CONFERENCE PROGRAM

"Impact Fees and Infrastructure Finance: Back to Basics in a Changing World"

23nd Annual GIC Conference, October 18-20, 2017

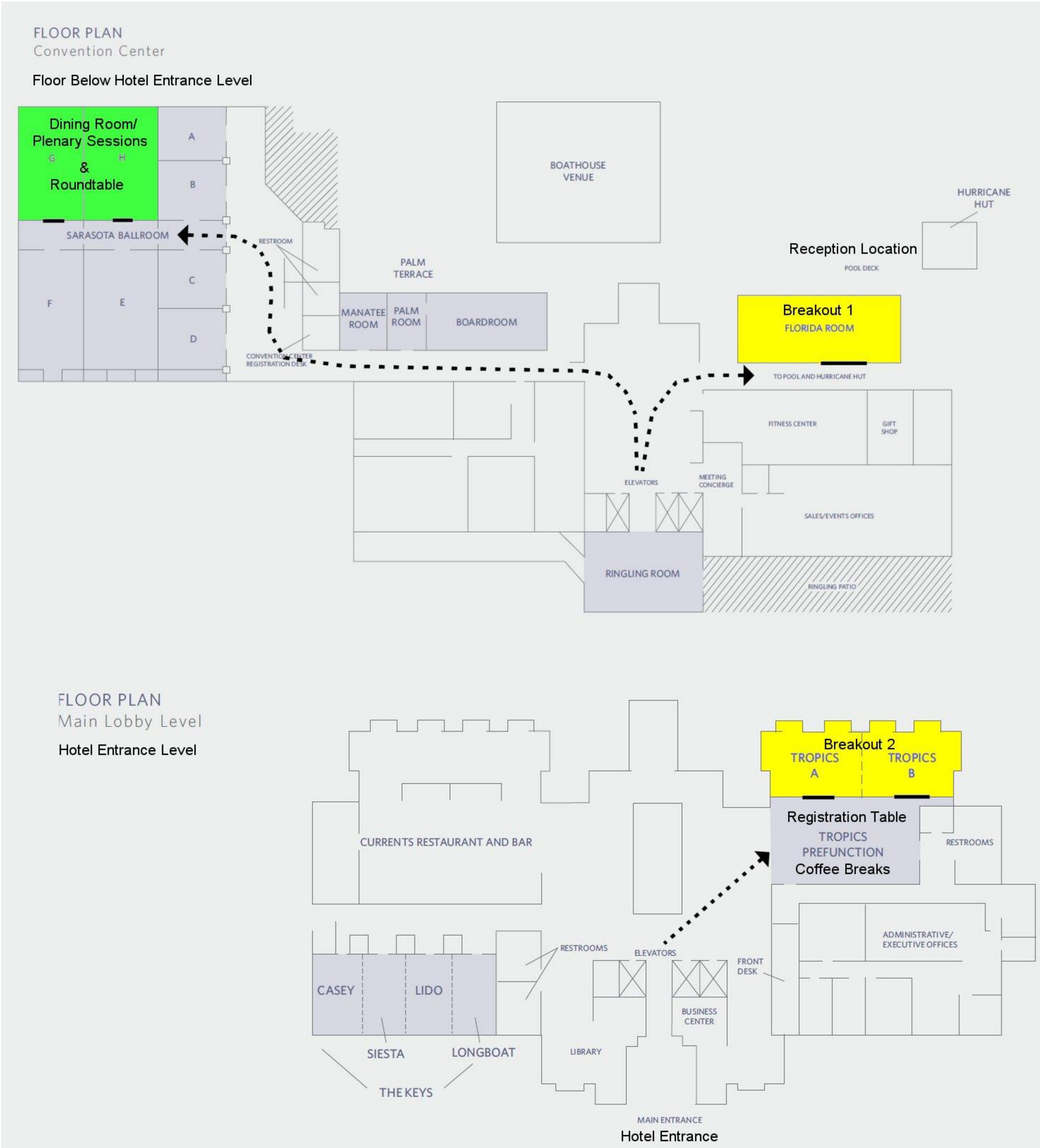
Hyatt Regency, 1000 Boulevard of the Arts, Sarasota, FL 34236

Day/Time	Breakout #1 Florida Room (lower level)	Breakout #2 Tropics Room (main level)
Wednesday, October 18		
5:00-7:00 pm	Registration (Tropics Room pre-function area on main lobby level)	
5:30-7:00 pm	Opening Reception	
Thursday, October 19		
8:00 am-4:00 pm	Registration (Tropics Room pre-function area on main level)	
7:30 - 8:00 am	Breakfast and Welcome	
8:00 - 9:15 am	Breakfast Plenary Session: Impact Fee Legal Principles	
9:30 – 10:45 am	Overview of Impact Fee Administration	Impact Fee Methodology: From Principles to Practice
10:45 – 11:00 pm	Coffee (Tropics Room pre-function area on main lobby level)	
11:00 - 12:15 am	Eligible Impact Fee Expenditures	Revenue Credits: Impact Fee Methodology's Grey Area
12:30 - 1:00 pm	Lunch	
1:00 - 2:15 pm	Lunch Plenary Session: Who Says Zoning Isn't Funny?/ Infrastructure Trumped	
2:30 - 3:45 pm	Managing Developer Credits	Ethics for Planners, Engineers and Lawyers
3:45 - 4:00 pm	Refreshments (Tropics Room prefunction area on main lobby level)	
4:00 - 5:15 pm	Transportation Models and Impact Fee Analysis	Impact Fee Administrators Roundtable (in Ballroom)
6:30 - 9:30 pm	Thursday Dinner (Off-Site, meet in hotel lobby)	
Friday, October 20		
All Morning	Registration (Tropics Room pre-function area on main lobby level)	
8:00 - 8:45 am	Breakfast and Annual Membership Meeting	
9:00 – 10:15 am	Merging Improvement Districts with Road Impact Fees	Creative Financing for Sewer Expansion: Charlotte Co.
10:30 - 11:45 pm	Impact Fee Reductions as Incentives: How do they Work?	Fiscal Impact: Blurring Lines between Analysis & Advocacy
Noon – 12:40 pm	Lunch and Conference Wrap-Up	
12:45 – 2:00 pm	Lunch Plenary: Two Wild Cards in Future Housing Demand: Millennials and Immigrants	
2:15 – 2:45 pm	Discussion of 2018 Conference and Future of GIC	
6:00 pm til ?	Walking Tour, Pub Crawl? (TBD)	

Breakout Rooms – Tropics Room (main level) Florida Room (lower level)	Dining Room – Sarasota Ballroom G/H (lower level)

Updated 8/14/2017

Hyatt Regency Sarasota Floor Plan



SESSION DESCRIPTIONS

THURSDAY, OCTOBER 19

Thursday, 8:00 - 9:15 am (Breakfast Plenary: Ballroom G/H)

Impact Fee Legal Principles

A panel of land use lawyers and an impact fee consultant will review the basic legal parameters and "guideposts" for impact fee calculations and implementation programs by presenting relevant cases – new and old. We will look at both prongs of the "dual rational nexus test" – demand and benefit – and cover such topics as level-of-service, existing deficiencies, revenue credits, developer credits, exemptions/waivers, and expenditures. We also will take on common questions like "Can our new fees be based on a higher LOS?" "Can we adopt fees at amounts lower than calculated?," "Can we waive fees for de minimis impacts?," and "How many service areas/benefit districts do we need to have?"

Speakers: Tyson Smith (White & Smith); Jim Nicholas and Jerry Murphy (U of FL); Susan Schoettle (Susan Schoettle-Gumm PLLC, Sarasota, FL)

Thursday, 9:30 – 10:45 am (Breakout 1: Florida Room)

Overview of Impact Fee Administration

This session provides an overview of issues involved in administering an impact fee system. Administrative issues cover a lot of topics, including the fee schedule itself (e.g., it's helpful to have the same land use categories for all the fees and detailed definitions of the land uses in the ordinance or administrative manual), classifying unusual land uses, alternative fee study guidelines, the fee collection process, accounting for the fees collected, programming expenditures on eligible improvements, negotiating credit agreements, etc. Impact fee managers and administrators are frequently required to make determinations on land uses, requests for redevelopment offsets and requests to conduct special and independent studies. Some impact fee programs have developed administrative manuals or detailed ordinances to provide guidance on making determinations. The determinations can often result in a significant difference in the amount of impact fees due by a building permit applicant. The simplicity or detail of the land uses established on an adopted impact fee schedule has a significant impact on the discretion of a manager or administrator in making land use decisions. Four current or former impact fee administrators from Florida share their experiences and the steps they take in making determinations that are not always straight forward.

Speaker: John Osborne (Manatee County, FL); Jonathan Paul (NUE Urban Concepts); Jason Utley (Sarasota County, FL); Jeff Hays (Alachua County, FL)

Thursday, 9:30 – 10:45 am (Breakout 2: Tropics Room)

Impact Fee Methodology: From Principles to Practice
A panel discussion with three impact fee consultants and an attorney attempt to draw the line from legal principles to methodologies actually used in impact fee studies. We will try to find some consensus on various issues, such as:

- What are the basic types of methodologies that comply with impact fee principles?
- Are "buy-in" fees fundamentally different from fees based on the existing LOS?
- Do all methodologies need to include an existing LOS analysis?
- How do you define the LOS? Does LOS have to be in terms of physical ratios, or can it simply be expressed in terms of per unit cost?
- How can you calculate an impact fee for a community that does not have an existing LOS (e.g., a jurisdiction planning on developing a wastewater treatment plant to replace septic tanks)?
- Can you base the fees on a future LOS after construction of a set of planned improvements without considering the existing LOS?

Speakers: Clancy Mullen (Duncan Associates), Carson Bise (TischlerBise); Bob Spencer (Urban Economics); Susan Schoettle (Susan Schoettle-Gumm PLLC, Sarasota, FL)

Thursday, 11:00 – 12:15 am (Breakout 1: Florida Room)

Eligible Impact Fee Expenditures
Three jurisdictions will share their experiences deciding what types of improvements are eligible for impact fee expenditures and credits. Topics to be discussed:

- Difficulties synchronizing infrastructure cost analysis with both fee expenditures and developer credits/reimbursements
- Proximity of improvements to development and appropriate service areas
- Infrastructure needs for redevelopment of existing neighborhoods
- Transit/multimodal investment and State/legal limitations
- Rational nexus for park fees on nonresidential development
- Mobility fees for multimodal transportation improvements in select corridors or sub-areas
- Appropriate fees for large, unique institutions like universities and sports academies

Speakers: Dwayne Guthrie (Manatee County, FL); Marshall Willis (Atlanta, GA); Charles Wu (Coral Gables, FL)

Thursday, 11:00 – 12:15 am (Breakout 2: Tropics Room)

Revenue Credits: Impact Fee Methodology's Grey Area
To avoid double-charging, impact fee should be reduced to account for future revenues that will be generated by new development and used to pay for the same types of Improvements. When such credits are required is perhaps the greyest area of impact fee methodology. There is a wide variety of viewpoints on this subject.

In this session, a panel of impact fee consultants and legal experts tries to come to a consensus on what is clearly required and why, and to shed some light on the many grey areas. Following are some of the unsettled questions about revenue credits. Are credits required for: outstanding debt on existing facilities, debt already incurred or planned to be incurred for future improvements, anticipated outside grant funding, local revenue streams dedicated for capacity improvements, nondedicated funding that has historically been used for capacity improvements or is planned to be so used in the future? Should such credits be limited to the amount that is directly attributable to new development, or to the total amount of such funding as a percent of the cost of improvements needed? When fees are reduced for certain developments by policy, should a revenue credit be calculated to account for new development's future contribution to the non-impact fee revenue source used to make up for the lost impact fee revenue?

Panelists: Clancy Mullen (Duncan Assoc., Austin, TX); Steve Tindale (Tindale Oliver, Tampa, FL); Jim Nicholas (U of FL, Gainesville); Jerry Murphy (U. of FL, Gainesville)

Thursday, 1:00 – 2:15 pm (Lunch Plenary: Ballroom G/H)

Who Says Planning and Zoning isn't Funny?/ Infrastructure Finance Trumped
Starting with a review of President Trump's zoning violations, the first presentation provides the highlights of the 2016 Zoning and Planning Law Report (ZiPLeR) Awards, now in their 22nd year. The awards this year include everything from zoning for Jell-O wrestling, to marijuana growing, to whacko place names, to a neighbor dispute, to a planning board gone wild, and to a turkey as a permitted emotional support animal. Somewhere in all this mayhem is a little educational value. Besides, you may find it somewhat more entertaining than a regression analysis.

Although no one knows President Trump's views on local public finance issues, there may be enough information available from his history as a real estate developer to piece it together. The second presentation will hypothesize Trump's nascent perspectives on the role of local governments in financing infrastructure as well as facilitate economic development through real estate development. The nascent perspectives will be connected to theory, and compared and contrasted to local public finance theory and practice.

Speakers: Dwight Merriam (Cole & Robinson); Chris Nelson (U. of AZ)

Thursday, 2:30 – 3:45 pm (Breakout 1: Florida Room)

Managing Developer Credits
Local governments have widely-varying approaches to dealing with credits for developer-constructed improvements, and there is little understanding of the pros and cons or best practices. This session will begin with describing all the major alternatives that should be considered in designing a developer credit system. (1) Eligibility: some allow credit for any system capacity improvement required as a condition of development approval, while others restrict credit-eligible improvements to those improvements identified in a master plan or capital improvements plan. (2) Ownership: the owner may be the developer, who can transfer those credits to another project, or ownership may run with the land. (3) Credit Type: some allow credits only to be

used to offset fees, while others provide reimbursement to the developer, and still others provide a mix of offset and reimbursements (e.g., offsets are restricted to be used on-site, and reimbursements are provided for the excess cost of the improvement). (4) Transferability: Offsets may be restricted to the development project, or may be transferrable to other developments or able to be sold to other developers or builders. While reimbursements are not restricted to the developer's location, the amount of reimbursement may be restricted to fees that would otherwise be owed by the development. (5) Amount: the value of the improvement and the percentage of the cost that is eligible for credit must be determined While most provide credit for the full cost of the improvement, some only credit road fees for the portion of capacity that will not be consumed by the development, and others only provide credit for the percentage at which the fees were adopted. Alternative approaches and issues will be illustrated with descriptions of systems employed by several local governments.

Speakers: Clancy Mullen, moderator (Duncan Associates, Austin, TX); Holly Osborn (Surprise, AZ); David Goldstein (Pasco County, FL); Jeff Hays (Alachua County, FL); Julie Masterpool (Washoe Regional Transportation Commission, Reno, NV)

Thursday, 2:30 – 3:45 pm (Breakout 2: Tropics Room)

Ethics for Planners, Engineers and Lawyers
This session by two attorneys is designed to qualify for AICP ethics credits. The session will cover AICP ethical rules for planners and planning commissioners, state and local ethics regulations, the 2016 revised AICP code, what to do if you are unsure, ethical rules for lawyers, ABA model rules of ethical conduct, parallels between AICP and ABA ethics rules and avoiding conflict between competing rules, common mistakes made by planners and lawyers, ethics in social networking, recent cases, hypotheticals, and questions and comments.

Speakers: Dwight Merriam and Byron Flagg (Robinson & Cole)

Thursday, 4:00 – 5:15 pm (Breakout 1: Florida Room)

Merging Improvement Districts with Transportation Impact Fees: A Colorado Case Study
El Paso County developed a county-wide transportation impact fee system in 2012 that provides the option for developers to join a Public Improvement District and pay a lower up-front fee. In return, the development is subject to a PID tax, and the PID floats bonds that are used to reimburse developers who have made improvements, or to fund other road improvements. The system was designed in consultation with a group of major developers, some of whom were already subject to small-area fees and wanted a comprehensive approach that would spread costs equitably and be able to provide reimbursement for their excess costs in more timely fashion. With this support, the fees were initially adopted and were recently increased, with no development industry opposition. This session describes how the system was designed, the consensus-building process used to get it into place, the transition from individually-negotiated agreements to a county-wide system, implementation issues, recent program changes, and a five-year evaluation of how it is working.

Speakers: Victoria Chavez and Lori Seago (El Paso County, Colorado Springs, CO); PJ Anderson (El Paso County Road Impact Fee Committee Chair)

Thursday, 4:00 – 5:15 pm (Breakout 2: Ballroom G/H)

Administrator's Roundtable
The basics session is followed by a roundtable session to allow more discussion about the topics covered in the basics session or other topics of their choosing. Participants will be encouraged to sit at tables with people they don't work with. Each table will have a moderator and be provided a list of topics from the basics session to provide a framework for group discussion.

Moderators: John Osborne (Manatee County, FL); Melissa Lindsjo (Tischler-Bise, Bethesda, MD); Jason Utley (Sarasota County, FL); Jeff Hays (Alachua County, FL)

FRIDAY, OCTOBER 20

Friday, 9:00 – 10:15 am (Breakout 1: Florida Room)

Transportation Models and Impact Fees: Multi-Modal and Trucks
This session consists of two presentations focusing on the use of transportation modeling techniques to support impact fees.

Multi-Modal Transportation Impact Fees and New Modeling Tools. This presentation focuses on the growing use of multi-modal transportation impact fees in denser, more urban areas. It will describe the current state of theory and practice, issues for addressing rational nexus requirements, FDOT's 2016 publication on using mobility fees to fund transit, and multi-modal transportation models being implemented by some regional agencies. The use of plan-based methods is becoming more and more complex with the effects of mixed use developments, transit, walking/pedestrian in dense areas, and their inter-relationships. The use of travel demand models provides a robust way to better account for the interactions of the land uses and the modes and can provide a clear rational nexus of need, demand, benefits, etc. The demands on urban facilities deserve to be based on as high quality of information as possible, and the presentation will explore data coming from models and how it can be used.

Quantifying the Impacts of Trucks in Riverside County, California. The Riverside County Transportation Commission (RCTC) has embarked on a study to determine the impact of trucks on the freeway system in Riverside County, California, as the basis for developing an impact fee program to be imposed on new logistics and warehouse development activities. The study is being conducted as a condition of a legal settlement between the Commission, the County, the City of Moreno Valley and a private developer. The terms of the settlement require the parties to participate in a study effort that will assess the trip generation characteristics and cumulative regional impacts of truck traffic on the freeway system as the basis for establishing an impact fee to be assessed on related uses. This presentation will provide background on the purpose of the study before exploring progress on the study effort. The presentation will describe key challenges to be addressed, including the need to specifically quantify the impacts on truck trips generated by relevant land uses within the county in a environment of growing regional traffic and a significant portion of pass through truck trips.

Speakers: Jonathan Slason (RSG, Burlington, VT); Darren Henderson (Parsons Brinckerhoff, Tempe, AZ)

Friday, 9:00 – 10:15 am (Breakout 2: Tropics Room)

Creative Financing for Sewer Expansion in Charlotte County
Charlotte County Utilities is developing proactive solutions to nearshore water quality with a septic to sewer program. The challenge is to offer sewer to septic in areas where economically feasible and affordable under a uniform pricing structure. Ideally this pricing structure will be applicable to both new development and to existing development where septic to sewer is being implemented. A uniform pricing structure provides administrative ease and ability to provide a clear cost and policy structure to prospective new customers. Because sewer to septic projects

are typically much more expensive than sewer expansion on undeveloped property, a "buy-down" or deferment of sewer to septic costs on developed properties are used to equalize the property owner's cost outlay with that of new development. This presentation will review the unique development circumstances within Charlotte County and present creative approaches to protect water quality by streamlining the financing and fee process.

Speakers: Gary Hubbard (Charlotte County, Port Charlotte, FL); Tony Hairston (Raftelis Financial Consultants, Casselberry, FL)

Friday, 10:30 – 11:45 am (Breakout 1: Florida Room)

Impact Fees Reductions as Incentives: How do They Work?

This session will focus on reductions in impact fee levels as incentives to encourage growth in general or in certain industries as well as direct growth to certain geographic locations. Especially during the economic downturn, multiple jurisdictions tried to reduce or suspend their impact fees as a tool to encourage growth. While some jurisdictions reduced impact fees for all land uses across the board, others were more selective by giving discounts to certain land uses/specific types of development (i.e., job-creating development with thresholds, mixed-use development that tends to be more efficient and generate higher taxes, etc.) as well as by area (reduction in urbanized areas where infrastructure is already available, etc.). Legal constraints to embedding such incentives into impact fees will be discussed, and examples from various jurisdictions will be provided to discuss the results of these efforts. This session will also discuss more-comprehensive packages of incentives where impact fees is one of the elements and how other types of incentives can complement reduction in impact fees.

Speakers: Nilgun Kamp (Tindale Oliver, Tampa, FL), David Goldstein (Pasco County, FL)

Friday, 10:30 – 11:45 am (Breakout 2: Tropics Room)

Fiscal Analysis: Blurring the Lines between Advocacy and Analysis

This session will explore and dissect recent fiscal and economic efforts such as revenue per acre studies and smart growth/transit oriented fiscal studies with a wide-ranging discussion on the pros, cons, and transferability of these efforts. Recent efforts that skew more toward marketing/advocacy rather than rigorous fiscal analysis—which in turn potentially misrepresent impacts—will also be explored in this session. The session will help attendees to fully understand the essential factors to consider when determining impacts—including local revenue structure, services provided, levels of service, quality and capacity of infrastructure, existing policies and philosophies, and the market for increased density. Generalized analyses that do not consider these factors will not tell the full story and are not transferable from community to community. This session will highlight the importance of evaluating specifics by locality, particularly different revenue structures and service/infrastructure obligations, to truly address important fiscal, financial, and economic questions. Case studies will be used.

Speakers: Carson Bise (TischlerBise, Bethesda, MD); Bob Burchell (Rutgers, NJ)

Friday, 12:45 – 2:00 pm (Lunch Plenary: Ballroom G/H)

Two Wild Cards in Future Housing Demand: Millennials and Immigrants
The session will explore foreseeable changes in demographics, and how they might affect the future of the housing market—homeownership, household formation, and central city vs. suburban living. It will pay a special attention to two wild cards—Millennials and immigrants—and examine the extent to which their unique demographic profile might be translated into future demand for housing and urban development.

Speaker: Zhou Yu (University of Utah)

Friday, 2:15 – 2:45 pm (Florida Room)

Discussion of 2018 Conference and Future of GIC
An opportunity for a more in-depth discussion about next year's conference and the future of the organization.

Friday, 4:00 pm – ? (meet in Hyatt Lobby)

Walking Tour/Pub Crawl?
To be determined.