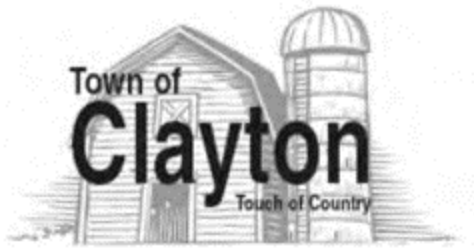


# Public Facilities Needs Assessment for Park and Recreation Impact Fees

Town of Clayton  
Wisconsin



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Public Safety & Municipal Management

**Town of Clayton**  
**Public Facilities Needs Assessment for**  
**Park and Recreation Impact Fees**

**TABLE OF CONTENTS**

---

I.	INTRODUCTION .....	Page 2
	Purpose of Needs Assessment.....	Page 2
	Scope of Needs Assessment .....	Page 3
	Available Information .....	Page 3
II.	IMPACT FEE REQUIREMENTS.....	Page 4
III.	GROWTH PROJECTIONS .....	Page 5
	Historic and Projected Population and Households .....	Page 5
	Commercial/Industrial Projections .....	Page 8
IV.	INVENTORY OF EXISTING AND FUTURE PARK/RECREATION FACILITIES.....	Page 10
	Existing Park and Recreation Facilities.....	Page 10
	New Park and Recreation Improvements .....	Page 13
	Service Level Standards and Deficiencies/Growth Analysis .....	Page 14
V.	ALLOCATION OF COSTS.....	Page 18
	Capital Costs.....	Page 18
	Park and Recreation Impact Fees .....	Page 20
	Fee Comparison to Similar Communities.....	Page 21
	Effect of Impact Fees on Housing Affordability .....	Page 22
VI.	IMPLEMENTATION .....	Page 23
	Enacting the Impact Fee Ordinance.....	Page 23
	Imposition and Collection of Fees.....	Page 24
	Managing Impact Fees .....	Page 24

# **I. INTRODUCTION**

The Town of Clayton is in northeastern Winnebago County, approximately five miles west of Appleton and eight miles north of Oshkosh. The town is approximately 36 square miles in size, or nearly 23,000 acres. Clayton splits its east boundary with the Village of Fox Crossing and the Town of Neenah. Its south line is shared with the Town of Vinland, and its west with the Town of Winchester. Clayton shares a common boundary on the north with the towns of Dale and Greenville, which are in Outagamie County.

Although the Town of Clayton is predominantly rural, recent residential, commercial, and industrial developments have increasingly given the town more of a suburban appearance on its eastern side. With this development has come population growth. At the time of the 2010 U.S. Census, Clayton had a population of 3,951. Its population had increased by 1,687 since 1990, a 74.5% increase. However, since 2010, the WDOA estimates the Town of Clayton population at 4,193. This is a mere 1.6% increase since 2010 and an obviously outcome of the 2008 recession. USH 10, STH 76 and CTH "II" are Clayton's major transportation links to the Fox Cities. The driving force behind the Town of Clayton's growth has always been the proximity to the urban amenities and the employment opportunities in the Fox Cities.

The Town maintains an effective comprehensive plan and land development process that encourages orderly growth. The Town is expected to grow to 5,685 people by 2040. Household projections call for the addition of 493 households by 2040. To accommodate the anticipated growth, the Town is taking the necessary steps to ensure public facilities and public infrastructure are in place to accommodate new development. Since future residents and property owners who require the excess capacity are not part of the town during the construction of such facilities, existing residents and property owners may bear more than a proportionate share of the costs to build or expand facilities required for future development. In 2006 the Town of Clayton adopted impact fees to allow the town to recover these costs and equitably distribute the financial burden between new and existing property owners and developers. The Town of Clayton has retained McMahon to prepare a park impact fee study to present a projection of the capital costs for providing new facilities, improvements or expansions to existing facilities relate to the town's growth.

## **Purpose of Needs Assessment**

In 1993, Wisconsin Act 305 gave municipalities the authority to impose impact fees on developers to pay for the capital costs for construction, expansion, and improvements of facilities which will serve new development. Wisconsin State Statute 66.0617 specifies the type of facilities for which impact fees may be imposed and prescribes the procedural requirements for impact fee ordinances enacted by a municipality. The purpose of this public facilities needs assessment is to determine the park and recreation needs for land development and make recommendations regarding the amount of impact fees to impose on developers in accordance with Wisconsin State Statute 66.0617. Currently the Town of Clayton does have an impact fee ordinance in place. This public facility needs assessment is necessary for the town to amend their current impact fee ordinance. Part of the documentation reviewed for this study was the December 2006 "Public Facilities Needs Assessment for Park and Recreation Impact Fees" by Foth & Van Dyke and Associates. For consistency purposes, impact fee calculations were formatted similar to the December 2006 study.

## Scope of Needs Assessment

Before adopting or amending an impact fee ordinance, a municipality must prepare a Public Facilities Needs Assessment that includes the following components:

- An inventory of existing public facilities, including an identification of any existing deficiencies in the quantity or quality of those public facilities, for which it is anticipated that an impact fee may be imposed.
- An identification of the new public facilities, or improvements or expansions of existing public facilities, that will be required because of land development for which it is anticipated that impact fees may be imposed. This identification shall be based on explicitly identified service areas and service standards.
- A detailed estimate of the capital costs of providing the new public facilities or the improvements or expansions in existing public facilities, including an estimate of the cumulative effect of all proposed and existing impact fees on the availability of affordable housing within the municipality.

Before enacting an ordinance that imposes impact fees, or amending an existing ordinance that imposes impact fees, a municipality shall hold a public hearing on the proposed ordinance or amendment. Notice of public hearing shall be published as a class 1 notice and specify where a copy of the proposed ordinance or amendment and the public facilities needs assessment may be obtained. The public facilities needs assessment shall be available for public inspection and copying in the office of the clerk of the municipality at least 20 days before the public hearing.

## Available Information

The following information and reports were utilized for the preparation of this study:

- *Town of Clayton Comprehensive Plan 2016-2036*, Adopted August 17, 2016, Amended November 8, 2017.
- The December 2006 “Public Facilities Needs Assessment for Park and Recreation Impact Fees” by Foth & Van Dyke and Associates.
- Meetings with Town Administrator
- Building Inspector Building Reports 2006-2020
- U.S. Census Bureau
- Wisconsin Department of Administration (WDOA)
- Wisconsin State Statute 66.0617

## II. IMPACT FEE REQUIREMENTS

Impact fees are regulated under Wisconsin State Statute 66.0617. An impact fee is defined as cash contributions, contributions of land or interests in land or any other items of value that are imposed on a developer or property owner by a municipality. A developer, as defined by the statute, is a person that constructs or created land development. Land development, as defines by statute, means the construction or modification of improvements to real property that creates additional residential dwelling units within a municipality or that results in nonresidential uses that create a need for new, expanded, or improved public facilities within a municipality.

Per Statute, public facilities for which impact fees can be imposed means highways, and other transportation facilities, other transportation facilities, traffic control devices, facilities for collecting and treating sewage, facilities for collecting and treating storm and surface waters, facilities for pumping, storing, and distributing water, parks, playgrounds, and land for athletic fields, solid waste and recycling facilities, fire protection facilities, law enforcement facilities, emergency medical facilities and libraries. "Public facilities" does not include facilities owned by a school district.

Per Statute, capital costs means 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 percent of capital costs may consist of legal, engineering and design costs unless the municipality can demonstrate that its legal, engineering and design costs which relate directly to the public improvement for which the impact fees were imposed exceed 10 percent of capital costs. Capital costs does not include other noncapital costs to construct, expand or improve public facilities, vehicles; or the costs of equipment to construct, expand or improve public facilities. Therefore, impact fees can be used for the development of parks, playgrounds, and land for athletic facilities. It may not be used for park vehicles, operation and maintenance expenses, and deficiencies in existing public park facilities. Wisconsin State Statute does not prohibit or limit the authority of a municipality to finance public facilities by any other means authorized by law, except that the amount of an impact fee imposed by a municipality shall be reduced to compensate for any other costs of a public facilities imposed by the municipality on developers to provide or pay for capital costs.

Revenues from each impact fee that is imposed shall be placed in a separate segregated interest-bearing account and shall be accounted for separately from the other funds of the municipality. Impact fee revenues and interest earned on impact fee revenues may be expended only for the particular capital costs for which the impact fee was imposed, unless the fee is refunded. Impact fees that are not used within 8 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.

The creation of an impact fee includes the following key elements:

- Preparation of a public facilities needs assessment to determine that the fee is calculated and applied appropriately.
- Adoption of an impact fees ordinance; and

- Implementation of a public hearing process for the review of the public facilities needs assessment and proposed ordinance.

Impact fees imposed by the adopted ordinance are required by statute to meet the following standards:

- Shall bear a rational relationship to the need for new, expanded or improved public facilities that are required to serve land development.
- May not include amounts for an increase in service capacity greater than the capacity necessary to serve the development for which the fee is imposed.
- May not exceed the proportionate share of the capital costs that are required to serve land development, as compared to existing uses of land within the municipality.
- Shall be based upon actual capital costs or reasonable estimates of capital costs for new, expanded or improved public facilities.
- Shall be reduced to compensate for other capital costs imposed by the municipality with respect to land development to provide or pay for public facilities, including special assessments, special charges, land dedications or fees in lieu of land dedications or any other items of value.
- Shall be reduced to compensate for moneys received from the federal or state government specifically to provide or pay for the public facilities for which the impact fees are imposed.
- May not include amounts necessary to address existing deficiencies in public facilities.
- May not include expenses for operation or maintenance of a public facility.
- Shall be payable by the developer or the property owner to the municipality in full upon the issuance of a building permit by the municipality. Except as provided in this paragraph, if the total amount of impact fees due for a development will be more than \$75,000, a developer may defer payment of the impact fees for a period of 4 years from the date of the issuance of the building permit or until 6 months before the municipality incurs the costs to construct, expand, or improve the public facilities related to the development for which the fee was imposed, whichever is earlier. If the developer elects to defer payment under this paragraph, the developer shall maintain in force a bond or irrevocable letter of credit in the amount of the unpaid fees executed in the name of the municipality. A developer may not defer payment of impact fees for projects that have been previously approved.

### **III. GROWTH PROJECTIONS**

#### **Historic and Projected Population and Households**

Estimated growth forms the basis for determining how many future developments will be served by park and recreation facility development. The following table illustrates the projected population for the Town of Clayton. Sources used are the U.S. Census Bureau, Wisconsin Department of Administration (WDOA), Town of Clayton Comprehensive Plan, and East Central Wisconsin Regional Plan Commission (ECWRPC). It should be noted that the Town of Clayton Comprehensive Plan uses WDOA populations projects as does ECWRPC.

**Table 3-1****Historic and Projected Population - Town of Clayton**

Year	Census	WDOA Pop. Estimate	WDOA Projections	Comp Plan Projections	ECWRPC Projections
2000	2,974				
2010	3,951				
2015		4,053			
2016		4,061			
2017		4,062			
2018		4,183			
2019		4,186			
2020		4,193	4,510	4,510	4,510
2025			4,855	4,855	4,855
2030			5,200	5,200	5,200
2035			5,470	5,470	5,470
2040			5,685	5,685	5,685

Sources: U.S. Census Bureau, Wisconsin Department of Administration Demographic Services Center, Town of Clayton Comprehensive Plan 2016-2036.

The following table details historic and projected household information for the Town of Clayton. Household projections were only available from the WDOA. Household is defined as an occupied housing unit.

**Table 3-2****Projected Households and Household Size - Town of Clayton**

Year	Census Households	Average Household Size	WDOA Household Projections
1980	742	3.17	
1990	809	2.80	
2000	1,071	2.78	
2010	1,438	2.75	
2015			1,521
2020			1,668
2025			1,808
2030			1,949
2035			2,068
2040			2,161

Source: U.S. Census Bureau 1980-2010, Final Household Projections for Wisconsin Municipalities: 2010-2040 Wisconsin Department of Administration, Demographic Services Center, October 2013. Town of Clayton Comprehensive Plan 2016-2036.

Utilizing WDOA projections, the Town of Clayton is projected to add 493 households between 2020 and 2040, approximately 25 homes per year. In addition to population and household projections the Town of Clayton creates annual building reports from the Building Inspector. Table 3-3 illustrates the number of new single family home permits over the last 15 years.

**Table 3-3**  
**Building Inspector Report – New Single Family Homes**

Year	New Homes
2006	40
2007	25
2008	19
2009	14
2010	16
2011	8
2012	13
2013	15
2014	20
2015	22
2016	12
2017	16
2018	10
2019	10
2020	6
Total	246
15-Yr Average	16

Source: Town of Clayton

It is difficult to predict the timing of future development with any precision. This impact fee study used the same population projections that were used in the Town of Clayton Comprehensive Plan for consistency between the projected population and the list of recommended capital improvements. The projected growth may occur by 2040 or it may take longer. However, for purposes of this impact fee study a projected planning horizon population of 5,685 was used to calculate service level standards and the recommended impact fees.

The Town of Clayton Hwy 10 & 76 Corridor Land Use Master Plan allows for a variety of future housing sizes and styles including small apartment unit (4-6 units), townhouses, condominiums and cottage styles. The Master Plan also identifies future goals for the creation of medium and high density residential districts to provide ample opportunities for higher density residential development which matches market demands for urban living. Because of the known proposed housing developments in the next 10 years, for the purpose of this impact fee study 1,000 additional housing units by 2040 was used.



## Commercial/Industrial Projections

Existing commercial developments are located primarily along USH 76, CTH II and near the STH 76/USH 10 interchange. Industrial developments are limited to land north and south of CTH II, east of STH 76. In 2020, the Town of Clayton hired Cedar Corporation to prepare a Land Use Master Plan to address land use and growth along the STH 76 and USH 10 corridor. The study area contains approximately 3,200 acres of which the vast majority are in an agricultural or undeveloped state. This Master Land Use Plan will be adopted as a component of the Town of Clayton Comprehensive Plan in 2021.

As Clayton grows, there will be opportunities for mixed-use development, particularly on the north side of CTH II, just east and west of STH 76. Retail, office, and two-family and multi-family residential are the most likely components of these mixed-use developments. The town understands that mixed use developments are becoming more popular especially as an attraction to younger generations. Creating opportunities through Planned Unit Development has been recommended, which will address this growing need. Providing recreational areas, trails, and parks will greatly increase the attractiveness of the Town of Clayton.

The Town of Clayton's Future Land Use Plan Map provides some direction relative to where both business and industrial uses can co-exist and areas where business solely maybe the more appropriate use due to traffic patterns and access. Based on information about the regional economy and current industry clusters, the Town should focus its efforts on attracting advanced manufacturing, professional service, and transportation/logistics businesses (shown in Master Land Use Plan). Because of this, instead of projecting commercial and industrial land use separately, they are combined.

**Table 3-4**  
**Projected Commercial/Industrial Square Feet**  
**2020-2040**

Land Use	Existing Land use Acres (2020)	Future Land Use Acres (2040)	Change (2020- 2040)	% of Future Land Use	Future New Land Use Square Feet (2040 less 2020)	Projected Square Feet Coverage (15%)
Commercial/Industrial	1,038	2,569	1,531	53.2%	66,693,061	10,003,959
Residential	3,322	4,670	1,348	46.8%		
Total	4,360	7,239	2,879	100%		

Sources: Wisconsin Department of Review Annual Assessment Report for year 2020. Town of Clayton Comprehensive Plan 2016-2036, The Town of Clayton Hwy 10 & 76 Corridor Land Use Master Plan.

Utilizing this projection technique, the Town of Clayton is estimated to add approximately 10 million square feet of commercial/industrial structures by the year 2040. This table also details the proportion of public facility development costs which should be attributed to residential, commercial and industrial growth. As detailed 53.2% should be allocated to commercial/industrial development and 46.8% to residential development.

## **IV. INVENTORY OF EXISTING AND FUTURE PARK/RECREATION FACILITIES**

### **Existing Park and Recreation Facilities**

#### **Clayton Park (Community Park)**

Clayton Park is located on a 26-acre parcel on Larsen Road east of Center Road. The Park is owned and operated by the Town of Clayton and includes a picnic area, a picnic shelter with kitchen and restroom facilities, playground equipment, volleyball court, three baseball diamonds, a parking lot, and wooded area with trails running through it. A Disc Golf Course is currently being constructed by use of existing Impact Fees with the potential of the addition of 9 more holes within the next 1-3 years.

#### **Trailhead Park (Neighborhood Park)**

Trailhead Park is adjacent to the WIOUWASH Trail in Larsen. It consists of 7 acres and is owned and operated by the Town of Clayton. Trailhead Park provides playground equipment, soccer field with goals, and has heated restrooms that are open year-round. There is a gravel parking lot large enough for horse trailer parking and it provides access to the recreation trail.

#### **Southeast Park (Neighborhood Park)**

Southeast Park is 12 acres in size and primarily a nature preserves and passive type recreation.

#### **School Recreational Facilities**

Clayton Elementary School has approximately six acres of land available for outdoor recreation. Facilities include a variety of playground equipment, a hard surface play area with basketball goals, and open play area, and a backstop and field for softball.

#### **Friendship Trail (Park Trail)**

The trail which runs east-west through the Town for 6.1 miles parallel to U.S. Highway 10 is the Town's newest trail. The Friendship Trail intersects with the WIOUWASH and helps connect other local Fox Valley Trails, including the Little Lake Butte Des Morts trestle bridge. This intersection is the site of an informational kiosk that has trail news as well as town news. The Trail will eventually travel from Manitowoc to Stevens Point.

The Friendship Trail has an area known as "Olson's Rest", located at the corner of Fairview and Highway 10. This area was donated by Rueben "Chub" and Lois Olson. Trail users may stop for a picnic or just to relax.

### **WIOUWASH Trail (Park Trail)**

The Town of Clayton is fortunate to have one of the state's outstanding free trails as part of its township. The WIOUWASH State Recreational Trail runs 18 north-south miles from Oshkosh to Hortonville, including more than six miles through the Town of Clayton. It is named for four adjacent counties in east central Wisconsin: Winnebago, Outagamie, Waupaca and Shawano. Another section of the trail operates from Tigerton to Birnamwood in Shawano County and connects to the 75-mile Mountain Bay trail that connects Green Bay and Wausau. It is hoped that eventually the two sections of the WIOUWASH can be connected to provide more than 50 miles of safe and scenic beauty for outdoor enthusiasts.

This trail, maintained by Winnebago and Outagamie counties, provides wonderful recreation opportunities for walkers, bicyclists, horseback riders and, in winter, snowmobilers.

The Town of Clayton takes great pride in its section of the WIOUWASH and has established one of the primary rest areas along the trail, in the community of Larsen. Trailhead Park offers restrooms, picnic areas, children's playground and parking areas for vehicles and horse trailers. Trailhead Park and the WIOUWASH also serve as the base for the Town of Clayton's annual festivals, the WIOUWASH Race and Clayton Fest, which are held in late spring.

### **Rat River Wildlife Management Area**

The Rat River Wildlife Management Area is the largest recreational land area within the Town of Clayton. This public land and recreational area is owned by the State of Wisconsin and managed by the Department of Natural Resources. The wildlife area encompasses 3,100 acres in the northwest portion of the town. It provides recreation opportunities for hunting, bird watching, nature outings and observation, and hiking. Designated parking area and parking lots are available.

### **Private Recreation Facilities**

There are four privately owned golf related facilities in the Town of Clayton:

- Winagamie Golf Course – 18-hole course occupying 226 acres.
- Westridge Golf Club – 18-hole course developed occupying 139 acres.
- Ridgeway Country Club – 18-hole course occupying 117 acres.
- Mulligan's Fairway – golf driving range occupying 23 acres.

**Table 4-1**  
**Existing Park and Recreation Facility Inventory**

Park	Ownership	Acres	Natural/Passive Area	Golf Course/Range	Shelter	Concession Stand	Kitchen	Restrooms	Picnic	Playground	Volleyball	Basketball	Softball Diamonds	Sledding Hill	Horseshoes	Trail	Trail Access	Hiking	Soccer Filed
Clayton Town Park	Town	26	X		X		X	X	X	X	X		X(3)	X	X	X			
Trail Head Park	Town	7				X		X	X	X							X		X
Southeast Park	Town	12	X																
Friendship Trail	Town	23														X		X	
Clayton Elementary School	School District	6								X		X	X(1)						
Wiouwash Recreational Trail	County	75														X		X	
Rat River Wildlife Area	Wisconsin	3,100	X						X									X	
Winagamie Golf Course	Private	226		X															
Westridge Golf Course	Private	139		X															
Ridgeway Country Club	Private	117		X															
Mulligan's Fairway	Private	23		X															
<b>Total</b>		<b>3,754</b>																	

Source: Town of Clayton Comprehensive Plan 2016-2036

## New Park and Recreation Improvements

The Town of Clayton identified two new parks.

### **Noffke Park (Community Park)**

This Park is located on a 12-acre parcel on the southeast corner of town. The Town would like to develop the land for ADA recreation by creating a fishing pond. The cost of pond is approximately \$250,000-300,000. This parcel has once part of the Neenah Police Department shooting range, therefore there is shell casings and ground contamination issues that will need to be addressed. The Town is working with the Wisconsin Department of Natural Resources, and the contaminated area will be capped by a parking lot. The cost of the parking lot is approximately \$250,000. They also plan to have nature walking/hiking trails throughout the park. Total project cost estimate is 500,000-750,000.

### **East Central Park (Sports Complex)**

The proposed East Central Park would be part of a planned unit development located south of Fairview Avenue between STH 76 and Oakwood Avenue and is planned as a scenic overview of the Town. The proposed park would be a 'sports complex' type park. The long term planned amenities for the park would include baseball diamonds and soccer fields. These facilities would be dependent upon obtaining cooperative agreements between the Town of Clayton and area athletic organizations and other park users. The Town would also consider amenities for older children or teenagers in the future at this site. Development of tennis courts would also be considered in the future.

### **Other Park Improvements**

The Green Space Committee is working of a future dog park to be located at Trailhead Park. Other future park improvements include pavilion replacement at Trailhead Park, adding a pickle ball court, replacing playground equipment in Town parks.

**Table 4-1**

#### **Existing and Future Park Classifications**

<b>Park</b>	<b>Planned Acreage</b>	<b>Acres to be Acquired by Town</b>	<b>Classification</b>
<i>Existing</i>			
Clayton Park	23	0	Community Park
Southeast Park	12	0	Neighborhood Park
Trailhead Park	7	0	Neighborhood Park
<i>Future</i>			
Noffke Park	12	0	Community Park
East Central Park	40	0	Sports Complex
	94	0	

## Service Level Standards and Deficiencies/Growth Analysis

The share of the costs to new development versus existing development must be computed based on explicitly defined service level standards. Service level standards are not dictated by State Statute but must be identified by the municipality imposing impact fees. If new facilities are needed in part to provide the desired service level standards to existing development, then a portion of the total capital costs may need to be allocated to meet an existing deficiency when determining the amount of total capital costs that are eligible to be recovered through the imposition of an impact fee.

Parks, recreation areas, and trails are classified into several specific groups in order to apply a Level of Service standard. A Level of Service (LOS) standard is a ration expressed as acres/1,000 population which represents the minimum amount of ground space needed to meet real recreational demands of the citizens of the community. Table 4-2 provides park and open space classifications from the National Recreation and Park Association (NRPA). Note that the last column in the table indicates if a LOS can be applied. Standards are not available for trails and are therefore not included within this needs assessment.

**Table 4-2**  
**Park and Open Space Classifications**

Classification	General Description	Location Criteria	Size Criteria	Application of LOS
Mini-Park	Used to address limited, isolated or unique recreational needs	Less than a ¼ mile distance in residential setting	Between 2500 sq. ft. and one acre in size	Yes
Neighborhood Park	Neighborhood park remains the basic unit of the park system and serves as the recreational and social focus of the neighborhood. Focus is on informal active and passive recreation	¼ to ½ mile distance and non-interrupted by nonresidential roads and other physical barriers	5 acres is considered minimum size, 5 to 10 acres is optimal.	Yes
School-Park	Depending on circumstances, combining parks with school sites can fulfill the space requirements for other classes of parks, such as neighborhood, community, sports complex and special use.	Determined by location of school district property.	Variable-depends on function	Yes but should not count school only uses
Community Park	Serves broader purpose than neighborhood park. Focus is on meeting community based recreation needs as well as preserving unique landscapes and open spaces	Determined by the quality and suitability of the site. Usually serves two or more neighborhoods and ½ to 3 mile distance	As needed to accommodate desired uses usually between 30 and 50 acres	Yes
Large Urban Park	Large urban parks serve a broader purpose than community parks and are used when community and neighborhood parks are not adequate to serve the needs of the community. Focus is on meeting community based recreational needs as well as preserving unique landscapes and open spaces	Determined by the quality and suitability of the site. Usually serves the entire community	As needed to accommodate desired uses. Usually a minimum of 50 acres, with 75 or more acres being optimal.	Yes
Natural Resource Area	Lands set aside for preservation of significant natural resources, remnant landscapes, open space and visual aesthetics/buffering	Resource availability and opportunity	Variable	No

Greenways	Effectively tie park system components together to form a continuous park environment	Resource availability and opportunity	Variable	No
Sports Complex	Consolidates heavily programmed athletic fields and associated facilities to larger and fewer strategically located throughout the community.	Strategically located community-wide facilities	Determined by projected demand. Usually a minimum of 25 acres with 40 to 80 acres being optimal.	Yes
Special Use	Covers a broad range of parks and recreation facilities oriented toward single-purpose use.	Variable-dependent on specific use	Variable	Depends on type of use
Private Property	Parks and Recreation facilities that are privately owned yet contribute to the public park and recreation system.	Variable-dependent on specific use	Variable	Depends on type of use

Source: *Park, Recreation, Open Space and Greenway Guidelines*, National Recreation and Park Association.



**Table 4-3**  
**Existing Level of Service Standards and Park Deficiencies, 2020**

Park Type	Existing Acreage	NRPA Standard (Acres/1,000 pop.)	Existing Level of Service (acrea/1,000 pop.)	2020 Population	Desired Standard	Current 2020 Need	2020 Surplus (Deficiency)
Community Park	23	5 - 8	5.49	4,193	8.0	33.54	(10.54)
Neighborhood Park	19	1 - 2	4.53	4,193	2.0	8.39	10.61
Total	42		10.02		10.0	41.93	0.07

**Table 4-4**  
**Existing Level of Service Standards and Park Deficiencies, 2040**

Park Type	Existing Acreage	NRPA Standard (Acres/1,000 pop.)	Future Level of Service (acrea/1,000 pop.)	2040 Population	Desired Standard	Current 2040 Need	2040 Surplus (Deficiency)
Community Park	23	5 - 8	4.05	5,685	8.0	45.48	(22.48)
Neighborhood Park	19	1 - 2	3.34	5,685	2.0	11.37	7.63
Total	42		7.39		10.0	56.85	(14.85)

Note: Existing park deficiencies cannot be paid with impact fees. Therefore the deficiencies noted in Table 4-3 are not included in calculations to determine the impact fee.

## V. ALLOCATION OF COSTS

### Capital Costs

Per Wisconsin Statute 66.0617 Impact Fees, “Capital costs” means the capital costs to construct, expand or improve public facilities, including the cost of land. “Capital costs” does not include other noncapital costs to construct, expand or improve public facilities, vehicles, or costs of equipment to construct, expand or improve public facilities.

The following table represents estimated future capital costs for park and recreation expansions or improvements in the Town of Clayton. The table illustrates the total estimated costs in the left column and costs eligible to be applied to the impact fee in the right column. Only the costs in the right column will be used to calculate the actual impact fee for the town. Note, per Wisconsin Statute not more than 10 % of capital costs may consist of legal, engineering and design costs unless the municipality can demonstrate that its legal, engineering and design costs which relate directly to the public improvement for which the impact fees were imposed exceed 10 % of capital costs.

**Table 5-1**

	<b>Total Estimated Costs</b>	<b>Impact Fee Applied Costs</b>
<b>Clayton Park (Community Park)</b>		
3 Sets of Bleachers	\$ 15,900	\$ 15,900
Playground Equipment	\$ 59,000	\$ 59,000
Fencing/3 Ball Diamonds	\$ 45,000	\$ 45,000
<b>Subtotal</b>	<b>\$119,900</b>	<b>\$119,900</b>
Planning, Design, Engineering, Legal	\$ 11,990	\$ 11,990
<b>Total</b>	<b>\$119,990</b>	<b>\$119,990</b>
	<b>Total Estimated Costs</b>	<b>Impact Fee Applied Costs</b>
<b>Noffke Park (Community Park)</b>		
Stormwater Pond	\$300,000	\$300,000
Parking Lot	\$250,000	\$250,000
<b>Subtotal</b>	<b>\$550,000</b>	<b>\$550,000</b>
Planning, Design, Engineering, Legal	\$ 55,000	\$ 55,000
<b>Total</b>	<b>\$605,000</b>	<b>\$605,000</b>

	Total Estimated Costs	Impact Fee Applied Costs
<b>Trailhead Park (Neighborhood Park)</b>		
Dog Park	\$ 30,000	\$ 30,000
New Pavilion	\$ 30,000	\$ 30,000
Lighting	\$ 10,000	\$ 10,000
Road Improvements	\$ 50,000	\$ 50,000
Playground Equipment	\$ 64,000	\$ 64,000
<b>Subtotal</b>	<b>\$184,000</b>	<b>\$184,000</b>
Planning, Design, Engineering, Legal	\$ 18,400	\$ 18,400
<b>Total</b>	<b>\$202,400</b>	<b>\$202,400</b>

Community Park Improvements TOTAL	\$724,900
Community Park Improvements – Cost Per Acre	\$74,900

Neighborhood Park Improvements TOTAL	\$202,400
Neighborhood Park Improvements – Cost Per Acre	\$20,240

<b>Total Planned Capital Costs</b>	<b>\$927,300</b>
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Source: Town of Clayton 1-5 and 6-10 year Capital Improvement Plans.

## Park and Recreation Impact Fee

Based on the park facility improvement capital cost estimates as presented Table 5-1, Table 5-2 and Table 5-3 detail the park and recreation impact fee calculations.

**Table 5-2**

### Community Park Improvement Cost Calculation

Description	Value
A1 2040 Additional Housing Units	1,000
A2 2040 Additional Commercial/Industrial Square Feet	10,003,959
B 2040 Additional Community Park Acreage Needs	22.48
C 2020 Existing Community Park Acreage Deficiency	10.54
D 2040 Community Park Improvement Needs Attributable to New Development (B-C)	11.94
E Community Park Improvement Costs per acre (estimate)	\$74,900
F Community Park Improvement Costs Attributable to New Development (DxE)	\$894,306
G1 Community Park Improvements Proportion Attributable to Residential (Table 3-4)	46.8%
G2 Community Park Improvements Proportion Attributable to Commercial/Indus. (Table 3-4)	53.2%
H1 Community Park Improvement Cost per Residential Housing Unit $((G1 * F) / A1)$	\$418.54
H2 Community Park Improvement Cost per Commercial/Indus. Square Foot $((G2 * F) / A2)$	\$0.048

**Table 5-3**

### Neighborhood Park Improvement Cost Calculation

Description	Value
A1 2040 Additional Housing Units	1,000
A2 2040 Additional Commercial/Industrial Square Feet	10,003,959
B 2040 Additional Neighborhood Park Acreage Needs	7.63
C 2020 Existing Neighborhood Park Acreage Deficiency	0.00
D 2040 Neighborhood Park Improvement Needs Attributable to New Development (B-C)	7.63
E Neighborhood Park Improvement Costs per acre (estimate)	\$20,240
F Neighborhood Park Improvement Costs Attributable to New Development (DxE)	\$154,431
G1 Neighborhood Park Improvements Proportion Attributable to Residential (Table 3-4)	46.8%
G2 Neighborhood Park Improvements Proportion Attributable to Commercial/Indus. (Table 3-4)	53.2%
H1 Neighborhood Park Improvement Cost per Residential Housing Unit $((G1 * F) / A1)$	\$ 72.27
H2 Neighborhood Park Improvement Cost per Commercial Square Foot $((G2 * F) / A2)$	\$0.008

The total impact fee to be applied to new residential housing units is therefore calculated to be **\$491**. This would be the fee charged to new single family and two family residential developments in the Town of Clayton. Should multi-family development occur in the town, three or more units per structure, then half of the total impact fee shall be applied to each unit within the multi-family structure. It is

considered equitable for a single family home and duplex to pay the same amount in impact fees because they generally have similar lot sizes. It is also therefore considered equitable that two multi-family units are proportionate to one single family or one duplex structure.

The total impact fee to be applied to new commercial/industrial is **\$0.056** per square foot.

### Fee Comparison to Similar Communities

Municipality	Parks Single family	Parks Multi-family
Town of Clayton -Ordinance (2006)	\$315	\$158/unit
Town of Clayton - current	\$321	
Town of Grand Chute	\$400	\$200/unit
Village of Fox Crossing	\$412	\$823/unit
Town of Vinland	-	-
Village of Harrison	\$1,078	\$999/unit
Town of Omro	-	-
Village of Greenville	\$682	\$682/unit
Town of Buchanan	\$600	\$300/unit
Town of Kaukauna	-	-
Village of Sherwood - proposed	\$2,887	\$1,443/unit, 1 bedroom \$2,165 /unit 2 bedroom \$2,887/unit 3 bedroom

## Effect of Impact Fees on Housing Affordability

The total impact fee for park and recreation is \$491 for each new residential unit in the town. The following table assesses the effect on this fee on housing affordability.

**Table 5-4**  
**Effect of Impact Fees on Housing Affordability**

	Calculations	Data Sources and Assumptions
Median Housing Value	\$ 262,400	2013-2017 ACS-Census Data from WDOA
Estimated Housing Mortgage	\$ 236,160	Assumes median housing value less 10% for down payment
<b>Annual Cost of Housing:</b>		
Annual Mortgage Payment	\$ 13,524	30 year mortgage at 4% interest
Estimate of Property Taxes	\$ 4,390	\$16.73/\$1,000 (2020 T.Clayton mill rate)
Estimate of Insurance	\$ 850	
<b>Total Annual Cost of Housing</b>	<b>\$ 18,764</b>	
Median Household Income (2019)	\$ 98,458.00	2019 WDOA
<b>Total Housing Cost as a % of Income</b>	<b>19%</b>	
<b>Impact Fee</b>	<b>\$ 491.00</b>	
Median Housing Value + Impact Fee	\$ 262,891.00	
Annual Mortgage Payment w/Impact Fee	\$ 13,557.72	
Annual Housing Cost with Taxes and Fees	\$ 18,797.67	
% Increase in Annual Costs	0.18%	
<b>Annual Housing Cost with Fees as % of Income</b>	<b>19.09%</b>	
<b>Increase in % of income for Housing</b>	<b>0.03%</b>	

The park and recreation impact fee will increase the percent of income for housing by an estimated amount of 0.03%. This is considered negligible and therefore the impact fee will not have an adverse effect on affordable housing in the Town of Clayton.

## VI. IMPLEMENTATION

The purpose of this study was to prepare a public facilities needs assessment and calculate an appropriate impact fee that recovers the proportionate share of the capital cost of expanding and improving park facilities in the Town of Clayton to serve new development. The report fulfills the public facilities needs assessment procedural requirement under Wisconsin Statutes §66.0617.

To determine the appropriate amount of the fees, the following analysis was performed.

- An inventory was conducted of the existing facilities in the Town, including an identification of any existing deficiencies in the quantity or quality of those public facilities.
- Forecasts were made regarding future conditions in the Town.
- New public facilities, or improvements or expansions of existing public facilities were identified.
- Service level standards to be provided by the planned facilities were determined.
- Costs estimated of the planned projects were allocated to the proportionate share of facilities that are needed to serve new development during the planning period.
- An estimate of the effect of the proposed impact fee on housing affordability.

### Enacting the Impact Fee Ordinance

Prior to amending a local ordinance to impose impact fees on new development, a municipality must comply with the following procedural requirements:

1. Prepare a needs assessment of the public facilities for which it is anticipated that impact fees may be imposed. The public facilities needs assessment shall include the following:
  - a. An inventory of existing public facilities, including identification of any existing deficiencies in those public facilities, for which it is anticipated that an impact fee may be imposed.
  - b. An identification of new, improved or expanded public facilities that will be required because of new development, or the identification of excess capacity in existing public facilities that are used by new development. This shall be based upon an explicit level of service and standards.
  - c. A detailed estimate of the capital costs of providing or constructing the new, improved or expanded public facilities including an estimate of the cumulative effect of all proposed and existing impact fees on the availability of affordable housing within the municipality.
2. Publish a Class 1 notice of a public hearing on the proposed ordinance that specifies where a copy of the proposed ordinance and public facilities needs assessment may be obtained.
3. Hold a public hearing to enacting or amending an ordinance to impose impact fees. The public facilities needs assessment must be available for public review for at least 20 days before the date of the hearing.

## **Imposition and Collection of Fees**

Impact fees may be imposed on persons developing land, where development is defined as the creation of additional residential dwelling units that create the need for new, expanded or improved public facilities. In other words, development can mean the construction of a new residential building or the expansion or remodeling of an existing building that results in a use that requires a higher demand for public services than the previous use.

The impact fees collected must be reduced to compensate for other capital costs imposed by the municipality to provide or pay for public facilities due to new land development. For example, if a developer is required to contribute land, facilities or other items of value to provide a facility that a municipality would otherwise fund with impact fees, then the impact fee charges to the developer must be reduced proportionately.

In general, impact fees may not be collected until a building permit is issued. However, 2017 Wisconsin Act 243 modified Wisconsin Statutes §66.0617(6) to require that if the total impact fees imposed on a development are more than \$75,000, the municipality must allow the developer to defer payment of the fees for four years or until 6 months before the municipality incurs costs to construct the facility for which the impact fees are imposed. While fees are deferred, the developer must maintain a bond or irrevocable letter of credit in the amount of the unpaid fees.

2017 Wisconsin Act 243 also created Wisconsin Statutes §66.0617(7) that requires a municipality to provide the developer that pays the impact fees with an accounting of how the impact fees will be spent.

## **Managing Impact Fees**

Impact fees must be placed into segregated accounts, meaning each type of fee has its own account. The impact fees and any interest earned on the account balance must be expended only for the facilities for which the fees have been imposed. Impact fees may be used to pay directly for project costs or may be used to pay for the debt service on bonds issued to finance a capital project.

In order to ensure that impact fees are not used to pay for more than the proportionate share of capital costs for facilities needed to serve new development, the public facilities needs assessment should be referenced when determining the amount of impact fee revenues to apply to funding for a specific facility. If a project is modified from what is detailed in the needs assessment, it may be necessary to review and update the needs assessment and impact fee ordinance.

Impact fees that are collected but are not used within a reasonable period after collection to pay for the capital costs for which they were imposed must be refunded to the payer of the fees. 2017 Wisconsin Act 243 amended the impact fee statute to change the time limits for spending impact fees. The current time limits require impact fees and accumulated interest earnings to be spent within 8 years of when the fees are collected for most public facilities, and 10 years for sanitary sewerage facilities. It also changed the refund requirement to have the refund made to the payer of the fees instead of the current property owner at the time of the refund.



It is recommended that the Town take the following steps to ensure that impact fees are expended within the statutory time limits and that the fees are properly applied to the project shown in the public facilities needs assessment:

- Maintain a spreadsheet or other list of the amounts collected, showing the date paid, tax key, property owner, number of units, fee per unit, and total amount paid for each type of fee.
- Maintain a spreadsheet showing the project costs funded through impact fees. At a minimum, it should show the year of the project, a brief description, total cost (including construction and legal, engineering, etc.), the amount financed from impact fees, the amount borrowed, a debt service schedule and the share of debt service to be paid from impact fees. Ideally, this spreadsheet would also be linked to a sheet showing the balance of impact fee funds by account, showing payments made from each impact fee fund for cash financing and debt service payments.