in each area, which ensures there is area available to provide recreation space in each development. Heinig stated in many cases this is a huge monetary contribution that they are making with the understanding that the Village will then build the park with the Impact Fees collected when the lots are developed. This allows the contribution to be fair on both sides and ensures that the park will be developed.

Olson reiterated that he feels the Impact Fees are not high enough for the Commercial sites. Heinig remarked that Highway Fees can only cover the small area that would need plowing services. Olson stated that he feels there is a recreational aspect that will be included within business sites to accommodate employee needs; therefore, he feels Park Impact Fees should be applied to Commercial/Industrial Development fees. Heinig commented that they hadn't considered the recreational aspects of Commercial areas and they could re-evaluate that area.

Trustee Johnston commented that he felt we have recently been playing catch-up on park improvements due to many years in the past when sufficient park investments were not made.

Bremer stated that the typical calculation for park needs in a community is 12 acres per thousand residents; the current level of service indicates that the Village has a 3.4 acre deficiency in park and recreation land. Calculating future needs based on the projected population at 12 acres per thousand residents, the total cost for future park and recreation needs is \$588,022; this divided by the projected growth of 710 Residential Dwelling Units equates to a fee of \$828 per new unit. Heinig assured the Board that this fee was at the appropriate level to accommodate future needs.

Trustee Johnston stated that while these fees are aggressive, he feels that it is important to make Holmen an attractive place to live and work and also allow that Holmen remain competitive for growth.

Bremer expanded on the need to meet not only the park & recreation needs for new subdivisions but remarked that the future needs include an additional Northside community park. The community park would accommodate the entire community to include athletic fields and/or other recreational needs.

Director Brogan stated that having additional soccer fields in the near future is very important.

Trustee Johnston complimented Bremer and Heinig on the presentation.

Trustee Kulcinski remarked that this is a great plan which she does not believe will distract from growth.

Trustee Jorstad remarked that Trustee Olson made some good points and agreed that we need park facilities to attract residents, and also believes that there should be a fair balance of costs between new and future residents.

Trustee Proctor agreed with most comments; she stated that new residents are expecting amenities in the community and most know they will have to help pay for it. She remarked that it was wise of Administrator Heinig to present the Impact Fee Study to the La Crosse Area Builders Association.

Trustee Ebner agreed with all comments; he feels the fees are fair as presented.

Trustee Anderson complimented Bremer and Heinig on a great presentation, and asked that they review the Commercial Park Impact Fee for possible changes.

Trustee Olson stated that he couldn't object to the fees; he felt that all of the projections were fairly substantiated. He inquired as to the point at which these fees could be reconsidered, he feels the Fire Department study will indicate a need to add a Fire Protection Impact Fee and wants to be sure we are not restricted as to when that discussion can be revisited. Administrator Heinig assured him the chapters of the study can be revised and modifications discussed as needed.

**Closed Session**

At 6:58 pm, Bill Ebner/Doug Jorstad motioned to convene into closed session per Wisconsin State Statute 19.85(1)(e) Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. Purpose: Potential purchase of highway and road right-of-way. The motion carried unanimously.

At 7:28 pm, Steve Johnston/Doug Jorstad motioned to reconvene into open session per Wisconsin State Statute 19.85(2). The motion carried unanimously.

Bill Ebner/Rich Anderson motioned to adjourn at 7:29 pm. The motion carried unanimously.

Angela A. Hornberg  
Village Clerk/Treasurer