



Public Facilities Needs Assessment
For the Pumpkin Hollow Neighborhood
Sanitary Sewer Improvement Impact Fee District

August 16, 2024

Introduction

Pursuant to the requirements of Wis. Stat. Sec. 66.0617(4), the City of Madison has prepared this public facilities needs assessment for certain sanitary sewer improvements for which impact fees may be imposed. Sanitary sewer improvements are necessary to accommodate land development within the Pumpkin Hollow Neighborhood consistent with the Pumpkin Hollow Neighborhood Development Plan. This work shall serve the area identified as the Pumpkin Hollow Neighborhood Sanitary Sewer Improvement Impact Fee District (the “District”).

The Pumpkin Hollow Neighborhood Development Plan was adopted in 2008 by the City of Madison to guide development in this largely undeveloped area. The area is located in the northeast area of the City of Madison and includes lands currently lying in the Town of Burke (refer to the map in *Exhibit B*). Under the terms of the Final Town of Burke, Village of DeForest, City of Sun Prairie and City of Madison Cooperative Plan, entered into on January 23, 2007, the properties in Burke will be developed in the City, and will eventually attach to the City on October 27, 2036. The plan includes recommendations for lands to be reserved for parks, open space, and drainage based on existing topography and natural features.

The City of Madison is proposing to extend and construct new sanitary sewer interceptors and structures to meet the future needs of this area. Lands upstream of the proposed sanitary sewer are in the early stages of development planning. The developing lands will require connection to this public sewerage system. Where possible, these facilities are designed to function by gravity. To serve these lands, the sanitary sewer system needs to be extended across Interstate I-90/94/39 453’ to the northeast. After crossing the interstate, the new interceptor will split into two branches: one extending to the north up to Hoepker Road, the other extending to the east to Portage Road.

The Pumpkin Hollow Neighborhood Sanitary Sewer Improvement Impact Fee District is being created to help finance these improvements for the neighborhood it will serve, improvements which are necessary to accommodate land development within the District. As the neighborhood develops, other nearby areas may require establishment of additional impact fee districts, depending on timing, location, and specific improvements needed for each development.

Location Description of Impact Fee District

The District shall include the following:

Any and all undeveloped parcels (platted and/or metes and bounds), or portions thereof, that are located within, or that are altered or pumped to discharge sewer outflow within the Pumpkin Hollow Neighborhood Sanitary Sewer Improvement service area. These lands are located within parts of the Southern ½ of Section 3, Section 9, 10, 15, and the Eastern ½ of Section 16, Town 8 North, Range 10 East in the Town of Burke and the City of Madison. (See Exhibit B, Attached.)

Existing Public Facilities

Within the District, approximately 808.05 acres are undeveloped. It is assumed that 65% of this area (525.23 acres) shall be developed and will be assessed impact fees. Currently, there are no sanitary sewer improvements within the District. Existing development is served by private onsite wastewater treatment (septic) systems. The City has a 21" diameter sanitary sewer on the west side of Interstate I- 90/94/39 with capacity to accept the additional projected service area.

New Public Facilities Required for Land Development

To serve the District, the City is proposing to extend the existing 21" PVC sanitary sewer interceptor 631 linear feet across Interstate I-90/94/39 to the northeast. From that extension point, the City will extend approximately 1,086 linear ft of 18" PVC sanitary sewer interceptor north to Hoepker Road, and 1,166 linear feet of 12" PVC sanitary sewer interceptor main east to Portage Road. Sanitary sewer access structures will also be constructed as part of the improvements. Pipe sizes and lengths may be adjusted with final design plans. All of this proposed sewer work, other than the portion occurring within the Interstate I-90/94/39 right-of-way, will be completed within City acquired easements. Easement acquisition costs, including temporary construction easements, shall be included in the Impact Fee. In some areas, the location may change if necessary due to various currently unknown factors. See Exhibit B for the layout of the proposed sanitary sewer improvements. The estimated capital costs associated with easement acquisition, planning, designing, permitting, and constructing the sanitary sewer improvements that are necessary to accommodate land development in the District are set forth in Exhibit C. These costs do not include expenses for operation or maintenance of the improvements following construction. Construction cost estimates includes 10% for engineering and 10% contingency. The final cost for the Sanitary Sewer Interceptor shall include sanitary pipe, backfill, structures, trench patches, and all related incidental costs.

Project Funding

In order to finance the improvements, the City of Madison, pursuant to Wis. Stats. § 66.0617(2), is proposing to amend Section 20.08 of the Madison General Ordinances to create an impact fee that will require developers to pay for the capital costs incurred by the City to make the sanitary sewer improvements needed to accommodate land development within the District. In the District, these costs would be associated with the installation of the sanitary interceptors, including costs for easement or fee acquisition, surveying, planning, design, permitting, and construction.

Impact Fee

The impact fee shall be based on the *net developable area* of the proposed development. The net developable area is the area of a proposed development, exclusive of street rights of ways and drainage areas or Park areas. The rate will be the same for all land uses and zoning districts. It is assumed for this impact fee that 65% of the total undeveloped lands in the District would be included in the net developable areas. It is assumed that the remaining 35% will not be developed due to the use of lands for public purposes such as

street rights of ways, public parks, public drainage land, and other public natural areas. Net acres of developed lands are the total area of land, excluding the street rights of way, that are already developed.

Properties that are undeveloped shall pay an impact fee at the time of development in accord with State Statues and City Ordinance. The estimated total cost to complete the sanitary sewer interceptor and land acquisition components of the project is calculated to be \$1,664,212.80 (2024 dollars). The total estimated cost is divided by the net developable area (630.45 acres) within the District. The fee rate is calculated to be \$2,639.70 per acre, or \$60.60 per 1,000 square feet of Net Developed Area.

Sanitary Assessment and Connection Fees

Lands within the District that are already developed may be charged with a sanitary assessment or a connection fee in the future at the time they connect to pubic sanitary sewer. The sanitary assessments and/or connection fees are based on the same rates developed as part of this impact fee. Until those properties connect to the public sewerage system, the Madison Sewer Utility shall pay the proportionate share for any developed properties that will/may contribute to the sewer system, but are not obligated to pay the impact fee as they have been previously developed at the time of creation of this impact fee district. If a property currently has an on-site sewerage disposal system in place, an assessment/connection fee for sanitary sewer improvements will be due at the actual time of connection to the sanitary sewer system. The assessment rate and connection fee was calculated to be \$2,639.70 per net acre. (They would incur additional assessments not included in this rate for the local main, lateral, etc.).

Adjustments to Impact Fee

The impact fee shall be adjusted annually for inflation, based on the Construction Cost Index as published in the *Engineering News Record* (<http://enr.construction.com/>). The base month/year for calculating such adjustment shall be the month/year of final Common Council adoption of this Impact Fee Ordinance.

Effect of impact fees on housing costs

For each parcel within the District, development fees will include sanitary interceptor/land acquisition impact fees/assessments. The fees were estimated to be \$2,639.68 per net acre for sanitary interceptor (\$60.60 per 1,000 square feet of Net Developed Area). The effect on housing costs was also calculated, based on anticipated lot size and average housing densities for a variety of residential zones, including the two examples that follow. The current (2024) minimum lot size for TR-C3, single-family housing, is 3,000 square feet whereas the average city lot size is 0.25 acre (10,890 square feet). The City anticipates development in the District will average 6,000 square feet. The additional cost incurred by new dwelling units in the District would be as follows:

	Pumpkin Hollow Neighborhood Sanitary Impact Fees	
Size of Lot	6000 ft ²	.25 acre
Additional Cost for New Dwelling Unit	\$363.60	\$659.93

The City of Madison has over 146,000 existing dwelling units, many of which are affordable to a wide range of households. The City has prepared a Comprehensive Plan which includes objectives and policies to increase housing affordability within the City. This Plan builds on plans targeted specifically at providing affordable housing including the Comprehensive Housing Affordability Strategy, the Five Year Housing and Community Development (Consolidated) Plan and the Madison Community Development Authority’s Public Housing Plans. The City has also worked to preserve the quality of its existing housing stock and to provide new housing and higher relative densities as one way to reduce the per unit cost of land and to increase the efficiency of service provided to housing which is built. Impact fees charged for new development in the City cover the provision of basic infrastructure and capital facilities that are a prerequisite for development in the areas covered by the fees. The amount of the fees is directly related to the need to provide capital facilities which are necessitated by and attributable to the benefitting development. These fees represent a small proportion of the total costs to provide housing when considering the cost of land, other infrastructure requirements, the cost to construct housing and financing. Hence, the cumulative effect of development related fees already charged by the City of Madison and the effect of the Pumpkin Hollow Neighborhood Sanitary Sewer Improvement Impact Fee, should not have a significant negative impact on the availability of affordable housing within the community.

EXHIBIT A

Total Area of Impact Fee District (ac)		1026.20
<u>LAND USE</u>		<u>ACRES</u>
City of Madison Undeveloped Land		387.65
Burke Undeveloped Land		420.39
Total Undeveloped Land		808.04
Developable Land (65% of Undeveloped Total)		525.23
City Developed Land		12.57
Burke Developed Land		205.59
Total Developed Land		218.16
Exempt Developed Lands		
	<i>Parks</i>	29.89
	<i>Wetlands</i>	19.55
	<i>ROW</i>	63.49
	Total Exempt	112.93

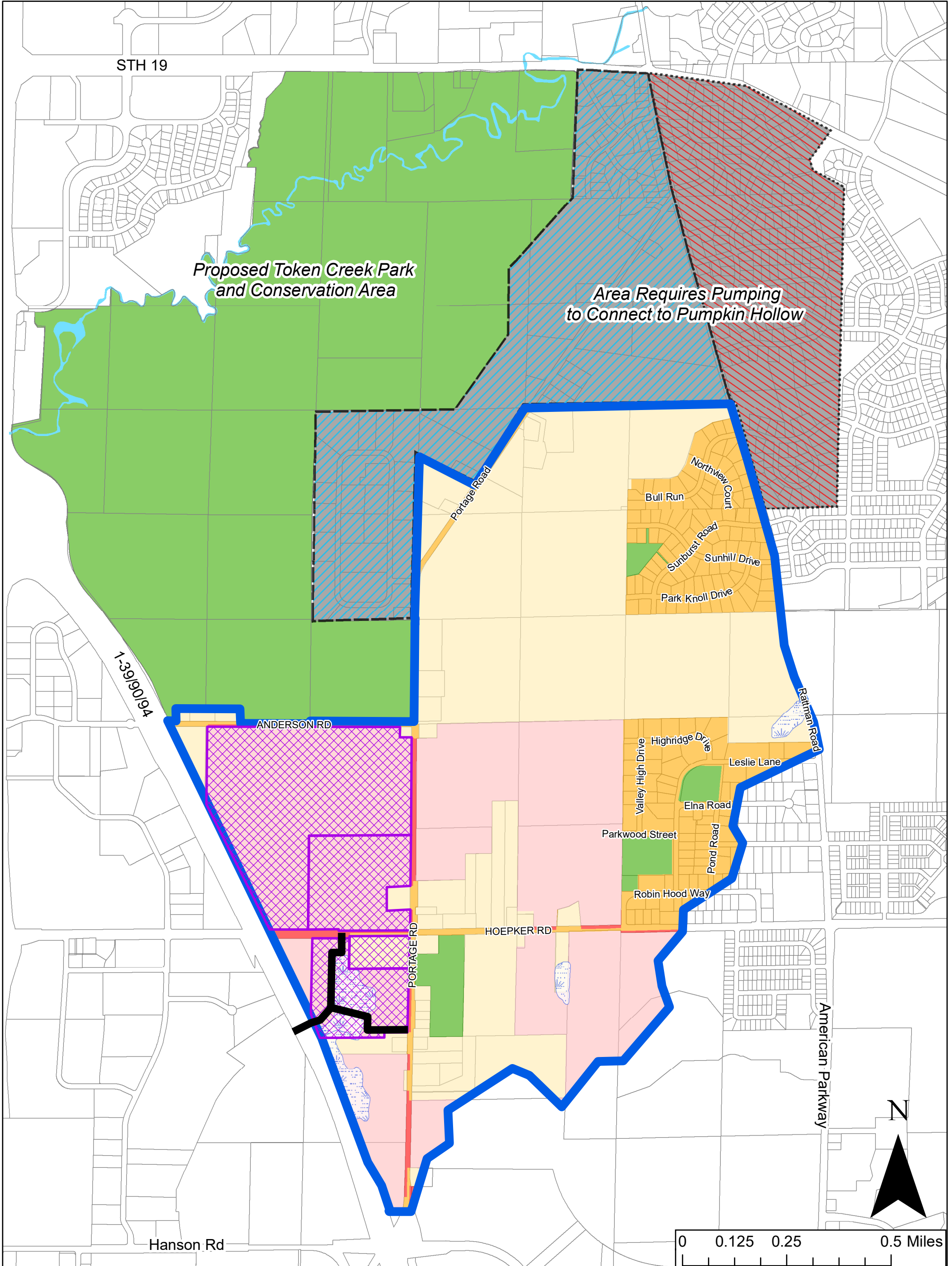
Eligible Acres (for rate assessment)	630.46
(Developable + Developed - Exempt)	

Total Cost Estimate	\$1,664,212.80
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Cost per Acre	\$2,639.68
Cost per 1,000 square feet	\$60.60

<u>Impact on Development</u>	<u>Add'l cost</u>
3,500 sf lot (R2Z)	\$212.10
10,000 sf lot	\$605.99
Med-density multi-family (R4) unit	\$121.20

Pumpkin Hollow Neighborhood Sanitary Sewer Improvement Impact Fee District



Legend

- | | | | |
|------------------------------|------------------------------|----------------------------|---------------------------------|
| Proposed Sanitary Sewer | Wetlands | Town of Burke, Developed | Future Annex to City of Madison |
| Proposed Development | City of Madison, Developed | Town of Burke, Undeveloped | Future Annex to Sun Prairie |
| Impact Fee District Boundary | City of Madison, Undeveloped | Exempt to Impact Fee | Tax Parcels (2023) |

EXHIBIT C

Pumpkin Hollow Neighborhood Sanitary Sewer Improvement Impact Fee District

Contract # Project# 13867
MUNIS# 13867

Sanitary Main Cost

Item #	Quantity	Unit	Unit Cost	Total Cost	
10704	Traffic Control for Sanitary Sewer Installation	1	L.S.	\$10,000.00	\$10,000.00
10914	Mobilization for Sanitary Sewer Installation	1	L.S.	\$150,000.00	\$150,000.00
20109	Finish Grading	1	L.S.	\$10,000.00	\$10,000.00
20217	Clear Stone 3"	500	TON	\$20.00	\$10,000.00
20218	Crushed Stone (Sewer Access Roads)	2,050	TON	\$12.00	\$24,600.00
21002	Erosion Control Inspection	5	EACH	\$600.00	\$3,000.00
21011	Construction Entrance	3	EACH	\$2,000.00	\$6,000.00
21013	Street Sweeping	1	L.S.	\$5,000.00	\$5,000.00
21014	Clear Stone(Ditch Check)	5	EACH	\$250.00	\$1,250.00
21022	Silt Fence- Provide, Install and Maintain	4925	L.F.	\$5.00	\$24,625.00
21023	Silt Fence- Remove and Restore	4925	L.F.	\$1.00	\$4,925.00
21064	Erosion Matting, Class 1, Type B-Organic	8700	S.Y.	\$3.25	\$28,275.00
50202	Type II Dewatering	1	L.S.	\$15,000.00	\$15,000.00
50212	Select Backfill for Sanitary Sewer	2593	T.F.	\$1.00	\$2,593.00
50225	Utility Trench Patch Type III	60	T.F.	\$60.00	\$3,600.00
50303	12" PVC Sanitary Sewer (SDR-35/SDR-26)	1191	L.F.	\$165.00	\$196,515.00
50305	18" PVC Sanitary Sewer (PS 46, ASTM F679)	1086	L.F.	\$190.00	\$206,340.00
50306	21" PVC Sanitary Sewer (PS 46, ASTM F679)	316	L.F.	\$240.00	\$75,840.00
50401	12 Inch Type I RCP Storm Sewer Pipe	20	L.F.	\$55.00	\$1,100.00
50403	18 Inch Type I RCP Storm Sewer Pipe	20	L.F.	\$65.00	\$1,300.00
50461	12 Inch RCP AE	2	EACH	\$1,800.00	\$3,600.00
50463	18 Inch RCP AE	2	EACH	\$2,200.00	\$4,400.00
50701	4' Diameter SAS	9	EACH	\$3,600.00	\$32,400.00
50702	5' Diameter SAS	2	EACH	\$5,000.00	\$10,000.00
50771	Internal Chimney Seal	10	EACH	\$750.00	\$7,500.00
50797	External Sewer Access Structure Joint Seal	10	EACH	\$500.00	\$5,000.00
90070	Clearing and Grubbing	1	L.S.	\$10,000.00	\$10,000.00
90071	Salvage Topsoil	2593	T.F.	\$10.00	\$25,930.00
90072	Topsoil Placemnt- General	2091	T.F.	\$8.00	\$16,728.00
90073	Topsoil Placemnt- Wetland	502	T.F.	\$15.00	\$7,530.00
90074	Sun Terrace Seeding	2091	T.F.	\$3.00	\$6,273.00
90075	Infiltration Seeding	502	T.F.	\$10.00	\$5,020.00
90076	Bore and Jack 21" (Sewer with Casing)	315	L.F.	\$1,500.00	\$472,500.00

SUBTOTAL \$1,386,844.00

ENG/CONT 20% \$277,368.80

Estimated Cost = \$1,664,212.80