

CITY OF EDGERTON
CITY HALL COUNCIL CHAMBERS
12 ALBION STREET

SPECIAL JOINT COMMON COUNCIL
AND PLAN COMMISSION MEETING

Monday, October 24, 2022 at 6:30 p.m.

NOTICE: The meeting noticed above will also be live streamed on a Zoom platform: To view the meeting, please select the link to the meeting listed on the **calendar events** on the City website's home page at www.cityofedgerton.com. Due to occasional technical difficulties, citizen participation via Zoom may not be possible.

1. Call to order; Roll call
2. Confirmation of appropriate meeting notice posted on Friday, October 21, 2022.
3. PUBLIC HEARING:
 - A. Hear comments to gather public input on the request by JGP Land Development to amend the City of Edgerton Comprehensive Plan for a portion of the unplatted area south of Orchard Heights Subdivision from Institutional and Single Family residential to Multi-family residential. (parcel 6-26-1410)
 - B. Close the public hearing.
4. Plan Commission consider adoption of City of Edgerton Resolution 20-22: Recommending the amendment to the City of Edgerton Comprehensive Plan for a portion of the unplatted area south of Orchard Heights Subdivision.
5. Common Council consider introducing and approving the first reading of City of Edgerton Ordinance 22-07: Adopt an Amendment to the 2015 City of Edgerton Comprehensive Plan for the area known as the unplatted area south of the Orchard Heights Subdivision.
6. Adjourn.

Notice: If a person with a disability requires that the meeting be accessible or that materials at the meeting be in an accessible format, call the City Administrator's office at least 6 hours prior to the meeting to request adequate accommodations. Telephone: (608) 884-3341.

Proposal for Comprehensive Plan Amendment Orchard Heights

We would like to introduce ourselves and give a little background as to why we are requesting a revision to the City of Edgerton's Comprehensive Plan. My name is Kyle Carrier and I am a licensed Real Estate Associate Broker with Best Realty of Edgerton. I have been helping people in our community buy and sell real estate since 2010. Our real estate office has been open in Edgerton for over 30 years. I currently work with a Builder from Southern Wisconsin and a residential developer who both have been building and developing single and multi-family subdivisions for nearly 50 years. Together we have developed property and built single and multifamily homes in over 7 communities throughout southern Wisconsin. Now, we are hoping to bring this fantastic opportunity to develop the 62.129 acres of vacant land in Orchard Heights subdivision. In the following few paragraphs I will hope to show how this potential project can be a great step forward for the City of Edgerton and it's residents.

- 1. Rezone for single family and multi-family units helps lower the development cost and makes the project possible.** With this particular development, there is not enough demand to develop this entire subdivision with single family homes. With approximately 160(ish) single family homes that could be built the cost to develop each individual lot increases. By increasing the density and allowing for the development of multi-family units/lots this allows the development cost for the builder to decrease and make the entire project possible. According to a 2019 study, the sq foot cost of development for single family homes was roughly \$228 vs \$127 for multi-family development. The cost of developing 1 single family home on average was \$547,000 vs \$127,000 for 1 multi-family unit. Yes it would be extremely beneficial for this developer to put in all multi-family homes in this subdivision, but they understand the existing homes would be upset if we did this. They are hopeful that with this current proposal that it helps satisfy his needs to add multi-family units to make the project possible while still keeping the current residents happy with adding in a large amount of single family homes as well. This decreased cost to develop this property is what financially makes this project economically work for the developer.
- 2. Including the multi-family will help increase the city's tax base.** For every 3 lots of single family, you could build 2 lots of multi-family housing. If we look at 3 residential lots for example of a house worth \$300,000 we are increasing the city's tax base by roughly \$900,000. If multi-family units were to be built on those 3 lots instead, we could build two 4-unit buildings which would be approximately \$800,000 to \$1,000,000 a piece. Those 3 residential lots would instead increase the city's tax base by roughly \$1,600,000-\$2,000,000, which doubles what those lots could be used for in residential purposes. With rising property values, property taxes in the city are likely to rise with values. This development would hopefully generate enough tax revenue for the city of Edgerton to hopefully help reduce the mill rate for existing homes in the city. With the added multi-family homes in the proposal, the city's tax base will likely increase more than if the subdivision was all single family homes. Below are some figures which would estimate the tax revenue for the School District of Edgerton as well as the City of Edgerton.

Total Assessment for 135 Single Family Homes: \$37,263,240

Total Assessment for 104 Multi-Family Units: \$20,504,640

Estimated City of Edgerton Tax Revenue Per Year (once complete): \$353,049

Estimated School District Tax Revenue Per Year (once complete): \$437,737

These numbers are estimated based on estimated sales price per unit, based on 2021 average assessment ratio of 98.58% and 2021 mill rate of .02010968 and then the average share of tax bills going to the City of Edgerton and to the Edgerton School District. These estimates are also based on the current proposal to the city for development of 135 single family homes and 26 multi-family homes

- 3. Need for more rental housing with current rental shortage in our area.** As of 2019 approximately 31.4% of housing in the United States is multi-family housing. This type of housing fits the demand of the market. It is estimated that out of the households under the age of 35, approximately 46.6% own a single family home and the remaining 53.4% rent a multi-family home. Edgerton has a need for more multi-family development to help grow the population, tax base and school district. The multi-family development attracts critical segments of the workforce such as younger households earning modest incomes. With over half of the market looking for multi-family homes to rent, without any supply in the market, the City of Edgerton is losing out on potential new households moving into this area. Between 2005-2016 in the United States, 91% of all newly formed households were renters. In the United States, new construction of multi-family units in 2022 is projected to be near 300,000 units which is up nearly 50% from the average of 206,000 units per year since 2010. Other areas are increasing the construction of multi-family demand and this is a great opportunity for the City of Edgerton to grow with the trend of other cities. We believe this development would satisfy a majority of this demand and need in the City of Edgerton.
- 4. With the recent changes in home prices, ownership is unattainable for many.** With housing prices and interest rates continuing to rapidly increase, housing has become unattainable for many and have no other choice but to rent. With the average home sale in the City of Edgerton for 2022 being \$288,125, we are losing people to other cities because they simply cannot afford to live here. By increasing the multi-family housing we are opening the door for more people to move to our city that cannot afford to purchase a home. From 2019 to today, the average sold price of a residential home in Edgerton is up over 47.1%. From 2015 to today, the average sold price of a residential home in Edgerton is up over 107.7%. In order to keep the population growing with home prices multi-family housing in Edgerton will help those who cannot afford to buy a home move to the Edgerton area. With Madison rents and home prices growing even more than what we have seen in Edgerton, the number of people looking to move outside the large cities is growing and we believe will only continue to grow. This is important for the City of Edgerton to capitalize on this shift in the market to help the city's population growth.
- 5. An expanding housing supply often both indicates and allows for an expanding economy.** Multifamily housing is the most efficient way to increase the supply of housing, which is necessary to accommodate employment and household growth. A lack of housing supply will either prevent growth or lead to the displacement of existing households.

- 6. Single-family homeowners are concerned about property values for single-family homes and the viability of public schools.** According to a 2019 study of multi-family development, property values for single family homes are not hurt, any in many cases are actually boosted, by the development of multi-family homes. The concern about stress on the school system is premised on the assumption that multi-family units will add a significant amount of school-age children into the school system while not providing much higher tax revenues. Residents of multi-family housing usually have fewer children and the benefit for the city's fiscal health is positive when considering the increase in tax revenue. A 2019 study showed that per 100 new single family homes, typically 61 school age children were added into the school system. With multi-family units, typically 22 school age children were added for every 100 new units of multi-family housing. Also by developing more land in the City of Edgerton, the available land for development decreases which in turn should only help land and home values in the future. If there's less supply of vacant land in the market, the remaining undeveloped lots in the city would likely become more valuable helping to uphold housing prices in the future.
- 7. Housing in Edgerton is needed.** New housing development within the City of Edgerton is needed. From 2016-2019 on average 109 houses would sell per year in the City of Edgerton. That number from 2020-2021 was an average of 87.5 homes per year. The supply of homes has been drastically reduced but the demand is still there. There is unfulfilled demand for housing in the City of Edgerton and this is the opportunity to capture that demand. In January of 2009 for example the United States average for months of housing supply currently listed was 12.2 months of supply. To start off in 2022 the average for months of housing supply was 5.2. Supply is down and demand is up and this development has the potential to satisfy both of those problems.
- 8. Zoning change should not change traffic much from what is already planned in the city's comprehensive plan.** With the approximate 7 acres that are already planned for Institutional use (ie. Churches, schools, municipal buildings, special care facilities, community centers, etc, the traffic patters should not change much, if at all. The residents tend to leave the home for work in the morning and return home after work. While certain time periods may seem busier, the overall added traffic should be less or comparable to what is already planned with any of the institutional buildings. We feel that by changing the zoning to allow for multi-family rather than institutional use, the difference in traffic would be minimal or possible even less traffic that previously planned for.
- 9. Alignment with the City of Edgerton's 2015 Comprehensive Plan.** The City of Edgerton had their comprehensive plan adopted in December of 2015. According to this, Traditional Neighborhood Design (TND) considers an appropriate mix of housing when there is 70% single family and the remaining 30% for multi-family housing. If this development is approved, we would be looking at a mix of approximately 64.4% single family and 35.6% multi-family. While the multi-family percentage is slightly higher, we would argue that is due to the change in housing prices, the trends of rental demand, the change in interest rates, etc. As previously mentioned, since this comprehensive plan was adopted, the average sale price of a home in Edgerton has increased over 100%. With a change like that a slight adjustment in the mix of single family and multi-

family is needed to account for the number of people that can no longer afford to buy a home. Detailed in the City's Comprehensive Plan as well as detailed development plan policies. In there it states "The City encourages the utilization of traditional neighborhood design concepts as new neighborhoods are platted and developed. Traditional neighborhoods typically include a full range of housing types (single family, duplex, multi-family, townhouse)..." With the Orchard Heights Subdivision consisting of all single family residences, we feel that to build at the standard that the City of Edgerton specifies in their comprehensive plan, there needs to be multi-family included in this subdivision. Finally, in 2004 the City's Smart Growth Steering Committee discussed growth scenarios for proposed growth over the next 20-40 years (which we are nearing today). During this open house type event, the committee asked participants in the city to choose which growth plan they preferred and the majority residents selected Alternative Growth Scenario #3 which showed "Edgerton with expanded residential development, mostly in the form of Planned Neighborhood areas, which consist of a planned mix of single family, multi-family..." Participants were asked to give input on what aspects of the scenario they liked and one item listed was "Continued residential development of mixed single family and multi-family." With this proposal we are aligning the plans for the subdivision with what the City of Edgerton termed as a part of the growth of this city.

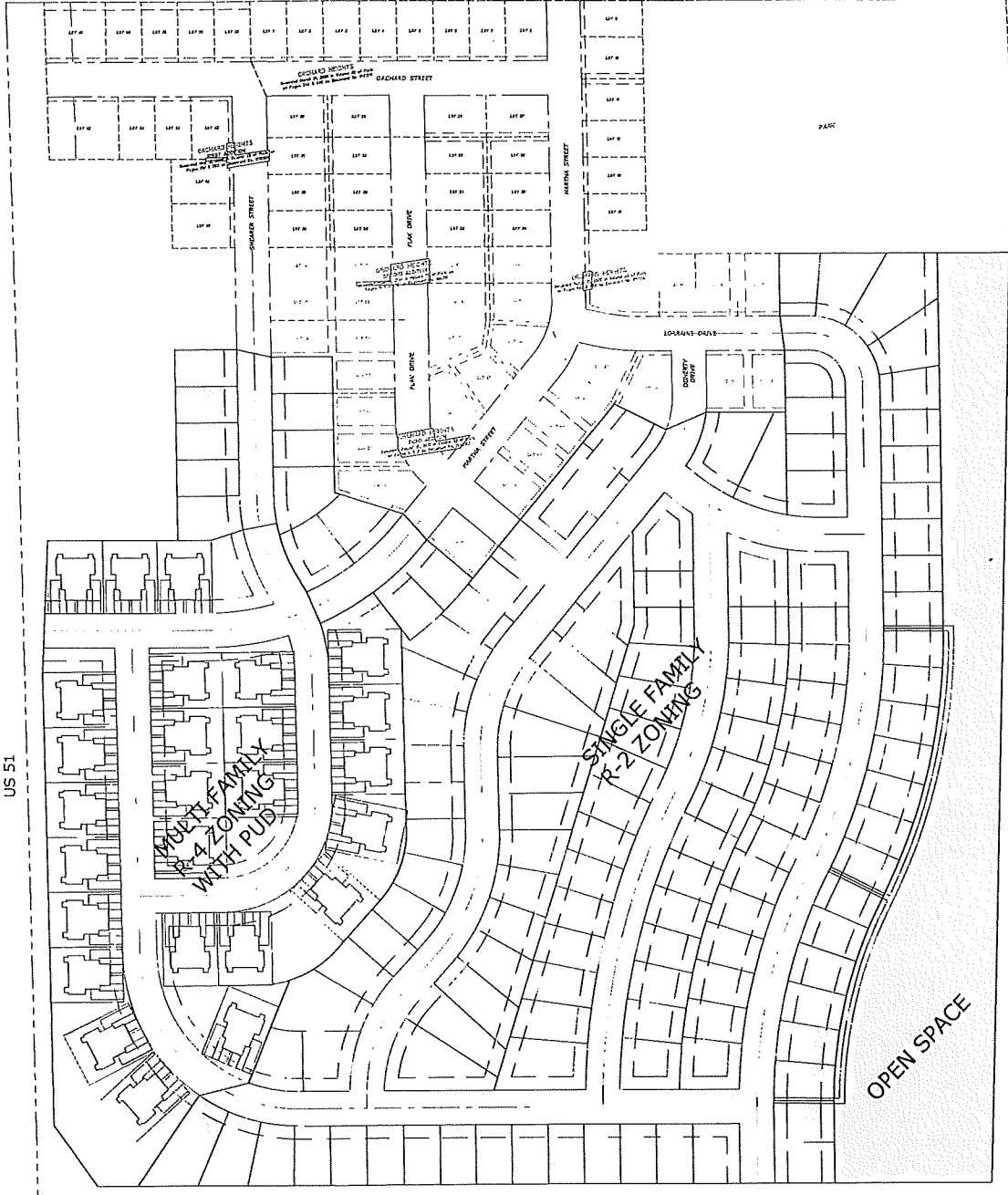
In conclusion, we would like to reiterate the demand for rentals and no supply in the Edgerton community. While it is easy for the City's elected officials to state what they feel is best or works in a particular area of their community, it really can only come to fruition with a developer/builder willing to go forward once knowing all costs they will incur to develop. It is great to have a comprehensive plan, but when that plan is outdated, or does not fit with the ever changing markets, it could cause stagnation of no development and further financial strain to our city, our schools, and our businesses who need more consumers shopping in Edgerton in order to keep our doors open. We truly believe that with this type of development we can satisfy many of the market demands for home buyers/renters as well as helping to improve the city, local businesses, schools and more. We want to thank you for taking the time to read our revision suggestions and truly appreciate your time and consideration.

COMPREHENSIVE PLAN AMMENDMENT:
ORCHARD HEIGHTS

ARC DESIGN
RESOURCES INC.

2751 EDITH PARKWAY
LOS ANGELES, CA 90011
VOICE: (310) 441-2200
FAX: (310) 441-4322

www.arcresources.com
Doc# C042775-0004-001-00101334



US 51



TO: Edgerton Plan Commission

FROM: Ramona Flanigan

MEETING DATE: October 24, 2022

REQUEST

Proposed amendment to Comprehensive Plan for a portion of the unplatted area south of Orchard Heights Subdivision: The petitioner has requested the City amend the Comprehensive Plan to change the land use designation for approximately 14 of the 62 acres of the unplatted area south of the Orchard Heights Subdivision from Institutional and Single Family to Multi-family residential.

The current Comprehensive Plan recommends a 7-acre parcel be developed as an Institutional land use. The petitioner requests this 7 acres, plus approximately 7 additional acres, be changed to multi-family residential. (See map)

STAFF DISCUSSION

The Comprehensive Plan recommends the development of this area. Below is an excerpt from the Comprehensive Plan listing the land use objectives and policies regarding housing and neighborhood development. The highlighted sections are most relevant to the proposed request.

2015 City of Edgerton Comprehensive Plan

HOUSING AND NEIGHBORHOOD DEVELOPMENT GOALS, OBJECTIVES, AND POLICIES

Goal: Provide for moderate residential growth with a variety of housing types, densities, arrangements, and costs to promote a good living environment for all residents.

Objectives:

- a. Support programs that maintain or rehabilitate the City's existing housing stock.
- b. Carefully control neighborhood development through the detailed neighborhood design process to provide a range of housing types, densities, and costs, but which also maintain the predominantly single family character of the community.
- c. Support infill and redevelopment practices in the strategic areas identified by this Plan to help diversify the community's housing supply.
- d. Create attractive and safe neighborhoods that are well-served by essential municipal services and facilities (sanitary sewer, municipal water, stormwater management facilities, police, fire, etc.).
- e. Phase new residential development in a manner consistent with public facility and service capacity and community expectations.
- f. Locate housing in areas that are served by full urban services, including sanitary sewers and public water within convenient access to community facilities, employment centers and transportation routes.

- g. Provide a range of housing types, costs, and locations in the City that meets the needs of persons of all income levels, age groups, and those with special needs.

Policies:

- a. Work with service providers to expand low-income housing options in the City, including Section 8 vouchers. Work with housing advocates and developers during the detailed neighborhood design process, to market the availability of land for the development or redevelopment of low-income and moderate-income housing.
- b. Promote affordable housing through smaller lot sizes, revisiting certain public improvement requirements (e.g., street widths), appropriately planned and located attached and multi-family housing, and continued participation in county and State housing programs.
- c. Design neighborhoods through the detailed neighborhood design process that are oriented towards pedestrians and well-served by sidewalks, bicycle routes, and other non-motorized transportation facilities.
- d. Guide new housing to areas within the City with convenient access to commercial and recreational facilities, transportation systems, schools, shopping, jobs, and other necessary facilities and services.
- e. Use detailed neighborhood development plans to tie the opening of new areas for neighborhood development with the capacity of utilities and public facilities to accommodate such development.
- f. Continue and enact programs to require all proposed residential developments to dedicate land, or pay a fee in lieu thereof, for public park, recreation, and open space acquisition and development.
- g. Require that the development of new neighborhoods comply with the City's historic housing mix. In general, not less than 70 percent of all new housing units in any new neighborhood should be single family detached homes.
- h. Plan for multi-family developments in parts of the City where streets and sidewalks can handle increased amounts of traffic; there are adequate parks, open spaces, shopping, and civic facilities existing or planned nearby; and the utility system and schools in the area have sufficient capacity. Disperse such developments in smaller projects throughout the City, rather than larger projects in isolated areas.
- i. Design new neighborhoods to encourage resident interaction and create a sense of place. Design techniques include an interconnected street network; complete sidewalk networks, accessible and visible parks, trails, and other gathering places; houses oriented to the street and not dominated by garages; modest street pavement widths and street trees; stormwater management systems integrated into the neighborhood design concept; and proximity to shopping and services to meet day-to-day needs.
- j. Encourage initiatives that strengthen existing neighborhoods through maintenance of the housing stock, creative reuse of vacant or under-utilized buildings, infill development, and maintenance and improvement of parks.

Additional Background Information:

Ratio of Single Family to Multi-family units: As stated above, the adopted goal regarding the ratio of single family to multi-family is: *In general, not less than 70 percent of all new housing units in any new neighborhood should be single family detached homes.* When considering the entire Orchard Heights Neighborhood, the petitioner's proposed layout plan would produce a neighborhood that is 66.5% single family and 33.5% multi-family. Until the final plat is presented, the actual number of lots and their layout is unknown. Based on a preliminary review, staff

expects more open space will have to be provided for stormwater control and for access to the proposed open space and existing parkland. If that is the case, that would likely result in a reduction of single family units given their location relative to the proposed open space.

Schools Impact: In an effort to evaluate the impact of a development on schools due to the request to increase the number of housing units, staff obtained the following information.

- Superintendent Pauli: When asked if the addition of 175 single family or 135 single family and 104 multi-family would be of concern to the school district, he replied, *“Enrollment has stayed relatively flat overall. I think the applied lab data is very accurate. As a result, I don't have concerns about the growth and demand on facilities at this time.”*
- Planning consultant Mark Roffers of MD Roffers Consulting, who advises many school districts, provided the following information about the addition of students to schools based on the type of residential development:

“Typically, a new single-family home can generate between 0.5 and 0.8 students-per-home over its first 10 or so years, with the highest ratios in suburban areas close to Madison, Milwaukee, and other bigger cities. However, anywhere from 1/4 to 1/2 of those are movers from other parts of the same school district, so this fraction is not new students to the district (an important, often-overlooked fact). The nearest district in which we calculated the actual ratio was Janesville, at 0.5 K-12 students-per-single family home, with nearly 1/2 of those coming from another home in the Janesville district.

In contrast, each new duplex or townhome unit typically generates between 0.1 and 0.3 students-per-unit, with rare exceptions. These exceptions occur where the units are designed to be affordable to and size for low- and moderate-income families. In such cases, student ratios per unit can be as high as those for single-family homes.

Finally, just looking at student generation from new housing units is missing most of the picture for how enrollment changes in a school district. You also need to look at demographic changes in all the existing housing in the district; in most cases, these will generate fewer students tomorrow than they do today based on factors like declining birth rates and poorer match to modern family preferences.”

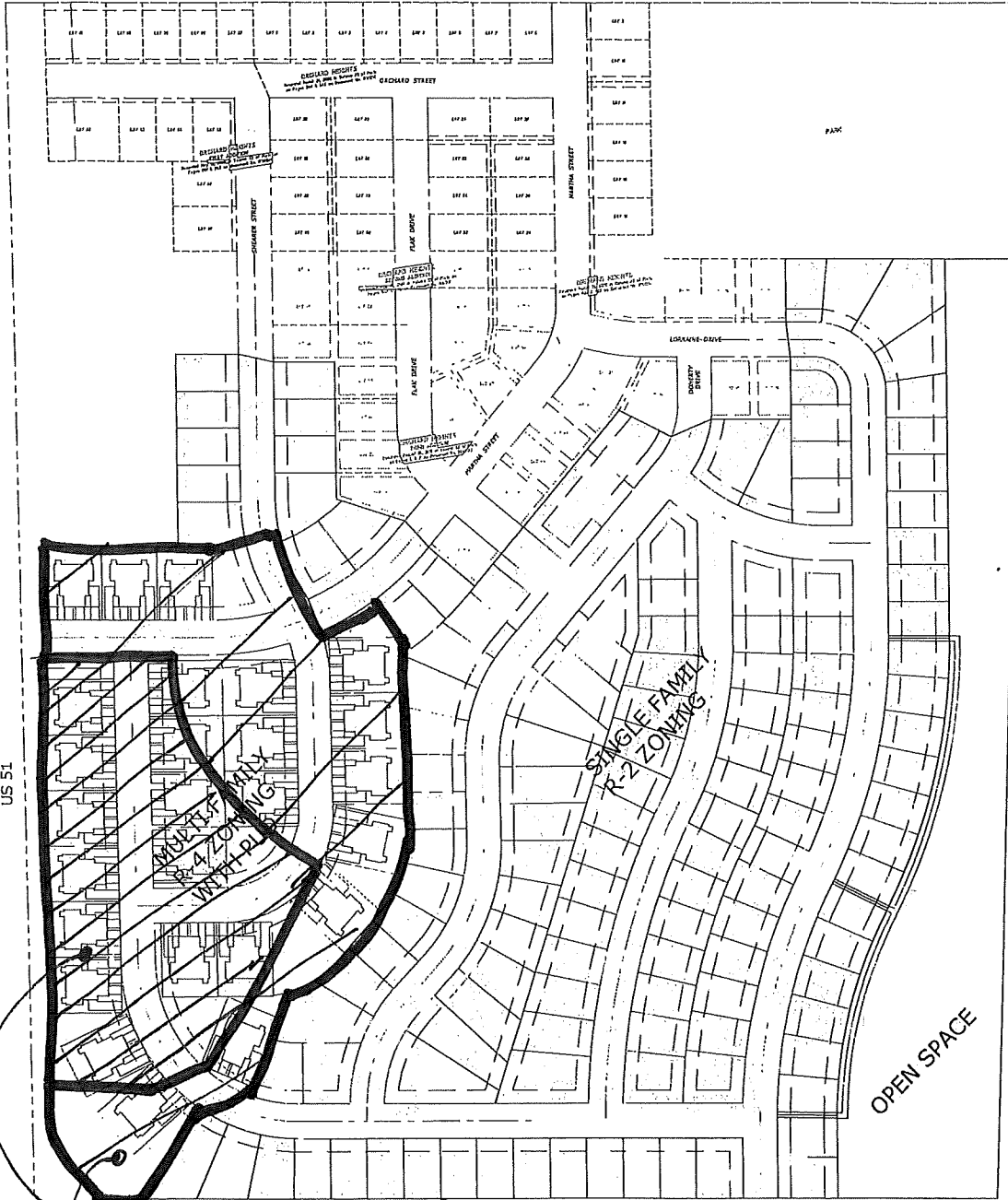
Zoning:

If the Comprehensive Plan amendment were approved, the land owner would then seek to rezone the multi-family portion of the property. The rezoning process would be the subject of a future public hearing. The attached map indicates that the petitioner plans to seek R-4 Residential District zoning classification and would also ask for approval as a Planned Development for the multi-family area. This map is included **for information only**. The zoning amendment will not be considered or discussed at the October 24, 2022 meeting.

STAFF RECOMMENDATION:

Staff recommends the Plan Commission recommend approval of an amendment to the Comprehensive Plan that provides for no more than 10 acres of multi-family development in the area generally proposed in the petition, for the unplatted area south of the Orchard Heights Subdivision. The provision of some multi-family development provides for a more complete neighborhood than a strictly single family neighborhood and is supported by the goals and objectives of the Comprehensive Plan.

**COMPREHENSIVE PLAN AMMENDMENT:
ORCHARD HEIGHTS**



US 51

Area planned for Institutional
2015 comprehensive Plan

Proposed multi-family area



PLAN COMMISSION RESOLUTION 20-22
RECOMMENDING THE AMENDMENT TO THE COMPREHENSIVE PLAN
FOR THE AREA KNOWN AS A PORTION OF THE UNPLATTED AREA SOUTH OF THE
ORCHARD HEIGHTS SUBDIVISION FOR THE CITY OF EDGERTON, WISCONSIN

WHEREAS, section 66.1001(4), Wisconsin Statutes, establishes the required procedure for a local government to amend a comprehensive plan; and

WHEREAS, the City of Edgerton Plan Commission has the authority to recommend that the City Council adopt or amend a comprehensive plan under section 66.1001 (4) (b); and

WHEREAS, the City has prepared documentation for the amendment to the *City of Edgerton Comprehensive Plan* in accordance with Chapter 10(c) of the *2015 City of Edgerton Comprehensive Plan*.

NOW, THEREFORE, BE IT RESOLVED that the Plan Commission of the City of Edgerton hereby recommends that the City Council adopt an ordinance to constitute approval of the attached amendment to the *City of Edgerton Comprehensive Plan* for a portion of the area known as the unplatted area south of Orchard Heights Subdivision, incorporating any changes recommended as part of the Commission's motion.

Motion by:

Seconded by:

Roll Call: Yeas: Noes:

Dated: October 24, 2022

Christopher W. Lund, Mayor

ATTEST:

Wendy Loveland, City Clerk

1

ORDINANCE NO. 22-07
AN ORDINANCE TO ADOPT AN AMENDMENT TO THE
2015 CITY OF EDGERTON COMPREHENSIVE PLAN
FOR THE AREA KNOWN AS A PORTION OF THE UNPLATTED AREA SOUTH OF
ORCHARD HEIGHTS SUBDIVISION
OF THE CITY OF EDGERTON, WISCONSIN

Aldersperson _____ introduced the following Ordinance and moved its adoption:

The City Council of the City of Edgerton, Wisconsin, does ordain as follows:

SECTION 1. Pursuant to sections 62.23(2) and (3) and 66.1001 of Wisconsin Statutes, the City of Edgerton is authorized to prepare, adopt, and amend a comprehensive plan as defined in sections 66.1001(1)(a) and 66.1001(2) of Wisconsin Statutes.

SECTION 2. The City of Edgerton has prepared documentation entitled, "Amendment to the City of Edgerton Comprehensive Plan," which will serve to amend the "City of Edgerton Comprehensive Plan" adopted in 2015.

SECTION 3. The City Council of the City of Edgerton has adopted and followed the written procedures outlined in the 2015 City of Edgerton Comprehensive Plan that are designed to foster public participation in the comprehensive plan amendment process as required by section 66.1001(4)(a) of Wisconsin Statutes.

SECTION 4. The Plan Commission of the City of Edgerton, by a majority vote of the entire Commission recorded in its official minutes, has adopted a resolution recommending to the City Council the adoption of the amendment to the "City of Edgerton Comprehensive Plan for the Area Known as a Portion of the Unplatted Area South of the Orchard Heights Subdivision".

SECTION 5. The City of Edgerton has held one public hearing on this ordinance, in compliance with the requirements of section 66.1001(4)(d) of Wisconsin Statutes and provided other opportunities for public involvement per its adopted public participation procedures.

SECTION 6: The City Council of the City of Edgerton, Wisconsin, does, by enactment of this ordinance, formally adopt the document entitled, "Amendment City of Edgerton Comprehensive Plan for the Area Known as a Portion of the Unplatted Area South of the Orchard Heights Subdivision" pursuant to section 66.1001(4)(c) of Wisconsin Statutes.

SECTION 7. This ordinance shall take effect upon passage by a majority vote of the members-elect of the City Council and publication/posting as required by law.

This Ordinance shall be in full force and effect after its passage and publication.

Seconded by Aldersperson _____

Roll Call: Ayes Noes

1st Reading:

Christopher Lund, Mayor

2nd Reading:

Adopted:

Published:

Dated:

Wendy Loveland, City Clerk

STATE OF WISCONSIN)

)ss.

COUNTY OF ROCK)

I, Wendy Loveland, City Clerk, City of Edgerton, Rock and Dane Counties, Wisconsin, do hereby certify that the foregoing is a true and correct copy of the ordinance adopted by the Common Council of the City of Edgerton at its regular meeting the ____ day of _____, 2022.

Wendy Loveland, City Clerk

