

City Council members embrace developer fees for parks

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When freshman City Council member Shiva Bidar-Sielaff was thumbing through her first city budget weeks ago, she noticed several pages devoted to the city's impact fee accounts and had the same question many outside city government would have: What the heck is an impact fee?

The fees, which come from developers whose projects provoke the need for expensive additions to city infrastructure, have been available to city governments for more than a decade, but have only recently been detailed in the budget for City Council members to weigh in on their use. In the past, city agencies like the Parks Division and utilities would plan for them but provide few details to council members about the fees were or what they could be used for.

"I thought it was really interesting that it was something that had been there forever, but there hadn't been much knowledge or information about it until last year," Bidar-Sielaff says. "It was an 'a-ha' moment for me."

For several council members, including Bidar-Sielaff, the fee accounts have provided a crucial way to promote improvements in their districts in 2010 without incurring city debt or pushing the property tax levy higher during a difficult budget year. Although the budget council members passed on Nov. 11 had a 4.1 percent tax levy increase -- about average -- they were working with \$3.7 million less in revenue.

With that backdrop, amendments to the budget seeking an additional \$160,000 use of impact fees, sparked some debate over whether the projects they were going to fund were most worthy of using the fees, which are limited and will likely take longer to replenish as the pace of development slows throughout the city in the tough economy.

For Bidar-Sielaff, using \$25,000 of the fees for improvements to Olive Jones Park was a no-brainer. For one, the park is one of only two in her district on the near-west side of town, and with half of the area paved over -- it's regularly used to park cars during UW football games -- the land is more "parking" than "park land" Additionally, the \$25,000 city commitment will serve as leverage for up to \$100,000 in donations from the surrounding neighborhood and the parent-teacher organization for Franklin and Randall Elementary schools. Although it is a city park, Olive Jones also serves as the official playground for Randall.

For \$125,000, the park will see its aging playground equipment improved, made accessible for the disabled and modified to serve not only the third- to fifth-grade students at the school, but also younger neighborhood children. Money will also go toward converting some of the massive parking lot to green space, balancing the need for a more park-like setting with the benefits of the significant funds the school raises each football season.

"This was a win-win situation because I had been thinking about doing something for Olive Jones anyway," Bidar-Sielaff says. "It sends the message that it is a city park, the city is going to invest in its own park, but it also gives the neighborhood the opportunity to do fundraising."

COUNCIL MEMBERS' ADDITIONS to the city's \$4 million list of impact-fee projects have not been without criticism, though. Ald. Jed Sanborn pointed to a "lack of process" for the impact fees, questioning the importance of projects that did not make it into the mayor's executive budget. Sanborn unsuccessfully sought to remove the funds for Olive Jones Park as well as the Brittingham Boathouse and Reynolds Field from the budget after impact-fee amendments from Bidar-Sielaff, Ald. Mike Verveer and Ald. Bridget Maniaci succeeded at the city's finance committee.

City Comptroller Dean Brassler says in general, projects using impact fees have received little scrutiny by council members in the past because they usually go toward infrastructure for neighborhoods on the outskirts of the city that are still being developed. Typically, the city will borrow to put in needed infrastructure like sewers and streets, and then as a developer plats the neighborhood and sells lots, impact fees -- sometimes called the "Welcome Neighbor Tax" by developers -- will trickle in to help pay the city back. For example, more than \$3 million of the budgeted \$4.2 million in impact fee projects this year go toward the Sewer Utility for infrastructure.

Where most interest in impact fees has been generated, Brassler says, is in the area of parks. Developers can either donate land for parks, or, for infill projects in already developed areas, pay a fee in lieu of donating land that can go toward park capital improvements. The funds are segregated into districts so that the developer only pays for improvements that the development's residents will likely use, but they also pay into another account for the development of larger regional parks like Elver Park or Warner Park for the city as a whole.

Bidar-Sielaff says she understands concerns raised by Sanborn that the impact fees can serve a bit too much like a "cookie jar" for council members' pet projects, but she emphasizes that the improvements she and her colleagues proposed are modest and already on the radar of city staff.

Parks Superintendent Kevin Briski confirms that, and adds that putting the amendments in this year's budget was council members' prerogative as legislators. What was unusual about the amendments, he says, is that both Olive Jones Park and the Brittingham Boathouse involved "neighborhood momentum" and partnerships to raise funding, a big plus for the division.

"As a parks superintendent, that's a great thing to have when you have your user and constituent base right there walking hand in hand with you," he told council members at a budget meeting in October.

ALD. PAUL SKIDMORE, a longtime park planner who has been a consultant for other cities, says he thinks it's important for impact fees to go toward improvements that can be used by the public. For instance, improvements to the Brittingham Boathouse may be a worthwhile project for the Parks Division itself, but if impact fees are to be used, the building should be open to the general public as well as the Camp Randall Rowing Club, a nonprofit community group that uses the facility on Monona Bay as its base.

Verveer says plans for the boathouse have yet to be finalized, but he would also like to see regular hours of operation for the landmark building, which is reportedly the oldest parks structure currently in use. Plans for improvements to the boathouse, particularly the addition of at least one unisex bathroom, have been needed for several years as the rowing club has increased its use of Lake Monona, making the city's current use of portable toilets untenable. Depending on how much money the rowing club can raise in 2010, the city will match up to \$60,000 in impact fees for the improvements.

Despite his enthusiasm for the fee accounts, Verveer says it is important to be conscientious of the limited funds available. Their balance will drop from \$2.8 million at the end of 2008 to less than \$1 million at the end of 2010 as development projects lag.

"Of course with the economy and the development slowing in the city, these funds aren't seeing tons of cash flowing into them, as they once did in their heyday, but we remain optimistic development will start rolling again and there will be additional funds available," Verveer says. "Given these tough times, it's certainly nice to have these funds available to us."