



Public Facilities Needs Assessment

For the

Jeffy Trail Sanitary Sewer Improvement Impact Fee District

March 7, 2013

Introduction

The City of Madison has prepared this public facilities needs assessment for extensions and improvements to the public sanitary sewer system required to facilitate well-planned development within the Upper Badger Mill Creek watershed. These improvements are consistent with the High Point-Raymond Neighborhood Development Plan, adopted in 1997. The Plan includes recommendations for lands to be reserved for parks, open space, and drainage based on existing topography and natural features.

The area affected by the proposed Impact Fee District is located in the southwest region of the City of Madison and presently includes parts of the City of Madison and Town of Verona (refer to the maps in Exhibits B and C). We are proposing to extend and construct a new sanitary sewer main in order to serve new and existing development in the proposed Jeffy Trail Sewer Improvement Impact Fee District, which is being created to help finance these improvements.

The majority of the lands to be served by the proposed sanitary sewer are in the Hawks Creek plat, which is currently under development. This project will provide sanitary sewer service to nine platted lots. One of the single family lots is already improved with a septic system (2501 Jeffy Trail) and one larger multi-family lot is currently being served by a temporary private lift station (2502 Jeffy Trail).

Whenever possible, sewer facilities are designed to function by gravity. The temporary, privately-owned lift station within the Hawks Creek Development will be relieved by the proposed sewer improvements when the lift station has either reached the end of its service life, if it falls into disrepair, or if the owner requests connection to the new City relief sewer.

To serve the lands within the Impact Fee District, the sanitary sewer main needs to connect to the Madison Metropolitan Sewerage District (MMSD) manhole located on the south side of Raymond Road, 360 feet west of Oak View Drive. From that point, the proposed sewer will cross Raymond Road and extend 500 feet north, along the west side of the proposed bike path, at which point it will split into two branches with one branch extending west, 470 feet along the bike path to the existing privately owned lift station (serving 2502 Jeffy Trail). The second branch will extend north, 694 feet to Jeffy Trail and Trevor Way where there is a 16 lot subdivision proposed (a cul-de-sac road extension of Trevor Way) as well as unsewered platted lot 2409 Trevor Way. There are also two platted lots on the north side of future Jeffy Trail that a branch of the sewer will be extended to from the second branch. None of the aforementioned 20 lots could be provided gravity sanitary sewer without this project. As mentioned earlier, the larger multi-family lot on the west limits of the project (2502 Jeffy Trail) is already being provided sanitary sewer service with the temporary privately owned lift station, but will be served by this project in the future.

Location Description of the Impact Fee District

Any and all undeveloped parcels (platted and/or metes and bounds), or portions thereof, that reside within, or are altered or pumped to discharge within the Jeffy Trail sanitary

sewer improvement service area. These lands are located within the City of Madison and the Town of Verona as follows:

Parts of the Southeast ¼ of the Northeast ¼ of Section 3, and part of the Southwest ¼ of the Northwest ¼ of Section 2, all within Town 6 North, Range 8 East, in the Town of Verona and the City of Madison. The said District shall also be shown on the Development Impact Fee District Map. (See Exhibit B, attached).

Existing Public Facilities

Sanitary Sewer

Within the 18.17-acre Jeffy Trail Sanitary Sewer Improvement Impact Fee District, 7.7 acres are undeveloped and shall be assessed impact fees. Another 6.02 acres are already developed or will be developed to connect to the private lift station, and may be levied sanitary assessments or connection charges. Dedicated open space areas make up approximately 4.45 acres, and the remaining 2.43 acres is within current or future street rights of way. For the purposes of this Impact Fee District, all park lands shall be treated as Environmental Corridors.

This project includes connection to Madison Metropolitan Sewerage District's 30-inch sewer interceptor (Nine Springs Valley/ Midtown Ext.) at Raymond Road, which has adequate capacity to accept the additional projected service area.

New Public Facilities Required for Land Development

Sanitary Sewer

The improvements to the public sanitary sewer system consist of extending approximately 1,964 linear ft of 8-inch PVC sanitary sewer interceptor main and structures as shown on Exhibit B. The estimated costs associated with easement acquisition, planning, designing, permitting, and constructing sanitary gravity mains is included in Exhibit A.

Project Funding Through Impact Fees

To finance these types of improvement projects, the City of Madison, pursuant to Wis. Stats. § 66.0617(2) has passed an Impact Fee Ordinance (Chapter 20 of Madison Code of Ordinances) that can require fees to be paid by developers to compensate for the capital costs necessary to accommodate land development. In the Jeffy Trail drainage area, these costs would be associated with the installation of the sanitary gravity mains, including costs for easement or fee acquisition, surveying, planning, design, permitting, and inspection.

In areas already developed, or areas that will be developed and connected to the private lift station, special assessments shall be used to finance a proportionate share of the costs of this project. There is no fee rate difference between these areas.

Sanitary Assessment and Connection Fees

The 6.02 acres already developed or that will be developed to connect to the private lift station will not be levied impact fees; rather they will be specially assessed (City of Madison parcels) to help finance the sanitary sewer improvements that will benefit their property. The lot located at 2501 Jeffy Trail has on-site sewerage treatment (septic system) located within the platted Jeffy Trail road Right of Way that will be connected and assessed for a new sanitary sewer lateral with the project. The assessment rate and connection fee was calculated to be \$13,239.99 per net acre. The 2502 Jeffy Trail property is currently being served by a privately-owned lift station. This property will be required to connect to the City sewer when the temporary lift station has reached the end of service life, experiencing repair costs exceeding reasonable maintenance/repair costs, or when connection is requested by the homeowners association. The special assessments will be deferred for ten years and payable in installments thereafter. This private lift station at 2502 Jeffy Trail was not intended to be a permanent lift station.

Adjustments to Impact Fee

The Jeffy Trail Sanitary Sewer Improvement Impact Fee shall be adjusted annually for inflation, based on the Construction Cost Index as published in the *Engineering News Record*. 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 sanitary impact fees on housing costs

The total estimated cost for the sanitary sewer extension is \$240,570.68, which includes an additional 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.

The Jeffy Trail Sanitary Sewer Improvement Impact Fee District is 18.17 net acres. There are 2.43 acres of existing and proposed right-of-way, and 6.02 acres of developed parcels or parcels that will connect to the private lift station. It is estimated that 7.7 acres shall be developed with the other 4.45 acres as dedicated to open space.

For new development, sanitary impact fees are estimated to be \$13,239.99 per net acre, or \$303.95 per 1,000 square feet, in accordance with Exhibit A. The effect on housing was calculated for several residential densities. A single-family, R2Z-zoned 3,500 sq ft lot would incur an additional \$1,063.83 in impact fees. A 10,000 sq ft lot would have an additional \$3,039.50. A medium-density, multi-family development in an R-4 general residential district, with a minimum lot size per unit of 2,000 square feet, would see an increase of \$607.90 per unit.

The City of Madison has over 108,000 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 all the Impact Fees already imposed by the City of Madison, as well as the effect of the Jeffy Trail Sanitary Sewer Improvement Impact Fees, should not have a significant negative impact on the availability of affordable housing within the community.