

ORDINANCE 13 - 1

**An Ordinance Amending the Impact Fee Ordinance on Land Development  
within the Town of Richmond**

**THE TOWN BOARD OF THE TOWN OF RICHMOND DOES HEREBY  
ORDAIN AS FOLLOWS:**

**SECTION I. SECTION CREATED**

Section 14-1-91 of the Municipal Code of the Town of Richmond is hereby created to read as follows:

**Section 14-1-91 IMPACT FEES**

(a) **Short Title.** This ordinance shall be known and may be cited as the IMPACT FEES OF THE TOWN OF RICHMOND, MUNICIPAL ORDINANCE.

(b) **Introduction and Purpose.** Pursuant to the authority of Section 66.0617, Wisconsin Statutes, the local impact fees enabling legislation, the purpose of this ordinance is to establish the mechanism for the imposition of impact fees upon new development to finance the capital costs of acquiring, establishing, upgrading, expanding, and constructing public facilities which are necessary to accommodate land development. This chapter is intended to assure that new development bears an appropriate share of the cost of capital expenditures necessary to provide public facilities within the Town of Richmond and its service areas, as they are required to serve the needs arising out of land development.

(c) **Definitions.** The following terms shall have the stated meaning when used in this ordinance. Many of these definitions are contained in Section 66.0617(1) of the Wisconsin Statutes; any amendment to those definitions in the state statute shall automatically be considered an amendment of this section of this ordinance. In the event of any conflict between the State Statute and a definition contained herein, the State Statute shall control.

- (1) "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 Town 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.
- (2) "Development" shall mean any man-made change to improved or unimproved real property, or the use of any principal structure or land or any other activity that requires issuance of a permit for a Dwelling Unit.

- (3) "Developer" means a person that constructs or creates a land development.
- (4) " Dwelling unit" means a building or portion thereof with rooms arranged, designed, used or intended to be used for one family. Guest houses with kitchen and bathroom facilities are considered dwelling units.
- (5) "Impact fee" means cash contributions, contributions of land or interests in land or any other items of value that are imposed on a developer by the Town Board under this section.
- (6) "Land development" means the construction or modification of improvements to real property that creates additional residential dwelling units within the Town or that results in nonresidential uses that create a need for new, expanded or improved public facilities within the Town.
- (7) "Public facilities" shall be as defined in Wisconsin Statute 66.0617(1)(f).
- (8) "Residential Equivalent Unit (REU)" means a unit of measure for calculating impact fees; one "REU" is equivalent to the projected impact of land development to town services created by one residential dwelling unit. The application of these standards in each individual case shall be at the discretion of the Town Clerk in consultation with the Village Engineer or Village Attorney as necessary.
- (9) "Service area" means a geographic area within Richmond Township, T30N, R18W, exclusive of the City of New Richmond, delineated by the Town Board within which there are public facilities.
- (10) "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 Town Board.
- (11) "Town" means the Town of Richmond.
- (12) "Building Permit" means the written approval issued in accordance with the provisions of Section SPS 320 of the Wisconsin Administrative Code by the Town's Office of the Building Inspector for any construction, repair, enlargement, improvement or alteration of any building or structure within the Town. It does not include the "Fast Start" permit or Preliminary Permit issued at the time of excavation or installation of footings for any such building or structure.

**(d) Impact Fee Revenue Administration.**

- (1) Revenues from impact fees shall be placed in one or more segregated, interest bearing accounts and shall be accounted for separately from other funds. Impact fee revenues and interest earned thereon may be expended

only for capital costs, including interest expense, for which the impact fees were imposed.

- (2) Impact fee revenues imposed and collected shall be expended to pay the capital costs for which they were imposed, or be refunded to the current owner of the property with respect to which the impact fees were imposed within the time periods specified in Section 66.0617(9) of the Wisconsin Statutes and any subsequent amendments to that section.
  - (3) The Town Board finds that the ten-year period specified in Section 66.0617(9)(a) is a reasonable time period for the expenditure (or refund) of impact fees collected for road improvements made necessary due to new land development within the Town. This ten-year period may be extended for an additional three years as specified in Section 66.0617(9)(b) of the Wisconsin Statutes.
- (c) **Payment of Impact Fees.** Unless otherwise expressly provided herein, all required impact fees shall be paid one-hundred percent (100%) at time of issuance of building permit by the Town. Impact fee amount due shall be those in effect at the time payment of the impact fee is due. Impact fee payments shall be assumed to be the responsibility of the owner of record of the property at the time of application for building permit. All fees shall be paid to the Town Clerk, (currently Donna Preece, 1753 Margaret Street, New Richmond, WI 54017).
- (1) If the provisions of this Section, except for Subparagraph (1), are inconsistent with any terms addressing imposition or payment of impact fees in any developer's agreement executed prior to passage of this ordinance, the terms of any such developer's agreement(s) shall control.
  - (2) If a building permit is requested for mixed uses, then the fee shall be determined through using the applicable schedule by apportioning the space committed to uses specified on the applicable schedule.
  - (3) If the type of development activity that a building permit is applied for is not specified on the applicable fee schedule, the Town Board shall use the fee applicable to the most nearly comparable type of land use on the fee schedule.
- (f) **Appeals.**
- (1) The payment of an impact fee imposed under this section may be contested as to the amount, collection or use of the impact fee by appeal to the Town Board, provided that the applicant files a written notice of appeal with the Town Clerk within fifteen (15) days of final plat approval or the approval by the building inspector 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 applicant's name, address, telephone

number, address (if available) and 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.

- (2) The Town Clerk shall schedule the appeal for consideration by the Town Board at a meeting as soon as reasonably practicable under the circumstances and shall notify the applicant 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 Town Board may adjust the amount, collection or use of the impact fee upon just and reasonable cause shown.

**(g) Impact Fees.**

- (1) The basis for the imposition of the impact fees is the study and assessment conducted to establish the amount, implementation schedule and rational basis for imposition of the impact fee, which has been summarized in the Impact Fee Study -- Public Facility Needs Assessment (March 29, 2013) ("Needs Assessment"), prepared by Stevens Engineers which is on file with the Town Clerk and open to public inspection during normal business hours.

- a. The Town of Richmond's service standard is primarily related to the single-family residential dwelling. This Service Standard will apply to the impact fees as the residential equivalent unit or "REU."
- b. The greatest impact of future population increases will be to the Town's road system. The comparison between different land uses for traffic has been developed by the Institute of Transportation Engineers (ITE). ITE estimates a wide range of average auto trips per day due to various types of land use. Future growth has the greatest impact to the road system. There should be a strong comparable relationship between the single-family residence auto use and other uses for impact fees. The ITE estimates that for a single-family detached residence has an auto trip rate of 9.57 trips/day. The ITE also has estimates for daily vehicle trips for a wide variety of other land uses including commercial and industrial development. These, which are published in *Trip Generation, 7<sup>th</sup> Edition, Institute of Transportation Engineers*, and referenced in the Needs Assessment, will be used to calculate the amount of the impact fee to be imposed on non-residential development – including commercial, industrial and institutional. . As new editions of this manual are published, the most recent edition will be used to determine the number of vehicle trips for a specific land use. The appropriate land use category will be determined by the Town Board based on definitions provided in the trip generation manual.

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  - (2) On the basis of the updated Needs Assessment, the Board is authorized to increase the amount of the impact fee to \$3273.00 per REU (or

Residential Equivalency Unit). Cognizant of the current economic conditions in the area and wishing to minimize any negative incentive to new development in the Town, the Town has decided to forego an increase in the amount of the impact fee and to maintain the impact fee amount at its current level as specified in this Paragraph. In the interest of fairness and in an effort to better effectuate the purpose of this ordinance as outlined in Section 14-1-91(b), the Town Board has decided to maintain the following schedule relating to the impact fees to be paid according to Section 14-1-91(f).

- a. Fee Schedule, for each Residential Unit (or Residential Equivalent Unit):

Transportation System	\$2000
Total impact fee per Residential Unit (or Residential Equivalent Unit)	\$2000

- (3) Impact fees for single-family units will be based on Residential Equivalent Units. Duplexes and twin homes will pay impact fees based on two (2) Residential Equivalent Units. All other residential buildings, three-plexes or larger will pay impact fees based on the number of dwelling units.
- (4) An impact fee, as set forth in Subsection 2 of this Paragraph, is levied against each Residential Equivalent Unit constructed, altered, or improved within the Town after the effective date of this section.
  - a. For new construction, each residential equivalent unit constructed or caused to be built by the owner of record shall be subject to the assessment of the impact fee.
  - b. For alterations or improvements to an existing residential equivalent unit, or where a change in land use is requested, the owner of record shall be assessed an impact fee equal to the difference between the impact fee which would be assessed on the basis of the existing number of Residential Equivalent Unit(s) and the impact fee which would be assessed on the basis of the proposed number of Residential Equivalent Unit(s). Alterations or changes in use which decrease the number of residential equivalent unit(s) will not result in a refund of impact fees previously paid.
  - c. The impact fee for non-residential development (i.e. commercial,, industrial or institutional) shall be based on the trips/per day analysis specified in Paragraph "g.(1)(b)" of this Ordinance. and further clarified in the updated Needs Assessment.
- (5) These impact fees shall be collected until the capital costs associated with the projects specified in the Needs Assessment have been

incurred and satisfied unless such time period exceeds the limitations prescribed in Section 14-1-91(d).

- (i) **Exemptions.** The following situations shall be exempted from payment of the Impact Fees as outlined in Section 14-1-91(g).
- (1) Alterations or expansion of an existing building in which no additional residential uses are created or, in the case of nonresidential uses, that do not create a need for new, expanded or improved public facilities within the Town.
  - (2) The replacement of a building or structure with a new building or structure of the same size and where the use is not changed.
  - (3) Any claim for exemption shall be made and filed prior to the time required for payment as provided by Section 14-1-91(e). Any claim not so made shall be deemed waived.
  - (4) No impact fee shall be imposed in an amount necessary to address existing deficiencies in public facilities.
  - (5) Upon Town Board approval, an exemption from or a reduction in the amount of impact fees on land development that provides low-cost housing may be made. As set forth in Section 66.0617(7), Wisconsin Statutes, 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 Town.
- (j) **Review.** The impact fees contained herein shall be reviewed by the Town Board every five years, and modified if necessary, as a result of changing facility needs, inflation, revised cost estimates, capital improvements, changes in other funding sources applicable to public facility projects and other relevant factors in accordance with the standards for impact fees set forth in Section 66.0617(6), Wisconsin Statutes. Until changed by this process, the current fees shall stay in full force and effect.

## SECTION 2. SEVERABILITY

If any section, phrase, sentence, or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portions shall be deemed separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

All ordinances or parts of ordinances of the Town of Richmond inconsistent with the provisions of this ordinance are hereby repealed.

Adopted this 13<sup>th</sup> day of June, 2013.

  
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Gary Knutson, Town Chairman

**ATTEST:**

  
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Donna Preece, Town Clerk

Date of Posting: June 18, 2013

Effective Date: June 19, 2013