



ORDINANCE 04-2026

REPEALING AND RECREATING CHAPTER 198 OF THE VILLAGE OF COTTAGE GROVE CODE OF ORDINANCES

The Village Board of the Village of Cottage Grove, Dane County, Wisconsin, does hereby ordain as follows:

Section I: Chapter 198 of the Village of Cottage Grove Code of Ordinances is repealed and recreated to read as follows:

Chapter 198 **Impact Fees**

§ 198-1 **Short title.**

This chapter shall be known and may be cited as the "Village of Cottage Grove Impact Fee Ordinance."

§ 198-2 **Authority and purpose.**

Pursuant to the authority of Wis. Stat. § 66.0617, the purpose of this chapter is to establish the mechanism for the imposition of impact fees upon new land development to finance the capital costs of acquiring, establishing, upgrading and constructing public facilities which are necessary to accommodate land development. This chapter is intended to assure that new land development bears a proportionate share of the capital costs necessary to provide public facilities within the Village of Cottage Grove and its service areas as they are required to serve the needs arising out of land development.

§ 198-3 **Definitions.**

As used in this chapter, the following terms shall have the meanings indicated:

CAPITAL COSTS

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 such costs which relate directly to the public improvement for which the impact fees were imposed actually exceed 10% of capital costs. "Capital costs" does not include other non-capital costs to construct, expand or improve public facilities, vehicles, or the costs of equipment to construct, expand or improve public facilities.

DEVELOPER

Any person, party, firm, corporation, or other entity that constructs or creates a land development.

IMPACT FEES

Cash contributions, contributions of land or interests in land or any other item of value that are improved on a developer under this chapter.

LAND DEVELOPMENT

The construction or modification of improvements to real property that creates additional residential dwelling units within the Village or that results in nonresidential uses that create a need for new, expanded or improved public facilities within the Village.

PUBLIC FACILITIES

Shall have the same meaning as in Wis. Stat. § 66.0617(1)(f).

PUBLIC FACILITIES NEEDS ASSESSMENT

The public facilities needs assessment prepared by Ehlers and Associates, titled "Public Facilities Needs Assessment and Impact Fee Study", dated January 30, 2026, which is on file in the office of the Village Clerk.

SERVICE AREA

A geographic area delineated by the Village Board within which there are public facilities.

SERVICE STANDARD

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 Village Board.

§ 198-4 Public facilities needs assessment.

All public facilities needs assessment reports shall remain on file in the office of the Village Clerk for the entire period during which impact fees arising out of a specific report and this chapter are collected prior to expenditure, and such report shall, after expenditure of all impact fees, be maintained as a public record for such time period as required by law.

§ 198-5 Impact fee revenue administration.

- A.** Revenues from impact fees shall be placed in one or more segregated, interest-bearing accounts and shall be accounted for separately from other Village

general and utility funds. Impact fee revenues and interest earned thereon may be expended only for capital costs for which the impact fees were imposed, unless the fee is refunded, as described in Subsection B.

- B.** Impact fee revenues imposed and collected but not used within eight years to pay the capital costs for which they were imposed shall be refunded to the payer of the fees for the property with respect to which the impact fees were imposed, along with any interest that has accumulated, as described in Subsection A. Impact fees that are collected for capital costs related to lift stations or collecting and treating sewage that are not used within 10 years after they are collected to pay the capital costs for which they were imposed shall be refunded to the payer of fees for the property with respect to which the impact fees were imposed, along with any interest that has accumulated, as described in Subsection A. For purposes of the time limits in this subsection, an impact fee is paid on the date a developer pays the impact fee to the Village, or the developer obtains a bond or irrevocable letter of credit in the amount of the unpaid fees executed in the name of the municipality.

§ 198-6 Use of impact fees.

Funds collected from impact fees shall be used solely for the purpose of paying the proportionate share of the capital costs of providing public facilities that become necessary due to land development. These costs may include the costs of debt service on bonds or similar debt instruments when the debt has been incurred for the purpose of proceeding with designated public facilities projects prior to the collection of all anticipated impact fees for that project, to reimburse the Village for advances of other funds or reserves, and such other purposes consistent with s. 66.0617, Wis. Stats., which are approved by the Village Board.

§ 198-7 Reduction of impact fees.

Impact fees imposed by this chapter shall be reduced to the extent required by Wis. Stat. § 66.0617(6).

§ 198-8 Payment of impact fees.

All required impact fees, unless expressly excepted in a section of this chapter or unless meeting the criteria set forth in Wis. Stat. § 66.0617(6)(g), shall be paid in full by the developer upon the issuance of a building permit. Fees meeting the criteria set forth in

s. 66.0617(6)(g), Wis. Stats., may be deferred as described in that statute. Impact fee payments shall be assumed to be the responsibility of the owner of record at the time the building permit is required.

§ 198-9 Appeals.

- A.** The payment of an impact fee imposed under this chapter as a condition of the issuance of a building permit may be contested as to the amount, collection or use of the impact fee to the Village Board, provided that the applicant files a written notice of appeal in the Village Clerk's office within 15 days of the filing of an application for a building permit upon which the impact fee is imposed. Such notice of appeal shall be titled "Notice of Appeal of Impact Fee" and shall state the applicant's name, address and telephone number, the 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.
- B.** The Village Clerk shall schedule the appeal for consideration by the Village Board at a regular 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 days before the date of such meeting. Upon review of such appeal, the Village Board may adjust the amount, collection or use of the impact fee upon just and reasonable cause shown.

§ 198-10 Imposition of impact fees.

- A.** Sanitary sewer system facility plan impact fees.
 - (1) The basis for the imposition of the following sanitary sewer system plan impact fees is the public facilities needs assessment report and its attachments.
 - (2) For the areas identified in the public facilities needs assessment as the Ridge Lift Station and Interceptor project areas, the Village imposes a sewer impact fee on a per meter basis in accordance with the following fee schedule:

Meter Size	Impact Fee
5/8"	\$2,263
3/4"	\$2,263
1"	\$3,473
1 1/4"	\$4,774
1 1/2"	\$6,077
2"	\$9,549
3"	\$13,888
4"	\$19,606
6"	\$35,915
8"	\$55,385
10"	\$81,136
12"	\$106,888

(3) The Village imposes an oversizing impact fee on a per meter basis for any development within the Village in accordance with the following fee schedule:

Sewer Main Oversizing

Meter Size	Impact Fee
5/8"	\$300
3/4"	\$300
1"	\$460
1 1/4"	\$633
1 1/2"	\$806
2"	\$1,266
3"	\$1,841
4"	\$2,599
6"	\$4,761
8"	\$7,342
10"	\$10,756
12"	\$14,170

- (4) These impact fees shall be collected until all capital costs associated with specified projects in the public facilities needs assessment.
- (5) The imposition of these impact fees is specific to areas identified on the mapping exhibits contained in the public facilities needs assessment.

B. Water supply and distribution system impact fees.

- (1) The basis for the imposition of the following water supply and distribution system impact fees is the public facilities needs assessment report and its attachments.
- (2) A developer shall pay a water impact fee on a per meter basis for any development within the Village in accordance with the following fee schedule:

<u>Meter Size</u>	<u>Impact Fee</u>
5/8"	\$1,518
3/4"	\$1,518

1"	\$2,329
1 1/4"	\$3,202
1 1/2"	\$4,076
2"	\$6,406
3"	\$9,316
4"	\$13,152
6"	\$24,092
8"	\$37,152
10"	\$54,426
12"	\$71,699

(3) These impact fees shall be collected until all capital costs associated with specific projects contained within the public facilities needs assessment.

C. Law enforcement impact fees.

(1) The basis for the imposition of the following law enforcement impact fees in the public facilities needs assessment report and its attachments.

(2) A developer shall pay a law enforcement impact fee for any development within the Village in accordance with the following fee schedule.

<u>Type</u>	<u>Impact Fee</u>
Single-family dwelling unit	\$2,158 per unit
Multi-family dwelling unit	\$1,439 per unit
Office/Industrial	\$0.87 per square foot
Commercial	\$1.08 per square foot

(3) These impact fees shall be collected until all capital costs associated with specific projects contained within the public facilities needs assessment have been incurred and satisfied.

§ 198-11 Exemptions.

- A.** The following situations shall be exempted from payment of the impact fees outlined in § 198-10:
- (1) Alterations or expansions of an existing building where no additional or larger meter connections are requested and where the use is not changed.
 - (2) The replacement of a building or structure with a new building or structure of the same size and use where no additional or larger water and/or sewer connections are requested and where the use is not changed.
- B.** Any claim of exemptions must be made no later than the time of filing an application for a building permit with the Village. Any claims not so made shall be deemed waived.

§ 198-12 Proportionate payments in lieu of dedication.

The Village Board may, in its discretion, accept lands dedicated for public purposes in lieu of the impact fees assessed pursuant to this chapter; provided, however, that in no event shall the fair market value of the land or lands accepted by the Village be less than the amount of the assessment which would otherwise be levied in accordance with the provisions of this chapter.

§ 198-13 Enforcement.

- A.** Enforcement shall be provided pursuant to Chapter 1, General Provisions, § 1-19, of the Code. In addition to or in lieu of any such prosecution, the Village of Cottage Grove shall have the power to sue in civil court to enforce the provisions of this chapter.

Section II: This ordinance shall take effect on April 1, 2026.

Adopted on this 2nd day of March 2026

BY ORDER OF THE VILLAGE BOARD
VILLAGE OF COTTAGE GROVE

Cynthia Kelm-Nelson, Village President

ATTEST:

Lisa Kalata, Village Clerk