

Developer Credits/Offsets

Developer credits or offsets are deducted from an impact fee on a case-by-case basis to account for prior developer contributions for the same type of facility as the impact fee.

10th Annual National Impact Fee Roundtable
Naples, FL – October 22
8:15 – 9:30 am

The Panelists

- Clancy Mullen, Austin TX
 - Impact Fee Consultant, Duncan Assoc.
- Charlene Gabriel, San Diego CA
 - Facilities Financing Manager
- Bob Russell, Reno NV
 - Dir. of Engineering, Reg. Transp. Comm.

Alternative Approaches

- Methods of Reimbursement
 - Reimburse Developer Directly
 - Let Developer Use/Sell Offsets
 - Offsets "Run with the Land"
- Types of Eligible Improvements
 - Everything in Class (e.g., arterials)
 - Only Planned Improvements
- Other Issues
 - Pre-Ordinance Credits
 - Project Improvements

Direct Reimbursement

CARY, NC – TRANSPORTATION FEE

- City Earmarks Maximum 25% of Annual Revenue for Reimbursements
- If Amount Owed Exceeds Allocated Amount, Each Developer Reimbursed a Percentage

Limited Reimbursement

LINCOLN, NE – MULTI-FACILITY FEES

- Reimbursement comes only from fees paid within the subdivision
- No excess credits if improvement cost exceeds fee revenue
- City banks redevelopment credit for buildings condemned for ROW

Transferable Offsets

LEE COUNTY, FL – ROAD FEE

- Developers can use, sell or transfer credits within benefit district
- Credit only for Planned Improvements
 - 5-Year Plan: full value of construction/ROW
 - 10-Year Plan: full value of ROW only

Offsets Run with Land

KANSAS CITY, MO – ARTERIAL FEES

- All arterial improvements eligible for credit (ROW cost not in fee)
- All fees within subdivision reduced by same percentage
- Only excess credit may be transferred out of subdivision or sold

Where Do You Fit?

- Reimbursement Method
 - Direct Reimbursement
 - Limited Reimbursement from Project Fees
 - Transferable Offsets
 - Offsets Run with the Land
- Eligible Projects
 - Everything in Class
 - Planned Improvements Only

Pre-Ordinance Credits

- Usually limited number of years prior
- Developer required to apply within 1 yr
- Value of credit reduced by fees that would have been owed for development that occurred prior to ordinance
- No excess credits

Project Improvements

- Most ordinances prohibit credit for turn lanes into project, etc.
- Some bad approaches:
 - Some give credit only for cost over collector road
 - Others give credit only for capacity of improvement not used by project
 - One city gave park credit only for dedication over desired acres/1000