

LEGISTAR #43500 - Body

DRAFTER'S ANALYSIS: This ordinance repeals and recreates the City's park impact fees under a combined ordinance and updates the park and open space land dedication requirements based upon the findings and conclusions of a new Public Facility Needs Assessment, and brings the City's impact fee ordinance more in line with the current state statutes. The effective date of this ordinance is being set at January 1, 2017, and the fees will be fully implemented over a three-year period (80% in 2017, 90% in 2018 and 100% in 2019 and beyond). This will make administration of the new impact fee and land dedication requirements to be more straightforward and will give developers time to adjust to and plan for the increases in land dedication requirements and impact fee payments.

The City's existing park and open space land dedication requirements and park-related impact fees are supported by a public facility needs assessment that was prepared internally by Parks Division staff in 2002. The Park Development Impact Fee, Sec. 20.08(2), was created in 2002 as a means to require all land development to pay for off-site parks infrastructure improvements necessary to accommodate land development. The Parkland Impact Fee, Sec. 20.08(6), was created in 2006 to work in combination with the land subdivision park and open space land dedication requirements in Sec. 16.23(8)(f) to ensure that all development either provided sufficient park and open space dedications to serve the development or a fee in lieu of this land dedication so that additional park land could be acquired by the City. Under Wis. Stat. Sec. 66.0617, impact fees should be updated approximately every 10 years. Hence, both of the City's park-related impact fees are due to be updated. Indeed, since the existing impact fees were created, there have been multiple changes to the State impact fee law (Wis. Stat. Sec. 66.0617) and new development trends have arisen in Madison, specifically the construction of 4 or larger bedroom apartments and the allowance of accessory dwelling units on existing zoning lots. In order to examine the City's current park land and infrastructure needs, the City hired an outside consultant to prepare a new public facility needs assessment. Looking at data gathered from around the nation and within Wisconsin, the City's Park and Open Space Plan, and the City's existing park inventory, a new needs assessment has been prepared, as required by State statute. This ordinance would enact the recommendations of this document, the Park Impact Fee and Land Dedication Policy and Public Facility Needs Assessment (June 2016) (the "Needs Assessment"), currently available for public inspection and copying in the offices of the City Clerk and the Parks Division.

For starters, the City's existing park-related impact fees will be repealed and replaced by a combined "Park Impact Fee." This new Park Impact Fee will continue to apply to all development in the City, and will consist of two parts: the Park-Land Impact Fee (replacing the Parkland Impact Fee) and the Park-Infrastructure Impact Fee (replacing the Park Development Impact Fee). The Park Impact Fees will be based upon a service unit of residents per dwelling, using data compiled locally, statewide and nationally as described in the Needs Assessment. The current impact fees were based upon a similar methodology--however the underlying data has changed over time and the Needs Assessment is based upon a better set of data. In addition, in light of recent development trends in the City, it was necessary to differentiate between 1-3 bedroom multi-family dwellings and 4 or more bedroom multi-family dwellings. The latter, which are becoming more prevalent, have more residents and place a greater demand on park infrastructure than a standard multi-family dwelling unit, such that a new category was warranted. Also, a new class of housing became permissible with the enactment of the new zoning code in 2013. Accessory dwelling units, small dwelling units located on existing single-family or two-family zoning lots, were previously categorized as single-family/duplex units for impact fee purposes. However, the Needs Assessment concluded that the multi-family rate would be reasonable to apply to these new forms of housing. Additionally, the existing "lodging houses" category is being subsumed by a broader category of similar types of group living housing arrangements, making it clear where these other types of housing choice fit within the City's impact fee and land dedication requirements. Finally, the rates on age-restricted housing have been adjusted to accurately reflect the amount of residents who reside in these dwelling types based upon the available data.

The Park-Land Impact Fee will continue to operate in tandem with the dedication requirements of Sec. 16.23(8)(f), and those requirements are being updated as well by this

Ordinance to reflect the updated data in the Needs Assessment and current practices. Moreover, the manner in which the Park-Land Impact Fee will be calculated will be changing to better reflect the actual cost to the City to acquire park land to serve development. Currently, the Parkland Impact Fee is based upon the “fair market value of unimproved lands that would have been required for dedication” with a cap set at what amounted to the price of raw suburban land in 2006, as adjusted annually by 5%. The Parks Division has found that this impact fee does not adequately represent the cost to the City to actually acquire park land within the City. In addition, this methodology has proven confusing to some about whether the impact fee is meant to recover the cost of land at the development site, near the development site, or elsewhere within the City. Recently, the calculation of this fee has been subject to increased challenges, particular on the fringes of the City. To clarify the purposes of the Park-Land Impact Fee, which is to recover the cost to the City to acquire new park land in the City to ensure that the park system can adequately accommodate development, the new fee structure will be based upon the overall average assessed value of land in the City as determined by the annual certified tax roll. By using this method, the Park-Land Impact Fee will better recognize the cost to the City to acquire park land in the City and the annual fluctuations in land values, as well as eliminate confusion and challenges to the impact fee determination. In addition the payment language is being updated to reflect the current practice of collecting fees-in-lieu of dedication at the time of building permit issuance.

The Park-Infrastructure Impact Fee will be based upon an updated infrastructure cost per service unit, as adjusted annually for inflation. Of note, the Needs Assessment has recommended that the existing 11 benefit districts be reduced. The City’s existing districts are much smaller than necessary based upon national trends, and have made it difficult to accumulate sufficient revenue in some districts to fund meaningful improvements. Because impact fees must be spent in the district where they are accumulated, based upon development patterns within the City, some districts have found themselves flush with impact fees and short on infrastructure needs, while adjoining districts have found themselves short on funding to address infrastructure deficiencies. These inequities in park infrastructure funding are contrary to the City’s equity goals and make it difficult for the City to actually address infrastructure demands on the park system attributable to development. Hence, to replace the existing 11 districts, which were centered around the City’s large neighborhood/community parks, four districts have been created: north, east, central and west. The district lines are clear and will allow a wider dispersal of parks infrastructure improvements to accommodate land development. In addition, 20% of all Park-Infrastructure Impact Fees will be placed into a City-wide benefit district to be used throughout the City. The end result of this reorganization of the benefit districts will see a more equitable distribution of impact fees throughout the City and a better effort at improving the City’s parks to accommodate land development.

Based upon the authority granted to the City by Wis. Stat. Sec. 66.0617(7), a new exception to the Park Impact Fees is being created for Low-Cost Housing. Low-Cost Housing is a deed-restricted development that creates affordable rental or owner-occupied housing units. These are generally tax credit supported low-income and affordable housing projects that meet certain state and federal requirements. Under the state statutes, this is the only type of land development which may be exempt from impact fees, although the City may not recover the lost impact fees from this exemption from other development in the City. Accordingly, this exemption will cause the Parks Division to recognize less Park Impact Fee revenue than it otherwise would, meaning the City’s general fund will have to support some park land acquisition and infrastructure improvements to fully accommodate land development. However, it is believed that, because the elimination of park impact fees on Low-Cost Housing developments will reduce the upfront costs associated with these developments, this exemption will encourage additional such developments, which is an interest of the City.

Legistar File No. 43518 is a companion ordinance that clarifies that the term “lodging room” in the zoning code applies to park impact fee determinations under Chapter 20. Additional changes are being made to make the language and terminology relating to the Park Impact Fees consistent.

The Common Council of the City of Madison do hereby ordain as follows:

1. Paragraph 1. entitled "Park and Open Space Dedication and Fees" of Subdivision (h) entitled "Fee and Dedication Schedule" of Subsection (5) entitled "Detailed Procedure For Dividing Land Within The City Limits" of Section 16.23 entitled "Land Subdivision Regulations" of the Madison General Ordinances is amended to read as follows:

"1. Park and Open Space Dedication and Fees. There shall be a dedication of land and/or a payment of ~~a fee~~ the Park-Land Impact Fee for each single-family, two-family, and multiple family dwelling unit. The Park and Plan Commissions shall recommend and the Common Council shall determine the land dedication and impact fee payment as well as the location of any land dedication and the acceptance of impact fees in lieu of dedication in accordance with the procedures in Sec. 16.23(8)(f) and ~~Parkland Impact Fees in Sec. 20.08(62).~~"

2. Subdivision (f) entitled "Public Sites and Open Spaces" of Subsection (8) entitled "Design Standards" of Section 16.23 entitled "Land Subdivision Regulations" of the Madison General Ordinances is amended to read as follows:

"(f) Public Sites Aand Open Spaces. The following provisions are established to preserve and provide properly located public sites and open spaces as the community develops, and to insure that such public sites and open spaces are provided and developed to serve the need for parks generated by the additional persons brought into the areas by such development, in accordance with standards adopted in Madison's Parks and Open Space Plan. These provisions are intended to apply to all lands proposed to be developed for residential purposes, including single-family, two-family, and multi-family sites, land divisions, planned developments, and residential building complexes, either through subdivisions, certified survey maps, rezonings, conditional use approvals or other zoning or land use approvals.

1. In the design of the plat due consideration shall be given to the reservation of suitable sites of adequate area for future schools, parks, playgrounds, drainageways, storm water management or treatment facilities, and other public purposes. In the location of such sites consideration shall be given to the preservation of scenic and historical landmarks and sites; watercourses, streams, lakes, ponds, marshes and their accompanying watersheds; and significant woodland, prairie and wetland plant and animal communities. Consideration shall also be given to solar access where the location of open space lands provide greater achievement of solar access objectives and requirements of the entire subdivision.
2. Outside the corporate limits but within the extraterritorial plat limits, where it is recommended by the Park Superintendent or Board of Park Commissioners and the Plan Commissions and determined by the Common Council that a portion of the plat or planned development is required for such public sites or open spaces, the developer may be required to dedicate such area to the municipality having jurisdiction, or otherwise provide for said public land as agreed to by the City, the affected township and the Dane County Agriculture, Zoning, Planning and Water Resources Committee. Where such dedication or other provision is not required, the developer may be required to reserve such area for a period not to exceed five (5) years after which the City, County or township in which the land is located shall either acquire the property or release the reservation.
3. Within the corporate limits of the City, where feasible and compatible with the comprehensive plan for development of the community, the developer shall provide and dedicate to the public adequate land to provide for the park and recreation needs of the plat and land division.
4. ~~The~~ Using the definitions set forth in Sec. 20.08(2)(c)2., MGO, the required land dedication to meet the community's park and open space needs shall be as follows:

<u>Type of Development</u>	<u>Square Feet/Unit or Bedroom</u>
<u>Single-Family/Duplex</u>	<u>1,081</u>
<u>Multi-Family</u>	<u>734</u>
<u>Large Multi-Family</u>	<u>1,424</u>
<u>Age Restricted Multi-Family</u>	<u>573</u>
<u>Group Living Quarters</u>	<u>410</u>

~~eleven hundred (1,100) square feet of land for every proposed single-family and two-family dwelling unit and seven hundred (700) square feet for every proposed multi-family dwelling unit other than two-family units. Where a definite commitment has been made by the developer and City on the number of dwelling units to be provided on a multi-family lot or bedrooms to be provided in group living quarters, the dedication shall be based on that number. Where no such commitment exists, the dedication shall be based on the maximum number of dwelling units the lot will support, exclusive of open space and other public lands. For rooming houses, and where a multi-family development in whole or part will be limited to occupancy by persons fifty-five (55) years of age or older by appropriate recorded restriction for a period of not less than thirty (30) years, the required land dedication shall be three hundred fifty (350) square feet for every such restricted proposed multi-family unit.~~

5. ~~The Plan Commission, after recommendation of the Park Superintendent or Board of Park Commissioners Park Commission shall determine that any land to be dedicated as a requirement of this section shall be reasonably adaptable to meet desirable on-site facilities as outlined in Madison's Park and Open Space Plan, and shall so recommend to the Common Council. Factors used in evaluating the adequacy of proposed park and recreation areas shall include size and shape, topography, geology, tree and other plant cover, access, and location.~~
6. ~~In the event that dedication would result in sites too small to be usable, or if the Comprehensive Plan calls for such public sites or open spaces to be located elsewhere, or if such sites would not otherwise be suitable as determined by the Plan Commission, after recommendation of the Park Superintendent or Board of Park Commissioners Park Commission, a payment of a fee in lieu of land dedication shall be required. This fee in lieu of land dedication is the Park-Land Impact Fee as set forth in Sec. 20.08(2)(c)4, and shall be determined under that Section. ~~The amount of such fee shall be based on the fair market value of unimproved lands that would have been required dedication as determined in paragraph 4 above. These fees in lieu of dedication shall be limited to a maximum land value of one dollar fifty cents (\$1.50) per square foot in 2002, and adjusted higher by five percent (5%) on January 1 of each year. This paragraph and paragraph 7., below apply to all subdivisions, land divisions, rezonings and conditional uses located within the corporate limits of the City and submitted for approval prior to June 14, 2006, and after May 10, 2008, and also applies to all subsequent final plats of a development where a preliminary plat was submitted for approval prior to June 14, 2006. For all other subdivisions, land divisions, rezonings and conditional uses located within the corporate limits of the City and submitted for approval on or after June 14, 2006, and prior to May 10, 2008, Section 20.08(6), MGO, shall apply.~~~~
7. Payment of Park-Land Impact Fee. ~~Payment of the Park-Land Impact Fee shall be made in one of the following ways:~~
 - a. In a lump sum prior to the recording of a final plat or certified survey map.
 - b. As an alternative, when the park fee in lieu of dedication exceeds twenty thousand dollars (\$20,000), When the developer proposes to add sixty (60) or more multi-family dwelling units, the subdivider-developer may

pay fifty percent (50%) of the total amount of Park-Land Impact Fees prior to said recording and either file with the City Clerk an agreement and performance bond or a letter of credit in a form approved by the City Attorney to guarantee payment of the unpaid balance of the ~~park fee~~ Park-Land Impact Fee, with interest, to the City within three (3) two (2) years of the date of said recording. The interest rate shall be determined by the Finance Director at the beginning of each year using the cost of the prior year general obligation borrowing plus one percent (1%) for administration rounded up to the next highest one-half percent (0.5%). Interest shall be computed from the date of recording and each yearly anniversary thereafter, and shall be prorated based upon when payment is received.

~~c. If the unpaid balance is paid within two (2) years, there shall be no interest due the City; however, interest, at a rate determined by the Finance Director based upon the greater of either an average or the most recent cost of borrowing during the second year, shall be paid on the unpaid balance during the third and final year in addition to payment of said unpaid balance. As a second alternative, when the park fee in lieu of dedication exceeds fifty thousand dollars (\$50,000), the subdivider-developer may pay such fees in installments prior to the execution of the subdivision improvement contract for each phase, with each such installment payment for the full amount of the respective phase at the adjusted ~~park fee in lieu of dedication~~ Park-Land Impact Fee rate then in effect for the year each such phase installment payment is paid. ~~Such fees shall be deposited in a nonlapsing fund to be used exclusively for park and recreation development, including site acquisition and/or facility improvements. If the development proposal for later phases changes, the Park-Land Impact Fee due for a phase will be adjusted up or down to account for the actual development that is approved.~~~~

~~d. The developer may pay such fees at the time of the issuance of individual building permits at the Park-Land Impact Fee rate then in effect for the year when the building permit is issued.~~

8. Where privately-owned open space for park and recreational purposes which will not be closed to the public is provided in a proposed plat or land division and such space is to be privately owned and maintained by the future residents of the subdivision, such areas shall be credited against the requirement of dedication for park and recreation purposes, or the payment of fees in lieu thereof, provided the Common Council finds that the following standards are met:

- a. That yards, court areas, setbacks, land required for storm water management and other open areas required to be maintained by the Zoning and Building Regulations shall not be included in the computation of such private open space; and
- b. That the private ownership and maintenance of the open space is adequately provided for by recorded, written agreement and open space easement; and
- c. That the use of the private open space is restricted for park and recreational purposes not closed to the public by recorded covenants which run with the land in favor of the future owners of property within the tract and which cannot be defeated or eliminated without the consent of the Common Council; and
- d. That the Common Council after recommendation from the Park and Plan Commissions determines that the proposed private open space is reasonably adaptable for use for park and recreational purposes, taking into consideration such factors as size, shape, topography, geology, access and location of the private open space land; and

e. That facilities proposed for the open space are in substantial accordance with the provisions of the Comprehensive Plan, and are approved by the Common Council.

~~9. This subdivision of the ordinance, as revised in 2002, applies to all subdivisions, land divisions, rezonings and conditional uses approved after October 1, 2002 except, as provided therein, paragraphs 6 and 7 do not apply to certain developments approved on or after June 14, 2006.~~

3. The introductory paragraph of Section 20.04 entitled "Definitions" of the Madison General Ordinances is amended to read as follows:

~~"As In addition to the definitions provided for in Wis. Stat. § 66.0617(1) and Sec. 28.211, MGO, as applied in this Ordinance, the following words and terms shall be used:"~~

4. Section 20.04 entitled "Definitions" of the Madison General Ordinances is amended by amending therein the following:

"(8) DEVELOPMENT or REDEVELOPMENT shall mean the construction or modification of improvements to improved or unimproved real property that creates additional residential dwelling units or that results in ~~new or expanded nonresidential uses, the use of any principal structure or land, or any other activity that requires issuance of a building permit or creates that create~~ a need for new, expanded or improved public facilities within the City."

"(18) PUBLIC FACILITIES or PUBLIC FACILITIES PROJECT shall mean any or all of the following capital improvements, ~~which are necessary to support development and which are to be financed by the imposition of an impact fee:~~

- (a) ~~Parks, and playgrounds and land for athletic fields;~~
- (b) ~~Streets, H~~Highways and other transportation facilities and traffic control devices, including such ancillary facilities as sidewalks, street lighting, curbs, gutters, intersection improvements, traffic signalization, signage, street trees and landscaping;
- (c) Sanitary sewers and sewage collection facilities;
- (d) Water pumping, storage, distribution and supply facilities;
- (e) Storm sewers, drains, and drainage retention facilities
- (f) Police and law enforcement facilities;
- (g) Fire protection and emergency medical facilities;
- (h) Libraries;
- (i) ~~Solid waste and recycling facilities;~~
- (ij) Other necessary governmental services which require public facilities in the City as a whole or in designated development impact fee zones. The costs of such public facilities shall include acquisition of land, construction, improvements, capital equipment, and installing of same and all other work auxiliary thereto, including administrative, engineering, architectural, and legal work performed in connection with a public facilities project."

5. Subsection (2) entitled "Park Development Impact Fee" and Subsection (6) entitled "Parkland Impact Fee" of Section 20.08 entitled "Schedule and Calculation of Impact Fees" of the Madison General Ordinances are hereby repealed.

6. Subsection (2) entitled "Park Impact Fees" of Section 20.08 entitled "Schedule and Calculation of Impact Fees" of the Madison General Ordinances is recreated to read as follows:

"(2) Park Impact Fees.

- (a) Policy. In response to new and future development and population generating demands for new City parks and park infrastructure, the Common Council hereby establishes Park Impact Fees city-wide as the mechanism to equitably require all developments to pay for the costs that are necessary to accommodate the development. The Park Impact Fees shall include both a Park-Land Impact Fee and a Park-Infrastructure Impact Fee.

The Park-Land Impact Fee shall be the complementary mechanism to equitably require all developments to dedicate land for necessary parks and open spaces under Sec. 16.23(8)(f), MGO, pay the Park-Land Impact Fee in lieu of dedication for public acquisition of parkland, or a combination of both.

The Park-Infrastructure Impact Fee, formerly known as the Park Development Impact Fee, shall be the mechanism to equitably require all developments to pay for necessary infrastructure in City parks to accommodate the development.

- (b) Needs Assessment. For the purposes of the Park Impact Fees imposed under this subsection, a Park Needs Assessment has been prepared on a city-wide basis and is available for inspection at the Parks Division. The Needs Assessment provides the rationale and basis for the impact fees created under this Subsection.

- (c) Calculation of the Impact Fees.

1. General. The Park Impact Fees shall be imposed on individual properties based upon the type and number of dwelling units or lodging rooms to be generated by the property at the time of development, as set forth in this subdivision.

2. Park Impact Fee Categories. Park Impact Fees shall be based upon the five following categories of development:

a. Single-Family or Duplex. Includes all types of single-family dwelling units, including single-family detached dwellings, single-family attached dwellings and two-family dwelling units.

b. Multi-Family. Includes all three-family and multi-family dwelling units with three (3) or fewer bedrooms, as well as accessory dwelling units.

c. Large Multi-Family. Multi-family dwelling units with four (4) or more bedrooms.

d. Age Restricted Multi-Family. Multi-family dwelling units that are limited to occupancy by persons fifty-five (55) years of age or older by appropriate recorded restriction for a period of not less than thirty (30) years.

e. Group Living Quarters. A building, or portion thereof, that contains an assembly of five (5) or more bedrooms for monthly or longer-term occupation, and that includes shared bathroom and/or kitchen facilities. This category includes, but is not limited to, lodging houses, fraternity or sorority houses, housing cooperatives, and some cohousing communities.

3. Determining Basis for Calculating Impact Fee. Prior to the recording of any certified survey map or any final plat, or the issuance of building permits following approval of rezoning or conditional use permits, the City shall calculate the number of residential dwelling units to be developed on each lot and, if necessary, the number of bedrooms per multi-family unit or within the group living quarters being proposed. These estimations shall be based on the proposed certified survey map or final subdivision plat, the zoning on each of the lots, and any further limitations on development imposed by notes on the face of the certified survey map or final plat. Where fees have been paid for future dwelling units on a lot or lots on a certified survey map or final plat, or credits

given based on existing dwelling units, such payments and credits shall be noted on the face of the instrument.

4. Park-Land Impact Fee Determination.

- a. Determining the Land Dedication Requirements. The required land dedication and authorized credits to meet the community's park and open space needs shall be as provided in Sec. 16.23(8)(f), MGO. Under that subdivision, the land dedication requirements are as follows:

Type of Development	Square Feet/Unit or Lodging Room
Single-Family/Duplex	1,081
Multi-Family	734
Large Multi-Family	1,424
Age Restricted Multi-Family	573
Group Living Quarters	410

- b. Fee in Lieu of Land Dedication. In the event that land dedication would result in sites too small to be usable, or if the Comprehensive Plan calls for such public sites or open spaces to be located elsewhere, or if such sites would not otherwise be suitable as determined by the Plan Commission, after recommendation of the Park Superintendent or Board of Park Commissioners, a payment of the Park-Land Impact Fee in lieu of land dedication shall be required for each parcel proposed for development.
- c. Park-Land Impact Fee. The Park-Land Impact Fee shall be the product of the above-noted land dedication requirement, less any land dedications or credits, and the city-wide average assessed value of land per square foot, as of January 1 of each year.

5. Park-Infrastructure Impact Fee Determination.

- a. General. This impact fee is based upon the estimated cost to provide park facilities for new residents at a comparable level to park facilities which have traditionally been provided for existing residents, as detailed in the Needs Assessment.
- b. Park-Infrastructure Impact Fee. The Park-Infrastructure Impact Fee shall be as follows:

Type of Development	Fee/Unit or Lodging Room
Single-Family/Duplex	\$1,520
Multi-Family	\$1,032
Large Multi-Family	\$2,003
Age Restricted Multi-Family	\$806
Group Living Quarters	\$577

The impact fee is charged in Year 2016 dollars and shall be indexed for inflation on January 1 of every year using 2016 as the base year with the Construction Cost Index as published by the Engineering News Record or equivalent successor index.

- c. Park-Infrastructure Impact Fee Benefit Districts. There are hereby created five benefit districts for administration of the Park-Infrastructure Impact Fee, as follows:
- i. City-Wide District. This District consists of all land within the City.

- ii. North District. This District consists of all land north of East Washington Avenue/USH 151 and east of Wisconsin Avenue.
- iii. East District. This District consists of all land south of East Washington Avenue and east of Martin Luther King, Jr. Boulevard.
- iv. Central District. This District consists of all land west of Wisconsin Avenue and Martin Luther King, Jr. Boulevard, west of Lake Monona, the Yahara River and Lake Waubesa, and east of Midvale Boulevard and Verona Road/ USH 18 and 151.
- v. West District. This District consists of all land west of Midvale Boulevard and Verona Road/USH 18 and 151.
- d. Apportioning the Park-Infrastructure Impact Fee. Twenty percent (20%) of the Park-Infrastructure Impact Fee for a development shall go towards the City-Wide District. The remaining eighty percent (80%) of the fee shall go toward the benefit district in which the development lies.
- 6. Phasing of Implementation. The Common Council finds that the impact fees set forth in this subsection should be phased in over a three-year period. In determining the Park Impact Fees due for a development, the Park Impact Fees will be determined as set forth in this subdivision. Once determined, the following phasing factors will be applied to determine the amount actually imposed on the development, based on the calendar year in which the impact fee is due:

Year	Phasing Factor
2017	80%
2018	90%
2019+	100%

(d) Low-Cost Housing.

- 1. Definitions. For the purposes of this subdivision, “low-cost housing” means development that creates rental or owner-occupied housing units that are affordable, as that term is defined in Sec. 4.22(2), MGO, and which meet the deed restriction requirements of Sec. 4.22(7).
- 2. Determination. The determination whether a proposed development will create low-cost housing, and how much low-cost housing it will create, shall be made by the Community Development Division.
- 3. Low-Cost Housing Park Impact Fee Exemption. Pursuant to the authority established under Wis. Stat. § 66.0617(7), and in the interests of promoting the development of low-cost housing in the City, low-cost housing is exempt from the park impact fees established under this Subsection. This exemption only applies to those dwelling units or bedrooms within a development that are determined to be low-cost housing. This exemption does not extend to the land dedication requirements set forth under Sec. 16.23(8)(f), MGO, nor any other impact fees that may apply to a development.
- 4. Limitation. No amount of impact fees for which an exemption is provided for under this subdivision may be shifted to any other development in the project or in the City.”

7. Subsection (3) entitled “ Establishment and Maintenance of Accounts” of Section 20.09 entitled “Administration of Impact Fee” of the Madison General Ordinances is amended to read as follows:

“(3) Establishment and Maintenance of Accounts. The Finance Director shall establish a separate interest-bearing account for fees collected for each development impact fee zone and impact fee benefit district. Interest or income earned by each account shall be credited to that account and shall be used solely for the purposes specified for such account. The Finance Director shall maintain records for each such account, as required by statute or otherwise hereinafter specified. The ~~Park-Infrastructure Development Impact Fees~~ shall be placed into separate accounts for ~~eleven different park expenditure areas~~ the five benefit districts as set forth in Sec. 20.08(2)(c)5.d., to be used exclusively within each benefit district area for park and recreation development and facility improvements. The map of ~~expenditure areas~~ the benefit districts is in the Park Impact Fees Needs Assessment document.”

8. Subsection (3) entitled “Public Facilities” of Section 20.15 entitled “Amendments” of the Madison General Ordinances is amended to read as follows:

“(3) Public Facilities Needs Assessment. ~~Needs Assessment.~~ Before enacting an ordinance that imposes impact fees or amending an ordinance that imposes impact fees by revising the amount of the fee or altering the public facilities for which impact fees may be imposed, a needs assessment shall be prepared and made available for public inspection and copying as required by Wis. Stat. § 66.0617(4).”

9. Subsection (5) of Section 20.16 entitled “Credits” of the Madison General Ordinances is amended to read as follows:

“(5) The City and a developer may mutually agree to allow credit against the ~~Park-Infrastructure Development Impact Fee~~ for developer improvements to public parkland, based on the typical costs anticipated for such improvements by the City in its Park Impact Fees Needs Assessment for determining the fees, as adjusted annually by the formula set forth in Section 20.08(2)(c)5.b. above. Where the developer proposes to improve a public park before the City would normally develop and maintain it, the developer shall agree to maintain the park for 3 years after completion. The developer may also receive credit against the ~~Park-Infrastructure Development Impact Fee~~ for developer improvements to private parkland that qualifies for dedication credit under Sec. 16.23(8)(f)8. The credit shall be based on the costs anticipated for the typical standard for public improvements by the City ~~in its Needs Assessment for determining the fees.~~ The developer may choose to install additional improvements to the private park, beyond the typical city standard, at the developer’s expense without receiving credit.”

10. This ordinance shall become effective on January 1, 2017.

EDITOR’S NOTE:

Sections 20.08(2) and (6) currently read as follows:

“(2) Park Development Impact Fee.

(a) In response to new and future development and population generating demands for new City park infrastructure, the Common Council hereby establishes a Park Development Impact Fee city-wide as the mechanism to equitably require all new developments to pay for necessary off-site parks infrastructure.

For purposes of the Park Development Impact Fee imposed under this section, a Park Needs Assessment has been prepared on a city-wide basis.

(b) Calculation of the Impact Fee. The amount of the impact fee to be imposed on individual properties shall be calculated based on the type and number of dwelling units estimated to be generated by the property at the time of development. The subject impact fee is based upon the estimated cost to provide park facilities for new residents at a comparable level to park facilities which have traditionally been provided for existing residents, as detailed in the Needs

Assessment. Prior to the recording of any certified survey map or any final plat, or the issuance of building permits following approval of rezoning or conditional use permits, the City shall calculate the number of residential dwelling units to be developed on each lot. These estimations shall be based on the proposed certified survey map or final subdivision plat, the zoning on each of the lots, and any further limitations on development imposed by notes on the face of the certified survey map or final plat. The total amount of the impact fee per lot shall be based on these calculations. Any further development or redevelopment resulting in an increased number of units shall be charged Park Development Impact Fees for all such additional units.

The Park Development Impact Fee shall be \$700 for every proposed single-family and two-family dwelling unit and \$450 for every proposed multifamily unit other than duplex units. The number of dwelling units on a multifamily lot shall be determined as in Sec. 16.23(8)(f)4. Rooming houses and multifamily developments limited to those 55 years of age or older as specified in Sec. 16.23(8)(f)4 shall pay \$225 per unit. The impact fee is charged in Year 2002 dollars and shall be indexed for inflation on January 1 of every year using 2002 as the base year with the Construction Cost Index as published by the Engineering News Record or equivalent successor index.

(6) Parkland Impact Fee.

- (a) In response to new and future development and population generating demands for new City parks, the Common Council hereby establishes a Parkland Impact Fee city-wide as the complementary mechanism to equitably require all new developments to dedicate land for necessary parks and open spaces under Section 16.23(8)(f), Madison General Ordinances, pay a Parkland Impact Fee in lieu of dedication for public acquisition of parkland, or a combination of both. Except for developments submitted to the City for approval prior to June 14, 2006, and after May 10, 2008, each new development within the corporate limits of the City shall be required to comply with both the parkland dedication requirements of Sec. 16.23(8)(f), Madison General Ordinances and this subsection. For purposes of the Parkland Impact Fee imposed under this subsection, a Park Needs Assessment has been prepared on a city-wide basis.
- (b) Calculation of the Impact Fee.
1. The amount of the Parkland Impact Fee to be imposed by land dedication, fees in lieu of dedication or a combination of both shall be calculated based on the type and number of dwelling units estimated to be generated by the property at the time of development. The required land dedication and authorized credits to meet community park and open space needs shall be as provided in Section 16.23(8)(f), Madison General Ordinances.
 2. In the event that dedication thereunder would result in sites too small to be usable, or if the Comprehensive Plan calls for such public sites or open spaces to be located elsewhere, or if such sites would not otherwise be suitable as determined by the Plan Commission, after recommendation of the Park Commission, a payment of a Parkland Impact Fee in lieu of land dedication shall be required for each parcel proposed for development. The amount of such fee in lieu of dedication shall be based on the fair market value of unimproved lands that would have been required for dedication, less any authorized credits, as determined in paragraph 1 above. The Parkland Impact Fee in lieu of dedication shall be limited to a maximum land value of one dollar seventy-four cents (\$1.74) per square foot in 2006, and adjusted higher by five percent (5%) on January 1 of each year until collected.”