

City of Savannah Impact Fee

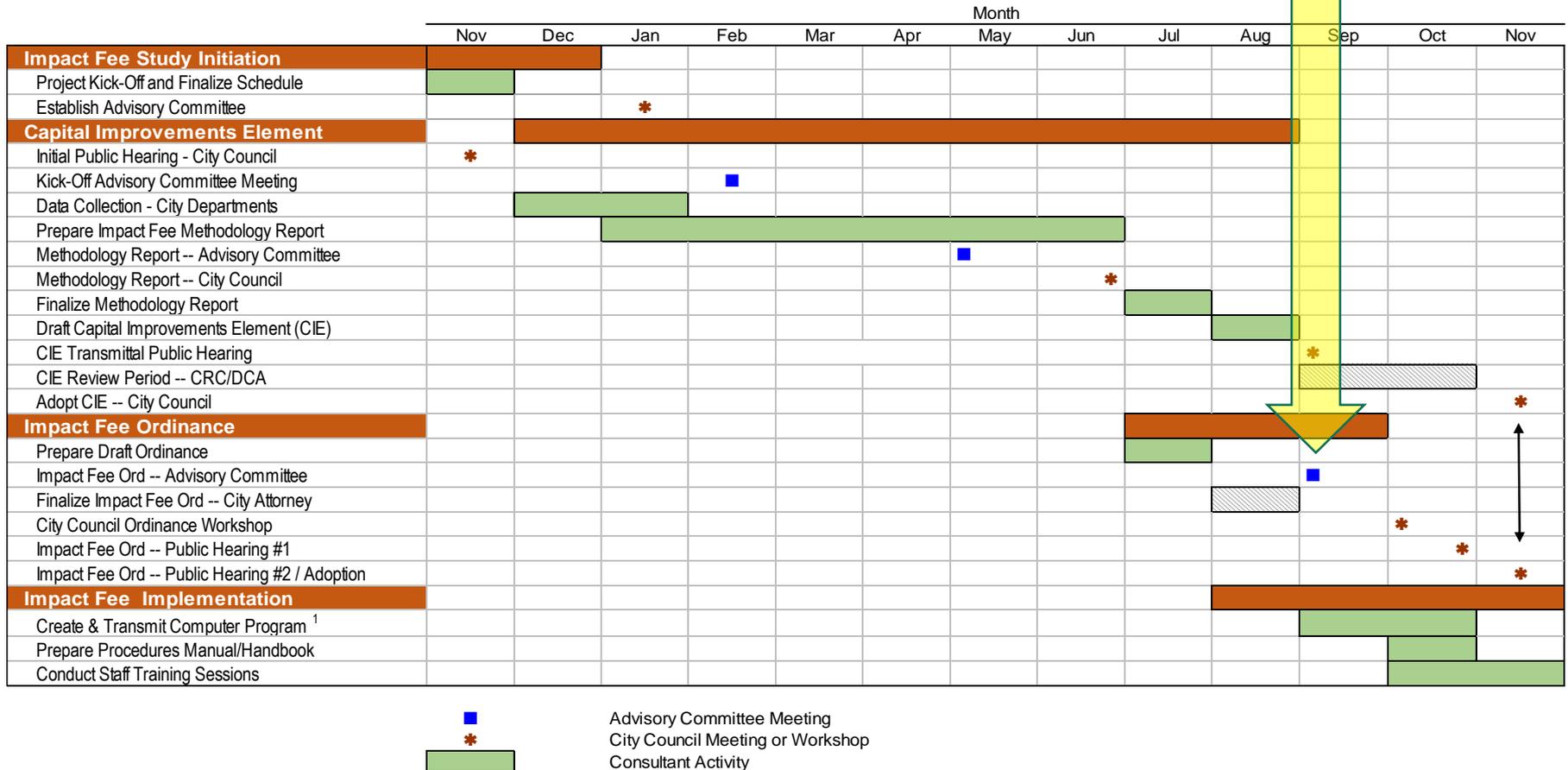
Advisory Committee Briefing

9.9.22



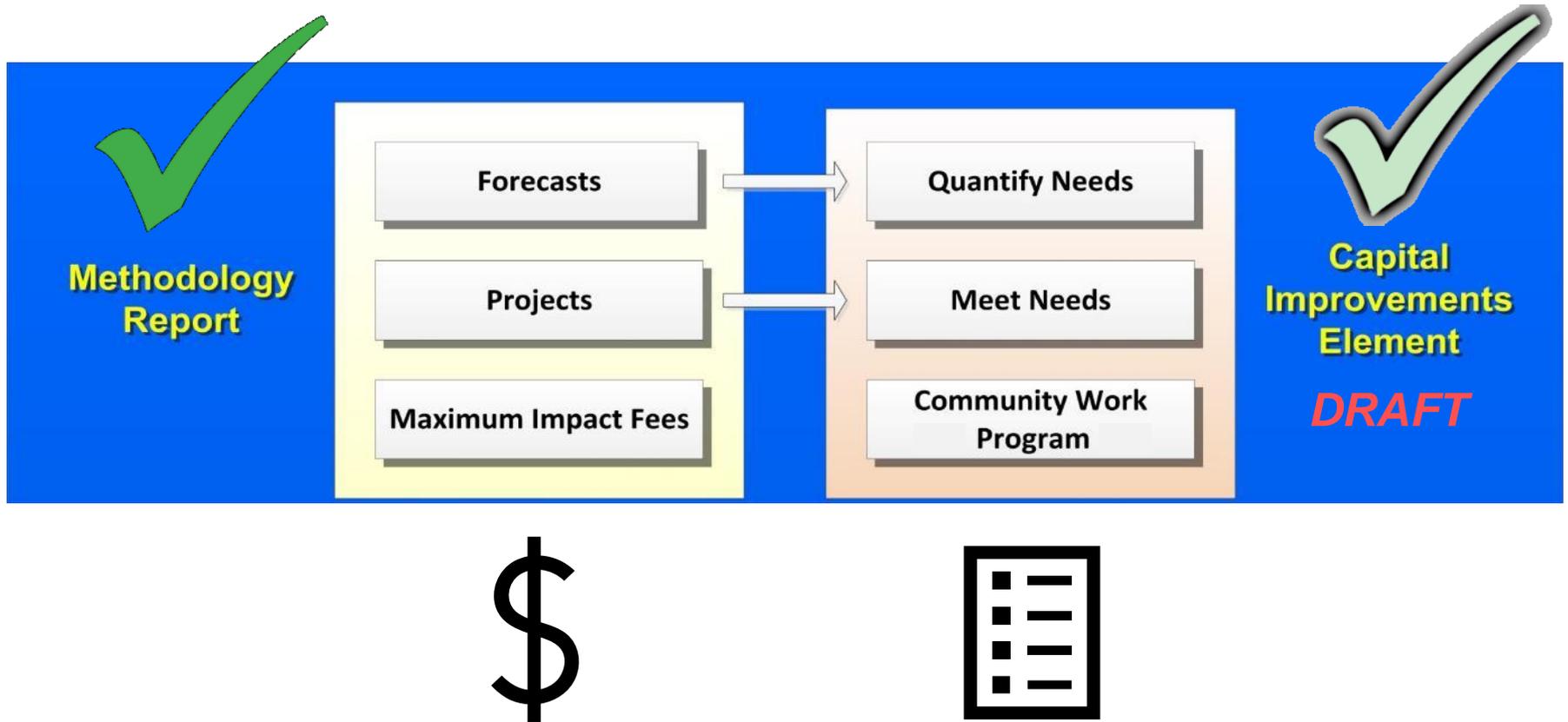
Where are we in the process?

Schedule of Key Events Savannah Impact Fee Program



¹ Or, consult with the City's IT staff regarding the creation by the City of a comparable program on the City's server.

Where are we in the process?



2023-2027 Community Work Program



Impact Fee Eligible Projects

- *Public Facility Category*
- *Implementation Year(s)*
- *Responsible Party*
- *Cost Estimate*
- *Funding Sources*

2023-2027 Community Work Program



Annual Updates

- *Implementation Year(s)*
- *Cost Estimate*
- *Additional Near-Term Projects Pulled from CIE 20+ Year List*

Where are we in the process?



Example Impact Fees – 2022 Maximum Amounts

Land Use	Parks & Recreation	Fire Protection	Law Enforcement	Road Improvements	Total Impact Fee	per
Single-Family Detached Housing	\$ 3,215.81	\$ 1,192.45	\$ 993.29	\$ 232.62	\$ 5,634.17	dwelling
Mid-Rise Multi-Family 4-10 stories	\$ 3,215.81	\$ 1,192.45	\$ 993.29	\$ 117.17	\$ 5,518.72	dwelling
Warehousing	\$ 0.02	\$ 0.34	\$ 0.28	\$ 0.04	\$ 0.69	square foot
General Office	\$ 0.11	\$ 1.80	\$ 1.50	\$ 0.20	\$ 3.61	square foot
Medical-Dental Office Building	\$ 0.10	\$ 1.64	\$ 1.36	\$ 0.27	\$ 3.37	square foot
Hotel or Conference Motel	\$ 18.06	\$ 291.61	\$ 242.79	\$ 197.09	\$ 749.55	room
Nursing Home	\$ 0.07	\$ 1.07	\$ 0.89	\$ 0.17	\$ 2.19	square foot
Strip Retail Plaza	\$ 0.07	\$ 1.13	\$ 0.94	\$ 0.67	\$ 2.82	square foot
Quick Lubrication Vehicle Shop	\$ 0.14	\$ 2.28	\$ 1.89	\$ 1.72	\$ 6.03	square foot
Discount Club	\$ 0.04	\$ 0.69	\$ 0.57	\$ 1.05	\$ 2.35	square foot

Example 2022 Maximum Amounts vs. Construction Costs

Land Use	Parks & Recreation	Fire Protection	Law Enforcement	Road Improvements	Total Impact Fee	per	Project Size	Est. Project Cost*	Fee as a % of Project Cost
Single-Family Detached Housing	\$ 3,215.81	\$ 1,192.45	\$ 993.29	\$ 232.62	\$ 5,634.17	dwelling	1 house	\$ 393,085	1.43%
Mid-Rise Multi-Family 4-10 stories	\$ 3,215.81	\$ 1,192.45	\$ 993.29	\$ 117.17	\$ 5,518.72	dwelling	200 Units	\$ 24,113,619	4.58%
Warehousing	\$ 0.02	\$ 0.34	\$ 0.28	\$ 0.04	\$ 0.69	square foot	100,000 sq. feet	\$ 5,040,000	1.37%
General Office	\$ 0.11	\$ 1.80	\$ 1.50	\$ 0.20	\$ 3.61	square foot	40,000 sq. feet	\$ 5,011,200	2.88%
Medical-Dental Office Building	\$ 0.10	\$ 1.64	\$ 1.36	\$ 0.27	\$ 3.37	square foot	20,000 sq. feet	\$ 5,891,000	1.15%
Hotel or Conference Motel	\$ 18.06	\$ 291.61	\$ 242.79	\$ 197.09	\$ 749.55	room	Per Room	\$ 55,534	1.35%
Nursing Home	\$ 0.07	\$ 1.07	\$ 0.89	\$ 0.17	\$ 2.19	square foot	3,000 sq. feet	\$ 486,000	1.35%
Strip Retail Plaza	\$ 0.07	\$ 1.13	\$ 0.94	\$ 0.67	\$ 2.82	square foot	10,000 sq. feet	\$ 1,630,000	1.73%
Quick Lubrication Vehicle Shop	\$ 0.14	\$ 2.28	\$ 1.89	\$ 1.72	\$ 6.03	square foot	30,000 sq. feet	\$ 5,370,000	3.37%
Discount Club	\$ 0.04	\$ 0.69	\$ 0.57	\$ 1.05	\$ 2.35	square foot	60,000 sq. feet	\$ 29,760,000	0.47%

% of Maximum Fee

100.00%	100.00%	100.00%	100.00%
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* Single family house: average new construction in Savannah. Other uses: *Engineering News Record* publications.

Comparison of Impact Fees in Other Communities

	Parks, Rec & Greenspace	Public Safety	Roads	Total
Single-Family House				
Alpharetta	\$ 5,111.81	\$ 133.00	\$ 1,444.72	\$ 6,689.53
Atlanta	\$ 1,221.00	\$ 565.00	\$ 3,128.00	\$ 4,914.00
Decatur*	\$ 4,529.98	\$ 2,237.03	\$ 304.52	\$ 7,071.52
Milton	\$ 6,401.55	\$ 657.58	\$ 698.71	\$ 7,757.85
Sandy Springs	\$ 4,679.98	\$ 458.14	\$ 1,716.87	\$ 6,854.99
Savannah	\$ 3,215.81	\$ 2,185.73	\$ 232.62	\$ 5,634.17

200-Unit Apartment				
Alpharetta	\$ 1,022,361.98	\$ 26,600.78	\$ 288,943.84	\$ 1,337,906.60
Atlanta	\$ 165,200.00	\$ 76,600.00	\$ 350,400.00	\$ 592,200.00
Decatur*	\$ 905,995.24	\$ 447,405.18	\$ 60,903.02	\$ 1,414,303.44
Milton	\$ 1,280,310.92	\$ 131,516.58	\$ 139,742.16	\$ 1,551,569.66
Sandy Springs	\$ 935,996.39	\$ 91,628.80	\$ 343,373.43	\$ 1,370,998.62
Savannah	\$ 643,162.88	\$ 437,146.90	\$ 23,434.32	\$ 1,103,744.10

60,000 sf Supermarket				
Alpharetta	\$ 5,610.00	\$ 4,152.00	\$ 113,790.00	\$ 123,552.00
Atlanta	\$ 72,120.00	\$ 33,360.00	\$ 247,740.00	\$ 353,220.00
Decatur*	\$ -	\$ 78,222.00	\$ 3,519.99	\$ 81,741.99
Milton	\$ -	\$ 17,340.00	\$ 168,276.00	\$ 185,616.00
Sandy Springs	\$ 20,088.00	\$ 17,022.00	\$ 602,226.00	\$ 639,336.00
Savannah	\$ 4,164.00	\$ 123,120.00	\$ 138,888.00	\$ 266,172.00

40,000 sf Office Building				
Alpharetta	\$ 10,684.00	\$ 7,892.00	\$ 17,512.00	\$ 36,088.00
Atlanta	\$ 23,960.00	\$ 11,080.00	\$ 82,560.00	\$ 117,600.00
Decatur*	\$ -	\$ 40,988.00	\$ 1,844.46	\$ 42,832.46
Milton	\$ -	\$ 32,980.00	\$ 25,896.00	\$ 58,876.00
Sandy Springs	\$ 38,216.00	\$ 32,384.00	\$ 92,672.00	\$ 163,272.00
Savannah	\$ 4,220.00	\$ 124,884.00	\$ 10,696.00	\$ 139,800.00

* Not adopted

Reducing Impact Fees

Adoption of Reduced Impact Fees: The City may adopt the maximum fee for any given public facility category or could adopt a lower fee if all fees in a particular public facility category are **reduced proportionally** (that is, by the same percentage).

Individual Fee Assessment*: A landowner or developer may request an individual assessment when the average figures used in the Methodology Report do not apply to the specific project being proposed.

Individual Appeals*: The City's Impact Fee Ordinance will provide for the appeal by anyone assessed an impact fee, first to the Impact Fee Administrator and then, if not resolved, to City Council.

Exemptions*: Exemptions from the established impact fee amounts on the adopted Impact Fee Schedule can be adopted by City Council for development that represents **'extraordinary economic or employment growth.'** The exemptions can be applied by Council in whole or in part to specified uses based on standards reflecting the Exemption Policy.

** Addressed in Ordinance*

Adoption of Reduced Impact Fees?

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Fee Schedule Scenario Testing

Draft Exemption Policy (in Ordinance)

Exemptions.

- (a) The board of aldermen recognizes that certain office, retail trade, and industrial development projects may provide **extraordinary benefit** in support of the economic advancement of the city's citizens over and above the access to jobs, goods, and services that such uses offer in general. To encourage such development projects, the board of aldermen **may grant a reduction in the impact fee** for such a development project upon the determination and relative to the extent that the business or project represents extraordinary economic development and employment growth of public benefit to Savannah.
- (b) In addition, the board of aldermen recognizes that impact fees, in some circumstances, may negatively affect the **affordability of housing**, particularly “workforce” housing.
- (c) If it wishes to encourage development projects of public benefit to Savannah, the board of aldermen **shall first adopt exemption criteria** to guide the granting of a reduction in the impact fee for:
 - (1) A business development project that represents extraordinary economic development and employment growth, and/or
 - (2) A residence or housing project that will increase the supply of housing that would be affordable to disadvantaged individuals or families.
- (d) In the absence of adopted applicable exemption criteria for either extraordinary economic development and employment growth or for affordable housing, no applicable exemption shall be approved.
- (e) It is recognized that the Georgia Development Impact Fee Act (under O.C.G.A. 36-74-4(h)(3)) requires that **any amount of money granted as an exemption must be reimbursed by the city** into the city's impact fee accounts from revenue sources other than impact fees.

Exemptions Discussion

Next Steps

While the CIE is under review:

- City Council Determines the Impact Fee Amounts to be Adopted
- Initiate Impact Fee Ordinance Adoption (to include final Fee Schedule)
Ordinance Public Hearing #1

After DCA approves the CIE:

- Adopt the CIE
- Adopt Impact Fee Ordinance
Ordinance Public Hearing #2
- Determine the Effective Date and Begin Collecting the New Fees