

Housing Narrative: Village of Cottage Grove

Most expensive development fees in Dane County

#10 out of 16
in Development Fee Cost

The Village of Cottage Grove ranks 10th out of 16 in overall development fees that were examined in MABA's fee study.

Permit starts have relatively been on the rise since 2019. Indicating that Cottage Grove is a good environment for development.

Based on the Dane County Regional Housing Strategy Cottage Grove needs to build 83 new single family housing units per year in order to keep up with the demand.

Cottage Grove (V)

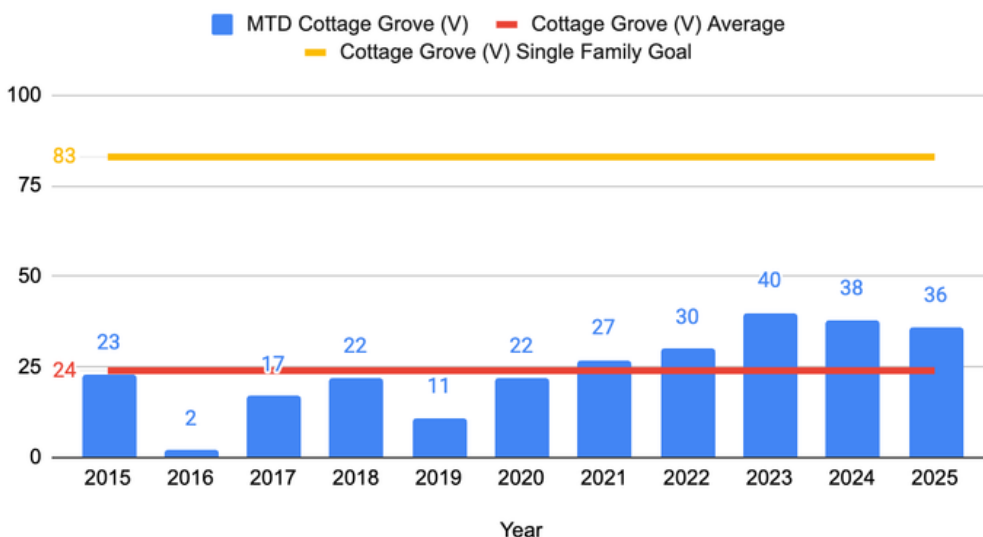


Table 1: Annual Single-Family Permit Starts and Regional Housing Strategy Targets

Chad Lawler Executive Director
clawler@maba.org

**Income Needed
to Afford New Home**
\$172,601

National Association of Home Builders

Cottage Grove Mill Rate
0.007821216

Dane County Treasury Department

**Cottage Grove Mill Rate
Rank**

15 of 15

Dane County Treasury Department

**Cottage Grove Parcel
Numbers**

2862

Dane County Treasury Department

Municipal Fee Rank



Overall

10 of 16



Impact

11 of 16



Planning

10 of 16



Building

6 of 16



Engineer

7 of 16

* Fee Rankings (1-16 with 16 being highest cost and, 1 being lowest)

**Annual New Single Family
Housing Units Needed:**

83

Annual Unit Starts (Avg.):

24

**Housing Progress Report
Goal Not Met:**

Missing 47

Housing Units In 2025

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Possible Solution

The Village of Cottage Grove should continue to maintain relatively low to average development fees, and any consideration to increase these fees would be counterproductive to creating an affordable housing environment.

Additionally, the comprehensive plan should increase the amount of land available for development. Approval of additional lots and growth in permits would provide a more robust and long-term economic impact that increases a net new construction tax base.

Educational Resources

- **Housing Supply Accelerator** - <https://www.nahb.org/-/media/NAHB/advocacy/docs/state-and-local/housing-accelerator-playbook.pdf>
 - The Housing Supply Accelerator (HSA) Playbook is for local elected officials and community planners working to boost diverse, attainable, and equitable housing supply in communities nationwide.
- **Creating Housing for All Brochure** - <https://www.nahb.org/-/media/NAHB/advocacy/docs/top-priorities/housing-affordability/nahb-attainable-housing-brochure-2019.pdf?rev=ad31433c972b451d80254c1cb8ca334d>
 - Quick overview of solutions for housing
- **Land Development Checklist** - <https://www.nahb.org/-/media/NAHB/advocacy/docs/industry-issues/land-use-101/orientation/land-development-checklist>
 - This checklist outlines the typical process developers should go through. This resource will help both developers and public officials better understand the many steps in the land development process, the timeline, likely costs, and required due diligence associated with residential development.
- **Development Process Efficiency: Cutting Through the Red Tape** - <https://www.nahb.org/-/media/NAHB/advocacy/docs/top-priorities/housing-affordability/development-process-efficiency.pdf>
 - This report focuses on the land development review and approval process, an arcane-sounding component of housing development, but one that impacts the cost of new housing at all price levels.
- **NAHB Impact Fee Primer** - <https://www.nahb.org/-/media/7AC7AA3E405D43C7A5C7D40B3760EB61.ashx>
 - Resource that breaks down what impact fees are, how they are typically calculated, the pros and cons to impact fees, and lists possible alternatives
- **NAHB Priced Out Portal** - <https://www.nahb.org/news-and-economics/housing-economics/housings-economic-impact/households-priced-out-by-higher-house-prices-and-interest-rates>
 - Increases in home prices, mortgage rates, and property taxes have a direct impact on housing affordability. These factors lead to many Americans being priced out of the housing market. NAHB's "priced-out" methodology calculates how many households would be affected by these changes.
- **DANE COUNTY REGIONAL HOUSING PRIORITIES, STRATEGIES AND ACTION ITEMS, 2024 - 2028** - <https://rhs.danecounty.gov/documents/pdf/DCRHS-SAPReport-FNL-web-STRATEGIC-ACTION-PLAN.pdf>
 - Regional Housing Strategy with 17 strategies on how to address housing crisis in Dane County
- **A Road Map to Solving Dane County's Housing Crisis: Strategic Action Plan 2024-2028** - <https://rhs.danecounty.gov/documents/pdf/FactSheets/RHS-FactSheet-v3FINAL.pdf>
 - RHS Quick Fact sheet expanding on housing crisis
- **RHS BEST PRACTICES RESIDENTIAL ZONING CODE** - <https://rhs.danecounty.gov/documents/pdf/Best-Practices-Residential-Zoning---11.5.25.pdf>
 - The Best Practices Residential Zoning Guide is a resource for Dane County communities to evaluate and identify regulatory barriers that limit housing supply and diversity, as well as regulations that increase the cost of housing.

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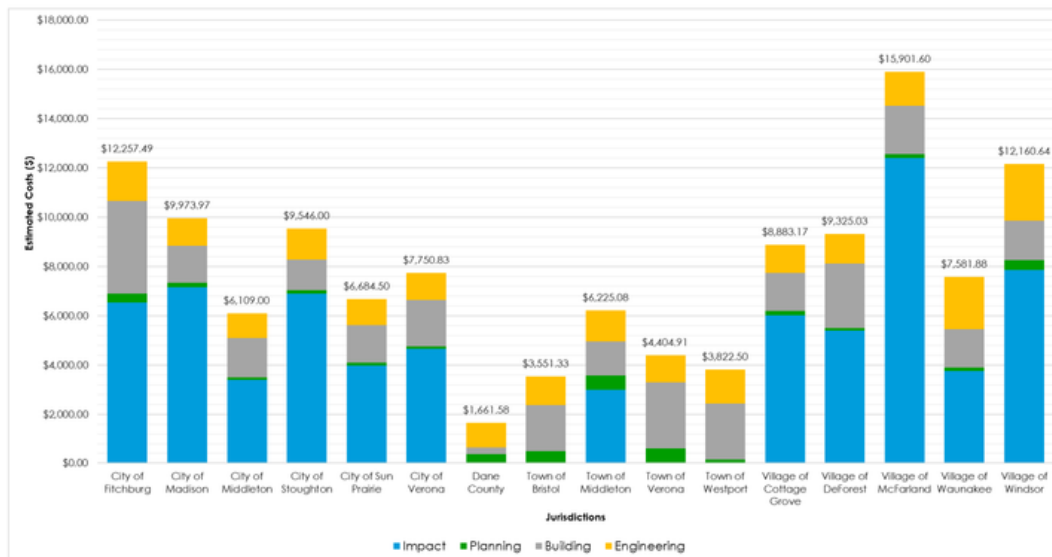


Table 2: Estimated Single-Family Development Fees

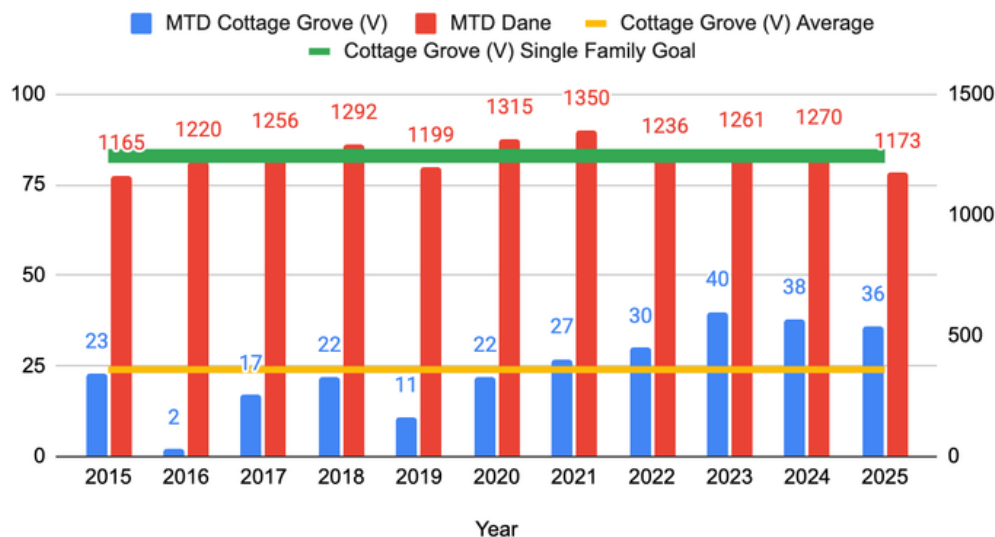


Table 3: Single-Family Permit Trends Compared to Dane County and Regional Housing Goals

Dane County Average
Home Price
\$556,556

MTD Marketing Services of Wisconsin

Cottage Grove Weighted
Avg. Mill Rate
0.025155861

Dane County Treasury Department

Estimated annual
property taxes
\$14,000.65

Verona New Average
Home Price
\$502,361

MTD Marketing Services of Wisconsin

Cottage Grove Weighted
Avg. Mill Rate
0.025155861

Dane County Treasury Department

Estimated annual
property taxes
\$12,637.32

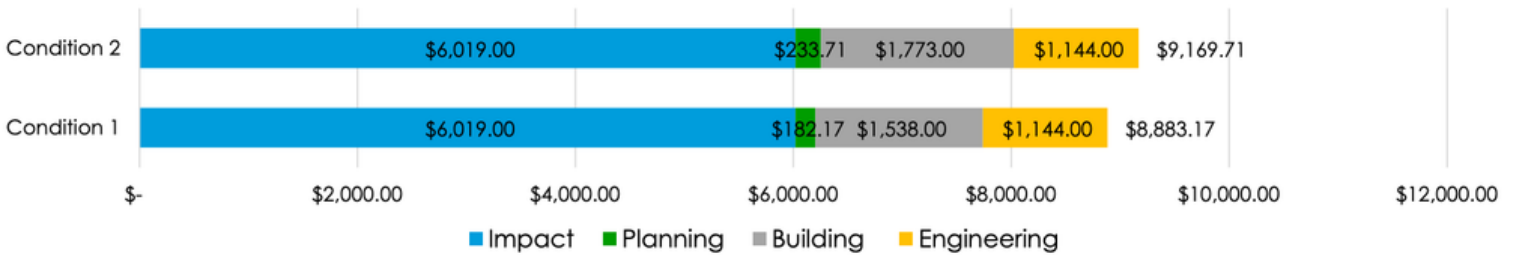


Housing Narrative:

Village of Cottage Grove

2.12 Village of Cottage Grove

Village of Cottage Grove Per-Home Fee Amounts



Village of Cottage Grove Housing Affordability Analysis	Below Average Median Income (AMI)		Average Median Income (AMI)	Above Average Median Income (AMI)		
	Workforce Housing Range					
	Owner-Occupied Housing Units					
Owner-Occupied Affordability	60% AMI	80% AMI	100% AMI	120% AMI	150% AMI	180% AMI
Village of Cottage Grove Median Income*	\$79,630	\$106,174	\$132,717	\$159,260	\$199,076	\$238,891
Median Single-Family Home Value**	\$485,000	\$485,000	\$485,000	\$485,000	\$485,000	\$485,000
Affordable Mortgage (2.5 x income)	\$199,076	\$265,434	\$331,793	\$398,151	\$497,689	\$597,227
Affordability Gap - Owner Occupied	-\$285,925	-\$219,566	-\$153,208	-\$86,849	\$12,689	\$112,227
	Renter-Occupied Housing Units					
Renter-Occupied Affordability	60% AMI	80% AMI	100% AMI	120% AMI	150% AMI	180% AMI
Village of Cottage Grove Median Income*	\$79,630	\$106,174	\$132,717	\$159,260	\$199,076	\$238,891
Median Annual Rent*** (\$1,500 x 12)	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
Affordable Rent (30% of income)	\$23,889	\$31,852	\$39,815	\$47,778	\$59,723	\$71,667
Affordability Gap - Renter Occupied	\$5,889	\$13,852	\$21,815	\$29,778	\$41,723	\$53,667

Sources: American Community Survey 2023 5-yr estimates, and Vierbicher.

* Median Income per 2023 ACS 5-yr estimates - [\\$1903 Median Income in Past 12 Months \(in 2023 Inflation-Adjusted Dollars\)](#)

** 2024 Median SF Sale Price Sold, per MLS as proxy for Median Single-Family Home Value. Sample Size: 75 single-family homes sold and 103 listed. Data collected by Vierbicher staff April 7, 2025.

*** Median Annual Rent from 2023 ACS 5-yr estimates - [DP04 Selected Housing Characteristics](#)

Median Sale Price vs. Total Estimated Fee Costs Per Home

	City of						Dane County*	Town of				Village of				
	Fitchburg	Madison	Middleton	Stoughton	Sun Prairie	Verona		Bristol	Middleton	Verona	Westport	Cottage Grove	DeForest	McFarland	Waunakee	Windsor
2024 Median Sale Price Sold	\$474,900.00	\$449,900.00	\$569,250.00	\$402,000.00	\$445,000.00	\$561,924.00	\$475,000.00	\$585,000.00	\$825,000.00	\$649,000.00	\$685,000.00	\$485,000.00	\$469,900.00	\$491,000.00	\$610,000.00	\$550,000.00
Total Fee Costs per 2,500 sq. ft. home (Condition 1 - 60 lots)	\$12,257.49	\$10,367.30	\$6,109.00	\$9,546.00	\$6,684.50	\$7,750.83	\$1,661.58	\$3,551.33	\$6,225.08	\$4,404.91	\$3,822.50	\$8,883.17	\$9,325.03	\$15,901.60	\$7,581.88	\$12,160.64
Fee Costs as percentage of 2024 Median Sale Price	2.58%	2.30%	1.07%	2.37%	1.50%	1.38%	0.35%	0.61%	0.75%	0.68%	0.56%	1.83%	1.98%	3.24%	1.24%	2.21%

Lowest value

Highest value

*Dane County contains numerous Towns and Townships' whose fees may vary and therefore have not been included. This lowers the reported Fee Costs for Dane County.



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Special Impact Fees:

FEES OF COTTAGE GROVE

SOURCE	FEE TYPES Investigated	Village of Cottage Grove 2024 Fees	Condition 1 (60 SF homes; 2500 sq ft)		Condition 2 (35 SF homes; 2500 sq ft)	
	Impact Fees	Duration/Per Unit	Cost per home	Cost for development	Cost per home	Cost for development
.cottagegrove.wi.gov/DocumentCenter/View/12345/Improvement-Fee-Schedule	Parkland (fee in lieu of land dedication)	\$ 3,431.00	\$3,431.00	\$205,860.00	\$3,431.00	\$205,860.00
	Park Improvement Fee (Single-Family Unit)	\$ 2,588.00	\$2,588.00	\$155,280.00	\$2,588.00	\$155,280.00
	Planning Fees					
.cottagegrove.wi.gov/DocumentCenter/View/12346/Planning-and-Zoning-Fee-Schedule-PDF	Conditional Use Permit (CUP)	\$360.00	\$0.00	\$0.00	\$0.00	\$0.00
	CUP escrow	\$250.00	\$0.00	\$0.00	\$0.00	\$0.00
.cottagegrove.wi.gov/DocumentCenter/View/12347/Planned-Survey-Map-Application-PDF	Certified Survey Maps (CSM)	\$110.00 + \$25.00/parcel created	\$0.00	\$0.00	\$0.00	\$0.00
	CSM escrow	\$ 250.00	\$0.00	\$0.00	\$0.00	\$0.00
	Preliminary Plat	\$360.00 + \$50.00/parcel	\$56.00	\$3,360.00	\$60.29	\$3,360.00
	Preliminary Plat Escrow	\$ 1,500.00	\$25.00	\$1,500.00	\$42.86	\$1,500.00
.cottagegrove.wi.gov/DocumentCenter/View/12348/Planning-and-Zoning-Fee-Schedule-PDF	Final Plat	\$360.00 + \$30.00/parcel	\$36.00	\$2,160.00	\$40.29	\$2,160.00
	Final Plat Escrow	\$ 1,500.00	\$25.00	\$1,500.00	\$42.86	\$1,500.00
	Zoning Map or Text Amendment (Rezoning)	\$ 360.00	\$6.00	\$360.00	\$10.29	\$360.00
	Rezoning Escrow	\$ 250.00	\$4.17	\$250.00	\$7.14	\$250.00
	Variance	\$ 360.00	\$0.00	\$0.00	\$0.00	\$0.00
	Variance Escrow	\$ 250.00	\$0.00	\$0.00	\$0.00	\$0.00
	Recording Fees (Register of Deeds)	\$ 30.00	\$30.00	\$1,800.00	\$30.00	\$1,800.00
	Subdivider to pay all legal/consulting fees incurred?	Yes	\$0.00	\$0.00	\$0.00	\$0.00
	Building Permit Fees					
	State Seal	\$ 40.00	\$40.00	\$2,400.00	\$40.00	\$2,400.00
	Building Permit	Min. \$885.00; \$0.32/sq. ft	\$885.00	\$53,100.00	\$1,120.00	\$70,560.00
.cottagegrove.wi.gov/DocumentCenter/View/12349/Building-Permit-Fee-Schedule	Electrical	\$ 173.00	\$173.00	\$10,380.00	\$173.00	\$10,380.00
	Plumbing	\$ 120.00	\$120.00	\$7,200.00	\$120.00	\$7,200.00
	HVAC	\$ 120.00	\$120.00	\$7,200.00	\$120.00	\$7,200.00
	Residential early start	\$ 200.00	\$200.00	\$12,000.00	\$200.00	\$12,000.00
	Engineering Fees					
	Staking	\$ 1,000.00	\$1,000.00	\$60,000.00	\$1,000.00	\$60,000.00
.cottagegrove.wi.gov/DocumentCenter/View/12350/Engineering-Fee-Schedule	New One & Two Family Erosion Control	\$ 144.00	\$144.00	\$8,640.00	\$144.00	\$8,640.00

Housing Narrative:

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Chapter 274 - Subdivision of Land

§ 274-63 Land dedication.

All subdividers and land dividers shall be required to dedicate land to the Village for park, school or other public uses, other than streets or drainageways, at a rate of .067 acre (2,919 square feet) per dwelling unit. Whenever a proposed playground, park or other public area, other than streets or drainageways, designated in the Comprehensive Master Plan, Comprehensive Outdoor Recreation Plan or Official Map of the Village of Cottage Grove is embraced, all or in part, in the tract of land to be divided, these lands shall be made part of the required land dedication. Parcels of a subdivision or land division to be zoned business, industrial or agricultural will not require land dedication except for the actual number of dwelling units planned.

1. Unknown number of dwelling units. Where the plat does not specify the number of dwelling units to be constructed, the land dedication shall be based upon the maximum number of units permitted by Chapter 325, Zoning. In the event that a planned unit development or zoning amendment is later approved that increases the number of units beyond that calculated at the time of platting, a fee in lieu of parkland dedication shall be paid for each of the additional units prior to issuance of a building permit at the rate that is current at the time of the building permit application, except in the case that excess parkland was dedicated at platting, in which case credit shall be granted at a rate of 0.067 acres per unit that may offset some or all of the fee in lieu of parkland development.
2. Deeded to the Village. Land dedicated for public purposes shall be deeded to the Village at the time the final plat is approved.
3. Access to dedicated land. All dedicated land shall have frontage on a public street and shall have unrestricted public access.
4. Utility extensions. The subdivider or land divider shall install or provide installation of water and sanitary sewer lines to the property line of all dedicated land.
5. Final grading and seeding. The subdivider or land divider shall provide final grading and reseedling to grass for all dedicated park land.

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Village of Cottage Grove

Chapter 274 - Subdivision of Land

§ 274-64 Reservation of additional land.

When public parks and sites for other public areas as shown on the Comprehensive Master Plan, Comprehensive Master Plan Component or Official Map lie within the proposed area for development and are greater in area than required by § 274-63 above, the owner shall reserve for acquisition by the Village, through purchase at undeveloped costs, the remaining greater public area for a period of two years from final plat or certified survey map approval unless extended by mutual agreement.

§ 274-65 Fees in lieu of land.

1. Where the dedication of land under the above provisions of § 274-63 would result in lands which would not be useful or appropriate to the Village as determined by the Village Board, the Village Board may stipulate to the owner some other equitable means for making a dedication or cash payment to the Village in lieu thereof. If the Village Board accepts a smaller land dedication than specified in § 274-63, the remainder will be accepted as fees in lieu of land dedication.
2. Where a fee is required to be paid in lieu of land dedication, the subdivider shall pay a fee for each planned dwelling unit set forth in the final plat or certified survey map in the amount specified in the Village Park Fee Schedule. With prior approval, the Village Board may accept improvements made by the developer to offset some or all of the fees in lieu of dedication.
3. A base fee will be set by the Village Board and recorded on the Village Park Fee Schedule. This fee will be adjusted annually as of January 1 each year by the Zoning Administrator utilizing the Consumer Price Index, Midwest, as prepared by the U.S. Bureau of Labor Statistics. In the event this data set is no longer available, the Zoning Administrator shall utilize the Consumer Price Index deemed most similar by the Zoning Administrator. The base fee may be reset at the discretion of the Village Board.
4. Fees paid to the Village under this requirement shall be used exclusively for the acquisition and/or development of public park and recreation facilities within the Village of Cottage Grove.

Chapter 274 - Subdivision of Land

§ 274-66 Dedication for planned unit developments.

1. All developers of projects in planned unit development districts may be required to dedicate land to the Village for park, school or other public uses, other than streets or drainageways, at the rate of .067 acre (2,918 square feet) per dwelling unit. Whenever a proposed playground, park or other public area, other than streets and drainageways, designated in the Comprehensive Master Plan or Outdoor Recreation Plan is embraced all or in part in the tract of land to be developed, these lands shall be made part of the required land dedication. Private recreation or open space in the PUD shall not be considered as a substitute for dedication of public parkland.
2. At its discretion, the Village Board may accept less land than required under Subsection A, and in such cases the developer shall pay a fee in lieu of parkland dedication as described in § 274-65.
3. While aspects of a planned unit development are intended to be negotiable, it is not the intent of this section that parkland dedication requirements, park improvement fees, or fees in lieu of parkland dedication as defined above shall be negotiable in a planned unit development.

§ 198-10 Exemptions.

1. The following situations shall be exempted from payment of the impact fee(s) outlined in § 198-9:
 - a. Alterations or expansions of an existing building where no additional or larger water meter connections are requested and where the use is not changed.
 - b. The replacement of a building or structure with a new building or structure of the same size and use where no additional or larger water and/or sewer connections are requested and where the use is not changed.
2. Any claim of exemption must be made no later than the time of application for connection to the Village's water system. Any claim not so made shall be deemed waived.

§ 198-11 Proportionate payments in lieu of dedication.

The Village Board may, in its discretion, accept lands dedicated for public purposes in lieu of the impact fees assessed pursuant to this chapter; provided, however, that in no event shall the fair market value of the land or lands accepted by the Village be less than the amount of the assessment which would otherwise be levied in accordance with the provisions of this chapter.