

Appendix I – Calculation of the Interim Transportation Impact Fee

This appendix provides a brief history and explanation of the transportation impact fee that is adopted in Chapter 45. It also addresses the issue of tax credits against the transportation impact fee.

Part I - Basis for the Transportation Impact Fee

The transportation impact fee imposed by Chapter 45 of this bylaw is an interim fee that is substantially less than what would be required to fully fund the share of the listed improvements that can fairly be attributed to new development in Williston. This appendix explains how the interim fee was established.

Williston's 2006 comprehensive plan called for the update of the transportation impact fee.

6.9.2 Update the Current Transportation Impact Fee. Williston has charged transportation impact fees since 1987, raising more than \$2 million. The calculations on which the current impact fee—\$300 per peak hour trip end—is based date back to 1999. The town will update its transportation impact fee to reflect current costs and match the priorities for improvements adopted in this plan.

The update began when the Town awarded a contract to RSG and Michael Munson to prepare an impact fee study. A draft transportation impact fee study was presented to the Planning Commission in November of 2007. That study documented the need for a gross fee of \$2,824 per PM peak hour trip end: more than nine times the then-existing fee of \$300 per PM peak hour trip end. The RSG/Munson study also demonstrated that, after deducting appropriate credits for property tax payments for transportation projects, the net transportation impact fees per trip end ranged from \$2,500.57 to \$2,800.56.

The Planning Commission scheduled a public hearing on the proposed fee on March 18, 2008 at its November 19, 2007 meeting. The hearing on March 18, 2008 featured a long discussion of the potential impacts of the proposed fee on local businesses and housing affordability, balanced with discussion of the need for transportation improvements. The Planning Commission revised its proposal and scheduled another public hearing for June 3, 2008. Following that hearing it was agreed that the Commission had reached the point of diminishing returns to effort on this topic and that a reduced fee should be imposed so that additional fees were being collected while the town's discussion of how best to finance transportation improvements continued. Specifically:

The Commission was aware of, and needed to turn its attention to, the possible creation of a tax increment financing (TIF) distinct which would, if successful, pay for at least some share of the transportation improvements needed in the growth center.

The Planning Commission also felt, though without much optimism, that another legislative session and/or the election of a new governor might lead to better funding for the extensive improvements needed on state roads in Williston.

Finally, the Planning Commission felt the need for a broader community conversation that would inform interested residents about the need for transportation improvements and the options for funding those improvements.

The Commission's staff asked the Town's land use attorney for an opinion (copies are available from Williston Planning) on the defensibility of a transportation impact fee that was arbitrarily lower than the fee proposed by the November 2007 impact fee study or any of the fees subsequently calculated by RSG

and Michael Munson or the town's staff as discussion continued. Mr. Gillies advised that a lower fee was defensible and on June 17, 2008, the Commission voted to send the fee proposed in a draft of Chapter 45 to the Selectboard.

Part II – Tax Credit Tax Calculations

Since the proposed fee of \$700.00 per PM peak hour trip end is net of all applicable credits, no tax credit calculations are necessary.