

April 21, 2008

The Honorable Members of the County Council  
Cathleen C. Vitale, Chairman  
Anne Arundel County, Maryland  
44 Calvert Street  
Annapolis, Maryland 21401

Dear Madam Chairman and Members of the Council:

Attached is the report of the Impact Fee Advisory Committee pursuant to Resolution No. 13-08. The committee met seven times and reviewed reams of data, took public testimony, and deliberated over the recommendations before you for your consideration.

I wish to thank Alex Szachnowicz, Chief Facilities Officer, Anne Arundel County Public Schools, Carole Sanner, Assistant Planning and Zoning Officer, and Council staff, particularly Teresa Sutherland, Charles Mannion, and Kathy Buinickas, who served as our committee secretary. Their participation, skill, and professionalism made our work much less difficult. I would also like to thank the committee members for their hard work during the last month. The attendance and participation was excellent, and every member worked earnestly on all of the issues before us.

The committee hopes that the recommendations set forth in this report will assist the Council in setting impact fee rates for the coming years, and each of us is prepared to assist the Council in its work.

On a personal note, it was a privilege to be afforded the opportunity to serve our county and one for which I am deeply grateful.

Respectfully,

Robert R. Neall  
Chairman

## **Committee Members**

Robert R. Neall, Chairman

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Robert Burdon

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Daniel Ellis

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Ann Fligsten

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Robert Gallagher

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Sam Georgiou

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Al Johnston

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Dwight Taylor

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Jerry Walker

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## **Background**

Impact fees are charged to ensure that new development pays its proportionate share of the additional capital facilities required to serve the new development. Anne Arundel County began assessing impact fees for roads and schools in 1987 and for public safety in 2001.

The County Council, at the request of County Executive John R. Leopold, introduced Bill No. 6-08 on January 22, 2008. The bill proposed significant increases in impact fees based on a study prepared by Dr. James C. Nicholas, PhD, a consultant retained by the Administration. On March 3, 2008, the County Council adopted Resolution No. 13-08 appointing an Impact Fee Advisory Committee comprising community and business stakeholders to study the report prepared by Dr. Nicholas and evaluate the suggested impact fee increases.

The committee met seven times to gain an understanding of the impact fee proposal. County Auditor Teresa Sutherland presented her review of Dr. Nicholas' study and provided insight on the County financial operations. George Cardwell, Office of Planning and Zoning, presented information on road capacity, and Alex Szachnowicz, Anne Arundel County Public Schools, presented information on school capacity. Carole Sanner and Bob Tyson, Office of Planning and Zoning, presented information on the County's adequacy of public facilities requirements, and David Plymyer, Deputy County Attorney, explained relevant legal requirements. Dr. Nicholas presented his study, and Dr. Kirk Sorenson, an impact fee consultant hired by the Homebuilders Association of Maryland, presented testimony, as did Eric DeVito, President of the Anne Arundel County Chapter of the Homebuilders Association of Maryland. Minutes of the committee's deliberations, including the vote tallies on the issues discussed by the committee, are attached to this report.

## **Recommendations**

### ***Dr. Nicholas' Report***

The committee spent considerable time gaining an understanding of the data and methodologies used by Dr. Nicholas. Ms. Sutherland reviewed the data and methodologies with us, and we devoted one meeting to presentations by Dr. Nicholas and by Dr. Sorenson.

After several revisions to the draft report on which Bill No. 6-08 was based, Dr. Nicholas issued a final report dated April 7, 2008. The final report reflects changes to the calculated fees because of changes in data, and it includes additional calculations that were not in previous drafts. The final report includes impact fee calculations by square feet for residential development as requested by the County Council. Dr. Nicholas also presented fees with and without interest costs included.

After careful deliberation, the committee is satisfied that the methodologies used by Dr. Nicholas are reasonable and that the amounts in the final report accurately reflect the total cost of development, offsetting revenues, and remaining costs that may be recaptured via impact fees.

## ***Interest Costs***

One major issue confronting the committee was whether interest should be included in the costs upon which impact fee amounts are calculated. It is the committee's recommendation that interest not be included in impact fee calculations. We believe that including interest in the calculation of impact fees represents a "double charge" to impact fee payers as illustrated in each of the following three examples.

*Scenario 1:* Under the first scenario, the property owner pays the impact fee before the County builds the facilities required to accommodate the impact of the property owner's development. Consequently, the County has the money in the bank and collects interest on the fees until the project is built, and the County does not need to borrow funds or incur interest on the portion of the project funded with impact fees. Therefore, the fees assessed on the property owner should not include interest.

*Scenario 2:* Under this scenario, the property owner pays the impact fee at the time that the County is building the facilities required to accommodate the impact of the development. As in the example above, the County has the cash on hand at the time of construction and does not need to borrow funds or incur interest on the portion of the project funded with impact fees. Again, the fees assessed on the property owner should not include interest.

*Scenario 3:* Under the third and most complicated scenario, the County builds the facility to accommodate the impact of the development prior to the receipt of the impact fees. In this case, the County issues bonds to cover the initial construction cost and incurs interest for the period between issuing the bonds and collecting the impact fees that will be used to pay the bonds. In this scenario it would be appropriate to include interest in the costs to be recouped from impact fees. However, it would not be appropriate to include a construction cost escalator in the calculation because the County's costs were fixed at the time of construction.

Using a construction cost escalator on some projects and including interest on others would significantly complicate the application of impact fees for property owners, developers, and the County Department of Inspections and Permits. Therefore, the committee concluded that the impact fee calculation should include either a construction cost escalator or interest at the rate of the most recent bond issue, but not both.

Below is the analysis of a hypothetical school built five years ago in 2003 at the cost of \$30,000 per student station. The illustration assumes a 4.5% interest rate and uses the Construction Cost Index (CCI) as the construction cost escalator. For the first three years, impact fees would be slightly higher using the Construction Cost Index. In the fourth year, impact fees would be slightly higher using the 4.5% interest rate.

The committee recommends using the Construction Cost Index instead of including interest because the benefit of simplicity in administering impact fees warrants the minor

variances illustrated below. The County should continue to monitor both interest rates and the Construction Cost Index to determine whether the variances are significant enough to revisit this issue in future years.

Year	Cost per Student Station	Cost Adjusted for CCI	Cost Adjusted with 4.5% Interest	Difference
2003	\$30,000	\$30,000	\$30,000	\$0
2004	--	\$31,881	\$31,350	\$531
2005	--	\$33,363	\$32,761	\$602
2006	--	\$34,730	\$34,235	\$495
2007	--	\$35,695	\$35,776	(\$81)

### ***Square Footage***

The proposed bill assesses impact fees on residential development based on the type of dwelling and the number of bedrooms. The committee believes it is more appropriate to assess impact fees based on square footage. Square footage is more indicative of the number of occupants, which drives the impact on the County’s facilities, rather than how the owners choose to label or use the interior space.

At the request of the County Council, the Administration asked Dr. Nicholas to calculate impact fees using square footage for residential uses. Dr. Nicholas did so using the gross square feet of floor area within a residential structure. His methodology is discussed at length in the appendix found on page 48 of his final report.

Table A-2 of Dr. Nicholas’ report (pps. 57-58) includes his calculation of impact fees using 500 square feet increments excluding interest costs. These are these amounts on which the committee based its recommendations for fees discussed later in this report.

### ***Additions***

The committee concluded that constructing additions to residential or nonresidential buildings has an impact on County facilities that should be recaptured through impact fees. For example, a 2,000 square foot addition to an existing 1,000 square foot home allows more people to occupy the home, and more occupants will impact County facilities. Likewise expanding a nonresidential building allows more occupants and more impact.

The committee recommends imposing fees on additions. The fee should equal the fee that would be assessed on gross square feet of floor area within the renovated structure less the fee that would be assessed on the gross square feet of floor area before the addition.

### ***Infill Lot Construction vs. Small and Large Subdivisions***

The committee believes all development impacts the County's facilities, regardless of whether the construction is on an infill lot or part of a small or large subdivision. Accordingly, the committee recommends imposing impact fees on all new construction.

### ***Inflation Index***

Currently impact fees are adjusted annually by the change in the Consumer Price Index. The proposed bill amends this provision to adjust fees by either the change in the Consumer Price Index or the change in the Construction Cost Index, whichever is greater. Dr. Nicholas also provided the staff with three other cost indices to consider - the Highways and Streets Materials Cost Index for roads, the New School Construction Cost Index for schools, and the New Office Building Construction Cost Index for public safety.

The committee reviewed the indices for the past several years. Because only one or two years of data were available for the New School Construction Cost Index and the New Office Building Construction Cost Index, the committee recommends using the Construction Cost Index. The committee also encourages the County to review impact fees at least every five years to ensure that applying the Construction Cost Index results in fees commensurate with actual increases in County construction costs.

### ***Revenue Offset***

Dr. Nicholas offsets the cost of new facilities to be recovered from impact fees by property taxes paid on unimproved properties in the past. This offset recognizes that property owners of unimproved properties have contributed to the County's existing infrastructure. The committee concurs with this treatment and recommends that the Council offset the cost to be recovered from impact fees by property taxes paid by unimproved properties in the past.

### ***Recommended Fee Structure***

#### **Residential**

In recognition of the current economic downturn and market conditions, the committee recommends phasing in impact fee increases over five years for residential development. Also, Dr. Nicholas' calculations assume there is no existing road, school, or public safety capacity, and the committee recognizes that, in fact, there is existing capacity. Consequently, for residential development, the committee recommends phasing in fee increases over five years to reach 80% of the amounts recommended by Dr. Nicholas. Specifically, the committee recommends:

§                    establishing fees effective January 15, 2009 that are 40% of the amount shown in Table A-2 found on pps. 57-58 of Dr. Nicholas' final report, based on square footage and excluding interest.

§ establishing fees on January 15, 2011 that are 60% of the amount shown in Table A-2 of Dr. Nicholas' final report, adjusted by the change in the Construction Cost Index from January 1, 2009.

§ establishing fees on January 15, 2014 that are 80% of the amount shown in Table A-2 of Dr. Nicholas' final report, adjusted by the change in the Construction Cost Index from January 1, 2009.

Data published by the Metropolitan Regional Information Systems, Inc. (MRIS) shows the average sales price of a residential unit in Anne Arundel County in March 2008 was \$391,752, and the median sales price was \$311,250. The proposed January 15, 2009 fee on a 2,500 square-foot detached home would increase \$1,669, from \$4,904 to \$6,573. This is 0.43% increase in the current average sales price and 0.54% increase in the current median sales price. The proposed January 15, 2011 fee, exclusive of any CCI adjustment, would increase from \$6,573 to \$9,859, which is a 1.26% cumulative increase in the current average sales price and a 1.59% cumulative increase in the current median sales price. The proposed January 15, 2014 fee, exclusive of any CCI adjustment, would increase from \$9,859 to \$13,146, which is a 2.1% cumulative increase in the current average sales price and a 2.65% cumulative increase in the current median sales price. The committee's proposed fees and the current fees for residential development are shown in Attachment 1.

### **Nonresidential**

The committee recognizes the importance of building the County's commercial and industrial tax base and is sensitive to the impact an increase in fees will have on the business community. Also, the committee recognizes that taking a nonresidential project from the planning and approval phases to actual construction may take years, and those in the development community need predictability in their costs. The committee decided it was too complicated to "grandfather" in any projects currently in development who have not applied for building permits under the existing fee structure, so the committee recommends that impact fees continue to be assessed at time of permit application.

The committee also recommends phasing in fee increases on nonresidential development over three years. Specifically, the committee recommends doubling the current fee effective January 15, 2009, and increasing the fee again by 50% of the current fee on July 1, 2011, exclusive of any CCI increases. The committee's proposed fees and the current fees for nonresidential development are shown in Attachment 2.

On a 200,000 square foot commercial building, the current fee is \$1,334 per 1,000 square feet, or \$266,800. The proposed January 15, 2009 increase to \$2,668 per 1,000 square feet, or \$533,600, is a 0.9% increase on the current estimated \$30 million cost to build. The additional \$667 per 1,000 square feet increase on July 1, 2011 would bring the fee to \$3,335 per 1,000 square feet, or \$667,000, which is a cumulative increase of approximately 1.33% of the current estimated \$30 million cost to build.

## ***Exemptions for Non-Profit Organizations***

It is the committee's opinion that some non-profit I.R.C. §501(c)3 organizations should be exempt from impact fees. Specifically we recommend that non-profit housing developers of affordable or workforce housing be exempt from paying impact fees. We also recommend that projects that are joint ventures between non-profit and for-profit developers be exempt only on the units that are developed by the non-profit organization and sold or rented to families below 100% area median income.

The committee also recommends an exemption for non-profit I.R.C. §501(c)3 providers of health and human services on the facilities that are providing direct service to the community. This would include non-profit service providers such as hospitals, hospice care, nursing homes, assisted living facilities, and facilities providing direct services such as support programs for the homeless or drug treatment facilities. We believe that these organizations provide services of considerable value to the community and should be exempt from impact fees on their projects.

In considering other types of non-profit organizations, we encourage the County Council to consider carefully the ramifications of the waivers. The Council could also consider partial waivers for some of these groups. For instance, the County Council could consider a reduction in fees for churches and other religious assembly halls because the primary time the building is used typically is on the weekends when traffic demands are greatly reduced.

In considering whether non-profit organizations should be exempt from impact fees, it is important to remember several things. First, non-profits exist to serve the public good. Non-profit organizations provide extremely valuable service to our community that sometimes would have to be provided by government agencies if the non-profits did not exist. Second, non-profit organizations are typically supported by the public through charitable contributions. By exempting non-profit housing and health and human service providers, the County is recognizing their work and supporting these organizations. Third, any profits received by non-profit organizations must be used to accomplish further the goals of the organizations. There are no windfall profits for people working in the non-profit sector.

## ***Impact Fee Districts***

### **Roads**

George Cardwell, Office of Planning and Zoning, made a presentation to the committee and provided maps of existing and projected road capacity. After deliberating, the committee concluded that the five existing road districts do not reflect current needs. Some committee members favored one countywide road district in that the County's road network is a unified system that benefits all residents. The committee settled on recommending no more than three road districts if the Council decides to have three districts for policy and planning purposes or to provide a closer relationship between the fees collected and the area to be developed.

### **Schools**

Alex Szachnowicz, Chief Facilities Officer, Anne Arundel County Public Schools, presented data on school capacity by grade level, feeder system, etc. The committee found the existing district configuration inadequate because it does not line up with the high school feeder systems. However, determining alternative district lines requires more time and study than this committee had. The committee recommends that the County Administration review the school district lines annually, as currently required in the County Code, and recommend changes to the County Council as it deems appropriate.

### ***Refund Provisions***

Under the current provisions of the County Code, the County must refund impact fees to the payers if the fees are not spent or encumbered within a specific period of time. According to Deputy County Attorney David Plymyer, this refund provision is a policy the County chose to enact. It is not required by state or federal law. To maximize the County's resources and mitigate the impact of new development, the committee recommends deleting this provision from the County Code so that the County does not have to forfeit impact fees.

### ***Land Use Policy***

The committee discussed extensively the close relationship between the general development plan, adequacy of public facilities ordinances, and impact fees. Ideally these ordinances and plans would be synchronized to ensure good land use policy.

At present, the County's Adequacy of Public Facilities Ordinance (APFO) does not permit residential development in areas where no public school capacity exists within the school feeder system serving the development. The primary premise of assessing impact fees is to provide funding for expanding capacity, and a significant portion of the impact fees collected from residential development are earmarked for expanding school capacity. However, those impact fees are collectable only when development occurs, and residential development is permitted only in areas where school capacity already exists. Therefore, the County is confronted with the dilemma of collecting school impact fees that, in all likelihood, it will not be able to justifiably spend or encumber because school capacity already exists in those areas where residential development is permitted to occur under the present APFO. As such, there exists a significant incongruence between our impact fee ordinance and our Adequacy of Public Facilities Ordinance.

The magnitude of this dilemma, combined with the time constraints faced by the committee, did not permit us the opportunity to propose a solution for this dilemma. However, we believe this incongruence is significant enough to bring to the attention of the County Council so that it may deliberate on the how best to resolve this quandary. Further, we

recommend that impact fee rates be evaluated at least every five years in conjunction with the County's other land use policies and plans in a way that synchronizes these interdependent elements of the County Code.

Finally, the committee wishes to gratefully acknowledge the assistance of County Council Chairman Vitale, who attended a number of our meetings. Her information and guidance greatly assisted the committee in its deliberations.

## **Comments from Daniel Ellis, Committee Member**

### **Variable Impact Fee Rates Based on School Capacity**

There are some members of the committee who recommend considering variable impact fee rates for schools based on the available capacity. In our review of school capacity it became apparent that there are several high school feeder systems with significant capacity challenges especially at the elementary level. It also became apparent that in other sections of the County adequate capacity at all levels exists in the school system projected out for 10 years. Because school impact fees are restricted to providing additional capacity for the schools, charging these fees in areas where additional capacity is not necessary would result in the fees not being used by the County. It is, therefore, the opinion of some on the committee that in these areas a reduction or elimination of school impact fees would be appropriate. This opinion does not extend to roads or public safety because needs in these areas are broader and more evenly dispersed throughout the County.

# **Bob Gallagher**

1456 East-West Shady Side Road  
Shady Side, Maryland 20764

April 21, 2008

Honorable Cathleen M. Vitale,  
Daryl Jones, C. Edward Middlebrooks,  
Ronald C. Dillon, James Benoit,  
Joshua J. Cohen and Edward R. Reilly  
Anne Arundel County Council  
44 Calvert Street  
Annapolis, MD 21401

Re: Determination and Recommendations of the Impact Fee Advisory Committee

Dear Chairman Vitale and Members of the Council:

The draft report of the Impact Fee Advisory Committee recommends that less than one-half of the costs of the impacts of development be recovered in impact fees over the next five years. The recommendation, if implemented, would place most of the costs of development on current and future taxpayers rather than on the developers who benefit from the development. Such a result would not only be unfair to taxpayers but would perpetuate the short-term thinking that has left us with over-crowded schools and roads and failing infrastructure. The Committee received virtually no credible evidence or expert opinion that supports the recommendation. I respectfully dissent from the Committee's recommendation. The reasons for my dissent are more specifically described below.

The Committee's report reflects an exceptionally thorough effort to determine the costs associated with development. That determination of the amount of those costs was unanimous among Committee members and consistent with the advice of all of the Committee's experts and advisors. The Council should have a high degree of confidence in that determination.

The Committee has determined that the costs of adding capacity to schools, roads and public safety facilities that will be required as a result of development are the costs reflected in the Technical Report on the Methodology Used in Updating Road, Public Safety and Educational Impact Fees and in Establishing Stormwater Impact Fees, prepared by James C. Nichols, Ph.D., dated April 7, 2008, and reflected in Table A-2 at pages 52 and 53. In reaching this determination, the Committee made an extensive review of the facts gathered from public and private sources and heard detailed opinion testimony from distinguished experts in the field of

impact fees. While there were some initial differences among members of the Committee, thorough deliberations resulted in unanimous support of the consensus determination contained in Table A-2.

The record will reflect that the determination was conservative. Between two generally accepted methods of calculating impact costs, the Committee chose the more conservative “consumption” method over the “improvement” method. In applying the method, the Committee’s approach was also conservative. For example, the Committee determined not to include interest in the cost of school construction and to eliminate the highest-cost projects in estimating the cost of road construction. Accepting this conservative approach, the Committee unanimously concluded that the results reported in Table A-2 are the best available estimate of the costs of the impacts of development.

The Committee also makes recommendations on matters other than the determination of cost. Those recommendations include setting the period for future review of impact fees, coordinating that review with other related processes such as the General Development Plan and the review of the Adequate Facilities Ordinance, and reduction in the number of impact fee districts and other matters. These recommendations are based more on common sense than on evidence but they do not affect the determination of development costs. I concur with these recommendations.

Having determined the actual cost of development impacts, the Committee goes on to recommend that the Council recover only a fraction of those costs in increased impact fees and to phase in the increase over five years. The fraction, in the case of residential development, will increase to 80 percent of the determined cost over five years. In the case of commercial development, the fraction is 20 percent.

This recommendation is based on the well-intentioned concern that requiring developers to bear the full cost of development impacts will cause developers to reduce or eliminate development activity in the county, ultimately reducing tax revenue. The problem is that the Committee received virtually no credible evidence to support that concern.

The evidence received by the Committee on this subject included the testimony of a representative of the Maryland Association of Home Builders that a steep increase in impact fees would cause developers to reduce or eliminate development activity in the county. He also testified that increasing impact fees at a time when developers are struggling with adverse economic conditions could drive some developers out of business. While the testimony was sincere, it was not free from self-interest.

A contrary view was expressed by the Planning Advisory Board in a letter to Chairman Vitale dated January 14, 2008, expressing the unanimous opinion of that Board that, if the impact fee increases proposed by the County Executive were implemented, “development will continue without significant consequence to the housing market.”

Two experts were heard by the Committee. Dr. Sorenson stated that higher fees could have an impact on the level of development. Dr. Nicholas testified that a failure to increase impact fees to a level necessary to meet the needs of development could hurt the local economy

by causing a reduction in property values. While each expert has extensive expertise in cost-accounting for development costs, neither offered credentials that would accredit their opinions on economic issues. Neither, to my knowledge, does any member of the Committee have such credentials.

The Committee received evidence that jurisdictions in Maryland and around the country have imposed impact fees that are higher than those indicated by the Committee's determination. There was no evidence that development was halted or that the economies of those jurisdictions suffered serious adverse effects as a result of those higher impact fees.

Neither the evidence received by the Committee nor the eloquent pleas of members of the Committee with connections to the development industry justify the recommendation to set impact fees at a substantial discount from the actual cost.

It is the job of the Council to make the political decision of how much of the costs of development should be paid by developers and how much, if any, should be paid by taxpayers through the general fund or by other means. A political decision by the Council need not be supported by evidence or expert opinion. But, the Committee is not a surrogate for the Council. Recommendations by the Committee that are not supported by substantial evidence or expert opinion have no value and should be disregarded. For these reasons, I concur with the determination of the Committee as to the costs of impacts associated with development but dissent from the recommendation to charge development with only a fraction of those costs.

I thank the members of the Council for the opportunity to serve on the Impact Fee Advisory Committee. The members are a talented group and it has been a memorable experience working with them. The Committee's thorough work of determining the costs of development would not have been possible without the invaluable assistance of Council staff and staff from Anne Arundel County Public Schools and Planning and Zoning.

Respectfully,

Bob Gallagher

**Attachment 1  
Impact Fee Advisory Committee  
Recommended Impact Fees - Residential Development  
Current Impact Fees - Residential Development**

*Note: The fees recommended by the committee effective January 15, 2014 are the amounts shown in the table below adjusted by the change in the Construction Cost Index from January 1, 2009.*

Square Feet	Dr. Nicholas - Final Report without interest				Impact Fee Advisory Committee Effective January 15, 2009				Impact Fee Advisory Committee Effective January 15, 2011				Impact Fee Advisory Committee Effective January 15, 2014			
	Roads	Schools	Public Safety	Total	Roads	Schools	Public Safety	Total	Roads	Schools	Public Safety	Total	Roads	Schools	Public Safety	Total
Under 500 feet	\$2,928	\$2,114	\$106	\$5,149	\$1,171	\$846	\$42	\$2,060	\$1,757	\$1,268	\$64	\$3,089	\$2,342	\$1,691	\$85	\$4,119
500 - 999 feet	\$4,802	\$3,891	\$172	\$8,865	\$1,921	\$1,556	\$69	\$3,546	\$2,881	\$2,335	\$103	\$5,319	\$3,842	\$3,113	\$138	\$7,092
1,000 - 1,499 feet	\$6,236	\$5,335	\$225	\$11,796	\$2,494	\$2,134	\$90	\$4,718	\$3,742	\$3,201	\$135	\$7,078	\$4,989	\$4,268	\$180	\$9,437
1,500 - 1,999 feet	\$7,234	\$6,286	\$260	\$13,780	\$2,894	\$2,514	\$104	\$5,512	\$4,340	\$3,772	\$156	\$8,268	\$5,787	\$5,029	\$208	\$11,024
2,000 - 2,499 feet	\$7,984	\$6,996	\$286	\$15,266	\$3,194	\$2,798	\$114	\$6,106	\$4,790	\$4,198	\$172	\$9,160	\$6,387	\$5,597	\$229	\$12,213
2,500 - 2,999 feet	\$8,562	\$7,563	\$307	\$16,432	\$3,425	\$3,025	\$123	\$6,573	\$5,137	\$4,538	\$184	\$9,859	\$6,850	\$6,050	\$246	\$13,146
3,000 - 3,499 feet	\$9,005	\$8,036	\$324	\$17,365	\$3,602	\$3,214	\$130	\$6,946	\$5,403	\$4,822	\$194	\$10,419	\$7,204	\$6,429	\$259	\$13,892
3,500 - 3,999 feet	\$9,418	\$8,440	\$339	\$18,197	\$3,767	\$3,376	\$136	\$7,279	\$5,651	\$5,064	\$203	\$10,918	\$7,534	\$6,752	\$271	\$14,558
4,000 - 4,499 feet	\$9,794	\$8,794	\$352	\$18,940	\$3,918	\$3,518	\$141	\$7,576	\$5,876	\$5,276	\$211	\$11,364	\$7,835	\$7,035	\$282	\$15,152
4,500 - 4,999 feet	\$10,127	\$9,108	\$364	\$19,600	\$4,051	\$3,643	\$146	\$7,840	\$6,076	\$5,465	\$218	\$11,760	\$8,102	\$7,286	\$291	\$15,680
5,000 - 5,499 feet	\$10,416	\$9,391	\$374	\$20,181	\$4,166	\$3,756	\$150	\$8,072	\$6,250	\$5,635	\$224	\$12,109	\$8,333	\$7,513	\$299	\$16,145
5,500 - 5,999 feet	\$10,658	\$9,648	\$384	\$20,690	\$4,263	\$3,859	\$154	\$8,276	\$6,395	\$5,789	\$230	\$12,414	\$8,526	\$7,718	\$307	\$16,552
6,000 feet and over	\$10,783	\$9,768	\$388	\$20,940	\$4,313	\$3,907	\$155	\$8,376	\$6,470	\$5,861	\$233	\$12,564	\$8,626	\$7,814	\$310	\$16,752

Dwelling Type	Current Residential Impact Fees			
	Roads	Schools	Public Safety	Total
One Family Detached	\$969	\$3,810	\$125	\$4,904
One Family Attached	\$882	\$2,407	\$96	\$3,385
Two Family	\$773	\$3,382	\$119	\$4,274
Three & Four Family	\$756	\$2,254	\$87	\$3,097
Five or More Families	\$693	\$1,727	\$72	\$2,492
Mobile Home	\$691	\$3,097	\$116	\$3,904

**Attachment 2**  
**Impact Fee Advisory Committee**  
**Recommended Impact Fees - Nonresidential Development**  
**Current Impact Fees - Nonresidential Development**

*Note: The fees recommended by the committee effective July 1, 2011 are the amounts shown in the table below adjusted by the change in the Construction Cost Index from January 1, 2009.*

	Current Nonresidential Impact Fees				Dr. Nicholas - Final Report without interest				Impact Fee Advisory Committee Effective January 15, 2009				Impact Fee Advisory Committee Effective July 1, 2011			
	Roads	Schools	Public Safety	Total	Roads	Schools	Public Safety	Total	Roads	Schools	Public Safety	Total	Roads	Schools	Public Safety	Total
Amusement, Recreation, and Place of Assembly																
per required parking space	\$196	\$0	\$10	\$206	\$2,060	\$0	\$44	\$2,103	\$392	\$0	\$20	\$412	\$490	\$0	\$25	\$515
Hotel/Motel Room	\$1,202	\$0	\$41	\$1,243	\$9,921	\$0	\$136	\$10,057	\$2,404	\$0	\$82	\$2,486	\$3,005	\$0	\$103	\$3,108
Industrial per 1,000 sq. ft.	\$451	\$0	\$20	\$471	\$8,557	\$0	\$170	\$8,727	\$902	\$0	\$40	\$942	\$1,128	\$0	\$50	\$1,178
Mini-warehouse per 1,000 sq. ft.	\$394	\$0	\$27	\$421	\$1,410	\$0	\$37	\$1,448	\$788	\$0	\$54	\$842	\$985	\$0	\$68	\$1,053
Hospital per bed	\$1,736	\$0	\$70	\$1,806	\$11,165	\$0	\$180	\$11,345	\$3,472	\$0	\$140	\$3,612	\$4,340	\$0	\$175	\$4,515
Nursing Home per bed	\$329	\$0	\$48	\$377	\$2,483	\$0	\$146	\$2,629	\$658	\$0	\$96	\$754	\$823	\$0	\$120	\$943
Marinas per berth	\$378	\$0	\$18	\$396	\$2,814	\$0	\$54	\$2,868	\$756	\$0	\$36	\$792	\$945	\$0	\$45	\$990
Office per 1,000 sq. ft.																
Under 100,000 sq. ft.	\$2,015	\$0	\$141	\$2,156	\$13,839	\$0	\$406	\$14,245	\$4,030	\$0	\$282	\$4,312	\$5,038	\$0	\$353	\$5,390
100,000 - 199,999 sq. ft.	\$1,628	\$0	\$118	\$1,746	\$11,987	\$0	\$363	\$12,350	\$3,256	\$0	\$236	\$3,492	\$4,070	\$0	\$295	\$4,365
200,000 sq. ft. and over	\$1,241	\$0	\$93	\$1,334	\$10,671	\$0	\$333	\$11,004	\$2,482	\$0	\$186	\$2,668	\$3,103	\$0	\$233	\$3,335
Mercantile per 1,000 sq. ft.	\$2,568	\$0	\$453	\$3,021	\$14,419	\$0	\$1,034	\$15,453	\$5,136	\$0	\$906	\$6,042	\$6,420	\$0	\$1,133	\$7,553