

FEE AMOUNT

- The proposed fees will be the highest fees in the Atlanta Metro Region at \$8,961 per residential unit and \$9,392 per 1,000 sq. ft. of commercial development (See attached comparison table).
 - The report drafted by consultant Duncan Associates presents numbers that are intended to “establish a ceiling,” where the impact fees calculated are the **Maximum Allowable** fees by State law.
 - A more reasonable approach would be to charge a percentage of the maximum allowable fees to capture revue for improvements, but not stifle economic development (Cherokee County, for example, collects only 10% of the maximum allowable roads impact fee). Charging 40% of the maximum roads fee (roads fees of \$3,757 per 1,000 square feet of commercial and \$2,915 per residential unit) would provide substantial revenue for Forsyth County without creating an unreasonable cost burden on development community and new residents.
- The fees for residential and commercial developments are significantly higher than neighboring communities that Forsyth County ‘competes’ with for economic development opportunities (see attached table).
 - These high fees present a huge hurdle to overcome in order to attract desired development type to Forsyth County, which costs the County much more in lost potential tax revenue and SPLOST/ELOST contributions, than would be gained by charging the higher fees.
 - The committee expressed concern over not having enough commercial tax base, and not being able to attract these investments in the past. In order to achieve economic development wins the County must appear development-friendly; having the highest impact fees in the region, by several thousands of dollars, directly counteracts that effort.
 - The following table shows examples of recent projects in neighboring Cherokee County with the impact fees charged and the cost difference that would be present if the business considered locating in Forsyth County if maximum fees are adopted:

Project	Type	Size	Current Cherokee Impact Fee	Forsyth Proposed Fee	Project Difference
Cabela’s Wholesale	Specialty Retail	98,958 sqft	\$67,291	\$982,059	\$914,768
Inalfa (Phase 1)	Manufacturing	165,444 sqft	\$95,958	\$1,339,766	\$1,243,808
Hickory Flat Kroger Center	Shopping Center	104,436 sqft	\$62,662	\$1,036,422	\$973,760
Village at Sixes Medical Office	Medical Office	33,432 sqft	\$47,139	\$270,732	\$223,593

- An additional genuine concern brought up during the committee meetings was the effect the fees will have on housing affordability in the County, specifically for teachers and young families. An extra \$9,000 on a home price can have determinate impact on the ability for essential members of the

workforce, such as those in education and public service, and those who have grown up in Forsyth to qualify for mortgages and become homeowners in Forsyth County.

FEE CALCULATION

- The consultant calculated the Road impact fees based on **one service area for the entire county**, which is inconsistent with State law. The Georgia Impact Fee Act requires that impacts fees are calculated and imposed on the basis of service areas. This requirement is intended to ensure that the fees charged are representative of the actual impact on the local system created by the new development. The Council recommends dividing the County into multiple service areas as the scale of the infrastructure improvements needed for new developments in the more rural areas of the County are very different than those required by developments in more developed areas of the County.
 - According to State law and legal precedents, Cumming should not be included in the county service area (See Cherokee County v. Greater Atlanta Homebuilders Assn 255 Ga. App. 764.)
- The impact fees were calculated in the consultant study using the “Consumption Method,” which estimates the cost of the individual impact of each new development based on national traffic demand models rather than an existing transportation improvement priority project list, which identifies actual projects (and accurate cost estimates) for which the revenue from the fees can be spent. To avoid challenges, legally and in practice, most jurisdictions in the State calculate and impose fees based on “plan-based” methodology.
 - There is concern that the proposed fees in the Forsyth County study may not satisfy the legal requirement that impact fees for new growth and development must not create duplicate and ad hoc exactions (See OCGA 36-71-1 (b) (4), City of Griffin v. McDaniel 270 Ga. App. 349).
- Impact Fee revenue should not be considered the sole or primary source of funding for traffic relief and transportation improvements needed today. Impact fee revenue can be used on projects that will maintain the existing level of service as growth occurs, to capture the ‘impact’ that the new resident makes on the facilities, not alleviate current traffic issues.

VESTED PROJECTS

- Committee members expressed a concern for the impact of the new fees on developers that are currently vested in the County. These developers and builders have projects already planned, platted and financially underwritten with the understanding that there were no roads impact fees. In order to protect these existing investments, the Council for Quality Growth recommends exempting developments that have already received LDPs, approved Plats (Preliminary or Final) or a Zoning Application Number, or allow land owners with projects vested in various stages the opportunity to advance payment of impact fees under the current impact fee ordinance for up to the maximum residential or commercial density allowed under the applicable zoning classification for at least 180 days after the adoption of the proposed ordinance amendments.

- The State of Tennessee passed legislation last year defining the vesting period for real estate developments related to development regulation applicability. According to the law, development projects are vested as early as the preliminary development plan or plat is approved and whatever development standards are in effect at the time of that first approval shall remain the development standards applicable to that property for at least 3 years. (Georgia has not explicitly/legally defined the vesting period, allowing local jurisdictions make determination)

DEVELOPER CREDITS

- The County currently achieves immediate transportation system improvements on a regular basis through developer agreements. Rather than being able to implement these improvements as the development occurs, in order to use impact fee revenue, the County will have to wait until enough funding is collected from additional sources and receive project approval through State administrative processes to construct the transportation improvement.
- According to the study, developers may only receive credits for capacity expanding improvements on Arterial roads. These credits should be made available for all transportation system improvements on all road types, as collectors are often reclassified as arterials after the development is completed. The Council recommends that it be codified that all system improvements should be eligible for impact fee credits.

FORSYTH COUNTY IMPACT FEE STUDY: KEY CONCERNS

City/County	Impact Fees		
Forsyth County (Proposed)	Parks and Rec Fee: SF Res: \$776 per dwelling unit MF Res: \$493 per dwelling unit	Public Safety (+ Library) Fee: SF Res: \$658 per dwelling unit MF Res: \$418 per dwelling unit Comm.: \$532 per 1,000 sq.ft. Office: \$227 per 1,000 sq.ft.	Transportation Fee: SF Res: \$7,288 per dwelling unit MF Res: \$4,617 per dwelling unit Comm.: \$9,392 per 1,000 sq.ft. Office: \$7,871 per 1,000 sq.ft.
Milton (Adopted 10/5/15)	Parks and Rec Fee: SF Res: \$3,107.55 per dwelling unit Apartment: \$3,107.55 per dwelling unit Condo/TH: \$3,107.55 per dwelling unit (Only 50% of maximum collected)	Public Safety Fee: SF Res: \$638.43 per dwelling unit Apartment: \$638.43 per dwelling unit Condo/TH: \$638.43 per dwelling unit Comm.: ranges from \$100 to \$750 per 1,000 sq.ft. depending on retail class	Transportation Fee: SF Res: \$646.98 per dwelling unit Apartment: \$646.98 per dwelling unit Condo/TH: \$646.98 per dwelling unit Comm.: ranges from \$2400 to \$8700 per 1,000 sq.ft. depending on retail class
Alpharetta (Adopted 9/28/15)	Parks and Rec Fee: SF Res: \$5,157 per dwelling unit MF Res: \$5,157 per dwelling unit Comm. (<100K sq.ft.): \$94 per 1,000 sq.ft. Office: \$267 per 1,000 sq.ft.	Public Safety Fee: SF Res: \$138 per dwelling unit MF Res: \$138 per dwelling unit Comm. (<100K sq.ft.): \$251 per 1,000 sq.ft. Office: \$205 per 1,000 sq.ft.	Transportation Fee: SF Res: \$881 per dwelling unit MF Res: \$881 per dwelling unit Comm. (<100K sq.ft.): \$1,156 per 1,000 sq.ft. Office (<100K sq.ft.): \$267 per 1,000 sq.ft.
Sandy Springs (2008)	Parks and Rec Fee: \$165.00 per dwelling unit.	Public Safety Fee: Res: \$165.00 per dwelling unit. Comm.: \$433.00 per 1,000 sq.ft. Office: \$168.00 per 1,000 sq.ft.	Transportation Fee: SF Res: \$1316.45 per dwelling unit Apartment: \$924.40 per dwelling unit Condo/TH: \$806.10 per dwelling unit Comm.: ranges from \$2k to \$40K per 1,000 sq.ft. depending on retail class
Roswell (2015)	Parks and Rec Fee: Res up to 1,500 sq.ft.: \$318 to \$424 per dwelling Res 1,501 to 2,500 sq.ft.: \$501 to \$559 Res 2,501 to 4,000 sq.ft.: \$607 to \$682 Res 4,001 sq.ft. or more: \$713	Public Safety Fee: Res up to 1,500 sq.ft.: \$521 to \$695 per dwelling Res 1,501 to 2,500 sq.ft.: \$821 to \$916 Res 2,501 to 4,000 sq.ft.: \$995 to \$1,117 Res 4,001 sq.ft. or more: \$1,169 Comm.: \$260 per 1,000 sq.ft. Office: \$320 per 1,000 sq.ft.	Transportation Fee: Res up to 1,500 sq.ft.: \$964 to \$1,285 per dwelling Res 1,501 to 2,500 sq.ft.: \$1,514 to \$1,690 Res 2,501 to 4,000 sq.ft.: \$1,835 to \$2,064 Res 4,001 sq.ft. or more: \$2,159 Comm.: \$2,718 per 1,000 sq.ft.
Cherokee County (2013)	Parks and Rec Fee: \$283.74 per dwelling unit.	Public Safety (+ Library) Fee: SF Res: \$799.22 per dwelling unit MF Res: \$799.22 per dwelling unit Comm.: ranges from \$50 to \$500 per 1,000 sq.ft. depending on retail class	Transportation Fee: SF Res: \$59 per dwelling unit MF Res: \$41 per dwelling unit Comm.: ranges from \$25 to \$2100 per 1,000 sq.ft. depending on retail class **Only 10% of maximum allowable roads impact fee is collected
Hall County	Flat fee collected for all improvement categories: SF Residential: \$1,242 per dwelling unit MF Residential: \$1,242 per dwelling unit Commercial: Ranges from \$21 to \$564 per 1,000 sq.ft.		
Neighboring Communities with No Impact Fees: <ul style="list-style-type: none">Dawson CountyGwinnett CountyCity of Johns CreekCity of SuwaneeCity of Duluth			