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2024 PARK IMPACT FEE UPDATE:

# Town of Buchanan, WI



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## SECTION 1 – BACKGROUND

### A. Purpose of Impact Fees

When land is developed for residential use, it creates a need for additional park land and park facilities. Impact fees are cash contributions, contributions of land or interests in land, or any other items of value that are imposed on a developer by a municipality for the purposes of providing new, expanded or improved public facilities to accommodate the land development. Historically, park development in the Town of Buchanan has been financed by a combination of property taxes, occasional state grants, and park impact fee.

### B. Summary of Existing Impact Fees & Legislative Authority

In 1995 the Wisconsin Statutes gave municipalities the authority to impose impact fees on developers to pay for the capital costs for construction, expansion, and improvement of facilities which will serve new development. 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. The imposition of impact fees should offset the cost of providing new facilities for future users and thereby reduce the burden of these costs on existing users.

In 2006, Wisconsin law changed. A municipality is no longer authorized to impose a park fee in its subdivision ordinance as a condition of subdivision plat approval. However, alternative authorizations exist under Section 66.0617 Wisconsin Statutes. This section authorizes a municipality to enact an impact fee ordinance and impose a fee on new development for the capital costs to construct, expand or improve public facilities, including the cost of land for, among other things, parks, playgrounds and athletic fields needed as a result of the new development (Section 66.0617(1)(a) and (f)). A needs assessment is required (Section 66.017(4)(a)). The first needs assessment and park and recreational (“park”) impact fee study were completed and implemented in 2009 at \$439.02 per new household. Currently the fee is \$700. In this case the Town is not creating new impact fees but rather updating the existing fees based on the most current population and land use growth estimates, and the most current capital project and cost information.



## SECTION 2 – NEEDS ASSESSMENT

Wisconsin Statute §66.0617 requires the public facilities needs assessment to include the following:

1. 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.
2. 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 be imposed. This identification shall be based on explicitly identified service areas and service standards.
3. 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 effect of recovering these capital costs through impact fees on the availability of affordable housing within the municipality.

This needs assessment complies with these requirements, as an update to the needs assessments that have previously been conducted for the impact fees that are currently in effect. In 2024, the Town completed a Comprehensive Outdoor Recreation Plan which provides much of the source data for this needs assessment.

### A. Population Trends

Population trends are shown in Table 1.



## Table 1 Historical Population Figures & Projections

*Town of Buchanan, WI*

Year	Historical and Projected Population Figures	Percent Change
2000 <sup>(1)</sup>	5,689	
2010 <sup>(1)</sup>	6,755	18.7%
2020 <sup>(1)</sup>	6,857	1.5%
2030 <sup>(2)</sup>	9,280	35.3%
2040 <sup>(2)</sup>	10,180	9.7%

**Notes:**

(1) Source: US Census Bureau

(2) Source: Town of Buchanan 2025 Comprehensive Outdoor Rec Plan for 2025-2029.

### B. Recreational Facilities Inventory

Currently, the Town has a total of five parks or park sites. Parks and park sites are shown in Table 2.

## Table 2 Existing Public Parkland Inventory

*Town of Buchanan, WI*

Park Name	Parkland as of 2025	
	Total Acreage	Type of Park
Hickory Park	5.02	Neighborhood Park
Springfield Park	2.00	Neighborhood Park
Town Hall Park	3.13	Neighborhood Park
Historic Bridge Park	0.41	Natural Area
Main Street Pond	6.89	Natural Area
<b>Total Park Acreage</b>	<b>17.45</b>	

**Notes:**

(1) Source: Town of Buchanan 2025 Comprehensive Outdoor Rec Plan for 2025-2029.



*Hickory Park* is a 5.02 acre park that was dedicated to the Town in 1995 as part of the Hickory Estates Subdivision. The park serves the 195 lot subdivision, as well as neighboring residential areas. The park is located between Briarwood Drive and State Park Road, just north of CTH KK. Planning period needs include:

- Develop a master plan for the park.
- Build inclusive, ADA accessible playground facilities for children of all abilities and ages.
- Build 1-2 additional smaller soccer fields to accommodate U6 and U8 youth soccer.
- Convert one tennis court to four pickleball courts.
- Update existing shelter or equip new shelter with electrical hookups and lighting to accommodate events.
- Extend paved trail along Briarwood Drive to create loop and connect parking areas.
- Extend bicycle and pedestrian access from the existing park trail to Block Road via paved trail or sidewalk.
- Update wayfinding signage for the park with park rules and hours.
- Plant additional trees and native vegetation to improve aesthetics and wildlife habitat.
- Complete an annual refresh of mulch/landscaping and schedule large maintenance projects routinely in the Town's CIP.

*Springfield Park* is a 2.0 acre park located on Springfield Drive near Just About Lane in the west central portion of the Town. The park was developed in 1997 with Town funds, and was recently significantly upgraded. The park has a new playground, parking lot, and sport courts. No planning period needs were identified in the 2024 CORP plan.

*Town Hall Park* is located on a 3.13 acre site adjacent to the Town Hall on CTH N. The facility shares parking with the Town Hall and is designed to utilize restrooms in the Town Hall during special park events. Small open play areas are situated in the northern and eastern portions of the park which have been used as non-regulation soccer facilities. A paved walkway provides access to the park from the neighborhood to the east. An unpaved trail also runs through the park. Planning period needs include:

- Develop a master plan for the park.



- Add rubberized playground surface under play facilities for ADA accessibility.
- Build a paved, ADA accessible trail through the park with connections to the future CTH N trail and Van Handel Road.
- Add clear, branded wayfinding signage for the park along CTH N with park rules and hours.
- Add lighting for security, safety, and flexibility of facility use.
- Plant native vegetation to improve aesthetics and wildlife habitat.
- Complete an annual refresh of mulch/landscaping and schedule large maintenance projects routinely in the Town's CIP.

*CTH GG Historic Bridge Area* is a site contains a small historic stone bridge. The site was originally planned for a small parking area and picnic area, but no improvements have been completed to date. The site is currently overgrown and not available for public use. The size of the site is 0.41 acres. No planning period needs were identified in the 2024 CORP plan.

*Main Street Pond* is a pond was completed by the Garners Creek Storm Water Utility. It is located just east of Main Street. An unpaved trail wraps around the pond. The size of the site is 6.89 acres. Planning period needs include add a small playground in the open area on the north end of the Main Street Pond Trail:

- Build inclusive, ADA accessible playground facilities for children of all abilities and ages.
- Build outdoor fitness stations near the playground and along the trail for adults.
- Identify a name for the park and trail.
- Add clear, branded wayfinding signage for the park and trail along Emons Road with park rules and hours.
- Complete an annual refresh of mulch/landscaping and schedule large maintenance projects routinely in the Town's CIP.

### C. Service Standard

The National Recreation and Park Association (NRPA) recommends a minimum of 12.6 acres of parks per 1,000 residents. Applying this minimum service standard to the 2020 Buchanan population of 6,857 would require a minimum of 86.4 acres of developed parks. With a projected population of 10,180 by 2040, the minimum acreage required would increase by 41.87 acres to 128.27 acres of developed parks. Currently there are 17.45 acres of parkland, of which approximately 10.15 acres are



developed for park use. Therefore, the Town will have a deficiency of 125 acres on average by 2040.

**Table 3**  
**2020 Service Level Standard and Deficiency/Growth Percentage for Parkland**

*Town of Buchanan, WI*

Park Type	Existing Acres	Current Service Level Acres/1,000 Population	2020 Population	Required Service Level Acres/1,000 Population	Required 2020 Existing Acres	2020 Surplus/(Deficiency)
Neighborhood Parks	10.15	1.48	6,857	12.60	86.40	(76.25)
Community Parks	0.00	0.00		12.60	86.40	(86.40)
Natural Area	7.30	1.07		12.60	86.40	(79.10)
Regional Parks	0.00	0.00		12.60	86.40	(86.40)
Special Use Facility	0.00	0.00		12.60	86.40	(86.40)
Linear Parks	0.00	0.00		12.60	86.40	(86.40)

2040 Population	2040 Acreage Need	2040 Surplus/(Deficiency)	Current %	Growth %
10,180	128.27	(118.12)	8%	92%
	128.27	(128.27)	0%	100%
	128.27	(120.97)	6%	94%
	128.27	(128.27)	0%	100%
	128.27	(128.27)	0%	100%
	128.27	(128.27)	0%	100%

**Notes:**

(1) Source: Town of Buchanan 2025 Comprehensive Outdoor Rec Plan for 2025-2029.

**D. Capital Costs of Park Development**

As the park inventory shows, the Town has enough acreage set aside to meet minimum acreage standards over the planning period but does not have enough developed and usable park acreage to meet minimum standards over the planning period. Capital costs to further develop parks and park sites are shown in Table 4. Project descriptions are provided in Section 2B of this report. The total capital costs are \$2,660,800.

**Table 4**  
**Planned Improvements & Estimated Capital Costs**

*Town of Buchanan, WI*

Improvement	Capital Cost Estimate <sup>1</sup>
Town Hall Park	\$174,500
Hickory Park	\$472,100
Main Street Pond Park	\$314,200
Springfield Park	\$25,000
Future Park Acquisition	\$1,500,000
Town-wide Park and Trail Wayfinding Signage	\$175,000
<b>TOTAL</b>	<b>\$2,660,800</b>

**Notes:**

(1) Source: Town of Buchanan 2025 Comprehensive Outdoor Rec Plan for 2025-2029.



## SECTION 3 – PARK IMPACT FEE

### A. Standards for Impact Fees

Impact fees must meet seven standards, outlined in Wis. Stat. § 66.0617(6), prior to imposition:

1. Shall bear a rational relationship to the need for new, expanded or improved public facilities that are required to serve land development.
2. 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.
3. Shall be based upon actual capital costs or reasonable estimates of capital costs for new, expanded, or improved public facilities.
4. 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.
5. 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.
6. May not include amounts necessary to address existing deficiencies in public facilities.
7. 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.

This update is completed to ensure that the impact fees that are currently in effect continue to comply with these standards.

### B. Establishment of Fees

With a current population of 6,857 and projected 10,180 population by 2040. This means a population growth of 3,323 over the planning period. Growth will constitute 48 percent of total population. We have allocating capital costs between deficiency and growth based on the project specific outcome (new park versus improvements). With the cost of improvements and development of new parks required because of growth is estimated at \$773 per capita, a park fee should be established for new dwellings by dwelling size. Table 5 identifies the calculation of allocating costs between existing users and growth.

Table 6 compares the proposed rates to existing rates. We also recommend the Town look at applying these fees to multifamily developments and have included a calculation to determine this fee structure.



### Table 5 Park Impact Fee Calculation

*Town of Buchanan, WI*

Facility	Cost	Existing %	Existing Cost	Growth %	Growth Cost
Town Hall Park	\$174,500	8%	\$13,808	92%	\$160,692
Hickory Park	\$472,100	8%	\$37,358	92%	\$434,742
Main Street Pond Park	\$314,200	8%	\$24,863	92%	\$289,337
Springfield Park	\$25,000	8%	\$1,978	92%	\$23,022
Future Park Acquisition	\$1,500,000	0%	\$0	100%	\$1,500,000
Town-wide Park and Trail Wayfinding Signage	\$175,000	8%	\$13,848	92%	\$161,152
<b>Total</b>	<b>\$2,660,800</b>		<b>\$91,855</b>		<b>\$2,568,945</b>
2020-2040 Population Growth (10,180-6,857)					3,323
Impact Fee Per Capita					\$773
<b>Recommended Impact Fee Schedule</b>					
Single Family					\$773
Two-family <sup>2</sup>					\$1,546
Unit/Multi-family <sup>3</sup>					\$387

**Notes:**

- (1) Current Population % of Projected 2025 Population.
- (2) Assumes 2.00 persons per household.
- (3) Assumes 0.50 persons per household.

### Table 6 Summary of Proposed Impact Fees

*Town of Buchanan, WI*

Impact Fee	Existing Fee <sup>1</sup>	Proposed Fee	Change
<b>Park Impact Fee</b>			
Single Family	\$700	\$773	\$73
Two-family <sup>2</sup>	\$1,400	\$1,546	\$146
Unit/Multi-family <sup>3</sup>	\$350	\$387	\$37

**Notes:**

- (1) Source: Town of Buchanan 2024 Fee Schedule.

### C. Affordability Analysis

The effect of a park and recreation fee of \$773 per capita on housing affordability is analyzed in Table 7 below:



## Table 7 Impact on Housing Affordability

*Town of Buchanan, WI*

Median Home Value	\$365,000	
<b><u>Amount Financed</u><sup>1</sup></b>		
No Impact Fee	\$328,500	
Existing Impact Fees	\$328,850	
Proposed Impact Fees	\$328,887	
<b><u>Monthly Mortgage Payments</u><sup>2</sup></b>		
		<b><u>Additional Monthly Cost</u></b>
No Impact Fee	\$2,347	\$0
Existing Impact Fees	\$2,408	\$61
Proposed Impact Fees	\$2,414	\$67

**Notes:**

1. The amount financed represents total cost of home less a 10% down payment.
2. Monthly mortgage payments include escrowing property tax payment and homeowners insurance. Assumes 30 year mortgage @ 6.9%.

An impact fee imposed on each new dwelling will have a *de minimis* effect on the affordability of housing. At \$365,000 per unit, the fee would increase the estimated \$365,000 median housing cost by less than one percent. The fee would increase annual housing payments for a median value home by less than ½ of one percent. Nevertheless, the Town Board should have the discretionary authority to reduce, in whole or part, impact fees for moderate income housing (80 percent or less of median value) or for lots in a conservation subdivision which provides, by design, open space opportunities for the owners.

### D. Time Period for Expending Impact Fees and Managing Revenues

Wis. Stat. § 66.0617 states the following time periods for which impact fee revenues must be used or refunded to the current property owner with interest. Generally, impact fees must be spent within eight years from the time of collection.



Impact fees must be placed in a separate segregated account. The municipality should have a separate account for each impact fee. The impact fees and any interest accrued on the impact fees must be used for the facilities for which the impact fees were imposed.

### **SECTION 4 – IMPLEMENTATION**

To implement the proposed impact fees the Town will need to:

1. Amend the existing impact fee ordinance to include the proposed impact fees.
2. Have the impact fee study on file in the office of the Clerk and available 20 days prior to the public hearing to allow the public time to review the document.
3. Prepare a Class 1 hearing notice and publish it in the Town newspaper.
4. Conduct a public hearing on the proposed impact fees.
5. After the conclusion of the public hearing the Town Board may adopt the proposed impact fees.

It is also recommended that the Town continue to review its impact fees on a 5-year cycle, or as new information becomes available that would affect the fee calculations.