

Fee Schedule and Program Reduction from the Calculated Fee
Based on Cost per Trip
Discussion Points

Reasons to reduce the fees

- Since all of the calculations upon which the Cost per Trip is based are the result of averages, and the enabling statute requires that the fee not exceed the impact that is “specifically and uniquely attributable to the development,” staff highly recommends that the County reduce the fees at least 20% to help ensure that no development is charged a fee in excess of this amount. This part of the reduction could be eliminated for those developments that justify lower fees through an individual assessment, or utilize the Impact Fee Program Discount.
- Continuing economic development is a legitimate concern of government. Some units of government have reduced fees substantially to ensure that they do not disrupt desirable economic development activities.
- Although not necessary from a legal standpoint, some units of government reduce fees as an acknowledgment that all residents benefit from the road improvements funded by the fees, not just the developers and new homeowners.
- Some jurisdictions also provide a reduction to reflect the concept that a portion of the need for road improvements is based on growth that occurs outside the county, although our modeling has essentially eliminated that variable.
- Another reduction could be given on the basis that while the need for an improvement is justified by the land use assumptions and traffic modeling, the resulting road improvements may provide sufficient additional capacity to accommodate future growth. Link improvements in particular typically provide significant increases in capacity, usually much greater than strictly needed based on near-term traffic growth.

General points regarding fee reductions

- If a large reduction is given, the CRIP will note that there is an anticipated funding shortfall and that some projects will not be implemented within the 10-year duration of the plan. In this case, prioritization of projects will become very important, because low priority projects will likely be delayed, possibly indefinitely. The County should be aware that there is a finite period of time in which it has the ability to collect significant impact fees. Once the County is fully developed, any backlog of remaining capacity improvement needs will have to be funded through tax revenue.
- Any fee reduction given must be consistent across the county and all land uses.
- In order to phase in fees, or phase in large increases in fees, many jurisdictions begin with a large reduction, which is phased out over a period of time, such as one or two years.
- If fees are reduced, improvement credits granted to developers should be reduced by the same percentage, compared to the actual cost of the developer funded road improvements.
- With the possible increases in fees, the County may wish to consider exempting some land uses that provide significant social benefits, such as hospitals and charitable institutions.