

Impact Fees Feedback

Utility Commission (Utility fees only):

- * What is the breakdown of the \$41 monthly attributed for each fee (water/sewer/law enforcement). Added to presentation.
- * Water/Sewer Impact fee getting to be on the high end to adjacent communities.
- * Some developers are already looking at other communities with the higher costs compared to other communities.
- * Wants to ensure board is taking into account comparability to other communities.
- * Wants to ensure there is a balance, but ultimately want the utility infrastructure for new development is made whole and fair.

Impact Fee Input Sessions:

Virtual

- * Staff provided clarification on elements of the study and ordinance
- * Cost of applying an inflationary index vs. updating every 2-5 years.

In-Person

- * Clarification was provided on water and sewer sizing chart. Most residential properties have 1" laterals but either 5/8" or 3/4" meters. The chart refers to the meter, not service.
- * Both single-dwelling and multi-family per capita amounts were questioned in the Law Enforcement Fee calculation. Based on housing data available.
- * Office/Industrial/Commercial seemed high. Questioned how sq. ft. ties to law enforcement demand.
- * Concerns on housing affordability with any fees.
- * Concerns regarding law enforcement impact fee defendability risk vs levy.
- * New home owners paying twice. Initially during permit then subsequent property taxes for debt on police station.
- * Don't want to be higher than other communities.
- * Concerns over decrease in development may result in an operational referendum.
- * Concerns about spenddown timing.
- * Cost of applying an inflationary index vs. updating every 2-5 years.

Online Feedback Forms:

Do you have any feedback regarding the Water/Sewer Impact Fee?

- * My name is _____, and I have been a licensed real estate broker for 31 years, with 26 of those years serving buyers, sellers, and developers throughout Dane County. I am writing to express my objection to the proposed increase in the Village's water impact fees. After reviewing the Public Facilities Needs Assessment and Impact Fee Study prepared for the Village, I am concerned that the proposed water impact fee is significantly higher than regional norms and is not supported by the data contained in the study itself. The report recommends a water impact fee of: "Total Water Impact Fee Per REU for a 1": \$2,329" (Water Impact Fee Study, Table 13) In comparison, many Dane County municipalities fall within the \$800–\$1,400 per REU range. This places Cottage Grove at the upper end of the market, making the Village less competitive for new residential and commercial development. In short: The proposed fee is higher than regional norms Increasing fees risks harming housing affordability and economic competitiveness For these reasons, I respectfully urge the Village to refrain from increasing water impact fees beyond what is legally defensible and supported by the data. Thank you for your time and consideration. I would be happy to discuss this further or provide additional market context based on my decades of experience in Dane County real estate.
- * As a member of the utilities committee for several years now we have worked hard to keep our rates reasonable (including impact fees) and have been doing fine as we are. I think impact fees can be raised at a reasonable amount more frequently than just doubling them. We can easily continue to add fees to directly impacted users of specific large improvements (ie: East side lift station) rather than having the entire community pay for improvements not impacting them. Showing minor increases for 5/8" and 3/4" water meters is not really telling the truth when all of our new single family meters are 1" or larger which reflect a double the previous cost increase. I understand that the new units cause a greater burden on our municipal services but creating a building permit that is over \$15,000.00 for a new home (more than double similar municipalities) will quickly stop the type of growth we want in this community; well planned, tax revenue producing, single family homes.

- * I think this is fairly standard and has been normalized for most communities to do.
- * I am against impact fees. They are simply more hoops developers have to jump through, and will turn developers away.

Do you have any feedback regarding the Law Enforcement Impact Fee?

- * We should have had a method to pay for this prior to issuing contracts to build it instead of hoping these impact fees will get approved to pay for it. I don't see the justification in this report of how half the cost of the station is attributable to future growth. Did we truly approve a police station that is double the size it needs to be? I have great concerns that the approval of this fee will lead to additional fees for fire, EMS, etc. I understand that the new units cause a greater burden on our municipal services but creating a building permit that is over \$15,000.00 for a new home (more than double similar municipalities) will quickly stop the type of growth we want in this community; well planned, tax revenue producing, single family homes.

- * I oppose implementing the proposed impact fee ordinance at this time. While I understand the rationale behind the concept of “growth paying for growth,” I have several concerns about both the policy implications and the structure of the draft ordinance. First, impact fees increase housing and other commercial development costs. Whatever the intent, these costs are ultimately passed on to homebuyers and renters. In today’s housing market, even modest increases can push homes further out of reach for first-time buyers, young families, and seniors looking to downsize. If Cottage Grove becomes comparatively more expensive than neighboring communities, development may simply move elsewhere, reducing housing and commercial space supply and slowing tax base growth. Second, I am concerned about whether the proposed fees fully meet Wisconsin’s statutory requirements under §66.0617. State law requires that impact fees be based on a clear “rational nexus” and a proportionate share of costs attributable solely to new development. The ordinance references a Public Facilities Needs Assessment, but it is critical that the methodology clearly demonstrates:

- That fees do not fund existing deficiencies
- That they exclude operational or maintenance costs
- That they reflect only the share of capital costs directly caused by new growth

If these standards are not clearly and transparently documented, the Village risks legal challenges — and litigation ultimately costs taxpayers and business owners. Third, the ordinance states that fees will be reduced as required by statute for other capital funding sources, such as grants, special assessments, or land dedications. However, it does not clearly describe how those credits will be calculated or applied in practice. Without a defined mechanism, this could lead to disputes and uncertainty. Developers and property owners deserve clarity on how reductions will be handled, not just a general reference to statutory compliance. This is what is needed for transparency. Fourth, the draft ordinance includes refund timelines of eight or ten years, depending on the fee category. State law generally provides a ten-year period, with flexibility under certain conditions. I am concerned about potential inconsistencies between the ordinance language and statutory provisions. Any misalignment could create administrative complications or legal vulnerability. Fifth, the appeal process requires challenges to be filed within a very short window — tied closely to building permit issuance. That narrow timeframe may not provide sufficient opportunity for applicants to meaningfully review and evaluate the fee calculations. A process that is technically compliant but practically restrictive could undermine fairness and transparency. Finally, from a broader policy perspective, impact fees create a structural dependence on continued growth to fund infrastructure. If development slows — as markets sometimes do — revenue projections may not materialize as expected. That can complicate long-term capital planning.

Before moving forward, I would strongly encourage the Board to:

- Ensure the needs assessment and fee calculations are fully transparent and easily understandable
- Clarify the specific methodology for applying credits and reductions
- Re-examine refund timelines and appeal procedures for statutory alignment and fairness
- Consider the cumulative impact on housing affordability and competitiveness

Cottage Grove has benefited from thoughtful growth and fiscal stability. I am concerned that adopting this ordinance in its current form introduces economic and legal risks that outweigh its potential benefits. For these reasons, I respectfully urge the Board to reconsider whether impact fees are the appropriate funding tool at this time and instead spend time requesting the State to return our income tax dollars back into our communities and schools.

Thank you for your time and consideration.

- * I am opposed to this idea. Water and sewer are one thing but placing fees that will be passed on to new home buyers is not taking care of our community collectively. It will simply make homes and anything close that we can hope for missing middle housing that much more unaffordable.
- * I am against impact fees. They are simply more hoops developers have to jump through, and will turn developers away

Meters

- Include in Columns (b-f) meters in stock as well as those in service.
- Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
- Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections
- Totals by size in Column (f) should equal same size totals in Column (s).
- Explain all reported adjustments as schedule footnote.
- Do not include station meters in the meter inventory used to complete these tables.

Number of Utility-Owned Meters

Classification of All Meters at End of Year by Customers

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjust. Increase or Decrease (e)	End of Year (f)	Tested During Year (g)	Residential (h)	Commercial (i)	Industrial (j)	Public Authority (k)	Multifamily Residential (l)	Irrigation (m)	Wholesale (n)	Inter-Departmental (o)	Utility Use (p)	Additional Meters (q)	In Stock (r)	Total (s)	
5/8	2,458	54	5		2,507	0	2,359	63		15	1					44	25	2,507	1
3/4	39		0		39	0	15	11	3	5	1				2	2		39	2
1	53	2	1		54	0	1	23	2	1	13					4	10	54	3
1 1/2	47		0		47	37	1	20	1	4	14					1	6	47	4
2	38	1	0		39	24		6	2	5	25						1	39	5
3	19		0		19	18		3	1	4	4				5		2	19	6
4	2		0		2	1				1							1	2	7
Total	2,656	57	6		2,707	80	2,376	126	9	35	58				7	51	45	2,707	8

1. Indicate your residential meter replacement schedule:

Meters tested once every 10 years and replaced as needed

All meters replaced within 20 years of installation

Other schedule as approved by PSC

2. Indicate the method(s) used to read customer meters

Manually - inside the premises or remote register

Automatic meter reading (AMR), drive or walk by technology, wand or touchpad

Advanced Metering Infrastructure (AMI) - fixed network (# of meter: 2707)

Other