IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #1	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
To what extent (if at all) does new residential and nonresidential growth create a need for additional capital improvements which would not otherwise be needed in the absence of that growth?	Member A. I think question #1 deserves a statement about percent of growth (or some other measure). From the beginning I have thought that impact fees could be appropriate if more money was required for infrastructure increases than the current tax base would support.	Correct. This is exactly what the study would address.
	Member B. This question should distinguish between a "need" and a "want." In my opinion, the County is not required to provide parks, recreation, or libraries. Those are nice "quality of life" things to have, but are not needed all over the county.	Residents demand these services and State Law requires local governments to provide others, (jail, courts, etc.). With growth, more must be provided for increased population or level of service would decline for all.
	Member D. The answer to this particular question will necessarily vary from jurisdiction to jurisdiction and, perhaps, from location to location within a particular jurisdiction. In some communities, there is a need for additional capital improvements merely to meet the needs of existing residents without regard to the anticipated needs of future residents. That is, even in the absence of additional growth, there would be a need for additional capital facilities to provide an adequate and appropriate level of service to existing residents. In some communities – in which the level of service provided to existing residents is adequate, there is no dispute that additional growth will require the construction of additional capital improvements. In other communities, however, the capital facilities that already exist may be more than adequate to service both the needs of current residents as well as the needs of anticipated growth (at least over a defined growth horizon). The question, however, of whether there is a "need for additional capital improvements which would not otherwise be needed in the absence of that growth" assumes that the needs of current citizens are being met and that an appropriate level of service is already being provided. This is rarely the case. Most communities have a "need for additional capital improvements" in many, if not all, areas of local government services even "in the absence of growth."	This is what the study will show. What is the current level of service? What will it cost to serve new development at the current level? If the level of service is to increase, what is the appropriate monetary share of the increased levels of services for existing and new development? Only the portion needed for new growth can be included in impact fees.

IMPACT FEES STUDY COMMITTEE
QUESTIONS & ANSWERS

QUESTION #1 *Cont.*	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
To what extent (if at all) does new residential and nonresidential growth create a need for additional capital improvements which would not otherwise be needed in the absence of that growth?	Member E. The evidence presented to the committee indicates that often new growth does create a need for additional capital improvements which would not otherwise be required. However, the evidence also suggests that other taxing "inequities" exist. For example, it may be that agricultural land contributes more tax revenue than it demands in services. Also, the average cost of a new single family home in Oconee County is much higher than in most Georgia counties and therefore may suggest that Oconee does not fit the typical mold. Unlike a tax, however, a "fee" under Georgia law must relate to the cost of the service provided and must be equitable. Generally, new growth, whether residential or nonresidential, increases the demand for services. Some of that demand may be met with existing excess system capacity, but at some point the existing facilities will no longer have capacity to serve existing and new development without seriously degrading the services. Many facilities, especially public safety facilities, need to be constructed and in place well before all the growth they will serve has arrived. For this reason, the cost to build these facilities is born by the existing tax base, rather than by the development that has created the increased demand for service. Examples have been provided to the Committee demonstrating this relationship. There is a delay between the funding of a project and the increase in tax digest value (or sales tax receipts) due to new growth. In the end, existing funding methods (property and sales tax) can and do meet the need for capital project funding, through tax increases or the introduction of a SPLOST program, but the growth that is demanding the capital projects pays very little toward those costs. According to the examples provided to the Committee, new growth does not pay as much as half of those costs, and often less than 5%. The only way to answer this question specifically for Oconee is to perform the study which is required by Georgia regulations prior to implementing the next steps. The results of that study should answer this question and may in fact show that Oconee does not fit the typical scenario.	Correct.
	Member F. Growth obviously creates a need for additional services; one issue is how to quantify the new services needed because of the new growth versus the new services demanded by a more-demanding existing citizenry. For example, if existing parks or libraries have always been "good enough" but government decides "good enough is no longer good enough" might new development be saddled with funding the upgrades to all infrastructure, rather than being tasked via impact fees to fund just the additional facilities needed based on existing perceptions of adequate?	The study does this. It determines the level of service now and what it will take to maintain it. It determines what it will take to pay for new developments' share. Only that amount can be included in impact fees.

IMPACT FEES STUDY COMMITTEE
QUESTIONS & ANSWERS

QUESTION #2	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
To what extent are any such additional capital improvements funded by property taxes, fees, sales taxes or other revenue sources directly resulting from the new growth as compared to being funded by revenues derived from citizens who previously resided in Oconee County?	Member B. The answer in my opinion is to use bond financing for such expenditures as discussed. This insures that future taxpayers will pay their fair share.	Bond financing is similar to property tax because it is retired by property tax. Therefore, new development does not pay its fair share with bonds any more (or less) than with taxes.
	Member D. This is a difficult question to answer with any degree of certainty. As we have learned over the last twelve to eighteen months, the building industry is one of the major components of our local, state and national economy. Home building generates substantial local economic activity, including new income and jobs for residents, and additional revenue for local governments. In order to fully appreciate the positive economic impact of residential construction, it is important to include the ripple effects of the construction activity itself and the ongoing benefits of home occupancy. The construction of new homes in a community generates local income, new jobs, and taxes and other revenue for local governments during the construction phase. After the construction phase has ended, new homes and their occupants generate ongoing, additional revenues that flow directly to local governments. New homes and their occupants work, shop and pursue leisure activities in a community in a way that generates local economic activity and increases income for local merchants and service providers. A share of the local income generated by new home construction and occupancy will be re-spent locally, generating additional economic ripples, and leading to greater local government receipts from a broad category of fees and taxes. Any economic analysis that fails to consider all of the economic activity and revenue generated by new residential construction is incomplete and misleading. Obviously, new residents will immediately enjoy the benefits of capital improvements constructed and perhaps paid for by current residents. However, the question presented to the committee draws a bright line between "new growth" and current residents. Such a sharp distinction is not appropriate or warranted. Current residents are not a uniform group. Current residents include those individuals how have lived in the community for their entire lives and those who have lived in the community for five years or less. Current residents include those who have paid substantial amounts of property taxes on valuable property in the county and those whose tax burden has been relatively light. Some current residents have arguable paid "their fair share" of existing capital facilities; many have not. Moreover, by only focusing on the prospective needs of "new growth", we fail to recognize that the property which "new growth" will occupy has been an essential component of the county's tax base for decades. In many respects, this property has contributed far more to the tax base than it has demanded in services. For example, undeveloped commercial property often carries a heavy tax burden compared to its actual demand for local government services. Yet, when that property is finally developed, we evaluate only its future "needs", not its past contributions. This is inappropriate, inequitable and short-sighted.	 The current system is not without its inequities. However, the evidence presented to the Committee indicates that the impact fee process would result in a more equitable system over the long term.
	Member E. As noted in answer #1, only the study required by law can make this determination for Oconee County.	Agree.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #2 *Cont.*	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
To what extent are any such additional capital improvements funded by property taxes, fees, sales taxes or other revenue sources directly resulting from the new growth as compared to being funded by revenues derived from citizens who previously resided in Oconee County?	Member F. See 1.F above. Since Oconee County's inception, we have always had a situation whereby existing citizens paid for services required by new citizens. New citizens pay SPLOST taxes above & beyond their ad valorem taxes on residences. So one cannot assert that new citizens enjoy a "free ride". As to answering the "to what extent?" question, I am not familiar enough with Oconee County's detailed budget and Sources & Uses of Funds to accurately answer this question.	New citizens and existing citizens pay the same percentage of sales tax. The inequity (free ride) referred to in the presentation to the Committee was in reference to property taxes.

QUESTION #3	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
What fees are currently paid by development projects such as rezone fees, preliminary plat/site plan fees, building permit fees, plan review fees, water and sewer fees, etc. for both commercial and residential projects? What services do these fees pay for?	Member B. The perception is that fees are being paid in excess of the actual costs. No government should be in the business of making money. It appears that these fees have become another revenue source lumped in to one pot.	Fees collected now appear to be equal to or less than the cost of services. However, the impact fee study process would reanalyze this and make adjustments to an actual cost basis (if necessary). Also, if impact fees were collected and the cost of the service (i.e., library) was less than projected, a return of the excess would be required. Impact fees are self-regulating in that respect.
	Member E. Taxes and fees are defined separately. A tax is a payment usually collected annually for general government services. The amount is often based on the value of real property, (ad-valorem or property tax) or the value of goods sold, (sales tax).Taxes are not usually earmarked for a specific service at the time of collection but are instead allocated through the annual budget process, except that Special Purpose Local Option Sales Taxes (SPLOST) are allocated to eligible general categories such as roads, parks, schools, etc. by referendum. Taxes are usually paid by everyone (with some special exemptions like homestead exemption) and not just by the development community. A preliminary analysis (based on somewhat "anecdotal" evidence) of property taxes compared to budgets for the Board of Commissioners, (BOC) and Board of Education, (BOE) would seem to indicate that the fair market value of a new home being built in Oconee County would need to average at least $309,000.00 in order to meet a "break even" point for services vs. revenues (see attached). However, this analysis is not scientific and probably does not take into account all relevant factors. A complete analysis as required by the impact fee regulations would be required to determine this (included in consultant's proposal). A fee is a charge which is paid for a specific service and is "earmarked" for such at the time paid. It is usually a fixed amount depending on the specific service. For example, subdivision plan review fees cover a portion of the cost for the county to review subdivision construction plans for compliance with code. Other examples would include parking fees, rezone fees, utility connection and capacity fees, and building permit fees. These fees are normally collected at the time service is provided and only paid by those receiving the service. A large portion of such fees collected by Oconee County are directly related to services provided in relation to real estate development and building construction which are mostly provided by the Planning, Code Enforcement, Utility, Public Works and Health Departments. These fee schedules are attached and are for the most part self-explanatory. Based on our review of these fee schedules and input from the foregoing departments, it appears that most of these fees cover a portion of but not all of the cost of reviewing the rezone plans, construction plans, soil studies and building plans etc. These fees also cover at least part of the cost of performing field inspections. Water and sewer fees are not quite as self-explanatory. The water fees are separated into meter fee, (based on cost by meter size) tap fee, (based on line capacities) and water availability, (based on storage, treatment and transmission costs).	Agree.

QUESTION #3 *Cont.*	**INDIVIDUAL COMMITTEE MEMBER ANSWERS**	**SUBCOMMITTEE COMMENT**
What fees are currently paid by development projects such as rezone fees, preliminary plat/site plan fees, building permit fees, plan review fees, water and sewer fees, etc. for both commercial and residential projects? What services do these fees pay for?	Sewer fees also include a tap fee, (based on line capacities) and a capacity fee which is simply the cost of the treatment plant divided by the number of gallon per day that the plant can treat, (cost per gallon) multiplied by the number of gallons per day of effluent that the user is projected to generate. Based on real world experience in Oconee County, these projections have proved very accurate for water and sewer. If a developer chooses to develop a property which is not currently served by water (or sewer in some cases) that developer is responsible for extending the water or sewer line at his/her expense. However, Oconee County has implemented a policy (+/- year 2000) designed to help developers recoup at least some of their cost for installing lift stations, gravity sewer lines and waterlines. This policy is called the front footage assessment. The county simply will charge future users of the water line, (lift station and/or gravity sewer line) an assessment equal to the per foot cost incurred by the developer who originally installed the line, times the number of linear feet that the new project's road frontage fronts on the water line (usually one half per side of the road). For lift stations the assessment would be based on capacity. The county then refunds this to the original installing developer according to policy. *(This was 3.E continued)*	Correct.
	Member F. The committee has studied this issue and the fees are numerous. It is a bit unclear as to "what services do these fees pay for" and also whether the fees are cost basis/pass-through only or a profit center for Oconee County government.	Impact fee rules would insure these and other fees are transparent, fair and equitable. By law they must be on a cost basis only and cannot be a profit center.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #4	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
Would impact fees provide for a more equitable distribution of cost burden for new capital facilities between existing and future citizens?	Member B. It would appear to do so. The answer is whether any fees can be applied in an equitable manner.	“Equitable manner” (proportionate share) must be documented in the study by law.
	Member D. No. For the reasons set forth in the prior response, any effort to generalize the economic contributions and infrastructure needs of new growth as compared to existing residents must necessarily ignore (1) vast differences that exist in the contributions and needs of existing residents, (2) the historic contributions and needs of developable property, and (3) the long term economic impact of residential construction in a community.	It is not the land that is being charged impact fees. It is the new house and its inhabitants which require the new capital expenditures. The current system is not without its inequities. However, the evidence presented to the Committee indicates that the impact fee process would result in a more equitable system over long term.
	Member E. As noted in answer #1, the study required by law would provide a detailed answer to this question for Oconee County. However currently, all taxpayers in the county would be assessed to pay for capital improvements only needed to serve new development.	
	Member F. It is possible that impact fees might accomplish this objective, if fairly constituted, implemented AND if a thorough analysis and, if needed, revamping of existing fees occurs simultaneously.	This is what the study accomplishes and transparency, fairness, equitable assessing are required.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #5	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
What is the range of impact fees which have been adopted by other cities or counties in Georgia? What would the resulting cost increase be on the average new home price if the high, middle and low end of said impact fee ranges were adopted in Oconee County, ($ and %)? Same question for commercial office and retail space.	Member B. The fees charged were all up and down the spectrum. When told how much the county could raise, I was amazed that it was such a small amount. If true, it does not appear to be worth the effort.	The higher the growth rate the more necessary they become. The actual amount collected would be based on services to be funded and levels of service set. The Board of Commissioners would determine percent of "maximum allowed" to be enacted. Range in Georgia runs from $652.39 to $3,708.00.
	Member D. In a paper entitled "An Examination of the Effects of Impact Fees on Chicago's Suburbs" two University of Chicago researchers found that fees increased new housing costs by 70% to 210% of the actual fee imposed, which ranged from $2,224 to $8,942 in that particular study. See: http://harrisschool.uchicago.edu/About/publications/policy-briefs/home-costs.asp. The same study also found that impact fees had the effect of increasing the value of existing homes. Although it is important to consider the actual increase in the cost of the new home as a result of the impact fee, it is equally important to remember that the increase in the cost of a new home also has a long-term implication in that the new homebuyer will pay more to finance the cost of the new home.	To keep the fees "mostly out of" the construction loan, they could be collected at certificate of occupancy rather than building permit. This is not a Georgia case study and may or may not be applicable. In any case, existing residents should not pay for new development.
	Member E. No two counties are alike, and any impact fee adopted by Oconee County would reflect the facilities selected and the percentage of the maximum allowable fee the Board of Commissioners adopts. Fees in Georgia commonly average around $2,000 a house (less than 1% of the purchase price of a $300,000 home); nonresidential rates vary considerably.	
	Member F. See committee minutes and work papers.	

IMPACT FEES STUDY COMMITTEE
QUESTIONS & ANSWERS

QUESTION #6	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
Are there any cases in Georgia where it has been shown that impact fees have resulted in suppression of economic development, decrease in growth rate or redirection of economic development outside of the subject jurisdiction?	Member B. We had no direct information provided to answer this question as posed. Barrow County did state that they decline to implement the fees based on their concerns of hurting the building industry.	No evidence was presented of a case where this has happened. Local governments seem to set fees low enough to avoid this problem.
	Member D. There are no specific case studies that have been completed in Georgia which demonstrate that impact fees have resulted in the suppression of economic development, decrease in growth rate or redirection of economic development outside the subject jurisdiction. (It is unclear, however, whether any such studies have even been undertaken. The absence of such studies does not necessarily mean that impact fees have no effect on economic development or the housing market; rather it simply means that no one has actually evaluated what, if any, effect there may be.) Nonetheless, it is important to keep in mind that the State of Georgia as a whole has had relatively little experience with development impact fees. In fact, the overwhelming majority of impact fees implemented in Georgia were adopted only within the last eight to ten years. In that same period, the housing market experienced an unprecedented boom fueled, at least in part, by an open credit market. That period is now over and may never return. The historic effect of impact fees on the housing market or commercial growth cannot and should not form the basis for evaluating the effect of impact fees on economic development and the housing market in today's economy. Only when these turbulent economic times have passed will we be in a position to assess whether impact fees have had a negative effect on economic development and the local housing market. Oconee County should therefore be cautious about moving forward with impact fees until this downturn in the economy has passed and a thorough evaluation of the affect of impact fees in other communities can be undertaken.	If impact fees were set at the highest rate possible, they might do this. But in no case does any county/city charge high enough impact fees to do this.
	Member E. Under "normal" economic conditions, we have not found a case where this has occurred. Evidence presented suggests that local governments adopting impact fee programs consider this and often reduce the scope of the impact fees between the original concept development stage and final adoption, for the specific purpose of protecting their economic development momentum. That being said, we must also recognize that we cannot say that it has never happened. Furthermore, these are not "normal" economic conditions. If the county decides to take the step of performing the aforementioned study required under Georgia regulations, and if that study indicated that a limited impact fee program would be equitable, the adoption of any such program should probably be timed to coincide with a significant economic upturn in the housing and real estate market.	Impact fees could be decreased by decision of the BOC in cases where commercial development brings in much needed jobs, or in the case of affordable housing. (A local impact fee ordinance may exempt all or part of certain projects from impact fees, provided they "are determined to create extraordinary economic development and employment growth or affordable housing.") *from DCA document Impact Fees Vol 1.
	Member F. We have seen examples of communities where decreased rates of economic development accompanied impact fee implementation, and also communities which elected to NOT implement impact fees due to the economic downturn. In the former case, it is unclear what role impact fees played in the economic slowdown relative to what role the general economic slowdown contributed. Economic development does not occur in a vacuum so it is not easy to directly correlate impact fee implementation to a resultant adverse impact on economic development	No correlation shown between impact fees and negative economic development.

IMPACT FEES STUDY COMMITTEE
QUESTIONS & ANSWERS

QUESTION #7	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
When should impact fees be introduced in Oconee County?	Member C. There should be a threshold level of permit applications that triggers the implementation of impact fees. Other counties (Barrow) have studied impact fees but not put them in place yet as the development community is currently challenged. The county could set in place a certain number of permits per month…once this level is reached be ready to implement them. When the development community is challenged, and the number of building permits is too low to make impact fees helpful, they could be suspended.	See Committee Consensus Point #1.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #8	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
When should impact fees be collected?	Member C. Most counties seem to collect impact fees at the time of Building Permit application. It could be done later. I believe we were told that it can be collected up till the time of the Certificate of Occupancy application. This would delay the payment until closer to the time that the home was sold. Thus relieving the long-term interest burden on developers.	They can be collected anytime from the building permit up to issuance of certificate of occupancy. To recover expenses for previously built infrastructure if excess capacity was built in to provide for growth (RECOUPMENT). (DIFA allows local governments with excess capacity to charge impact fees to recover the cost of existing infrastructure that was built before the impact fee ordinance was adopted. This practice, often referred to in impact fee literature as “recoupment,” is optional under DIFA. Specifically, the law says: (A…development impact fee ordinance may provide for the imposition of a development impact fee for system improvement costs previously incurred by a municipality or county to the extent that new growth and development will be served by the previously constructed facility. (O.C.G.A 36-71-9(b)) Recoupment fees are calculated and handled administratively in the same manner as any other impact fee except) *From DCA document impact fees Vol 1.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #9	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
What could make impact fees more attractive to developers?	Member C. If the fees they currently pay were made more transparent…as the impact fees and all fees paid by developers are required to be.	Collect at certificate of occupancy rather than building permit. (Note: At the September 16th Committee Meeting, a consensus was reached by the overall Committee that, "If it could be shown by the study that some current fees paid by builders or developers would be replaced by some impact fees, it would make impact fees more attractive to developers.")
	Member G. An impact fee program provides developers with a precise plan for how the county plans to meet the needs of a growing county. This would be a selling point by assuring home buyers that they will have the services and amenities, which attracted them to Oconee County, available to them in the future. Developers will be given a precise plan and itemized list of just how the fees are being spent. The impact fee system will also assure buyers of low taxes, since taxes do not have to be levied to pay for building necessary services. And citizens do not have to wait until there is a critical need before costly actions are taken to remedy the dire need for certain services.	(See comment above.)

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #10	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
Why do some Georgia counties and municipalities use impact fees?	Member C. Rapidly growing counties use them to help insure that new development pays a reasonable share of the costs of the new public facilities which are needed to serve that new development.	A consensus of agreement with this statement was reached by both Subcommittee and overall Committee.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #11	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
Why should Oconee County implement impact fees?	Member C. We are surrounded by counties and municipalities which have (or are ready to implement) impact fees. Why would we jeopardize our quality of life, and fairness of supporting our quality of life, when most other counties in the area have them?	If adopted, impact fees would contribute to “transparency” of all fees (via the study) and would also require the adoption of a qualifying Capital Improvements Element (CIE) in Oconee’s Comprehensive Plan. Also, see Consensus Point #7.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

QUESTION #12	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
When should impact fees be introduced in Oconee County?	Member G. The time to develop a plan is now. The time to implement the plan should be based on a sustained growth rate. What that rate should be should be adequate to provide sufficient money to service debts for county improvements.	See Consensus Point #5.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

NEGATIVE IMPACTS	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
List the specific **NEGATIVE** impacts experienced by actual local governments in Georgia which have adopted impact fees.	Member A.1. Will be perceived as a new "tax," especially by developers and those coming into the county.	"Developers" are not charged on lots. Builders pay the fees and pass on to consumer.
	Member A.2. Not as reliable an income source as property taxes and other fees due to the effect an economic downturn can have.	Impact fees are "self regulating." They are collected at the "pace of growth."
	Member A.3. Restrictions on use of impact fees.	This can be good as it keeps fees limited and transparent.
	Member B.1. Lessen affordability of housing.	Not in Oconee County. A $2,000 fee is less than 6/10 of one percent of a $350,000.00 home.
	Member B.2. Unintended consequences of negatively impacting the quality of construction.	No evidence of this was shown.
	Member B.3. Does not reduce property taxes.	However, they reduce the need to increase property tax in future.
	Member B.4. Does not reduce other county imposed fees on builders.	Makes all fees more transparent.
	Member F.1. Can hinder commercial development as well as residential development (inability to target residential without targeting commercial also); can be an additional burden on economic viability of projects during times of economic distress, such as now; can be seized upon by a government body as a means of controlling or slowing growth; can be perceived as a "no growth" tool or tactic (or an indicator of a no-growth mentality) by both residents and non-residents looking to invest in Oconee County; could be perceived as a tool fostered and encouraged by private consultants who stand to profit by further study/implementation; can foster a "kid in the candy store" mentality among elected officials who see impact fees as a means of funding pet projects.	Actually, impact fees can be limited to mostly residential based on types of services to be funded. (i.e., use for libraries and recreation but stay away from roads, water and sewer.) As to the last paragraph, this depends to some extent on the elected officials in office.

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

POSITIVE IMPACTS	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
List the specific **POSITIVE** impacts experienced by actual local governments in Georgia which have adopted impact fees.	Member A.1. Can be used to provide services in areas only where new development will be taking place.	Depends on service areas set up in Capital Improvements Element of Comprehensive Plan.
	Member A.2. Current residents will believe newcomers are paying for services being created for the newcomers.	This would be true.
	Member A.3. Slow overall growth of other taxes used to pay for new services.	Yes.
	Member A.4. Could be used to replace many of the current fees paid for new construction and expansion, thereby being overall "cost neutral" to developers, builders and buyers (who will always ultimately pay the cost).	If current fees are incorrectly charged, then yes.
	Member C.1. Fairer to existing homeowners and landowners. Impact fees can decrease the future tax burden on existing homeowners and landowners. Once taxes go up to pay for capital improvements, they rarely come down. Impact fees are paid only once, to help pay for the capital improvements, and are not a continuing tax burden. Makes the financing of facilities roads, parks and open space, libraries, Public Safety, etc. needed because of new development, paid for by those involved in that new development…not the existing homeowners and landowners. Although on a yearly basis, the cost to current residents seems inconsequential…it adds up because current residents subsidize new residents every year, the more new development, the higher the burden on current homeowners and landowners.	
	Member C.2. Fairer to new home buyers. People move to Oconee County for our good schools yes, but also for a certain quality of life, which our county is known for. Voted the best rural county to live in in the South by Progressive Farmer Magazine, we all know that the quality of life here is fantastic. In order to maintain not only that reputation, but also the very quality of life which got us that recognition, requires that we continually increase our services, to maintain them each at an above average level of service. We can not maintain the current level of service to our residents if because of the continual increase in population and the development required for those new residents causes our service to become watered down…and decrease the level of service to all. Impact fees can help insure that the updates in each of our services will maintain our service levels at the high level which we all are accustomed to, and moved here for. Your impact fee will help insure that the quality of life that you moved here for will be maintained as you expected it would.	
	Member C.3. Fairer to developers. Makes the financing of facilities needed by new development more fair to developers…not the first one in an area pays for it all, and then all others take advantage of the infrastructure paid for by another. Impact fees can minimize excessive demands on developers by local governments. Impact fees, by law, are transparent, as all such fees are supposed to be. Having impact fees may help insure that all such fees become transparent, which by law they are supposed to be, therefore developers will know that they are being treated fairly.	
	Member C.4. Fairer to the County. The County can, by setting up specific service areas, collect higher fees for the same thing in varying areas…if the cost of providing that service is greater in one area than another. All speakers indicated that there had been NO CASES where impact fees caused a depression in development or in economic growth. Impact fees may give the county government more control over where things go, and can make…who pays for it…more equitable. Computer	

IMPACT FEES STUDY COMMITTEE

QUESTIONS & ANSWERS

POSITIVE IMPACTS *CONT.*	INDIVIDUAL COMMITTEE MEMBER ANSWERS	SUBCOMMITTEE COMMENT
List the specific **POSITIVE** impacts experienced by actual local governments in Georgia which have adopted impact fees.	programs are available (and used by some local governments i.e., Coweta County) to calculate and track funds from impact fees, but all speakers said that there is minimal increase in workload of county offices, due to the implementation of impact fees. Some 35 or more Georgia counties and cities currently have an impact fee program. Others have already studied the impact fee situation and have a program ready to implement once development rebounds (Barrow County). *(note: this was C.4. continued)*	
	Member C.5. Makes expenses for development more transparent. Each fee and each expenditure must be documented and uniformly applied. Helps the county to look at their short and long term goals a little closer. Plan better for growth, and allow for certain capital improvements to be paid for by those who necessitate it being done. By implementing an impact fee study, the County will evaluate the level of service which currently exists, and set lower limits of all services and level of service desired. This survey of service levels will be important to insure that the level of services (and therefore our quality of life) is maintained.	
	Member C.6. Parkland and green space. If they are in the capital improvement projections based on increased population, can be planned for and paid for partially by new development, not out of the general fund.	
	Member C.7. Gives the County more control over where things go and helps insure that who pays for it is much more equitable.	
	Member F.1 Can fund needed infrastructure additions/enhancements; can equitably allocate costs among development community rather than current system which can unfairly target the “last in” developer; can possibly require the County to reexamine existing fee structures and issues of fairness; can allow developers/builders to know upfront costs associated with a contemplated project; can eliminate using “zoning conditions” as a means of extracting infrastructure funds from developers.	