

ORDINANCE NO. 2004- /
TOWN OF CLIFTON IMPACT FEES ORDINANCE

WHEREAS, the Town has authority under §66.0617, Wis Stats., to impose impact fees upon developers of lands;

NOW THEREFORE, the Town Board of the Town of Clifton **DO ORDAIN** as follows:

Section 1. Annexed hereto and incorporated herein by reference is the Impact Fee Ordinance of the Town of Clifton. This Ordinance consists of a cover page entitled

IMPACT FEES
Public Facilities Needs Assessments
Town of Clifton, Pierce County Wisconsin

and a Table of Contents followed by seven sections and five appendices.

Section 2. This Ordinance shall take effect upon passage and posting.

Passed and adopted this 7th day of April, 2004

TOWN OF CLIFTON

By: LeRoy Peterson
LeRoy Peterson, Town Chair

Attest: Judith Clement-Lee
Judith Clement Lee, Town Clerk

This Ordinance with attachment was posted in the following three public places in the Town of Clifton on the 24th day of March, 2004:

Prescott Library
Green Falls Library
Office - Town Clerk

Judith Clement-Lee
Judith Clement Lee, Town Clerk

Impact Fees

Public Facilities Needs Assessment

Town Of Clifton, Pierce County, Wisconsin

April 2004

TABLE OF CONTENTS

I. INTRODUCTION 1

 A. Background1

 B. Authority1

 C. Scope of the Needs Assessment2

 D. Population Projections3

II. ROAD IMPROVEMENTS NEEDS ASSESSMENT 5

 A. Existing Transportation System and Needs5

 B. Impact Fee Calculation6

III. TOWN FACILITIES NEEDS ASSESSMENT 7

 A. Existing Facilities and Needs7

 B. Impact Fee Calculation7

IV. RECREATIONAL FACILITIES NEEDS ASSESSMENT 8

 A. Existing System and Needs8

V. FIRE PROTECTION FACILITIES NEEDS ASSESSMENT 9

 A. Existing Facilities and Needs9

 B. Impact Fee Calculation9

VI. IMPACT ON AFFORDABLE HOUSING10

VII. REU CALCULATION11

APPENDICES

Appendix A -Detailed Cost Estimate and Map - Road Improvements

Appendix B - Detailed Cost Estimate-Town Facilities

Appendix C -Detailed Cost Estimate and Map - Fire Protection Wells

Appendix D- Background Information - Schedule of Proposed Impact Fees

I. INTRODUCTION

A. Background

The Town of Clifton is located about 10 miles south of Hudson, Wisconsin, along the I-94 corridor, in the northwest portion of Pierce County. The county and region have experienced rapid growth over the last decade, particularly along transportation corridors linking Pierce County with the Minneapolis-St. Paul Metropolitan Area. The Town's proximity to the Twin Cities Metropolitan Area is a major influence on its population growth.

According to the Pierce County Land Management Plan, the majority of the population growth is primarily taking place in the western townships of Clifton and Oak Grove and also in the western most cities such as River Falls and Prescott.

The Town of Clifton grew from a population of 1,119 in 1990 to 1657 in 2000. This is a 48% increase. Some surrounding communities have also experienced similar increases in growth rates. Due to the rapid growth of population, as well as the possibility of increased industrial facilities, the Town decided to conduct a needs assessment of their existing public facilities.

B. Authority

Wisconsin Statutes 66.0617 allows local governments to create ordinances to impose impact fees upon developers of land. These fees are collected to help pay for capital costs necessary because of land development. An impact fee may be a cash contribution, contribution of land or interests in land, or any other item of value imposed on a developer. The statutes are specific on the procedures to adopt the impact fee ordinance. In addition, the requirements for the needs assessment are listed within this statute.

C. *Scope of the Needs Assessment*

Impact fees can be used to recover the cost of construction, expansion, or improvement of public facilities such as:

- Water system (wells,)
- Streets and Roads
- Playground, and recreational facilities
- Fire protection and ambulance facilities
- Administration facilities

Due to rapid growth and development, the Town of Clifton faces the dilemma of escalating demands for public facilities and services like those mentioned above. Financing infrastructure needed because of new development has become a challenge for many local governments. Although new developments do generate more property tax dollars, they also cost a lot of tax dollars in the form of new or larger roads and road maintenance, emergency services such as police and fire, schools, and more.

Many statewide and national studies show that sprawl is the most expensive type of development, and costs more to serve than it generates in tax revenue. Low density residential development rarely pays for itself, and is consistently the most expensive type of development to serve, while open space and farmland contribute more in tax revenue than they cost to serve.

According to the *Cost of Community Services Studies: Making the Case for Conservation* publication by the American Farmland Trust, on average for every \$1.00 in tax revenue from residential development it costs \$1.16 to provide public services. It also shows that for every \$1.00 of revenue raised from commercial/industrial land only \$.27 in public services are needed while for every \$1.00 in revenue from farm or forest land requires \$.36 in community services.

Due to the need to provide more public facilities as a result of new development, the Town of Clifton has chosen to complete a needs assessment of the roads, town hall facilities, park facilities, fire protection and ambulance services and facilities at this time.

The impact fee will be based upon a Residential Equivalent Unit (REU). Thus, the fee relates to the "impact" each user has on the system.

D. *Population Projections*

The Town of Clifton is experiencing a growth rate that has exceeded the population projections prepared by the State and Mississippi River Regional Planning Commission. Much of the growth is caused by the continued expansion of population and development in the Minneapolis-St. Paul Metropolitan Area. The lower cost of land and housing in the area and the easy access to the Twin Cities makes the area in and around the Town of Clifton very desirable for those looking for scenic open space to build.

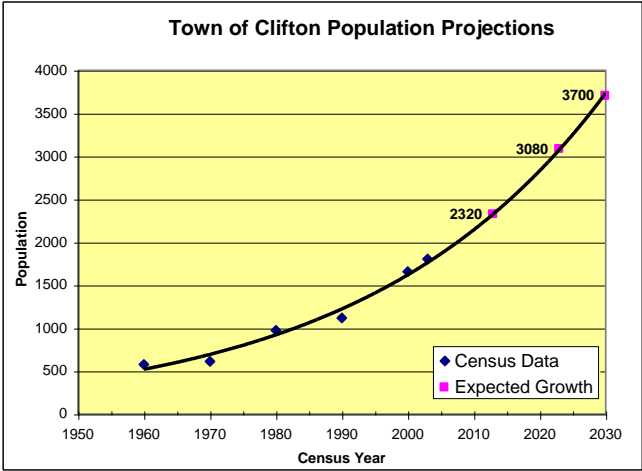
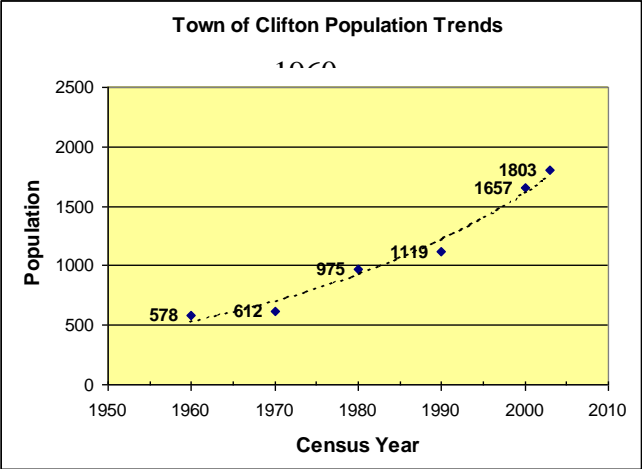
The 2000 census data states the Town of Clifton has a population of 1657 with 592 households. The population in 1990 was 1,119 with 378 households. Ninety-one (91) percent of the housing units are owner-occupied with an average household size of 2.8 people in 2000. This is down from the 1990 average of 3.0 people per household. The charts on page 4 highlight the population growth since 1960 and a 4.7 % projected growth for the Town.

There has been a steady rate of growth over time. According to 1990 and 2000 census data, the increased development has also affected the surrounding areas such as the City of Hudson at a rate of 38%, the City of River Falls at a rate of 31%, the Town of Hudson at a rate of 68%, over a ten year period.

The Town has estimated an average growth rate of approximately 4.7% a year. This growth is fueled by the attraction to this scenic area, the availability of desirable relatively inexpensive lots and a high quality of life. The table in **Figure 1** highlights the current and proposed developments with the number of lots remaining in each. In addition to these sub-divisions there are also an estimated 54 lots available in older developments. The total number of lots available for development in the near future is at least 325.

Based on the average number of people per household from the 2000 census of “2.8”, and assuming most of these lots will be filled within the next ten years: the population growth over the next decade will be at least 900 people. This is based on recent years (2000-2003) growth trends, which have averaged more than 30 residential building permits per year.

The figure of 2320 for a total population in 2013 taken from the growth projection curve on page 4 is therefore, conservatively low. The growth projection curve reflects average growth since 1960. Recent trends would suggest the projections in the trend curve are low. If recent trends continue, the projection of a total population of 3700 by the year 2030 could be realized as soon as 2023. However, the short term trend from 2000 to present is not statistically significant (based on enough years of data) to use with any reliability. The trends projected in the chart on **page 4** will be used for future population estimates and computation of Impact fees.



II. ROAD IMPROVEMENTS NEEDS ASSESSMENT

A. Existing Transportation System and Needs

The Town of Clifton has over 28 miles of roads within the Town limits. The Town has experienced a significant amount of growth within the past 5 years that has affected the condition of the existing transportation system and the future need for additional road improvements.

Several of the existing roads within the Town will be in need of improvements due to the developments occurring within the Town. According to the Institute of Transportation Engineers Trip Generation Manual, each household averages 10 trips per day, which equates to an additional 2,000 to 4,920 trips traveled on the existing transportation system. Because new development is permitted in any area of the township, the entire transportation system was examined for future needs due to growth. The potential and proposed developments occurring within or adjacent to the Town limits were also used to determine the roads that will be affected by future growth.

The roads impacted by new growth included in the impact fees are main routes connecting developments to the City of Prescott, the City of River Falls, the state highway systems and those that promote connectivity within and through the town limits. As the town's population grows at a consistent rate and future projections continue to show an increase in population, use of the existing transportation system will result in more users. The current subsidize road construction and maintenance with current tax revenue, as transportation aids cover less than half of the roadwork. The existing taxpayers should not be burdened with the cost of road upgrades related to new development.

The Town has identified four stretches of road that will require upgrades in the next 10-20 years to meet the increased traffic demands placed on them from new development. The impact fee computations are summarized on the next page and in **Appendix A**.

B. Impact Fee Calculation

The improvements of the existing transportation system is estimated at \$1,809,000.00. The cost is divided among the total users of the transportation system and based on a 20 year cycle.

$$\text{Total Cost/Total REUs} = \text{Impact Fee}$$

$$\$1,809,000/1,182 = \$1,504.99$$

The recommended impact fee is \$1,500.00 per REU.

The additional revenue needed for the improvements would be covered by potential grant sources. It is also recommended that the Town use the PASER Rating System to rate all of the existing roads. This would help in future facility planning and would allow the Town to have a more accurate record of the existing transportation system and assist in future planning needs.

III. TOWN FACILITIES NEEDS ASSESSMENT

A. Existing Facilities and Needs

The Town of Clifton is presently served by a 600 square foot town hall building located at the corner of FF and QQ. This building, although it has met the Town's needs for many years will not meet the rapidly growing Town's needs in the future. Plans are to attempt to secure additional land on the current location to build a new town hall. The existing building is non-conforming with respect to setbacks from the county roads and has no running water or restroom facilities. The facility will require raising and a complete new structure built to replace it, as it is not cost effective to move or renovate.

The Town is estimating the need to provide an 1800 square foot town hall. The estimated cost of the facility with furnishings is estimated at \$346,000. The Town is also allowing for land acquisition of 4 additional acres at a cost of \$10,500 per acre for a total cost of \$42,000 for land acquisition.

The cost estimate is located in **Appendix B**

B. Impact Fee Calculation

The costs for the Town Hall are divided amongst all 2013 REUs as all will benefit from these improvements and the improvements will not be required within 10 years to meet the needs of the Town.

$$\text{Total Cost/New REUs} = \text{Impact Fee}$$

$$\$460,780/890 = \$517.73$$

The impact fee is recommended to be \$520.00 per REU.

IV. RECREATIONAL FACILITIES NEEDS ASSESSMENT

A. Existing System and Needs

The Town of Clifton Planning Commission and Board have surveyed local residents in the past on recreational needs. These surveys indicate that the current residents do not have the desire to have the Town own and operate recreational or park facilities with many options nearby. Currently, the Town is served by the Kinnikinnic State Park, which is approximately 620 acres in size. The Town does not anticipate the need for further recreation area with the State Park and the communities of Prescott and River Falls nearby. Should the desires of the community change in the future, the impact fee will be amended to address these needs.

V. FIRE PROTECTION FACILITIES NEEDS ASSESSMENT

A. Existing System and Needs

The Town of Clifton currently receives fire protection from the City of Prescott Fire Department and the City of River Falls Fire Department. As indicated in the City of Prescott Comprehensive Plan (to be completed by September 2003), the Town of Clifton would like to provide adequate fire protection for future growth. As growth within the town increases over the next 20 years, the need to provide adequate fire protection in a cost effective manner is an essential component for development.

As rural areas like the Town of Clifton become more populated and developed, dealing with water supply issues and the need to provide fire protection becomes greater. Because of distances, lack of water, and a general resource deficiency, small rural communities frequently suffer heavy fire loss. Expansion of the fire protection facilities by providing supplementary water supplies to include three (3) fire protection wells centrally located within the Town of Clifton will maximize fire protection. The costs for the fire protection wells are divided among total REUs. A map and a cost estimate are located in **Appendix C**.

B. Impact Fee Calculation

The cost for the three (3) fire protection wells is \$354,090. The additional cost of expanding facilities for future growth is estimated at \$221,650. The total cost of Fire and Emergency Medical Service needs is \$575,740. The cost is divided among the total users.

Total Cost/Total REUs = Impact Fee

$\$575,740.00/1202 = \479

The recommended impact fee is \$480.00 per REU.

VI. IMPACT ON AFFORDABLE HOUSING

At this time, Clifton Zoning is not zoned for multiple housing units.

VII. REU CALCULATION

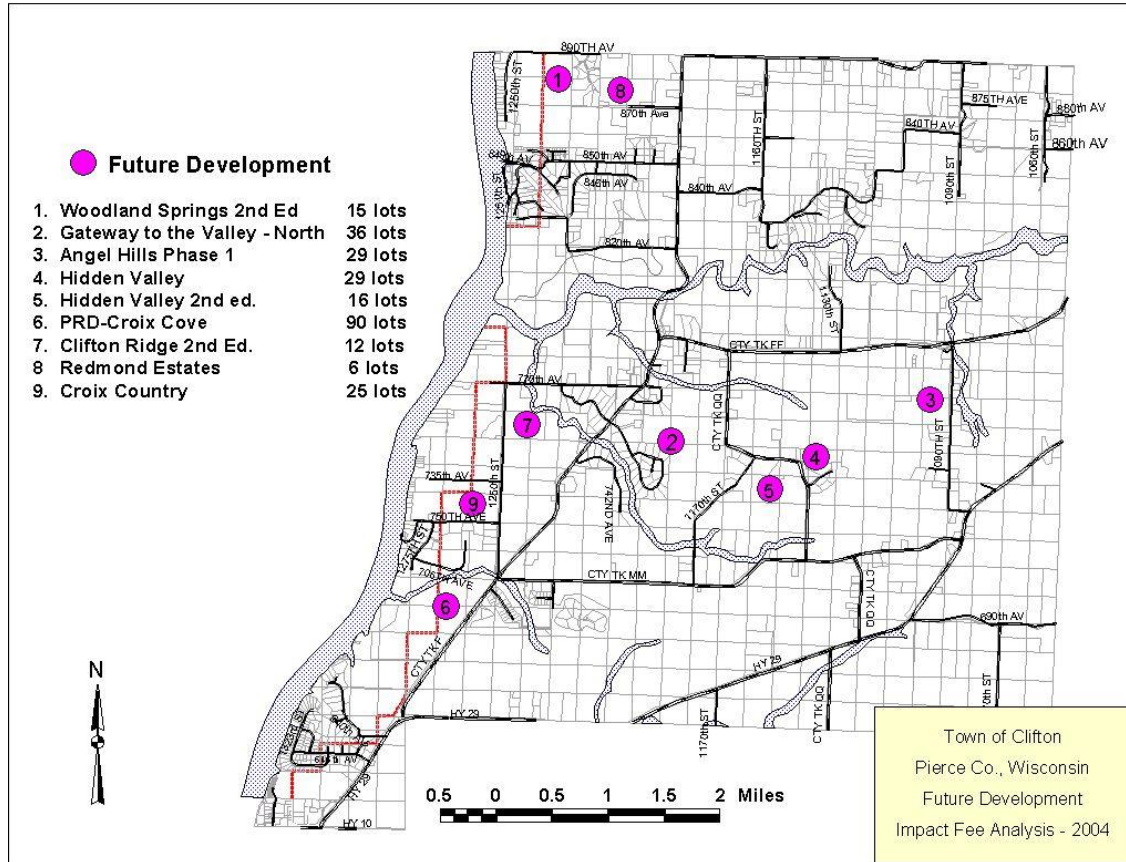
This analysis was based on residential equivalent units (REU). For residential users, the REU is simply the number of residential units.

To determine the number of REUs for non-residential development, it is recommended that a non-arbitrary equation be used.

For industrial and commercial REUs, analysis of several surrounding communities for density of development and water was used to determine REU equivalents. The community's with available data were Prescott, Woodville, and Somerset. The average among these communities is 1 REU per acre. While these surrounding communities have a wide range of densities and development equivalents for Industrial and Commercial development, analysis indicate that the 1 REU per acre is representative of western Wisconsin and is recommended to be used as outlined in the following chart:

*Per Acre
Industrial and Commercial
Equivalent Number of REUs*

Acres	REU
1	1
5	5
7	7
10	10
15	15
20	20
40	40



APPENDIX A

DETAILED COST ESTIMATES

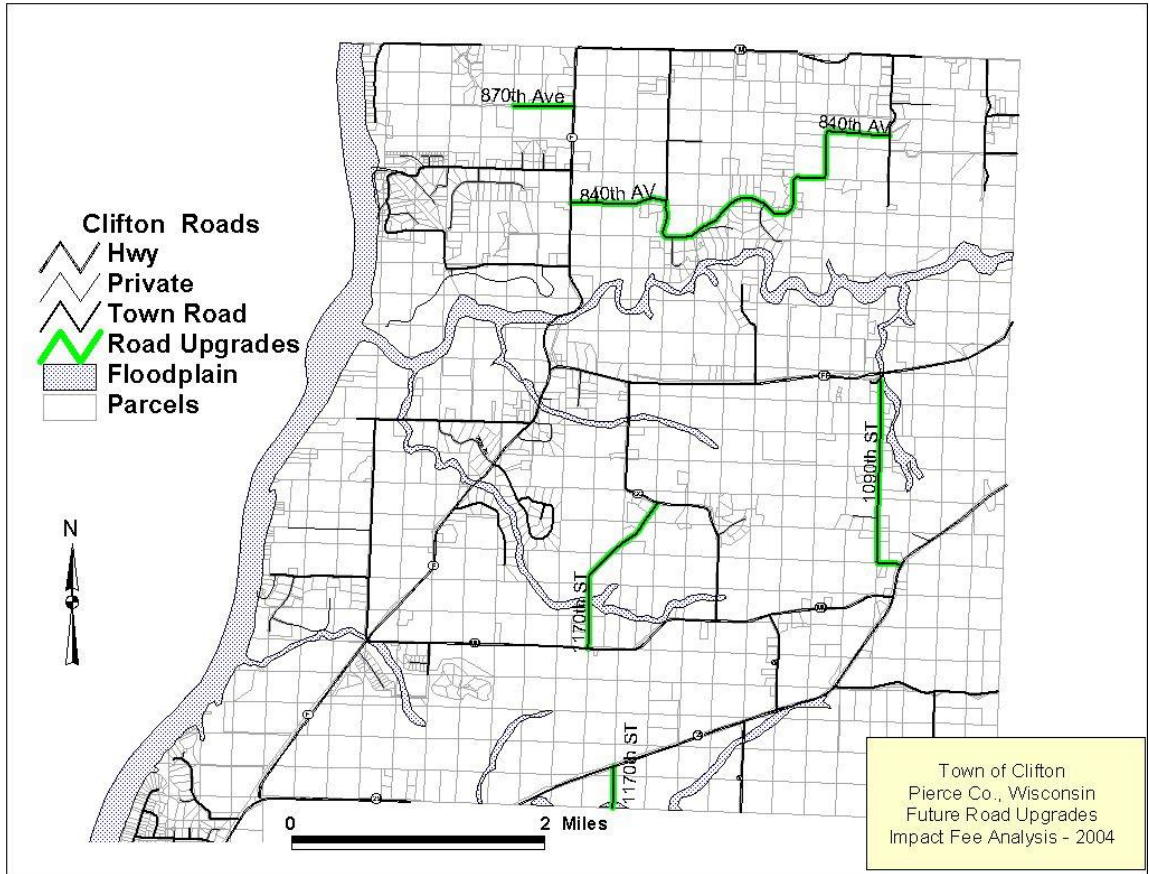
AND MAP OF

ROAD IMPROVEMENTS

Road Improvements

The following table tabulates the town roads that will require upgrades due to the increased development. These roads are currently low traffic volume roads and will see increased traffic due to future residential growth. The upgrades are required to improve safety and serviceability due to higher traffic volumes. The map in Figure __ displays the location of these roads.

Town Road	Cost of Improvements
840 th Ave from F to 1090 th (1.79 mi)	\$577,000.00
870 th Ave from F west (0.48 mi)	\$155,000.00
1170 th St from MM to QQ (1.35 mi)	\$435,000.00
1170 th St from Hwy 29 to Town south boundary (0.35 mi)	\$113,000.00
1090 th St from Hwy 29 to FF (1.64 mi)	\$529,000.00
Total Improvements	\$1,809,000.00
2023 Total REU	1202
Cost per REU	\$1505.00



*APPENDIX **B***

DETAILED COST ESTIMATE

OF

TOWN FACILITIES

Public Facility Improvements

Public facility improvements include the construction of a new Town meeting and community center will occur in about 20 years to meet the needs of the growing population expected to almost double within that period. The proposed fire protection well for this location will provide the water source.

The current facility sits about 1 acre. It is anticipated that an additional 4 acres of land will be required to accommodate future improvements. This will be purchased adjacent to the existing site to allow for the expansion.

Feature	Unit	Cost per unit	Total Cost¹
Land	4 acres	\$10,500/ac	\$51,198
New Hall	1800 sq ft	\$120/Sq ft	\$263,303
Furniture and Equipment	lump sum		\$60,950
Site Work	lump sum		\$24,380
Professional Fees	lump sum		\$18,285
Parking Lot	lump sum		\$24,380
Septic	lump sum		\$18,285
Total			\$460,781
	2013 REU	890	
	Cost per REU		\$517.73

1. 2% inflation index

APPENDIX C

DETAILED COST ESTIMATE

RURAL FIRE ASSOCIATION IMPRVEMENTS

AND MAP OF

FIRE PROTECTION WELLS

Fire Protection Improvements

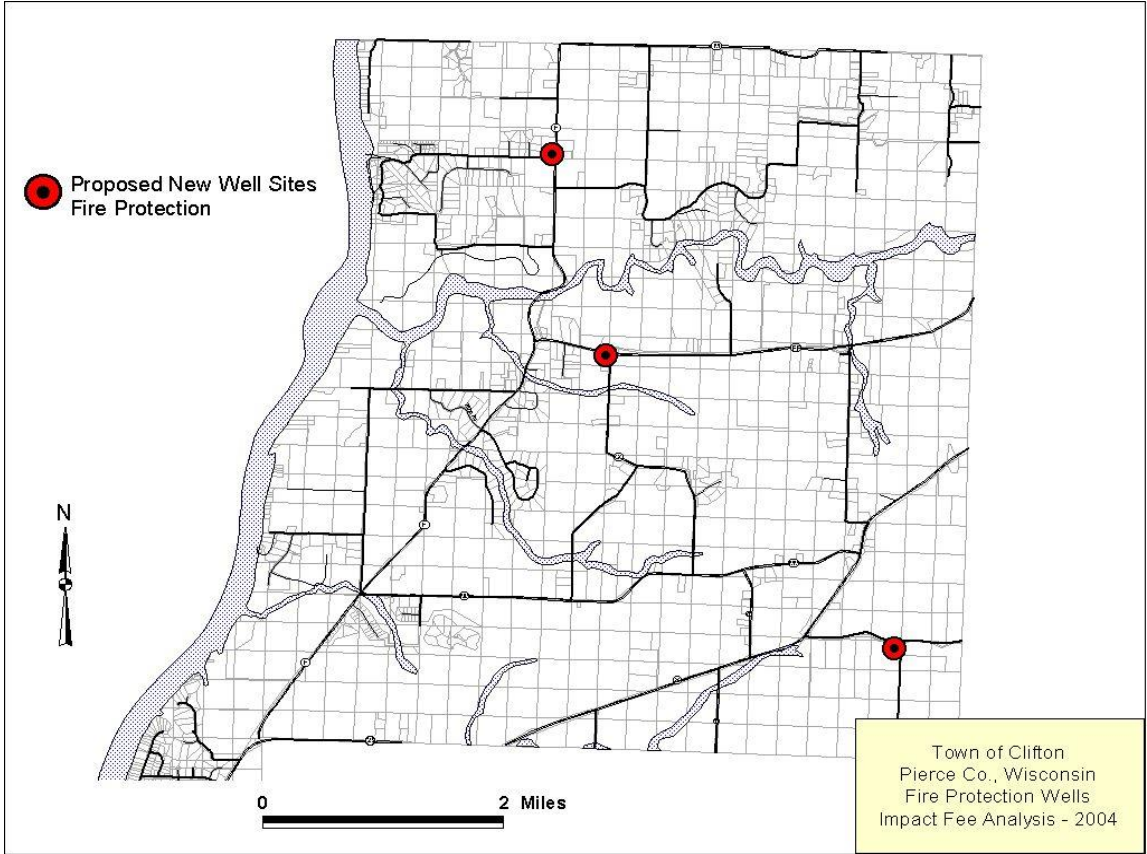
The Town of Clifton belongs to the River Falls Rural Fire Association and will soon join a Prescott Area Fire and EMS Association. These associations both have plans for future expansion of their facilities to accommodate the growing needs of these areas for emergency services. The Town of Clifton will be responsible for a per capita share of each of these Associations facility expansions. These expansions are necessary as a result of the future growth and Clifton's share will be assessed to new growth based on the additional REUs.

The Prescott Area Fire association will begin construction on a new ambulance facility this year with completion by 2005. This facility will cost an additional \$370,000 above the money already escrowed for this purpose. The population of Clifton within the Prescott service area is about 800 based on the states 2003 figures and the remaining population served by the Prescott Fire and EMS is about 5560 for a total population of 6360. Cost per capita is $\$370,000/G360 = \58.17 .

The River Falls facility expansion fee is based on figures supplied by the fire department and reflects a per capita charge of \$175.11 for new facilities. Growth in the area requires expansion of facilities of which the Town of Clifton shares the cost. At the time of publication of this impact fee, the community had not finalized a plan for expansion. However, the figure being used herein is representative of their proposed expansion plans.

Fire Protection wells are included at locations indicated on **Figure C**. The locations are not exact with the exception of the location at the Town hall where the fire protection well will also serve as the water supply for the proposed new facility. The other locations will be coordinated with adjacent Towns through the rural fire associations and will depend on where property can be acquired. The cost estimate for each well is derived from the Town of Oak Grove Impact Fee analysis and was developed by a well installer.

Feature	Basis of Cost	Cost
Facility Expansions		
River Falls Rural Assoc.	Per Capita	\$175,110
Prescott Area Fire & EMS	Per Capita	\$46,540
Fire Protection Wells		
12" - 400' - 500 gpm (3@ \$118,030)		\$354,090
Total Cost of Improvements		\$575,740
2023 Total REU	1202	
Cost Per REU		\$480



APPENDIX D

BACKGROUND INFORMATION

SCHEDULE OF PROPOSED IMPACT FEES

Town of Clifton Impact Fee Analysis

Note: REU=Residential Equivalent Unit

Background Data	
2003 Population ¹	1,803
2003 Households	690
2003 Persons/Household	2.6
2013 Additional Population	517
2013 Additional Households	200
2013 Total Population	2,320
2013 Total Households	890
2023 Additional Population	760
2023 Additional Households	292
2023 Total Population	2,750
2023 Total Households	1182
2013 Existing Industrial/Commercial REU	0
2013 Industrial/Commercial Growth	0 acres
2013 Additional REU (1 acre= 1 REU)	0
2023 Existing Industrial/Commercial REU	0
2023 Industrial/Commercial Growth ²	20 acres
2023 Additional REU (1 acre = 1 <u>REU</u>)	20
2013 Additional REU	200
2013 Total REU	890
2023 Additional REU	292
2023 Additional REU (1 acre = 1 <u>REU</u>)	20
2023 Total REU	1202

1. Data from Pierce Co.

2. Based on data from surrounding communities.

Town of Clifton Impact Fee Calculations

Category	Cost	REU Benefit	Impact Fee
Roads	\$1,809,000	1202	\$1,500
Town Facilities	\$460,780	890	\$520
Fire and EMS	\$450,630	1202	\$480
Total Impct Fee			\$2,500