

Savannah Impact Fee Program

Scope of Services

Ross Associates services will include advice and assistance to the City of Savannah in general on impact fee matters, the preparation of an Impact Fee Methodology Report (including all impact fee calculations), preparation of a Capital Improvements Element, the preparation of a final impact fee schedule for adoption, preparation of an Impact Fee Ordinance conforming to all current state law requirements, and assistance to staff in implementing the program.

In the course of our studies, we will consider the creation and amount of impact fees for the City of Savannah for the following public facility categories:

- Roads, streets, and bridges, including rights of way, traffic signals, landscaping, and any local components of state or federal highways;
- Parks, open space, and recreation areas and related facilities; and
- Public safety facilities, covering city police and fire facilities.

The results of our proposed services will be the completion of an impact fee program and fee schedule for Savannah meeting all legal and administrative requirements. In addition, the CIE will conform to DCA requirements for inclusion in the City's Comprehensive Plan.

Our services will include the following items:

Task 1: Project Kick-Off

Task 1.1: Data Collection

The first phase of the project will involve study organization with the staff and data collection.

Immediately upon contract execution, the Consultant will work with City staff to schedule joint or back-to-back meetings with key of City staff members. At initial meetings, the Consultant will gather available information related to the project; identify major policy issues involved in formulating a Savannah impact fee program; and coordinate staff and Consultant responsibilities. The Consultants will obtain copies of all relevant plans, studies, data and documents needed to perform the scope of work.

Data to be gathered include, but are not limited to:

- Existing population, housing and employment forecasts for the city to the year 2045.
- The latest annual number of Occupational Tax (i.e., "business licenses) employment statistics

by each range category.

- Property tax assessment totals by land use category.
- Inventories of all existing impact fee eligible community facilities.
- A list of currently proposed new or expanded facilities for which funding has already been identified or programmed, and method of funding (such as SPLOST, TSPLOST, Bonds, General Fund, etc.).
- Debt payment schedules for outstanding bond issues or loans relating to identified facilities, if any; SPLOST program funded projects and monthly SPLOST receipts; other capital improvement projects programmed and method of payment.
- A prioritized list of projects planned or envisioned by the City but not yet funded for each facility category, including estimated costs and start dates.
- Average values for new construction: Single-family homes, multi-family units and nonresidential buildings.

Budgeted capital projects, adopted Capital Improvement Plan project listings and departmental service plans/projections will be key inputs for the impact fee eligible project listings.

All current cost estimates will be converted to Net Present Value (NPV) by the Consultant using average annual inflation rates (the CPI and Engineering News Record's BCI and CCI for building and other construction projects), discounted by the City's current investment interest rate.

Task 1.2: Impact Fee Advisory Committee

The Consultant will advise and assist the Mayor and City Council in the appointment of an Impact Fee Advisory Committee meeting the requirements and restrictions imposed by the Georgia Impact Fee Law.

Task 1.3: Impact Fee Kick-Off Public Hearing

The *Development Impact Fee Compliance Requirements* of the State require that a community that is first considering the adoption of impact fees must hold a public hearing "prior to the development of the CIE to inform the public about the purpose of the CIE and the process to be followed in the preparation of the CIE, as well as to elicit community input on needs and goals."

The Consultant will prepare appropriate materials for the "kick-off" public hearing, and will be present to answer any questions raised by the public or the City Council.

Deliverables:

- Meeting with all affected departments regarding project overview, data needs, planned capital projects, status, etc.

- An initial orientation meeting with the Impact Fee Advisory Committee to detail their role, the study process and State Law provisions.
- Recommended format for the notice to be advertised for the kick-off public hearing.
- Attendance and a presentation of pertinent information (as required by DCA guidelines) at the kick-off public hearing before the City Council.

Task 2: Impact Fee Methodology Report

The preparation of an Impact Fee Methodology Report addressing each of the City's impact fee eligible public facility categories listed above, including calculations of the maximum impact fees for each impact fee category. The Report will reflect the following:

Population, Dwelling Unit and Employment Forecasts to 2045

Socioeconomic forecasts will be prepared for the city as a whole. The results will be presented in a Technical Appendix containing all pertinent calculations.

Tax Digest Forecasts

These will be needed to calculate credits for new development property taxes attributable to impact fee projects, and will reflect average new house sales prices and per-employee nonresidential property values. The calculation of a credit against impact fees as needed to avoid potential situations of double taxation.

Level of Service (LOS) Standards

The current LOS will be calculated for police services and fire protection based on existing facilities and the pertinent day-night population served. The LOS for parks and recreation will be based on the City's past and planned improvements for an investment recoupment approach.

LOS standards for roads will be based on a comparison of traffic currently generated by existing development and the traffic generated by new growth and development in 2045.

Determination of the LOS standards to use—current, future or other—will be a function of City policies and the most advantageous impact fee calculations themselves. The Consultant will be guided by principle that impact fees will be collected throughout the city and that facilities will be available to all residents even though some facilities may well be focused on particular areas (such as neighborhood playgrounds operated by the City).

Funding Mechanisms

Funding vehicles in place, including funding from the General Fund and from other sources (such as SPLOST, bonds or short-term financing vehicles).

Maximum Impact Fees

The maximum potential impact fee for each land use category is calculated to set the ceiling on fees that can be charged under the state law. The actual fees to be charged will be decided by the City Council as part of the Impact Fee Ordinance preparation process.

Deliverables:

- Methodology Report containing all forecasts, credit data and NPV components, impact fee calculations for each public facility category, a maximum fee schedule by land use category, and an Executive Summary regarding the financial implications of adopting the impact fee program. Pertinent Technical Appendices will be attached.
- The document will be delivered in digital (PDF) format for reproduction and digital distribution to the appropriate parties by the City staff.
- Briefing Paper summarizing the Methodology Report for public and City Council presentation.
- Attendance at one Impact Fee Advisory Committee meeting to review the proposed Methodology Report.
- Attendance at one City Council meeting to review the draft Methodology Report, which then will be finalized reflecting City Council comments.

Task 3: Capital Improvements Element

A draft Capital Improvements Element (CIE) based on the finalized Methodology Report will be prepared. The CIE document will be drawn from those portions of the Methodology Report (with supplemental text added) that are required to be included by the Georgia Department of Community Affairs.

Impact fee projects will be included in the 5-Year Community Work Program that will be added as a part of the CIE.

The document will be delivered in digital (PDF) format for reproduction and digital distribution to the appropriate parties by the City staff.

Following presentation of the Draft CIE to the Impact Fee Advisory Committee, the Consultant will facilitate a public hearing before the City Council to receive public input and for authorization to transmit the CIE to the Coastal Regional Commission for review as an amendment to the city's Comprehensive Plan.

Deliverables:

- Draft Capital Improvements Element containing all data required by the Georgia Department of Community Affairs (DCA). Pertinent Technical Appendices will be included.
- Briefing Paper summarizing the Capital Improvements Element for Advisory Committee and City Council presentation.
- Attendance at one Impact Fee Advisory Committee meeting to review the draft CIE.
- Recommended formats for the public hearing notice and the Transmittal Resolution for the transmittal public hearing.
- Attendance at the transmittal public hearing before the City Council regarding transmittal of the draft CIE to the Coastal Regional Commission of Georgia and DCA.
- Review of comments from DCA on the new CIE (if any) and appropriate responses and/or revisions.

Task 4: Adoption of the Impact Fee Program

Adoption will involve the following:

Task 4.1 Impact Fee Ordinance

In order to expedite implementation of the impact fee program, the Impact Fee Ordinance will be prepared by the Consultant for review by the City Attorney during the 60-day Regional/DCA review process on the CIE, such that the Ordinance and the CIE can be adopted at the same City Council meeting, and impact fees implemented thereafter.

Preparation of the City's Impact Fee Ordinance and recommendations (if any) to assure conformance to the Georgia Development Impact Fee Law.

City Council Briefing

Preparation of briefing materials as needed for discussions with the City Council regarding appropriate levels of impact fees to be charged.

Fee Schedule for Adoption

Preparation of an impact fee schedule to be attached to the City's Impact Fee Ordinance.

Task 4.2 Adoption of the Capital Improvements Element

During the Regional/DCA required review period, which can take up to 60 days, the Consultant will coordinate with the Coastal Regional Commission and DCA staff as appropriate to facilitate their review and answer any questions. Following receipt of their review comments, the

Consultant will provide necessary revisions, if any, and attend the City Council meeting for adoption of the CIE. It is anticipated that the CIE adoption will coincide with the 2nd public hearing on adoption of the Impact Fee Ordinance.

Deliverables:

- Preparation of a draft of the Impact Fee Ordinance in conformance to the Georgia Development Impact Fee Law. The document will be delivered in digital (PDF) format for reproduction and digital distribution to the appropriate parties by the City staff. The draft ordinance will be supplied as a Word document by the Consultant to the City Attorney to facilitate the recordation of changes or corrections to the draft document.
- Attendance at one Impact Fee Advisory Committee meeting to review the draft Ordinance and to discuss the impact fees to be charged new development.
- Attendance at one City Council meeting to discuss the draft Impact Fee Ordinance and to set the final fee schedule.
- Recommended formats for the public notice to be published for the two public hearings regarding adoption of the Impact Fee Ordinance.
- Attendance at the first public hearing of the City Council regarding adoption of the Impact Fee Ordinance.
- Attendance at the second public hearing of the City Council to adopt the Impact Fee Ordinance as well as the Capital Improvements Element.
- Delivery of the as-adopted CIE in digital format for transmittal by the City staff to the Coastal Regional Commission of Georgia for their records.

Task 5: Implementation of the Impact Fee Program

It is proposed that this Task also will occur during the 60-day Regional/DCA review process on the CIE, such that the City staff will be fully prepared to implement the impact fee program when the Ordinance and the CIE are adopted by the City Council.

Our services will include meeting with City staff for training and for implementing a system for administering the impact fees that complies with the Georgia Development Impact Fee Act.

As one option, services will include development of a computerized fee assessment and collection program based on Microsoft Access and tailored to Savannah, consultation with administrative staff on appeals and individual assessment procedures, and assistance to accounting staff in setting up the procedures necessary to maintain internal accounts and prepare an annual financial report to DCA.

As an alternate, at the City's request, we will consult with the City's IT staff regarding the creation by the City of a program on the City's server that would accomplish the same results as the Consultant's stand-alone computer impact fee assessment program.

A written Program Operations Manual for building permitting staff will be provided, along with an Administrative Procedures Manual for the Impact Fee Administrator and Finance Director. Our services will include consultation with administrative staff on appeals and individual assessment procedures, and assistance to accounting staff to assure that appropriate procedures necessary to maintain internal accounts are in place.

Deliverables:

- A zip file with the Microsoft Access-based computerized fee assessment and collection program or consultation with the City staff for incorporation of such a function on the City's computer system.
- One in-person training session with City staff, with additional guidance provided via email, phone, and/or Zoom on an as-needed basis.
- Program Operations Manual showing detailed procedures for operation of the computerized assessment program.
- Administrative Procedures Manual for administrative processes (appeals, individual assessments, annual reporting, records keeping, etc.)

Task 6: Continuing Services

Following adoption and implementation of the Impact Fee Program, Ross Associates will stand ready to answer questions, provide explanations and otherwise provide continuing advice to the City staff as questions or issues arise for a period of one year at no cost to the City. This assistance will be advisory in nature and delivered by telephone or email as appropriate to the inquiry.