

Impact Fees

Presented to the Gray Town Council
April 7, 2015

- **Dual Rational Nexus Test (straight face test):** Municipality must demonstrate a *reasonable* connection between the need for additional capital facilities and the growth in population generated by the development; and the expenditures of the funds collected and the benefits accruing to the development.
- **Exemptions:** Uses to which the impact fee ordinance does not apply, based on a finding of No Impact for example:
 - Senior housing on schools
 - Non-residential uses on parks
- **Waivers:** Uses otherwise subject to the impact fee ordinance, but for which payment is not required, in order to advance Policy objectives for example:
 - Statute/Case Law-driven: schools, governmental uses
 - Policy-driven: Affordable Housing, Economic Development

Definitions

- School: <http://www.ci.durham.nh.us/planningandzoning/school-impact-fee-methodologies>
- Public Works: <http://www.holdenmaine.com/vertical/Sites/%7BF485F62D-81A7-489A-ACF6-6CF5E665D80F%7D/uploads/20120501150202429.pdf>
- Public Safety: http://www.nottingham-nh.gov/pages/nottinghamnh_planning/zoning/firedeptbasisofassessmentfinalbcmp.pdf
- Recreation/Open Space: http://windhamweb.granicus.com/MetaViewer.php?view_id=2&clip_id=351&meta_id=27703

Comment:

Administrative Time/Cost is not that much different for a fee that realizes a high return as opposed to a low return.

Possible Impact Fees

- Freeport:
 - Pavement Maintenance Impact Fee (Freeport Road Surface Management Program)
- Gorham:
 - School Impact Fee (Middle School): repealed by TC
 - Fort Hill Road Water Main Extension
 - Recreation Fee
- North Yarmouth:
 - Recreational and Open Space Fee
 - Public Safety Fee
- Pownal:
 - Recreation Fee
 - Open Space Fee
 - Public Works Fee
 - Solid Waste Fee
 - Public Safety Fee
- Windham:
 - Sidewalk Impact Fee
 - Route 302 Corridor Fee
 - Recreation Fee
- Yarmouth:
 - Currently No Impact Fees

Surrounding Communities

- Segregation of funds
- Administrative costs/time – Finance Dept.
- Record keeping/Community Development Dept.
- Annual reporting

- Consulting Fee: variable
- Time Frame: variable
 - approx. 6 months for Windham to realize Recreation Fee with consultant and staff collaboration
 - Approx. 8 months for Gorham to realize School Impact Fee with consultant

Administrative

- North Yarmouth

<http://www.northyarmouth.org/vertical/Sites/%7B8CCD8A36-F1B0-4AFA-B87D-A0746BF9EC82%7D/uploads/%7BE60AB06D-B869-4B50-9C80-6A8F90C72213%7D.PDF>

- Pownal

http://www.pownalmaine.org/vertical/sites/%7BE22E4F8E-90D9-49E3-A5FC-00AC79420AA6%7D/uploads/Impact_Fee_Ordinance.pdf

- Gorham

http://www.gorham-me.org/public_documents/gorhamme_codes/land_ord/CHAPTER%20VII.pdf

*Ordinance could be written by staff and reviewed by Town Attorney but typically consultant works on ordinance in collaboration with staff and in conjunction with methodology.

Ordinance Language

- Staff vs. Consultant
 - Defensibility of methodology
 - Capacity of staff
- Town Attorney recommends consultant
- Consultant provides analysis framework
- Collaboration between staff and consultant for data collection
- Town Attorney to review consultants methodology

Methodology

- Town Websites:

- Explanation of Impact Fees: Brewer (Traffic Impact Fee)

<http://brewermaine.gov/planning/impact-fees/>

- Presentation of Ordinance and Calculation of Fees: Cumberland (Recreation Fee)

<http://ecode360.com/14881974>

- Worksheet in Conjunction with Building Permit: North Yarmouth (Public Safety / Recreational and Open Space

http://www.northyarmouth.org/index.asp?SEC=A1819544-014B-422B-B501-E4743ADB8643&DE=50C154D2-92E5-488D-983D-6AC1E019A519&Type=B_BASIC

- Residential Impact Fee Calculator

<http://www.jeffersoncountywv.org/residential-impact-fee-calculator.html>

- Town Attorney recommends consultant
- Community Development Staff recommends consultant.
- Contacted two planning consultant firms:
 - Planning Solutions, South Portland
 - Recommended two phases
 - Phase 1: Assessment with Dept. Heads of Capitol Needs
 - Time: 2 days with staff and subsequent analysis
 - Cost: \$3,000
 - Phase 2: Development of Ordinance (tree) and methodology of Impact Fees (ornaments)
 - Time: 1 or 2 months depending on scope of work
 - Cost: Too be determined by scope of work
 - BCM Planning, Yarmouth
 - Recommended preliminary meeting with staff
 - Develop framework and assess needs
 - BCM develops ordinance and methodology in collaboration with staff.
 - Time: 4 – 6 months from start of analysis depending on scope (number and complexity of impact fees)
 - Cost: Too be determined by nexus of work

* Both indicted that*Both indicate that 6 – 8 months is reasonable amount of time to expect for completion from initial assessment to implementation.

Recommendations

- Questions?

Please contact the Community Development Department with any questions or for supporting documents

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Thank you!