

not keep up with the growth in our urbanized communities around the country and at the same time maintain and reconstruct our existing transportation systems with current revenues. Therefore, where the returns from new land developments will bear the additional costs of needed transportation improvements, equity argues that those receiving the additional benefits should pay directly for them. This is especially true in urban areas where right-of-way and construction costs are greater than revenues that will be returned through normal user charges.

IMPACT FEES FOR FINANCING TRANSPORTATION  
INFRASTRUCTURE: THE FLORIDA EXPERIENCE

by  
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In 1985, the state took a major step forward in trying to get a handle on population growth and growth management issues by passing an omnibus act that was called the Growth Management Act of 1985. That act attempted to assure that infrastructure kept up with population growth.

The Growth Management Act of 1985, in doing this, put the burden of keeping up with growth on local governments, by saying: you must plan for this growth; we'll give you some money for planning for it; we'll set up a study committee to figure out how to finance your infrastructure and your growth problems and come back to you in a couple of years with state solutions to finance it. In the meantime, we are encouraging you to use things like impact fees, and gas taxes.

There are basically three types of impact fees in Florida for transportation. There is the Broward County model, which is based on computer-driven trip modelling and is site-specific. It is considered the most sophisticated type of the impact fee, but because of its dependence on monitoring the computer, is expensive and has not been the one that is typical of the state.

Sarasota County has adopted a different kind of impact fee which is very similar to a special assessment. It is what we call an "improvement-driven fee." The basic methodology is for the local government to decide what improvement they want in a particular area, figure out the cost and then allocate the particular costs over the various land uses in the geographic area in which the improvements are to be made. Sarasota County planned for a 5-year improvement program on the basis of assigning costs to different land uses to pay for those particular requirements.

The third approach that has been used by most of the counties and cities in Florida is a "needs-driven impact fee." This fee is based

on the Palm Beach County impact fee. In fact, it was that fee that the Florida Court of Appeals said was a reasonable fee and established good case precedent for the rest of the state. Palm Beach County's fee works on the basis of a formula that considers trip generation, trip length, trip distribution, construction costs, and credit for motor fuel revenue. The fee is assessed by land use types such as residential, commercial, industrial, manufacturing, etc. A gross fee is calculated, and credits are subtracted to get a net fee.

Some land uses have been exempted. For example, government activities are often not required to pay impact fees. Churches have been very successful in having themselves exempted from impact fees, and in some cases the local governments have decided, for policy reasons, to exempt low income housing.

The fees also vary in terms of when they are collected. Most fees in Florida are collected at the building permit stage. This seems to be the easiest for local governments to administer. There is significant pressure from the development community to collect impact fees very late in the process, at certificate of occupancy, which allows the building community to transfer the costs to the consumers. A number of counties have tried to collect the fees at an early stage in the building process, to provide more time to build the roads.

Most ordinances allow for fee agreements so that the government can negotiate with the developer to collect the fee at a different time than the normal time. This is particularly useful for a developer who wants to achieve some credits for land or facility contributions that he has made. It allows him to know what he is going to be credited for right away. In exchange, the government gets its fee earlier in the process than is typical.

## ROAD IMPACT FEES IN BROWARD COUNTY

by

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### HISTORY

Broward County began assessing road impact fees in 1979, making it one of the earliest governments to do so. The charging of road impact fees was part of a series of strategies adopted by the County, in an attempt to enable infrastructure to keep pace with development.