

# The Past, Present and Future of Impact Fees

Nobody knows the trouble we've caused!



# The Impact Fee: The Present



<b>2002 NATIONAL AVERAGE IMPACT FEES BY TYPE</b>					
	<b>RESIDENTIAL</b>		<b>-- GENERAL --</b>		
	<b>Single</b>	<b>Multi</b>	<b>Industry</b>	<b>Office</b>	<b>Retail</b>
	<b>Each Dwelling</b>		<b>Per 1,000 Ft</b>		
<b>ROAD</b>					
Maximum	\$7,373	\$5,162	\$3,808	\$8,186	\$11,072
Minimum	\$141	\$51	\$43	\$162	\$334
Average	\$1,679	\$1,140	\$1,032	\$1,980	\$3,278
Median	\$1,465	\$995	\$918	\$1,774	\$2,859
<b>PARKS</b>					
Maximum	\$6,900	\$5,800	\$1,392	\$1,917	\$1,861
minimum	\$92	\$79	\$14	\$14	\$14
average	\$1,214	\$947	\$431	\$637	\$557
median	\$680	\$578	\$237	\$300	\$498
<b>STORM DRAINAGE</b>					
Maximum	\$6,000	\$2,500	\$3,826	\$3,045	\$4,591
minimum	\$160	\$50	\$58	\$81	\$72
average	\$1,260	\$664	\$996	\$879	\$1,013
median	\$960	\$535	\$573	\$623	\$680
<b>WATER</b>					
Maximum	\$6,220	\$5,425	\$1,535	\$2,860	\$1,535
minimum	\$237	\$196	\$64	\$161	\$161
average	\$2,131	\$1,385	\$400	\$676	\$500
median	\$1,758	\$1,120	\$307	\$340	\$363
<b>SEWER</b>					
Maximum	\$6,998	\$6,998	\$1,551	\$1,745	\$6,103
minimum	\$265	\$99	\$22	\$22	\$22
average	\$1,963	\$1,535	\$423	\$620	\$940
median	\$1,895	\$1,327	\$305	\$396	\$393

<b>PUBLIC FACILITY</b>					
Maximum	\$3,200	\$2,648	\$1,530	\$3,135	\$2,680
minimum	\$26	\$26	\$7	\$17	\$17
average	\$626	\$562	\$192	\$344	\$421
median	\$203	\$153	\$62	\$117	\$214
<b>SOLID WASTE</b>					
Maximum	\$5,460	\$5,460	\$350	\$200	\$650
minimum	\$64	\$61	\$54	\$54	\$54
average	\$997	\$927	\$207	\$131	\$383
median	\$225	\$225	\$170	\$110	\$450
<b>PUBLIC SAFETY</b>					
Maximum	\$4,445	\$3,239	\$1,589	\$3,069	\$2,795
minimum	\$78	\$58	\$20	\$66	\$52
average	\$679	\$349	\$349	\$576	\$665
median	\$364	\$296	\$173	\$396	\$472
<b>LIBRARY</b>					
Maximum	\$1,843	\$1,291	(b)	(b)	(b)
minimum	\$54	\$54	(b)	(b)	(b)
average	\$290	\$196	(b)	(b)	(b)
median	\$174	\$132	(b)	(b)	(b)
<b>TOTAL</b>					
Maximum	\$61,763	\$47,703	\$15,580	\$24,157	\$31,287
minimum	\$1,344	\$743	\$282	\$577	\$726
average	\$14,278	\$9,912	\$4,030	\$5,845	\$7,758
median	\$11,272	\$7,445	\$2,744	\$4,055	\$5,927
<b>TOTAL LESS UTILITIES</b>					
Maximum	\$48,545	\$35,280	\$12,494	\$19,552	\$23,649
minimum	\$842	\$448	\$196	\$394	\$543
average	\$10,183	\$6,992	\$3,208	\$4,548	\$6,317
median	\$7,619	\$4,998	\$2,132	\$3,319	\$5,172

\$61,763



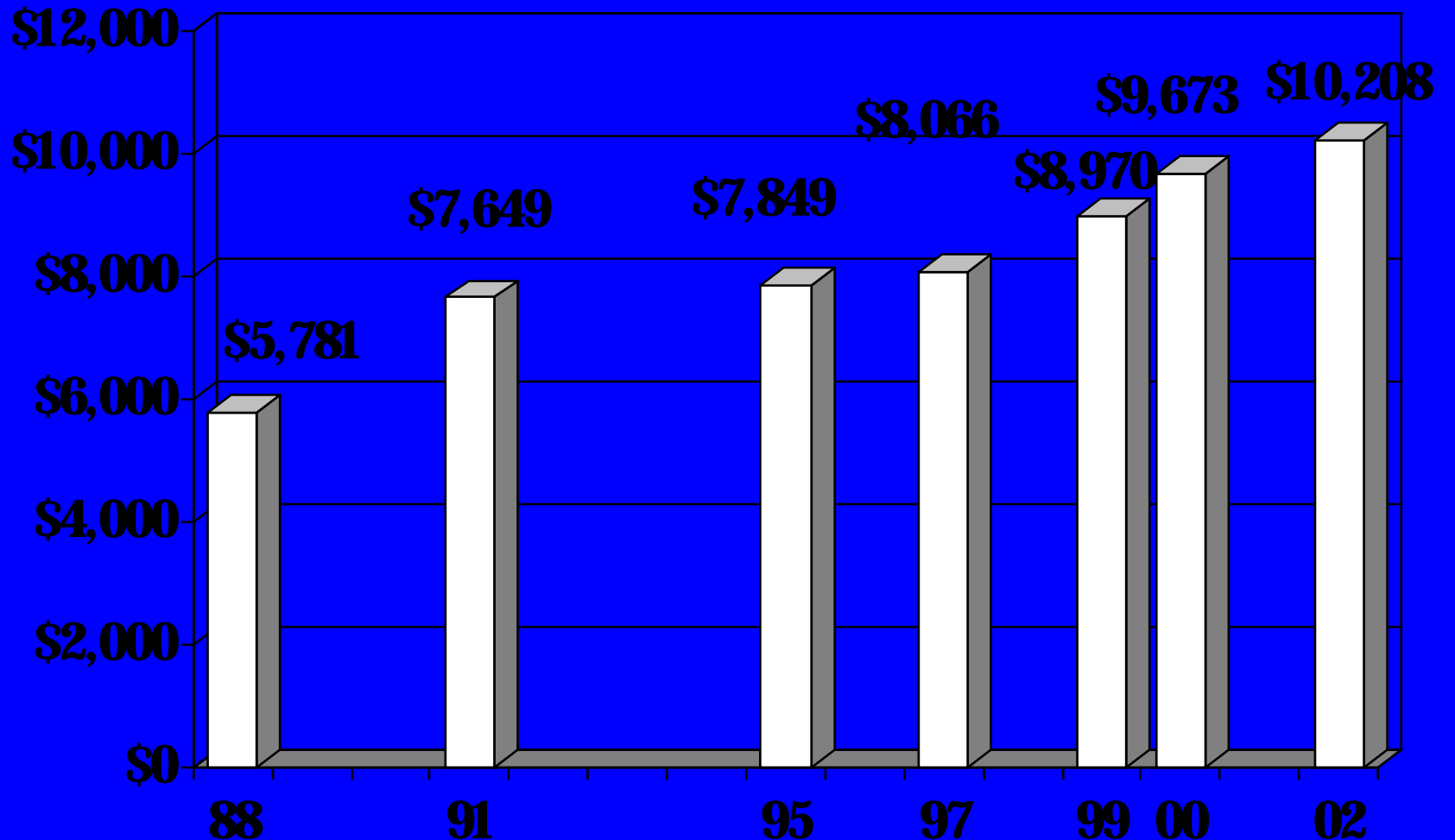
\$14,441



# Impact Fees: Past

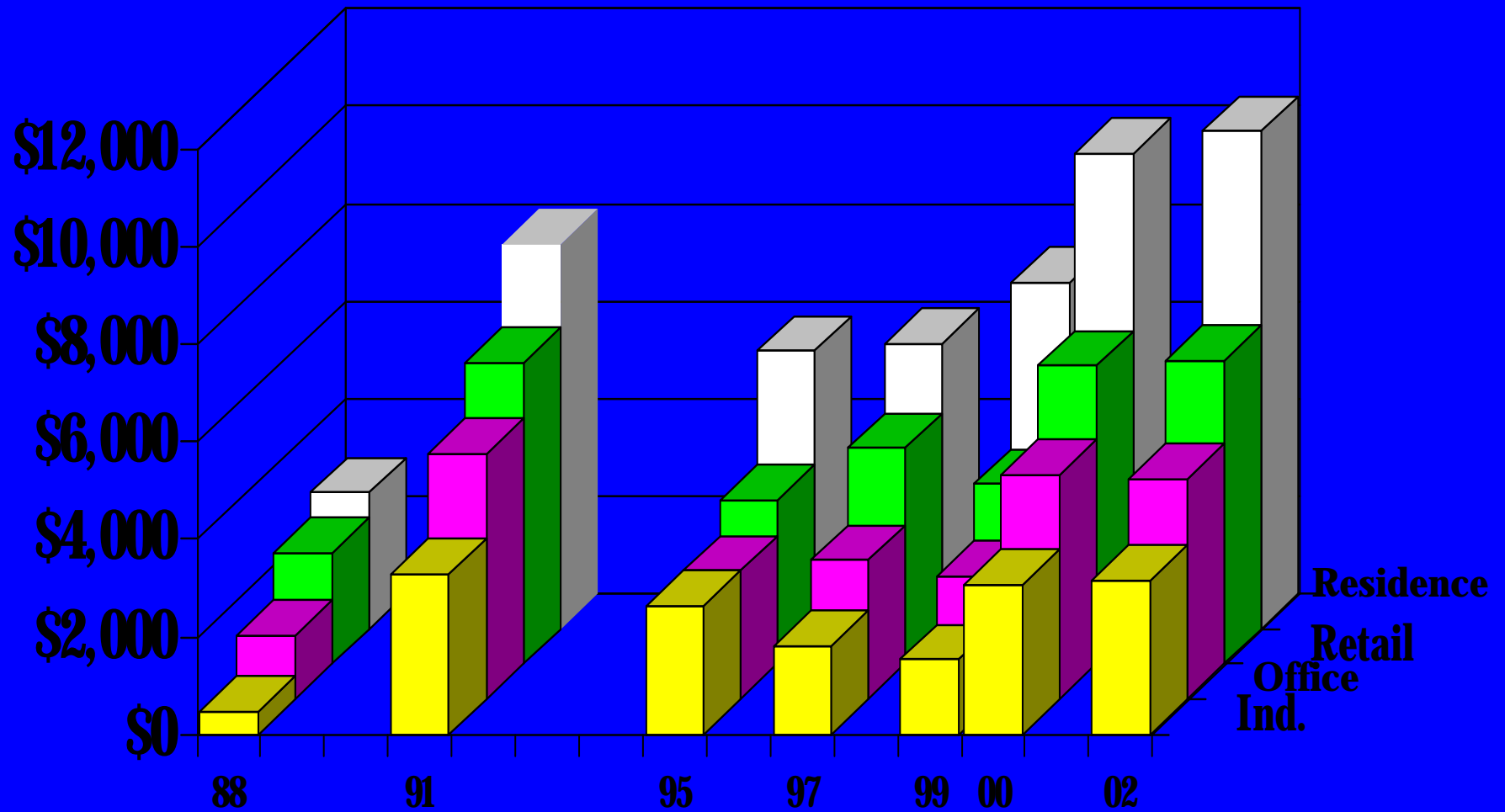
# Average Non-Utility Fee

Single Family Home



A Rate of Increase of 4.15% Per Year

# Impact Fees By Type 1988 - 2000

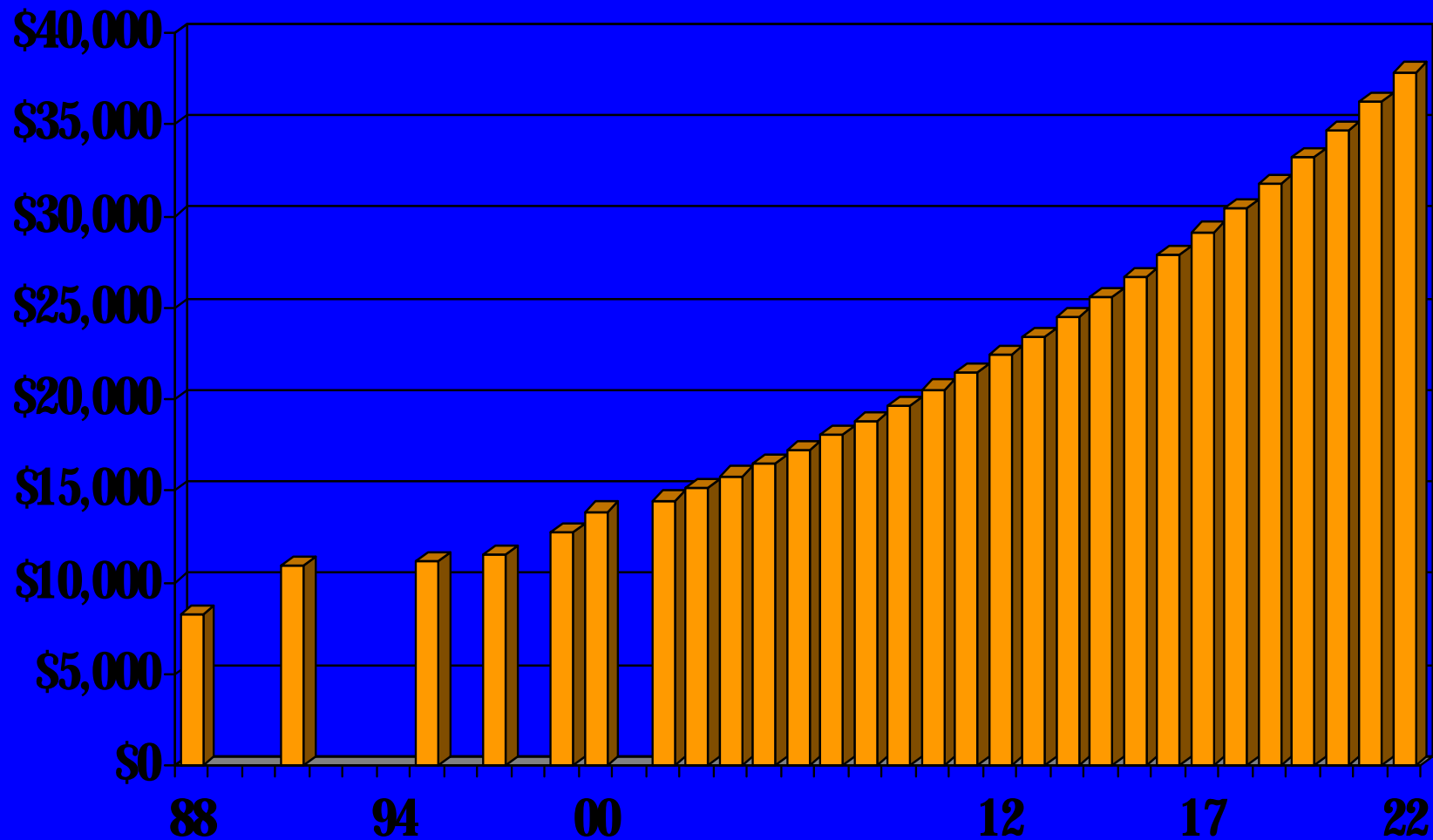


# Constant Sample Impact Fees 1988 - 2000

	<b>1988</b>	<b>2000</b>	<b>Growth Rate</b>
<b>Residence</b>	\$2,782	\$4,700	4.47%
<b>Retail</b>	\$2,277	\$4,514	5.87%
<b>Office</b>	\$1,316	\$2,526	5.58%
<b>Industrial</b>	\$481	\$1,457	9.67%



# Impact Fees: The Future



Total fee for a single family home, increasing at the historic rate of 4.47%

# The Impact of Impact Fees

- At present “high” impact fees are confined to places where housing prices are even higher
- What will be the impact of “typical” impact fees in the \$35,000 - \$40,000 range?
- An option – even if it’s “wacky.”

# Anti Regressive Impact Fees

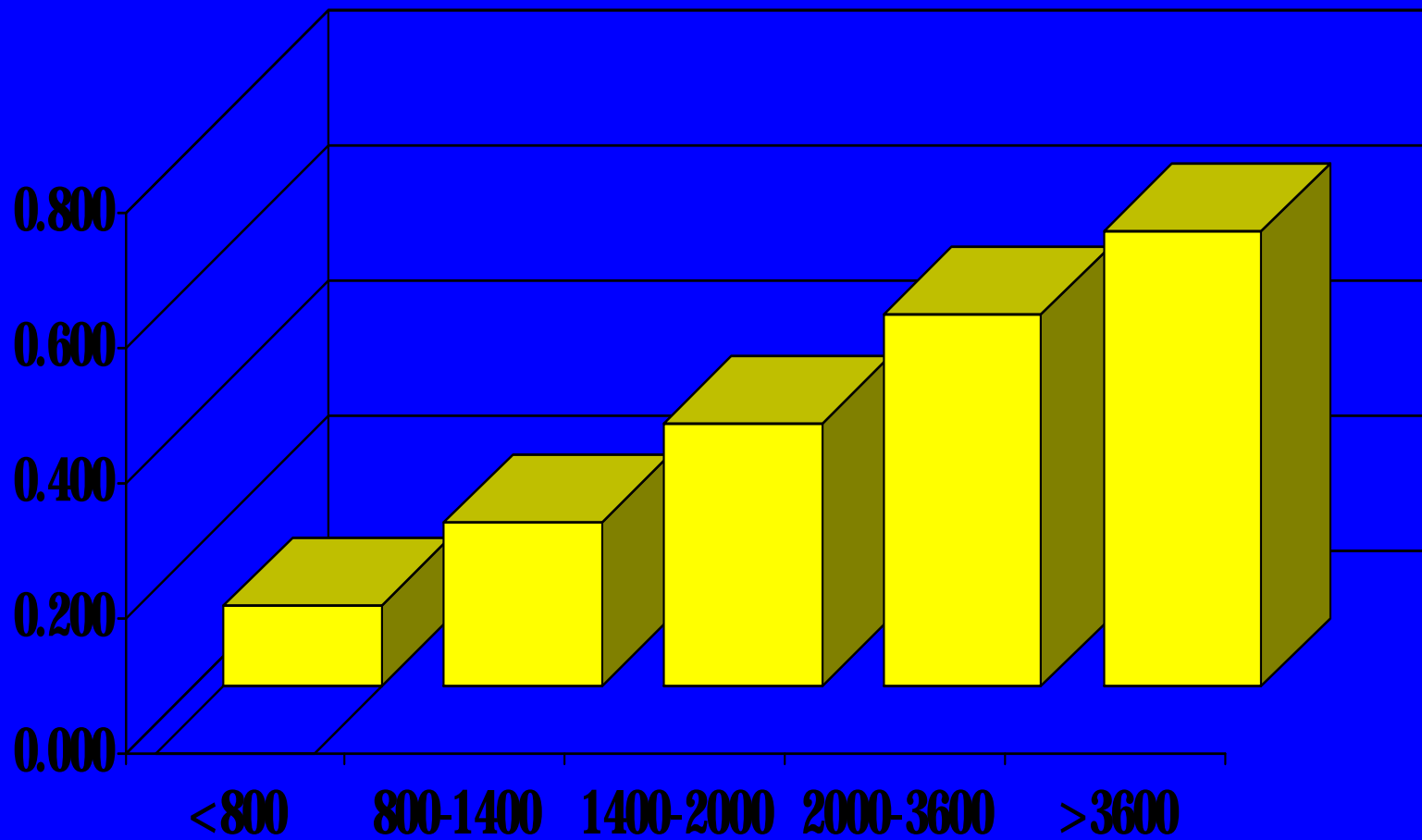
- Palm Beach County Schools
- Canton Park & Recreation
- Miami-Dade County Schools
- Bradenton Public Safety Impact Fees
  
- Soon there will be an anti regressive road impact fee in an un-named local government . . . [name with held to protect the guilty].

# Palm Beach County Schools

- What we found:

<b>Residential Floor Area</b>	<b>Student Occupancy Per Unit</b>
<b>Under 800 FT<sup>2</sup></b>	<b>0.119</b>
<b>800 – 1,399 FT<sup>2</sup></b>	<b>0.243</b>
<b>1,400–1,999 FT<sup>2</sup></b>	<b>0.390</b>
<b>2,000 -3,599 FT<sup>2</sup></b>	<b>0.550</b>
<b>Over 3,600 FT<sup>2</sup></b>	<b>0.674</b>

# Students Per Unit



- At a net local cost of \$2,412 per student:

<b>Residential Floor Area</b>	<b>School Impact Fee Per Unit</b>
<b>Under 800 FT<sup>2</sup></b>	<b>\$272</b>
<b>800 – 1,399 FT<sup>2</sup></b>	<b>\$558</b>
<b>1,400–1,999 FT<sup>2</sup></b>	<b>\$893</b>
<b>2,000 -3,599 FT<sup>2</sup></b>	<b>\$1,260</b>
<b>Over 3,600 FT<sup>2</sup></b>	<b>\$1,544</b>

- **School Fee Using Unit Type**

<b>Residential Floor Area</b>	<b>School Impact Fee Per Unit</b>
<b>Single Family Detached</b>	<b>\$1,221</b>
<b>Single Family Attached</b>	<b>\$581</b>
<b>Multi Family</b>	<b>\$371</b>
<b>Mobile Home</b>	<b>\$485</b>

# Single Family Unit Fee By Option

<b>Unit Type</b>	<b>\$1,220</b>
<b>Assessment by unit size:</b>	
<b>Under 800 FT<sup>2</sup></b>	<b>\$272</b>
<b>800 – 1,399 FT<sup>2</sup></b>	<b>\$558</b>
<b>1,400–1,999 FT<sup>2</sup></b>	<b>\$893</b>
<b>2,000 -3,599 FT<sup>2</sup></b>	<b>\$1,260</b>
<b>Over 3,600 FT<sup>2</sup></b>	<b>\$1,544</b>



# Canton (GA) Park & Rec Fee

- Park & Recreation improvements needed to accommodate:
  - 33,852 new residents to 2015
  - 12,642 new dwelling units
  - 12,972,159 FT<sup>2</sup> of non-residential floor area
- Total cost of improvements
  - ... \$38,325,598
  - Existing Deficiency \$ 7,881,998
  - Growth Cost \$30,443,600

<b>Community Center</b>	<b>\$10,000,000</b>
<b>Etowah River Greenway Program:</b>	
<b>Land Acquisition</b>	<b>\$750,000</b>
<b>Phase I</b>	<b>\$6,690,432</b>
<b>Phase II</b>	<b>\$2,281,182</b>
<b>Phase III</b>	<b>\$4,643,002</b>
<b>Phase IV</b>	<b>\$2,437,441</b>
<b>Phase V</b>	<b>\$5,192,863</b>
<b>Other Etowah</b>	<b>\$5,530,678</b>
<b>Brown Park</b>	<b>\$100,000</b>
<b>Crisler Park</b>	<b>\$250,000</b>
<b>Boling Park</b>	<b>\$450,000</b>

# Canton's Program

- All to be financed with a \$40 million bond issue so that improvements will be provided by 2006
- So, add financing costs:

	<b>Growth</b>	<b>Existing</b>	<b>Total</b>
<b>Improvements</b>	\$30,443,600	7,881,998	38,325,598
<b>Financing</b>	11,611,287	3,006,219	14,617,506
<b>Grand Total</b>	42,054,887	10,888,217	52,943,103

# The Growth Numbers

• Total Growth Cost	<b>\$42,054,887</b>
– Residential	26,094,512
– Non-residential	4,349,086
• Net Growth Cost*	<b>\$12,233,362</b>
– Residential	10,485,738
New Residential FT <sup>2</sup>	19,905,404
Cost per FT <sup>2</sup>	\$0.527
– Non-residential	2,250,246
New Non-residential FT <sup>2</sup>	12,972,159
Cost per FT <sup>2</sup>	\$0.173

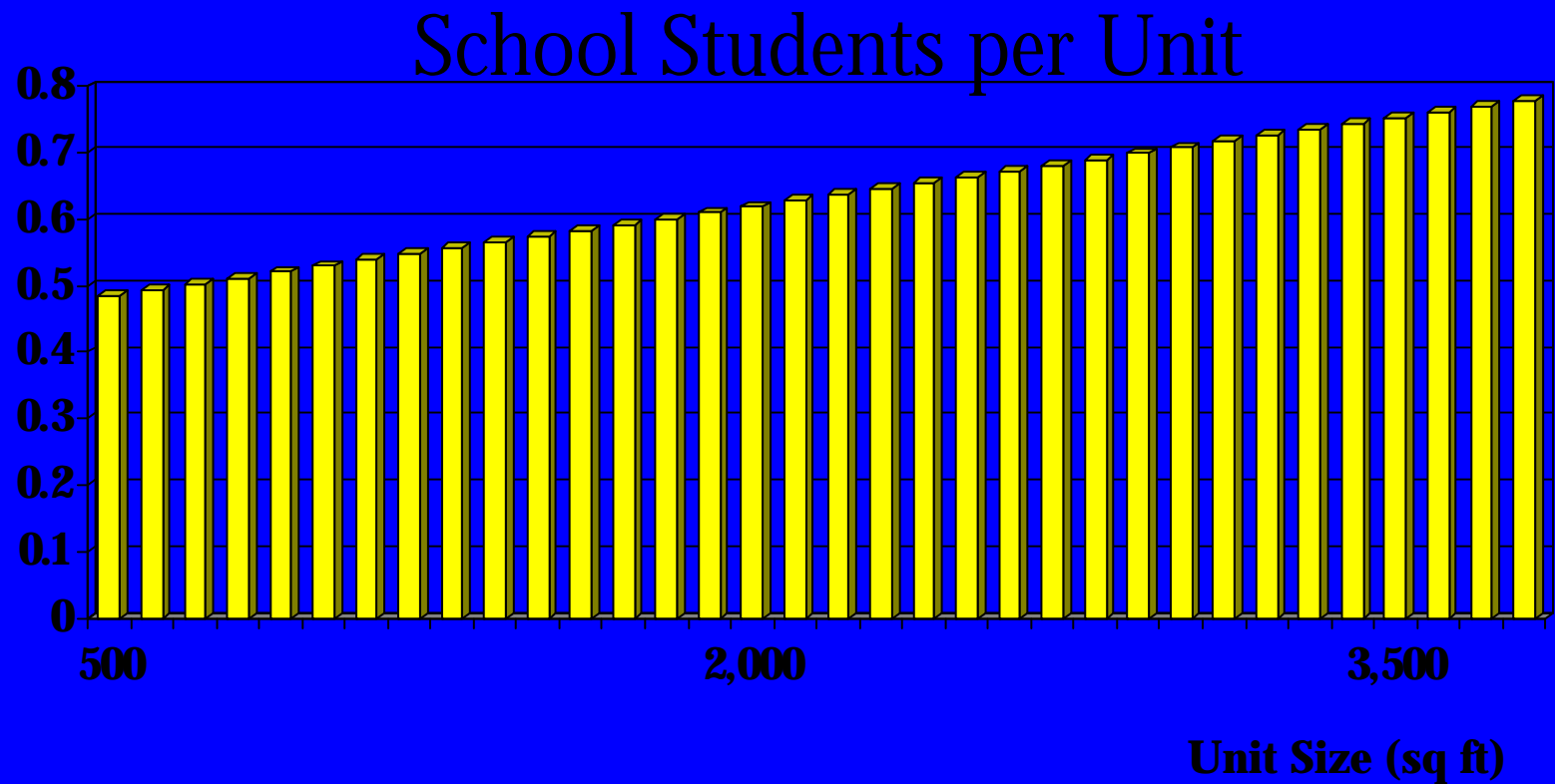
\*After amount paid by taxes

# Canton's Impact Fees

- New Residential Development  
    ¢52.7 per foot of living area
- New Non-Residential Development  
    ¢17.3 per foot of floor area

# Miami Dade School Fees

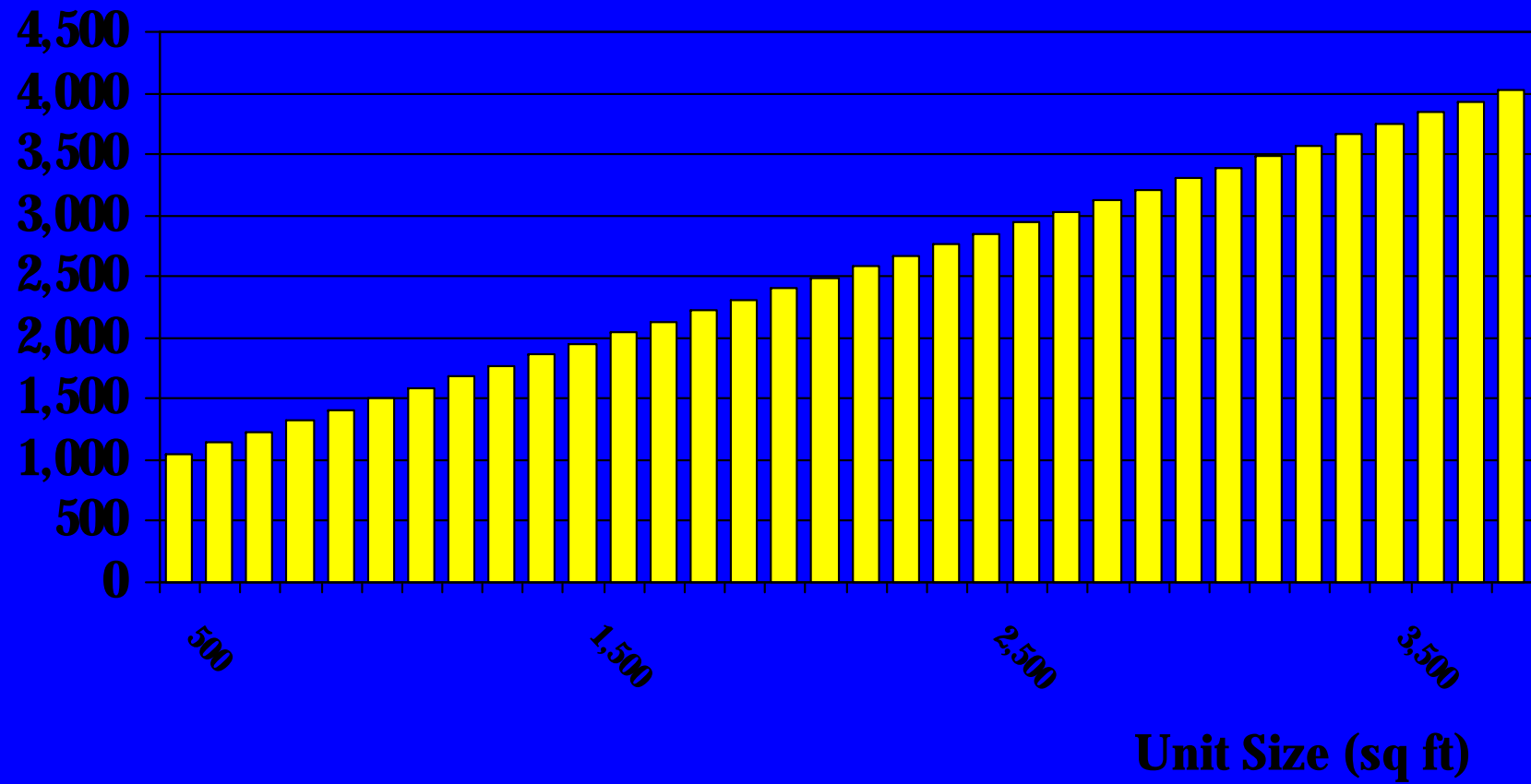
- What we found . . .



# The Numbers

- Student Occupancy =  
 $0.44031 * 0.089 \ln(\text{Size in } 000)$
- Net school cost per student = \$3,426
- School Fee =  $\$612 + \$0.918 * FT^2$

# Miami-Dade School Fee





- **School Fee Using Unit Type**

<b>Residential Floor Area</b>	<b>School Impact Fee Per Unit</b>
<b>Single Family Detached</b>	<b>\$1,987</b>
<b>Single Family Attached</b>	<b>\$1,644</b>
<b>Multi Family</b>	<b>\$1,405</b>
<b>Mobile Home</b>	<b>\$na</b>

# Single Family Unit Fee By Option

<b>Unit Type</b>	<b>\$1,987</b>
<b>Assessment by unit size:</b>	
<b>800 FT<sup>2</sup></b>	<b>\$1,320</b>
<b>1,200 FT<sup>2</sup></b>	<b>\$1,680</b>
<b>2,000 FT<sup>2</sup></b>	<b>\$2,400</b>
<b>2,500 FT<sup>2</sup></b>	<b>\$2,850</b>
<b>3,600 FT<sup>2</sup></b>	<b>\$3,840</b>

# Bradenton Public Safety Fee

Police Capital Facilities	\$6,644,949
Residential (75.6%)	\$5,020,353
FT <sup>2</sup> of Residential	32,372,696
Cost per FT <sup>2</sup>	¢15.5
Non-Residential (24.4%)	\$1,624,597
FT <sup>2</sup> of Non-Residential	10,476,519
Cost per FT <sup>2</sup>	¢15.5

It's a start . . .

But is it legal?

