

ORDINANCE NO. 2012-03

An Ordinance Establishing Impact Fees Upon Land Development

SECTION 1. Section 3-6 of the Municipal Code of the City of Cedarburg is hereby repealed and recreated as follows:

WHEREAS, §66.0617(2), Wis. Stats., entitled “Impact Fees”, provides that a political subdivision may impose and collect impact fees; and

WHEREAS, §66.0617 (4), Wis. Stats. requires a political subdivision to prepare a needs assessment for the public facilities for which it is anticipated that impact fees may be imposed, prior to enacting an ordinance that imposes impact fees; and

WHEREAS, the Common Council of the City contracted with Baker Tilly Virchow, Krause, LLP to review §66.0617, Wis. Stats., its application to the City of Cedarburg, its public facilities needs required by growth through development, and to prepare a needs assessment as required by the statutes; and

WHEREAS, Baker Tilly Virchow, Krause, LLP completed its charge and prepared an Impact Fees Needs Assessment dated January 2012 and Report to the Mayor and Common Council;

WHEREAS, the Needs Assessment sets forth the public facilities required by land development which may be financed by impact fees and has recommended that impact fee changes be made for the Cedarburg Police facility expansion, the Library facility expansion, Park Facilities, water supply facility expansion, wastewater treatment plan reserve capacity and biosolids facility expansion and the swimming pool impact fee be eliminated; and

WHEREAS, City Staff has considered and the Needs Assessment discusses the effect of recovering public facility costs through impact fees on the availability of affordable housing within the City and having considered such effect, City Staff did not find any significant effect upon the availability of affordable housing by the establishment of impact fees; and

WHEREAS, a public hearing was held before the Common Council of the City of Cedarburg on February 27, 2012 to consider the adoption of an impact fee ordinance; and

WHEREAS, notice of the aforesaid public hearing was published as a Class 1 Notice under Ch. 985, Wis. Stats., which notice specified that a copy of the proposed ordinance and the public facilities needs assessment was available for public inspection copying in the City of Cedarburg Clerk’s office, said needs assessment having been available in such office for at least twenty (20) days prior to the public hearing; and

WHEREAS, the Common Council of the City of Cedarburg, having found and determined that the impact fees it considered for adoption bear a rational relationship to the need for new, expanded or improved public facilities required to serve land development; that such

fees 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 City; and that the impact fees are based upon reasonable estimates of the capital costs for new, expanded or improved public facilities and do not include amounts necessary to address existing deficiencies in public facilities; and

WHEREAS, the Common Council having considered the appropriate planning and financing periods for the particular types of public facilities for which the impact fees may be imposed and having found that the time periods recommended by the City Staff and Needs Assessment are appropriate.

NOW, THEREFORE, be it ordained by the Common Council of the City of Cedarburg as follows:

SECTION 1. Title 3, Chapter 6, Impact Fees, of the Code of Ordinances of the City of Cedarburg, Wisconsin is hereby revised to read as follows:

SECTION 3-6-1 PURPOSE.

The purpose of this section is to promote the public health, safety and general welfare of the community and to facilitate the adequate provision for certain library, park, police and water facilities, the reserve capacity at the Wastewater Treatment Plant, and the biosolids facility by imposing impact fees upon developers to pay for the capital costs that are necessary to accommodate land development.

SECTION 3-6-2 DEFINITIONS.

- (a) "Impact Fees" means cash contributions, contributions of land or interest in land or any other items of value that are imposed on a developer.
- (b) "Developer" means a person who constructs or creates a land development.
- (c) "Land Development" means the construction or modification of improvements to real property that creates additional residential dwelling units within the City or that results in non-residential uses that create a need for new, expanded or improved public facilities within the City.
- (d) "City" means the City of Cedarburg, Wisconsin.
- (e) "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% of capital costs may consist of legal, engineering and design costs unless the City 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% of capital costs. "Capital Costs" does not include other noncapital costs to construct, expand or improve public facilities or the costs of equipment to construct, expand or improve public facilities; or the costs of equipment to construct, expand or improve public facilities.
- (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) Residential Equivalent Connection (REC) means a unit of measure for water related impact fees equivalent to the average amount of water capacity needed to supply one single-family residential dwelling unit. For the purpose of the water supply impact fees established under this Ordinance, a REC shall be equal to 53,544 gallons annually.

SECTION 3-6-3 LIBRARY FACILITY

Any developer creating or constructing additional residential units within the City shall pay a fee to the City to provide for the capital costs necessary to accommodate the Library expansion needs of land development except as provided in subsection (8) below.

- (a) The amount of the fee shall be \$729.32 per single-family residential dwelling unit to be constructed or created by the proposed development.
- (b) The amount of the fee shall be \$484.40 per residential unit for a multi-family residential dwelling unit to be constructed or created by the proposed development. Multi-family includes Community Based Residential Treatment facilities.
- (c) The fee shall be imposed as a condition of the issuance of the building permit.
- (d) Such fees collected by the City shall be placed in a special fund which shall be separate from the General Fund of the City, and the special fund and all interest earned thereon shall be used exclusively for the capital costs of the library facilities within the City.
- (e) Such fees collected after December 10, 2008 shall be expended by the City for the aforesaid purpose within fifteen (15) years of the date of payment, or such fee amount paid shall be refunded to the then owner(s) of the property upon which such fee was collected.

SECTION 3-6-4 POLICE DEPARTMENT FACILITY

Any developer creating or constructing additional residential dwelling units or any commercial, industrial or institutional land development within the City shall pay a fee to the City to provide for the capital costs necessary to accommodate the Police Department Facility expansion needs of land development except as provided in subsection (8) below.

- (a) The amount of the fee shall be \$834.33 per single-family residential dwelling unit, and \$554.15 per multifamily residential dwelling unit and CBRF at ~~\$2.21~~ \$2.12 per \$1,000 valuation for commercial, industrial or institutional development.
- (b) The fee shall be imposed as a condition of issuance of the building permit.

- (c) Such fees collected by the City shall be placed in a special fund which shall be separate from the General Fund of the City, and the special fund and all interest earned thereon shall be used exclusively for the capital costs of the police facilities within the City.
- (d) Such fees shall be expended by the City for the aforesaid purpose within fifteen (15) years of the date of payment, or such fee amount paid shall be refunded to the then owner(s) of the property upon which such fee was collected.

SEC 3-6-5 WATER SUPPLY FACILITIES

Any developer creating or constructing additional residential dwelling units or commercial, industrial, or institutional land development within the City or any owner of property in the City that has a change in use that results in the use of additional water capacity shall pay a fee to the City to provide for the capital costs necessary to accommodate water supply expansion needs of land development except as provided in subsection (8) below.

- (a) The water supply facilities impact fee shall be \$1,640.02 per single-family residential dwelling unit and \$1,230.02 per residential unit of a multi-family residential dwelling unit.
- (b) For all residential users of the water system, the following table shall be used to determine the number of residential equivalent connections (REC) per dwelling unit or building.

Residential Users	REC
Single-family home	1.00
Multiple-family	0.75/unit

Standard Industrial Classification Code	Description	Gallons per Employee Hour
0742	Veterinary services for animal specialties	20.0
0752	Animal specialty services	16.0
0782	Lawn and garden services	10.0
1446	Industrial sand	5.0
1521	General contractors – Residential	2.3
1541	General contractors – Industrial buildings and warehouses	2.3
1611	General contractors-Public Works	2.3
1711	Plumbing, heating and air conditioning	2.3
1731	Electrical work	2.3
1761	Roofing and sheet metal work	2.3
1799	Special trade contractors (not elsewhere classified)	2.3
2013	Sausage and other prepared meats	110.0
2065	Candy and other confectionery products	50.0
2087	Flavoring extracts and syrups (not elsewhere classified)	75.0
2394	Canvas and related products	2.3
2431	Millwork	5.0

2434	Wood kitchen cabinets	5.0
2522	Metal office furniture	2.3
2721	Periodicals: Publishing and printing	10.0
2731	Books: Publishing and printing	10.0
2751	Commercial printing, letterpress and screen	10.0
2752	Commercial printing, lithographic	10.0
2789	Book binding and related work	10.0
2795	Lithographic plate making and related services	25.0
2819	Industrial inorganic chemicals (not elsewhere classified)	10.0
2834	Pharmaceutical preparation	10.0
2841	Soap and other detergents	15.0
2893	Manufacturing of printing ink	30.0
2899	Chemicals and chemical preparations (not elsewhere classified)	10.0
3079	Miscellaneous plastic products	85.0
3111	Leather tanning and finishing	345.0
3272	Concrete products, except block and brick	25.0
3442	Metal doors, sash, frames, molding and trim	2.3
3444	Sheet metal work	40.0
3451	Screw machine products	10.0
3462	Iron and steel forging	5.0
3469	Metal stampings (not elsewhere classified)	5.0
3471	Electroplating, plating, polishing, anodizing, etc.	50.0
3479	Coating, engraving and allied services (not elsewhere classified)	100.0
3495	Wire springs	2.3
3498	Fabricated pipe and fittings	2.3
3499	Fabricated metal products (not elsewhere classified)	25.0
3531	Construction machinery and equipment	5.0
3544	Spec. dies and tools, die sets, jigs and fixtures, molds	10.0
3562	Ball and roller bearings	5.0
3565	Industrial patterns	5.0
3569	General industrial machinery & equipment (not elsewhere classified)	4.0
3576	Scales and balances, except laboratory	2.3
3599	Machinery, except electrical (not elsewhere classified)	10.0
3613	Switchgear and switchboard apparatus	5.0
3632	Household refrigerators and home and farm freezers	2.3
3694	Electrical equipment for internal combustion engines	2.3
2714	Motor vehicle parts and accessories	75.0
3999	Manufacturing industries (not elsewhere classified)	2.3
4141	Local passenger transportation charter service	2.3
4151	School busses	2.3
4212	Local trucking without storage	10.0
4213	Trucking, except local	2.3
4225	General warehousing and storage	2.3
4311	U.S. Postal Service	2.3
4722	Travel agency	2.3
4811	Telephone communication	2.3
4832	Radio broadcasting	2.3
5042	Toys and hobby goods and supplies	2.3
5063	Electrical apparatus and equipment	2.3
5054	Electrical appliances	2.3
5072	Hardware – Wholesale distribution	2.3
5082	Construction and mining machinery and equipment	2.3
5084	Industrial machinery and equipment	2.3

5142	Frozen foods	10.0
5149	Wholesale groceries and related products (not elsewhere classified)	10.0
5199	Wholesale nondurable goods (not elsewhere classified)	10.0
5211	Lumber and other building materials	2.3
5231	Paint, glass, wallpaper	2.3
5251	Hardware – Retail sales	2.3
5261	Retail nurseries, lawn and garden supply stores	10.0
5271	Mobile home dealers	2.3
5311	Department stores	2.3
5331	Variety stores	2.3
5411	Grocery stores with meat and produce departments	16.0
5412	Grocery stores without meat and produce departments	6.0
5441	Candy, nut and confectionery stores	10.0
5462	Retail bakeries – Baking and selling	10.0
5499	Miscellaneous food stores	2.3
5511	Motor vehicle dealers	5.0
5531	Auto and home supply stores	2.3
5541	Gasoline service stations	15.0
5551	Boat dealers	5.0
5611	Clothing stores	2.3
5651	Shoe stores	2.3
5681	Furriers and fur shops	5.0
5711	Furniture, floor coverings, appliances	2.3
5812	Eating places (restaurants)	20.0
5813	Drinking places (taverns)	45.0
5912	Drugstores and proprietary stores	2.3
5921	Liquor stores	2.3
5931	Used merchandise stores	2.3
5941	Sporting goods stores and bicycle shops	2.3
5942-9	Miscellaneous stores	2.3
5992	Florists	10.0
5999	All other retail stores	2.3
6022-9	Banks	2.3
6122-63	Savings and loans	2.3
6311	Insurance companies	2.3
6411	Insurance agents	2.3
6512	Operators of nonresidential buildings	2.3
6515	Operators of residential mobile home sites	2.3
6531	Real estate agents and managers	2.3
6553	Cemetery sub-dividers and developers	2.3
6722	Management investment offices	2.3
7011	Hotels, motels, tourist courts	0.5 REC p/unit
7211	Power laundries, family and commercial	105.0
7212	Cleaning and laundry pickup stations	2.3
7215	Fac. Coin-op laundries and dry cleaning	910.0
7221	Photographic studios	2.3
7231	Beauty shops	16.0
7241	Barber shops	10.0
7261	Funeral service and crematories	15.0
7299	Miscellaneous services (not elsewhere classified)	2.3
7311	Advertising agencies, employment services	2.3
7332	Blueprinting and photocopying services	2.3
7351	Employment agencies	2.3

7391	Research and development laboratories	10.0
7395	Photofinishing labs	10.0
7512	Passenger car rental and leasing, w/o drivers	10.0
7531	Top and body repair shop	5.0
7534	Tire re-treading and repair shops	20.0
7538	General automotive repair shops	5.0
7542	Car washes	115.0
7622	Radio and television repair	2.3
7699	Repair shops and related services (not elsewhere classified)	20.0
7832	Motion picture theaters, not drive-ins	20.0
7911	Dance halls, studios and schools	20.0
7922	Theatrical producers	20.0
7933	Bowling alleys	50.0
7992	Public golf courses	45.0
7997	Membership sports and recreation clubs	75.0
7999	Roller rinks, gymnasiums, museums	20.0
8011	Offices of physicians	10.0
8021	Offices of dentists	10.0
8031	Offices of osteopaths	10.0
8041	Offices of chiropractors	10.0
8051	Skilled nursing care facilities	20.0
8091	Health and allied services (not elsewhere classified)	10.0
8111	Attorneys	2.3
8211	Elementary and secondary schools	20.0
8221	Colleges, universities and professional schools	25.0
8231	Libraries and information centers	20.0
8249	Vocational schools (not elsewhere classified)	20.0
8421	Arboreta, botanical and zoological gardens	45.0
8621	Professional membership organizations	2.3
8641	Civic, social and fraternal associations	15.0
8661	Religious organizations (hours occupied only)	20.0
8699	Membership organizations (not elsewhere classified)	2.3
38911	Engineering, architectural and surveying services	2.3
8931	Accountants	2.3
9199	General government (not elsewhere classified)	2.3
9221	Police protection	2.3
9224	Fire protection	2.3
9451	Administration of veteran's affairs	2.3
9999	All offices (not elsewhere classified)	2.3

SIC Code Source: Office of Management and Budget, Executive Office of the President

- (d) The fee shall be imposed as a condition of the issuance of the building permit.
- (e) Such fees collected by the Water Utility shall be placed in a special fund which shall be separate from the general fund of the Water Utility, and the special fund and all interest earned thereon shall be used exclusively for the capital costs of water supply facilities.
- (f) Such fees collected after March 13, 2013 shall be expended by the Water Utility for the aforesaid purpose within twenty (20) years of the date of payment, or such fee amount paid shall be refunded to the then owner(s) of the property upon which such fee. Such fees collected before March 13, 2013 must be spent by March 13, 2016.

SECTION 3-6-6 PARK FACILITIES

Any developer creating or constructing additional residential units within the City shall pay a fee to the city to provide for the capital costs necessary to accommodate the Park facility expansion needs of land development except as provided in subsection (8) below.

- (a) The amount of the fee shall be \$996.01 per single-family residential dwelling unit to be constructed or created by the proposed development.
- (b) The amount of the fee shall be \$661.53 per residential unit for a multi-family residential dwelling unit to be constructed or created by the proposed development. Multi-family includes Community Based Residential Treatment facilities.
- (c) The fee shall be imposed as a condition of the issuance of the building permit.
- (d) Such fees collected by the City shall be placed in a special fund which shall be separate from the General Fund of the City, and the special fund and all interest earned thereon shall be used exclusively for the capital costs of the park facilities within the City.
- (e) Such fees shall be expended by the City for the aforesaid purpose within fifteen (15) years of the date of payment, or such fee amount paid shall be refunded to the then owner(s) of the property upon which such fee was collected

SEC. 3-6-7 WASTEWATER TREATMENT PLANT RESERVE CAPACITY IMPACT FEE

Any developer creating or constructing additional residential dwelling units, or any commercial, industrial or institutional land development within the City shall pay a fee to the City to provide for the capital costs necessary to accommodate the reserve capacity at the Wastewater Treatment Plant and for the capital costs necessary for expansion of the proposed biosolids management facility except as provided in subsection (8) below.

- (a) The amount of the fee shall be \$562.00 per single-family residential dwelling unit to be constructed or created by the proposed development.
- (b) The amount of the fee shall be \$373.29 per multi-family residential dwelling unit to be constructed or created by the proposed development.
- (c) The amount of the fee shall be \$562.00 per the number of residential equivalent flow of each industrial, commercial and institutional unit to be constructed or created by the proposed development.
- (d) The fee shall be imposed as a condition of the issuance of the building permit.
- (e) Such fees collected by the City shall be placed in a special fund which shall be separate from the general fund of the City, and the special fund and all interest earned thereon shall be used exclusively for the capital costs of the reserve capacity and expansion of the Wastewater Treatment Plant.
- (f) Such fees shall be expended by the City for the aforesaid purpose within ten (10) years of the date of payment, or such fee amount paid shall be refunded to the then owner(s) of the property upon which such fee was collected.

SEC. 3-6-8 FEE REDUCTION

Any impact fee imposed under this section shall be reduced to compensate for capital costs otherwise imposed by the City, upon the land development subject to this section, for the same

public facilities for which an impact fee has been imposed under this section, including by way of special assessments, special charges, land dedications or fees in lieu of land dedications under Ch. 236, Wis. Stats. or any ordinance adopted thereunder or any other items of value. Impact fees imposed under this section shall also be reduced to compensate for monies received from the federal or state government, specifically to provide or pay for the public facilities for which the impact fees under this section are imposed.

SEC. 3-6-9 ADMINISTRATION AND REVIEW

All fees collected and special accounts maintained under this section, shall be subject to administration by the City Treasurer. Commencing with the calendar year subsequent to the effective date of this section, the City Treasurer shall report annually to the Common Council with information necessary to determine that all funds collected are spent within the time required, for the purpose intended, and that the amount of fees imposed continues to represent an equitable and reasonable apportionment of the costs of public improvements and requirements generated by land development. Upon such considerations and for such purposes, the Common Council may make reasonable adjustments to the amount of such fees and determine whether there exists any reasonable need for refund of fees previously collected. The impact fees imposed for future construction under this section shall be adjusted annually each December, with any adjustment to be effective on January 1 of the following year. The annual adjustment will be based on a Construction Cost Index published in the Engineering News Record (the "CCI"). Said percentage shall be calculated on the average of the CCI indices for the Cities of Chicago and Minneapolis.

SEC. 3-6-10 APPEAL

Any developer upon whom an impact fee is imposed under this section as a condition of the issuance of a building permit, shall have the right to contest the amount, collection or use of the impact fee to the Common Council, provided that the developer files a written notice of appeal in the City Clerk's office within 15 days of the developer's filing of an application for a building permit upon which the impact fee is imposed. Such notice of appeal shall be entitled "Notice of Appeal of Impact Fee" and shall state the developer's name, address, telephone number, address of property being developed (if available), legal description of the land development upon which the impact fee is imposed, and a statement of the nature of and reasons for the appeal. The City Clerk shall schedule the appeal for consideration by the Common Council at a regular meeting as soon as reasonably practicable under the circumstances and shall notify the developer of the time, date and place of such meeting in writing by regular mail, deposited in the mail no later than at least three (3) days before the date of such meeting. Upon review of such appeal, the Common Council may adjust the amount, collection or use of the impact fee upon just and reasonable cause shown.

The several sections of this ordinance are declared to be severable. If any section or portion thereof shall be declared by a decision of a court of competent jurisdiction to be invalid, unlawful or unenforceable, such decision shall apply only to the specific section or portion thereof directly specified in the decision, and shall not affect the validity of all other provisions, sections or portion thereof of this ordinance, which shall remain in full force and effect.

SECTION 2. This ordinance shall take effect upon its passage and publication as provided by law.

Passed and adopted this 27th day of February 2012.

Gregory P. Myers, Mayor

Countersigned:

Constance K. McHugh, City Clerk

Approved as to form:

Kaye K. Vance, City Attorney