

RESOLUTION NO. 2006 - 16

A Resolution Opposing Act 477 and 203 Relating to Impact Fees

WHEREAS, impact fees are imposed on developers to pay for capital costs necessary to accommodate land development to construct and expand public facilities; and

WHEREAS, Act 477, which became effective June 14, 2006 after being signed into law by Governor James Doyle, limits the types of public facilities that can be funded with impact fees; and

WHEREAS, Act 203 requires that all impact fees collected be expended within 7 years, or the funds must be returned to the current landowner of the parcel from which they were collected, which makes planning for facilities like a new sewage treatment plant more difficult; and

WHEREAS, since the early 1960s, under Wis. Stat. Sec. 236.45, municipalities could charge developers a fee in lieu of land dedication to fund the purchase of lands for parks, bike trails or other public improvements as a condition of approving a plat. Act 477 prohibits imposing such fees on developers as a condition of subdivision approval. This will favor the creation of numerous small neighborhood parks and tot lots. This would be a significant deviation from the City's current Park and Open Space Plan. Limiting this land to neighborhood parks like these does not allow any flexibility for adding community parks which are generally known to be more efficient to manage; and

WHEREAS Act 477 prohibits municipalities from collecting impact fees from the land developer at the time of plat approval. Impact fees will now be payable by the developer or the owner within 14 days of the issuance of a building permit or within 14 days of the issuance of an occupancy permit. This will have a significant negative effect on projects such as the City's proposed TID # 2. Impact fees were going to be used as a revenue source to pay back the TID borrowings and now they will be received much later than was anticipated – which will add more risk to the TID project. In addition, this legislation places the city staff and new residents in an adversarial relationship by turning the City into a bill collector. The Building Inspection and Treasurers Departments will be inundated with paperwork as they collect eight individual impact fees from every single new resident, disperse the funds into individual accounts, and track the date received for the annual report; and

WHEREAS, Act 477 deletes “other recreational facilities” from the definition of “public facilities” and prohibits municipalities from using impact fees to fund the construction of facilities for soccer fields, volleyball courts, basketball courts, baseball diamonds, tennis courts and projects such as the Cedar Creek Walkway project. If a community needs these facilities because of the growth in the community, taxpayers will have to fund them instead of the developers.

NOW, THEREFORE, BE IT RESOLVED THAT, that the Common Council of the City of Cedarburg, Wisconsin, strongly opposes Act 477 and Act 203 and urges Governor James Doyle and legislators to examine and amend this legislation.

Passed and adopted this 26th day of June 2006.

Gregory P. Myers, Mayor

Attest:

Sandra M. Ingram, City Clerk

Approved as to form:

Kaye K. Vance, City Attorney