Developmental Impact Fees

Process | Analysis | Implementation

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Manhattan Community Board 1 | Fund for the City of New York

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1. INTRODUCTION

In the past 10-years New York City has witnessed a population growth of almost 5%[1], leading to increase in demand for housing and infrastructure in the City. Population projection and research suggest that Manhattan alone will face an increase of 6.7% in the coming decades[2]. Increasing density, coupled with the fact the communities in Lower Manhattan have received numerous incentives for residential development post 9/11, has led to an increase in the number of residents by more than 200%[3], acting as a primary aspect in creating a strain on the neighborhood's public resources. The addition of approximately 20,000 new residential units (new construction and alterations) in the past decade, has resulted in Manhattan Community Board 1 being the fastest growing residential area in the City. This increase has led to a growing gap between the demand and availability of public facilities, creating a need to generate solutions that directly benefit the growing population and communities.

In the process of generating additional sources of revenue, a tried and tested way, in many states, unlike New York, has been the enforcement of Developmental Impact Fees, which had aided in the funding for the growing demands and crisis of inadequate infrastructure needed by the residents. This report aims to provide an understanding of the potentials of implementing such a fee in the city. The study has been done through research and case studies that look at the enabling legislations, assessment process, analysis and execution of Impact fees in cities that have enforced and benefitted from Developmental Impact Fees in the past and that continue to do so. The findings from the research have further helped formulate recommendations that may be applicable to New York City for promoting and creating more sustainable communities.

[1] Source: New York City Population Projection by Age/Sex & Borough, 2010-2040
[2] Ibid
[3] Source: Manhattan CB1- District Need Statement, FY 2016

i. Developmental Impact Fees

Developmental Impact Fees are defined as a one-time fee imposed by the local govt. of any city on new developments, with an aim to improve or expand infrastructure and public facilities like roads, schools, parks, fire safety, and other vital services that will directly address and serve the increased demand by the population growth created by the particular development[4]. Impact fees act as additional revenue for funding capital infrastructure projects required by new residential and commercial projects. It supplements the resources available to the local government for funding the development of additional facilities required.

The facilities to be funded by the fees are determined on the basis of comprehensive plan, master plan or capital improvement plan consistent with the zoning requirements and future needs of the community. Typically required to be paid in advance of completion of the project, the rate of fee is proportionately calculated and the amount is derived based on the cost, type and size of the facility required to meet the needs of the added population.

ii. Pros and Cons of Impact Fees

Developmental Impact Fees have been in use for decades in the United States since many regions have been experiencing rapid growth and development. While the concept has become increasingly common in towns and cities where additional funds gave way to infrastructure improvements, the system has also been observed to have faced growing obstacles and resistance. With rising construction and developments costs, coupled with an increased need for infrastructure, housing and public facilities, levying of an added tax has been an ongoing debate. While many municipalities view it as beneficial for the communities, the same fee, on the other hand, is considered to merely augment the already escalating construction costs. This section explores some of the eminent advantages and disadvantages of the system.

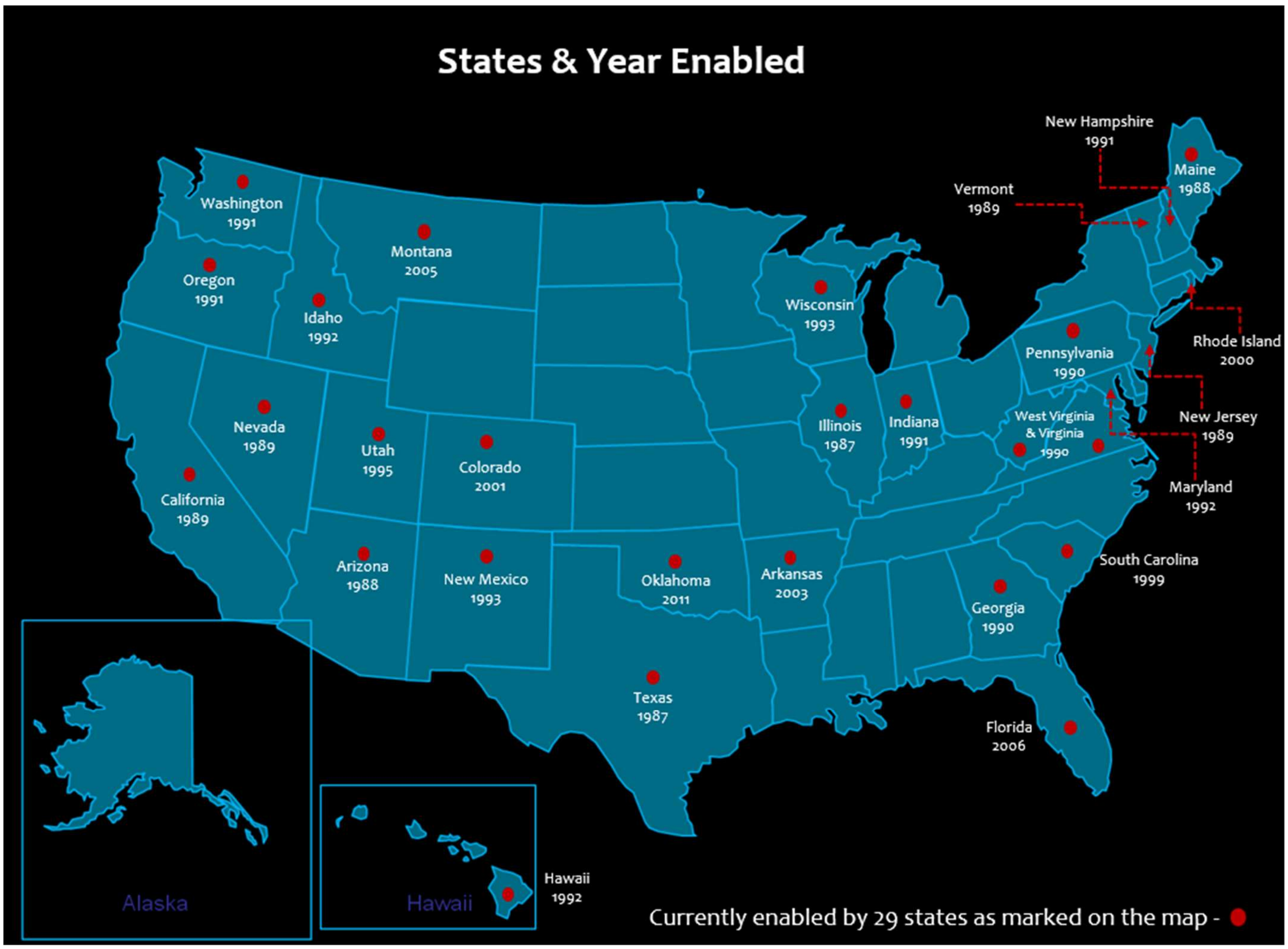
[4] Source: APA Policy Guide on Impact Fees

PROS	CONS
• The concept acts as an effective tool for ensuring adequate infrastructure for planned and anticipated growth by focusing on provision of the facilities for the added population.	• The funds generated by this process does not typically cover the entire infrastructure cost leaving the construction to be dependent on government funding sources.
• Since every new development is required to pay impact fees in a designated area, the method assays to be an equitable and efficient manner in which funds can be raised for public facilities required by the new development.	• Owning to its nature of implementation and calculation process large amount of planning, administration and research is required before the system can be enforced in a city or town.
• With Impact fees each new development contributes its fair share for the city's infrastructure allowing the city to improve its public facilities to sustain the added population.	• The process requires long term maintenance, tracking of contributions and record keeping, as the construction of any capital project stretches over a number of years, leading to a considerable amount of data generated.
• The additional funds created by impact fees reduce the amount of money that municipality of a town/city has to generate to fund for capital projects.	• Impact fees acts as an added cost to the price of development leading to increase in housing prices and rent. It has often been viewed as an 'anti-development policy'[5].

[5] Source: Developmental Impact Fees - Review of Principles

iii. Geographic Extent & Eligible Facilities

Impact fees, though relatively new, has been in existence since the 1960's when land use regulations were created in the United States[6]. Since its onset, it has seen an immense growth in implementation over time. With Texas being the first state to officially enable the legislation to enact the policy in 1987, there are currently more than 29 states that have adopted some form of Developmental Impact fees to enable growth in towns and cities[7].



Map showing the states with Impact Fees and year of enabling legislation

[6] Source: State Impact Fee Enabling Acts
[7] Ibid

Among all states, California has the largest number of adopting communities, followed by Florida, Washington, and Oregon[8].

Although the purpose of the fee remains the same in all states - to enable towns and cities to pay for growth and ensure the provision of sufficient capital facilities for all, the type of facilities that are eligible to be funded for, through this revenue differs in each state. Originally used to primarily fund for water, sewer, and road improvements[9], the range of uses for impact fees has expanded over time to meet the needs of the growing communities. Many states have defined limits of how the revenue may be used, in terms of the type of infrastructure that may be provided, and almost all states prohibit the use of the funds for improvement or maintenance of existing facilities[10].

The funds generated from impact fees may only be used to advance new infrastructure necessary to accommodate growth. Currently, impact fees have been used to fund for services like:

- Water and sewer treatment facilities
- Waste management and treatment
- Drinking water facilities
- New road and expansions
- Recreational parks
- Public schools, libraries, cemeteries etc.
- Medical services
- Police stations / law enforcement
- Fire protection

[8] Source: Developmental Impact Fees - Review of Principles
[9] Ibid
[10] Source: APA Policy Guide on Impact Fees

The table below shows the range of facilities that are currently eligible to be funded through impact fees in the enable states:

State	Roads	Water	Sewer	Storm Water	Parks	Fire	Police	Library	Solid Waste	School
Arizona (cities)	x	x	x	x	x	x	x	x		
Arizona (counties)	x	x	x		x	x	x			
Arkansas (cities)	x	x	x	x	x	x	x	x		
California	x	x	x	x	x	x	x	x	x	x
Colorado	x	x	x	x	x	x	x	x	x	
Florida	x	x	x	x	x	x	x	x	x	x
Georgia	x	x	x	x	x	x	x	x		
Hawaii	x	x	x	x	x	x	x	x	x	x
Idaho	x	x	x	x	x	x	x			
Illinois	x									
Indiana	x	x	x	x	x					
Maine	x	x	x		x	x			x	
Maryland	x	x	x	x	x	x	x	x	x	x
Montana	x	x	x	x	*	x	x			
Nevada	x	x	x	x	x	x	x			
New Hampshire	x	x	x	x	x	x	x	x	x	x
New Jersey	x	x	x	x						
New Mexico	x	x	x	x	x	x	x			
Oklahoma	x	x	x	x	x	x	x		x	
Oregon	x	x	x	x	x					
Pennsylvania	x									
Rhode Island	x	x	x	x	x	x	x	x	x	x
South Carolina	x	x	x	x	x	x	x			
Texas (cities)	x	x	x	x						
Utah	x	x	x	x	x	x	x			
Vermont	x	x	x	x	x	x	x	x	x	x
Virginia	x									
Washington	x				x	x				x
West Virginia	x	x	x	x	x	x	x			x
Wisconsin (cities)	x	x	x	x	x	x	x	x		

Table 1[11] - Facilities Eligible for Impact Fee by State

[11] Source: State Impact Fee Enabling Acts

2. CASE STUDIES

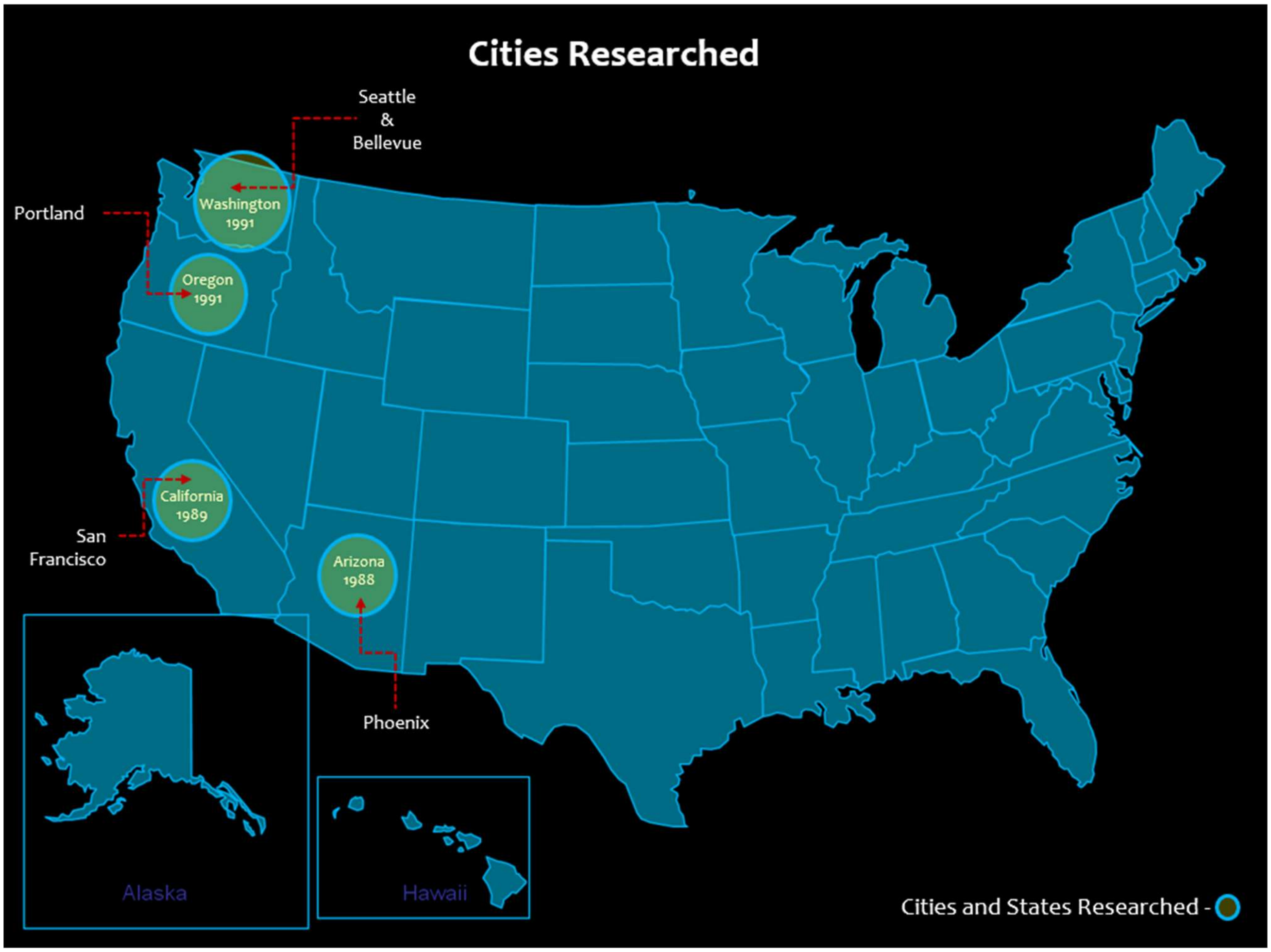
As defined in the previous chapter, almost 29 states in the country currently have authorized impact fees. The basis of enactment remains the same in most states with similar determinative factors as described below[12]:

- All states require local government to identify areas where impact fee will be applied along with mandating the expenditure of the collected fees solely in the area of collection.
- Most states have a specific timeline within which impact fee is required to be spent for the provision of the specified public facility (typically 5 – 15 years in most states).
- States also require the basis of impact fee to be derived from a capital improvement plan or a comprehensive city plan / master plan that incorporates future expansion and growth.

But even with common objectives, it has been observed that the process of implementation varies from region to region. Each state has been seen to differ in the method of fee calculation and the proportion of fee, the range of eligible facilities, the areas of application, and the administrative structure that governs the process, making the standardization of the system complex. This chapter examines a few selected cities in several states to assess the differences and similarities in the underlying principle and to understand the essential techniques that are followed for practice, so as to formulate appropriate methods that can be executed in New York City. The cities that have been researched in this study are as follows:

i. **San Francisco**……… California
ii. **Bellevue**……………. Washington State
iii. **Seattle**………………. Washington State (to be implemented)
iv. **Phoenix**……………. Arizona
v. **Portland**……………. Oregon

[12] Source: State Impact Fee Enabling Acts



Map showing the cities and states researched for this study

The research primarily analyzes fundamental factors of the systems such as:

- the enabling legislation behind the statute;
- the agency authorized to enact the policies;
- assessing department and the collection department;
- basis of fee calculation;
- facilities and resources covered by the fund and,
- areas / neighborhoods where the fee can be applied

i. San Francisco, CALIFORNIA

Enacted under the California Mitigation Fee Act (1987)[13], the state of California defines the establishment of impact fees on the basis of certain regulatory standards. Any local agency that imposes a fee as a condition of approval of a development project, must adhere to the following prior to enforcement[14]:

- Identify the purpose of the fee;
- If the fee is to be used for funding public facilities, the specific facility is to be defined (a reference the capital improvement plan may be implied but isn't mandated).
- The local agency is also mandated to demonstrate a relation between the use of the fee and the type of development imposed for the fee.

Based on similar principles, the impact fee in San Francisco has been devised:

DATA	San Francisco, CA
Enabling Legislation	-Based on the California Mitigation Fee Act, Government Code Section 66000 -Established by the City
	Enabling Legislation
Enacting Agency	Developmental Impact Fees area programmed through the City's **Interagency Plan Implementation Committee** (chaired by the planning department), with input from targeted areas **Citizen Advisory Committee**
	Source
Assessing Department	Impact fees is assessed by the Planning Department
	SF Planning Department

[13] Source: A Short Overview OF Developmental Impact Fees
[14] Source: State Impact Fee Enabling Acts

Assessment Process / Basis of Calculation	Development Impact Fees are adjusted annually by the Controller's Office and are based on Annual Infrastructure Construction Cost Inflation Estimates.
Collection Department	Developmental Fee Collection unit at the **Department of Building Inspection**
Facilities and Resources Covered by The Fund	Streets, Open Spaces, Community Facilities, Affordable housing, job training, business assistance, libraries, recreational facilities. Etc. depending on the Plan Area.
Fee Rate (if defined)	Impact Fee charged as per the program type: -School Facilities impact fee: $2.24 for all residential, $0.27 for nonresidential - Water Capacity Charge: $2,907 /new unit **Area Specific Charges** - Community Infrastructure fund (Rincon hill): $11/net occupiable residential SF - Social Stabilization Fund (Rincon hill): $14/net occupiable residential SF
	Fee Schedule
How Are the Facilities Determined	Facilities are determined based on the geographic location and current needs of the community.
	Source
Areas/Neighborhoods Where Impact Fee Can Be Applied	Areas with concentrated growth have established developmental impact fees. The SF Planning Department has created specific Area Plans.

San Francisco – Impact Fee Structure

ii. Bellevue, WASHINGTON

The impact fees in Bellevue has been established under the Washington State Growth Management Act (GMA), a state law that requires rapidly growing cities and counties to develop a comprehensive plan to manage population growth.[15] The Growth Management Act is based on the comprehensive plan which lists out goals, objectives and policies that guide the planning and growth of cites.

Under the GMA, any county in Washington State which has both a population of 50000 or more (until May 16 1995) and has had its population increased by 10% in the previous 10 years (until May 16 1995), or has had an population increase by 17% in the previous 10 years or any other county (and cities within these counties) regardless of population, has had an population increase of 20% or more in the previous 10 years are authorized to impose Impact Fees.[16] The cities are authorized to charge impact fees on new developments to fund facilities such as transportation, parks, schools, recreation and fire safety. Based on these statues the impact fee in Bellevue has been devised and currently the city only authorizes impact fee to be used for funding transportation projects.

DATA	Bellevue, WA
Enabling Legislation	Established under the **Growth Management Act** (Washington State law - Transportation Impact fee adopted in 1989) Prior to the GMA local agencies relied on State Environmental Policy Act to require developers to fund mitigation projects.
	Source
Enacting Agency	**Bellevue City Code** and the state **Growth Management Act**
Assessing Department	The City of Bellevue assesses transportation impact fees
	Source

[15] Source: Growth Management Act
[16] Source Washington State Legislature

Assessment Process / Basis of Calculation	The GMA allows impact fees for system improvements and specifies that fees are not to exceed a proportionate share of the costs of improvements. The City of Bellevue uses a city cost model to determine the share of costs to be funded by the Impact Fee revenue. (Traffic and trip generation from new development is studied by *Institute of Transportation Engineers*)
Collection Department	Funds are to be collected by the **Department of Transportation.** All transportation impact fees and investment income received shall be deposited into the impact fee fund. Procedures for administration of the fund shall be established by the director of the finance department.
	Source
Facilities and Resources Covered by The Fund	Impact fees may be collected and spent for public road facilities needed for system improvements that are included within the capital facilities plan in the City's comprehensive plan. Fees may apply only to improvements identified in a Capital Facilities Plan. **Bellevue City Code currently requires refund of fees not expended within six years.**
Fee Rate (if defined)	City allocates growth related infrastructure costs and identifies available funding. The remaining costs are charged as the Impact fees. (The fee is charged at per unit of development for various land use categories) - Residential: $ 1998 - $ 7992 - Commercial: $1.57 - $ 137, 359 - Industrial: $2.36 - $8.82
	Maximum Allowable Rate (pg. 20)
How Are The Facilities Determined	Washington State law specifies that Transportation Impact Fees are to be spent on system improvements including but not limited to: - Physical or operational changes to existing roadways - New roadway connections - Additional lanes - Street widening - Signalization The projects are determined based on transportation need identified in the Comprehensive Plan.
Areas/Neighborhoods Where Impact Fee Can Be Applied	Citywide

Bellevue – Impact Fee Structure

iii. Seattle, WASHINGTON (to be implemented)

Seattle impact fees, although yet to be implemented is based on similar principles as Bellevue Transportation Impact Fees and will be enabled under the GMA. Unlike Bellevue, Seattle aims to charge impact fees on new developments to fund for facilities such as parks, schools fire safety, and recreation along with transportation facilities. The fee collected may only be used to fund capital facilities that is necessary as an aftermath of growth and may not be used to address maintenance, operations or existing deficiencies.[17]

DATA	Seattle, WA (Will be implemented in 2018)
Enabling Legislation	Seattle City Council | Established under the **Growth Management Act** (Washington State law)
	Seattle Impact Fees
Enacting Agency	City Council and Mayor's Office
Assessing Department	**Office of Planning and Community Development** is studying the possibility of using impact fees as a part of comprehensive strategy for funding key City priorities. (Currently proposal for Transportation Impact fees being developed). Inter departmental workgroup formed to conduct high level policy assessment of the policy implications of pursuing impact fees.
	Source
Assessment Process / Basis of Calculation	The workgroup focused on fundamental characteristics of the impact fees as an alternate revenue generation option and its role in supporting city policy goals.
Collection Department	Inter-agency workgroup: Department of Planning and Development (DPD), Department of Transportation (SDOT), Parks and Recreation Department, Office of the Mayor, Department of Finance and Administrative Services, and City Budget Office

[17] Source: Impact Fees

Facilities and Resources Covered By The Fund	Transportation impact fees: under the GMA, any transportation projects necessitated by new development and growth can be funded by the impact fee.
How Are The Facilities Determined	Under Washington State Law: Growth Management Act, cities may charge impact fees on new development to fund transportation, parks and recreation, schools, and fire facilities.
Areas/Neighborhoods Where Impact Fee Can Be Applied	Citywide

Seattle – Impact Fee Structure

iv. Phoenix, ARIZONA

Impact fees in Arizona is authorized at the local level by the state government. The developmental impact fee statutes in Arizona enable municipalities to assess the fees by following procedures of constitutional requirements that ensure that the fees are "*assessed for facilities that benefit the development; that money (including interest earned) be used only for the specified purposes; and that there is a reasonable relationship between the fee amount and the development*"[18]. Although Arizona has impact fee enabled, it is one of the states that does not list schools as a public facility and funding for it is not permitted under the impact fee statutes[19].

The City of Phoenix implements impacts fees for services in growth areas as defined in the General Plan of the city[20]. The growth areas of the city are divided into separate fee areas, ensuring that the fees charged in one area only pays for the infrastructure applicable to that specific location.

DATA	Phoenix, AZ
Enabling Legislation	**Arizona municipal development impact fee statutes** enable municipalities to assess development impact fees for a legitimate public purpose. The authority for local governments to assess fiscal impact fees is granted at the state level and then tested and refined by federal and state court cases.
	Source
Enacting Agency	Municipality of the city
Assessing Department	A municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development.
	Source

[18] Source: Developmental Impact Fees-Best Practices
[19] Ibid
[20] Source: Phoenix Impact Fees

Assessment Process / Basis of Calculation	The municipality calculates the development fee based on the infrastructure improvements plan adopted. Impact fee is assessed and calculated based on the Infrastructure financing plan, which includes the land use assumption, infrastructure improvement plan and an impact fee study. The infrastructure financing plan is prepared by The Planning and Development department.
	Source
Collection Department	Impact fee + administrative fees is assessed, calculated, and charged prior to issuance pf permission to commence development. Impact fees shall be spent within **ten fiscal years** of the date upon which they were collected.
Facilities and Resources Covered By The Fund	a. Fire protection. b. Police. c. Parks. d. Libraries. e. Major arterials. f. Storm drainage. g. Water. h. Wastewater. For each necessary public service provided, the IIP shall provide a table of the EDU (equivalent demand unit) factors used for each type of development and/or land use.

Fee Rate (if defined)

Schedule C: Parks Impact Fees

	Land Use	EDU Factor[1]		Unit
Equivalent Demand Units (EDUs)	Single-Family	1.00	per	Dwelling Unit
	Multi-Family	0.65	per	Dwelling Unit
	Commercial/Retail	0.05	per	1,000 sq. ft.
	Office	0.07	per	1,000 sq. ft.
	Industrial/Warehouse	0.02	per	1,000 sq. ft.
	Public/Institutional	0.05	per	1,000 sq. ft.
	Impact Fee Service Area	**Gross Fee**		**Unit**
Gross Impact Fees	Northwest/Deer Valley	$2,175	per	EDU
	Northeast	$3,008	per	EDU
	Southwest	$3,346	per	EDU
	Ahwatukee	$1,758	per	EDU
	Offset Type	**Offset Amount**		**Unit**
Offsets	PPPI Sales Tax Offset	$655	per	EDU
	Debt Offset	$400	per	EDU

Sample Impact Fee Rate Table

Source - Fee rate based on location

How Are The Facilities Determined

Impact fees are only charged for services identified in the Infrastructure Improvement Plan (IIP) as listed above.

Arizona is one of the few states that do not enable school facility impact fees.

Areas/Neighborhoods Where Impact Fee Can Be Applied

Impact fees are charged in the areas of development and growth in the city of Phoenix as defined in the General Plan.

Bordering areas of the city:
Ahwatukee, Deer Valley, Estrella North, Estrella South, Laveen East, Laveen West, Northeast, Northwest

Source

Phoenix – Impact Fee Structure

v. Portland, OREGON

The framework behind Oregon Impact Fee Act is aimed at providing means of "*equitable funding for orderly growth and development in Oregon's communities*[21]. As per the statutes the charges may only be used to fund Capital Improvement Projects with facilities such as:

- Water supply, treatment and distribution;
- Waste water collection, transmission, treatment and disposal;
- Drainage and flood control;
- Transportation; or
- Parks and recreation.

Based on this framework, the city of Portland imposes System Development Charges – an improvement fee collected at the time of increase usage of public facilities.

DATA	Portland, OR
Enabling Legislation	Oregon State Legislation ORS 223.297 provides definition and framework for enacting System Development Charges (SDCs) for orderly growth and development in Oregon's communities.
	City of Portland- System Development Charges
Enacting Agency	The local government is authorized to establish System Development Charges. For the City of Portland, the Bureau of Development Services oversees the regulation.
	Source
Assessing Department	a. Bureau of Environmental Services b. Portland Parks and Recreation c. Portland Bureau of Transportation d. Portland Water Bureau
	Source

[21] Source: State Enabling Acts

Assessment Process / Basis of Calculation	a. **Bureau of Environmental Services:** SDCs reimburse BES for the infrastructure needed for development b**. Portland Parks and Recreation:** Charges based on portion of the cost required to create recreational facilities for new development. Rates based on type and size of the building. c. **Portland Bureau of Transportation:** The rate of each mode of transportation is based on city's funding needs over the next 10 years to meet demands d**. Portland Water Bureau:** Charges cover the cost for the new development's share of water system capacity.
Collection Department	SDCs are collected based on the category of the project and infrastructure development needed. Accordingly, the Bureau related assesses and collects the fees required.
Facilities and Resources Covered By The Fund	Facilities covered by SDCs are, **roads, water, sewers, storm water and parks.** SDCs are charged when: a. New or additional sq. ft. of residential or commercial occupancy b. Increased number of plumbing fixture units c. New storm water or sanitary connections are proposed. d. Addition of commercial floor area. e. If a project creates new redeveloped impervious area. f. Charges cover the cost for the new development's share of water system capacity
Fee Rate (if defined)	**Sewer System fee rate:** \$223 - \$6046 (depending on type of service ranging from added sewer connection to new development) **Transportation Infrastructure fee:** Dependent on type of development, residential/commercial/industrial and size of development. **Parks and Recreation fee:** Dependent on area of new development created and location development (central city vs non-central city) **Water Infrastructure fee:** Based on size of new meter added

How Are The Facilities Determined	Prior to the establishment of SDCs the local government prepares capital improvement plan that includes a list of capital improvements that the local govt. intends to fund. Capital improvement may include: - Water supply/distribution - Waste water collection, treatment, disposal - Transportation - Parks and Recreation - Drainage and flood control
Areas/Neighborhoods Where Impact Fee Can Be Applied	Citywide

Portland – Impact Fee Structure

3. RECOMMENDATIONS FOR NEW YORK CITY

Based on the series of case studies and research of governing factors for implementation of impact fees in cities of increased development and growing population, preliminary recommendations for Developmental Impact Fees in New York City has been formulated. The recommendations have been devised in terms of understanding the general governance of the system and the execution of policies, if impact fees were to be enacted in the City.

GOVERNANCE FACTORS	NEW YORK CITY – Preliminary Recommendations for Implementation
Enabling Legislation	As most states, Impact Fee in New York City could be under a state enabled legislation that defines the purpose and a uniform framework for the establishment and implementation of the fee. It could be governed by the projected population growth and areas witnessing concentrated increase in development.
Enacting Agency	The City could authorize the Department of City Planning (DCP) to enact and oversee the administration of the system.
Assessing Department	Based on the nature of the project required to be funded by impact fees in a certain community, DCP could assign the assessment and evaluation of the policies to the appropriate City agency. For example, if the needs statement of a community prioritizes construction roads as an immediate need, the assessment process for the impact fee to be charged could be carried out by NYC Department of Transportation.
Cost Assessment	The rate of fee to be calculated could be based on the infrastructure cost estimated by the city. Along with the City Budget, the amount of additional funds that may be required by the capital project could, in some percentage, be funded by the revenue generated from Impact fee. Based on the type and size of development a proportionate share could be calculated to be levied on each new development. The payment of the fee could be mandated prior to issuance of building permit or Certificate of Occupancy.

Collection Department	The collection of impact fee could be carried out in either of the following ways: OPTION 1: Creation of Impact Fee Collection Unit which is overseen by Department of Finance and works in conjunction with Department of Transportation, Parks and Recreation Department, Sanitation Department, etc. based on the infrastructure required. OPTION 2: Collection of Impact Fee could be carried out by the assessing department that oversees the development of the infrastructure required.
Facilities and Areas of Implementation	The purpose of the funds and facilities could be determined based on the District Needs Statement and Budget Requests of each Community. The prioritization of the facility could be based on the deficit or urgency of the facility required. Areas of implementation could be derived through Growth Analysis that determines the increase in development and creation / conversion of new residential units in a neighborhood.

New York City – Impact Fee Recommendations

SCENARIO 1 – Implementing Balbao Park, San Francisco framework in New York City

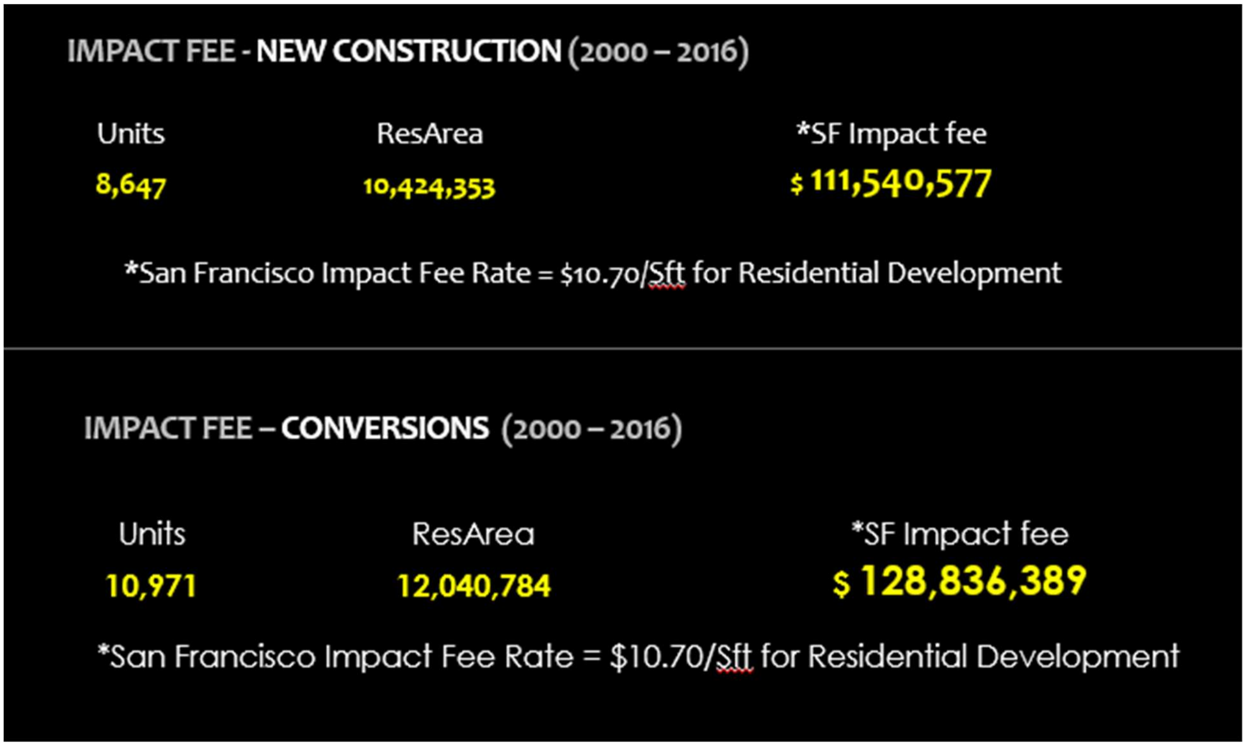
Based the study and findings in this research, it is imperative that New York city could have benefitted with huge monetary gains if Impact fees were to be implemented a decade ago. To understand the amount of funds that could have been generated by levying of the fee, a hypothetical scenario has been studied to understand the financial effect of the policy.

Methodology: New York City has undergone immense growth in the past 10 years and as defined earlier in this paper, there have been more than 20,000 residential units created in that duration. for this scenario, 1 development, 2 Gold Street, New York, New York 10038, which was constructed in 2003, has been considered.

The tower created 650 residential units with over 550,000 square feet of habitable space. Considering the number of units and square foot created, if New York City would have implemented Impact fee framework like Balbao Park, San Francisco, in the past 10 years the following would have been observed:

SCENARIO 1 – Implementing Balbao Park, San Francisco framework in New York City

Similarly, considering the total number of new residences created in New York City from 2000 – 2016 (new constructions and conversions), the amount of impact fee generated in the City would be as follows:



Total impact fee generated: Implementing Balbao Park, San Francisco framework in New York City

4. CONCLUSIONS

Based on new developments and relevant public facilities, enabling and adhering to an impact fee legislation may benefit communities in New York City and help meet the growing demand for infrastructure through an additional mode of revenue generation.

Next Steps:

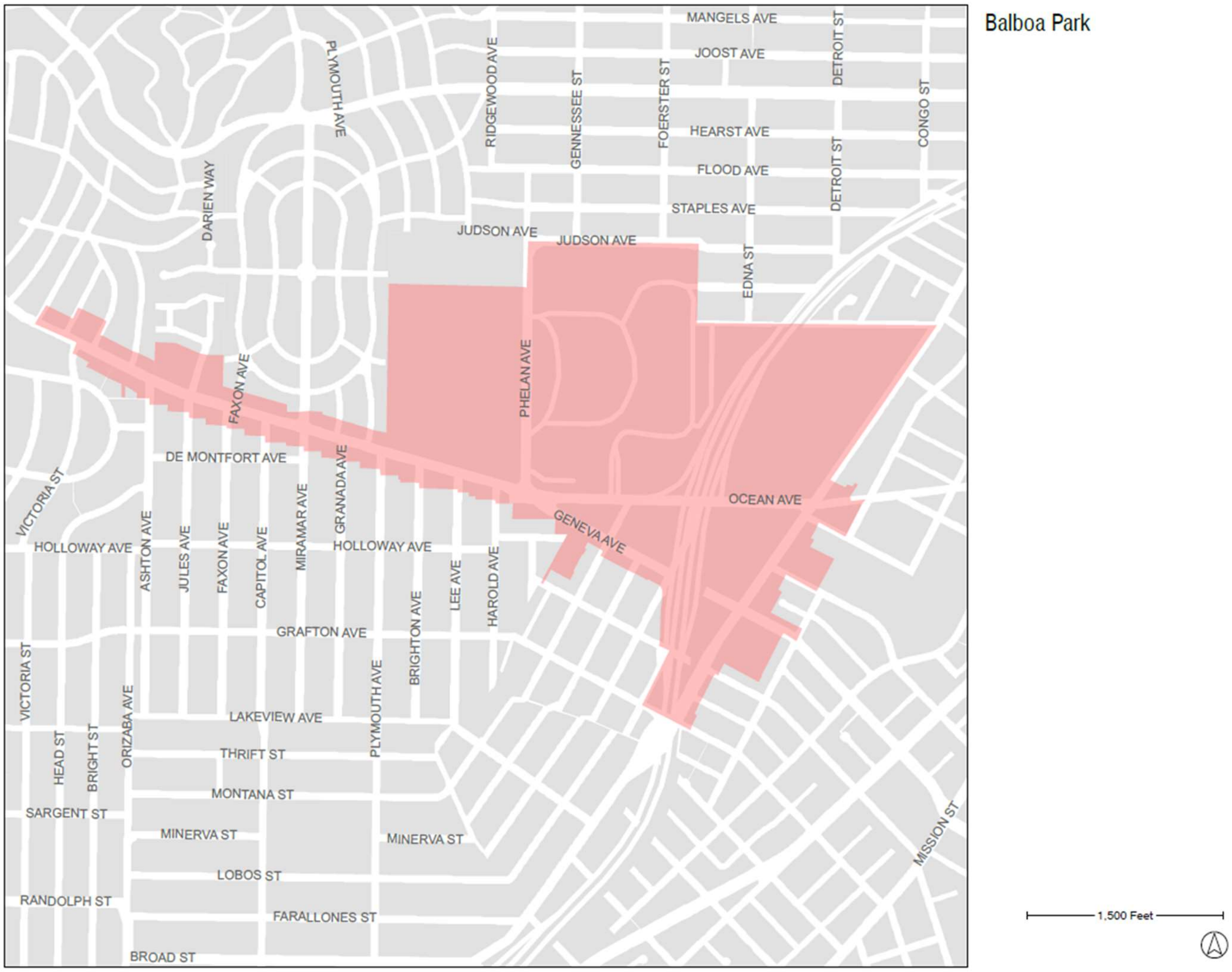
- The advancement of this research should focus on targeted advocacy to devise ways for enabling of legislation and implementation of impact fees in areas of projected growth in the City.

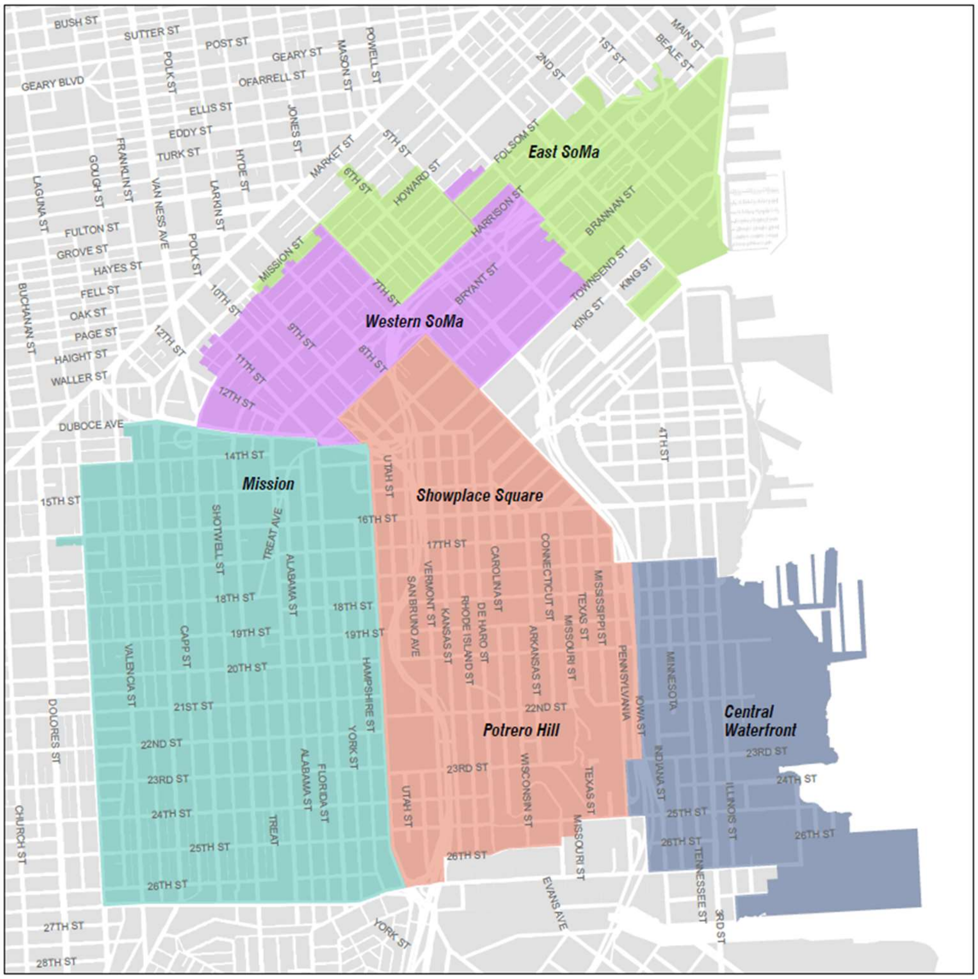
- Infrastructure requirements based on District Needs Statement could be used to determine the facilities and formulate a cost assessment process.

- Neighborhoods in Lower Manhattan, like Financial District, Tribeca, etc. which have been witnessing concentrated growth over the last decade should be the focus area for the study.

5. APPENDIX

i. San Francisco Impact Fee Implementation Areas:

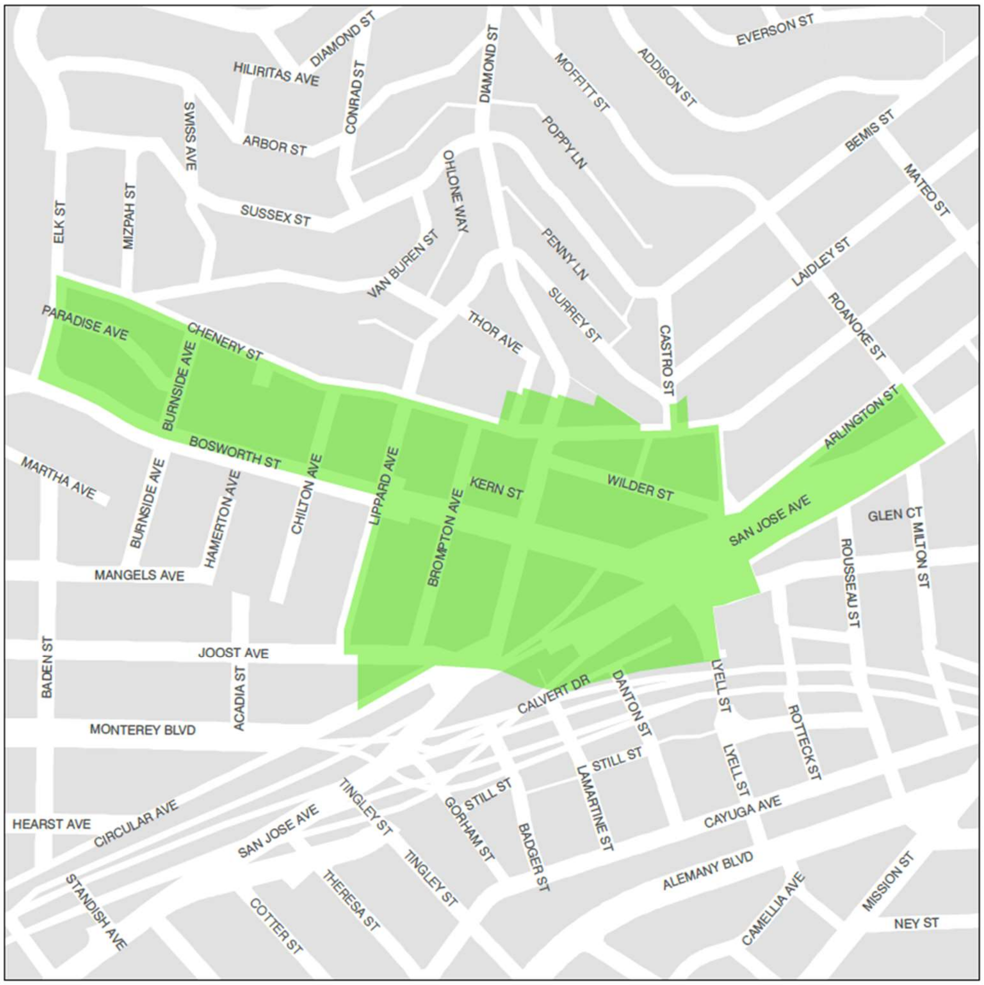




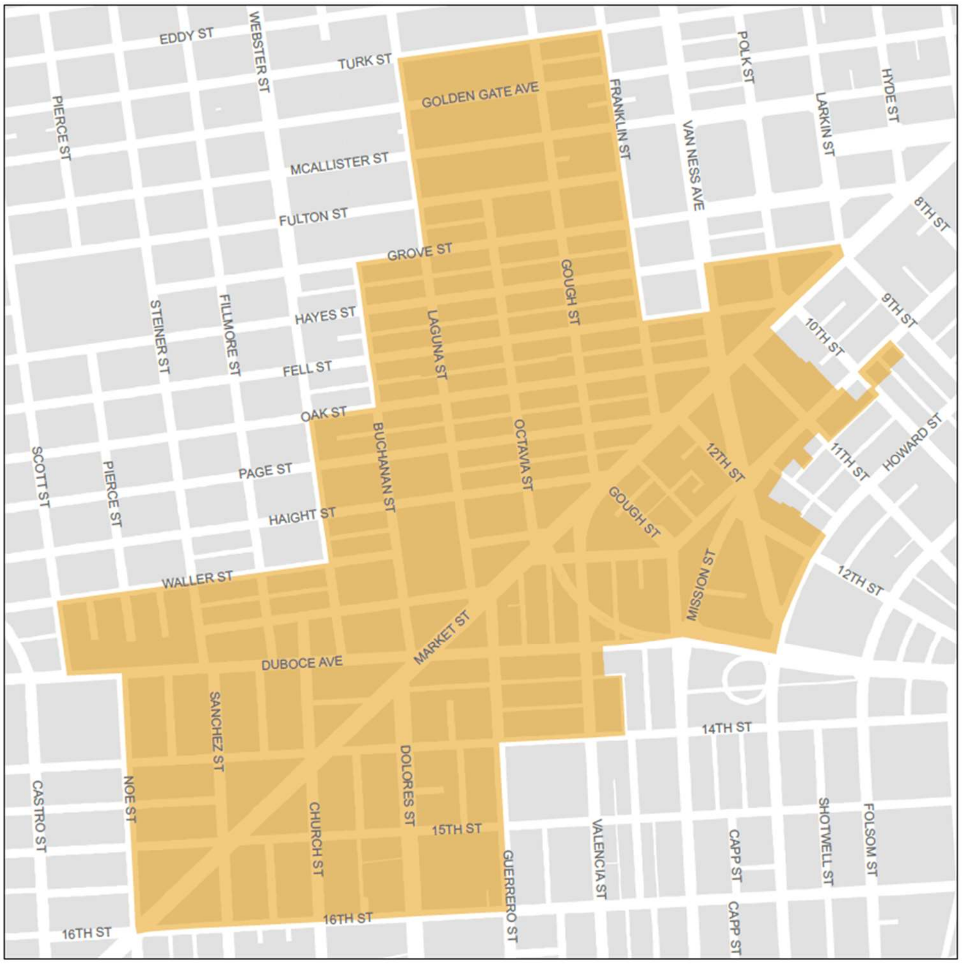
Eastern Neighborhoods
East SoMa
Western SoMa
Mission
Showplace Square/Potrero Hill
Central Waterfront

0.5 Miles

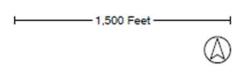
Glen Park



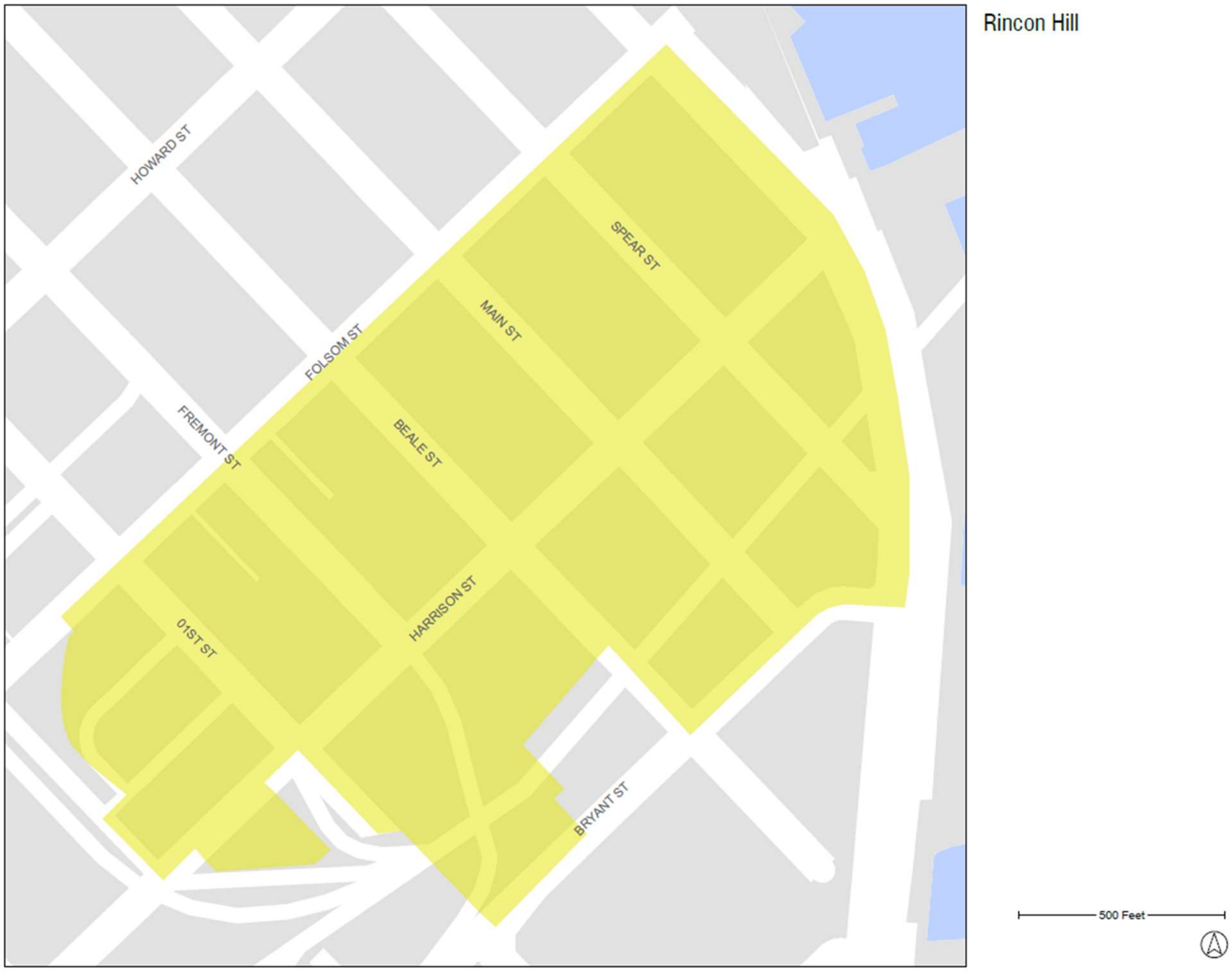
500 Feet

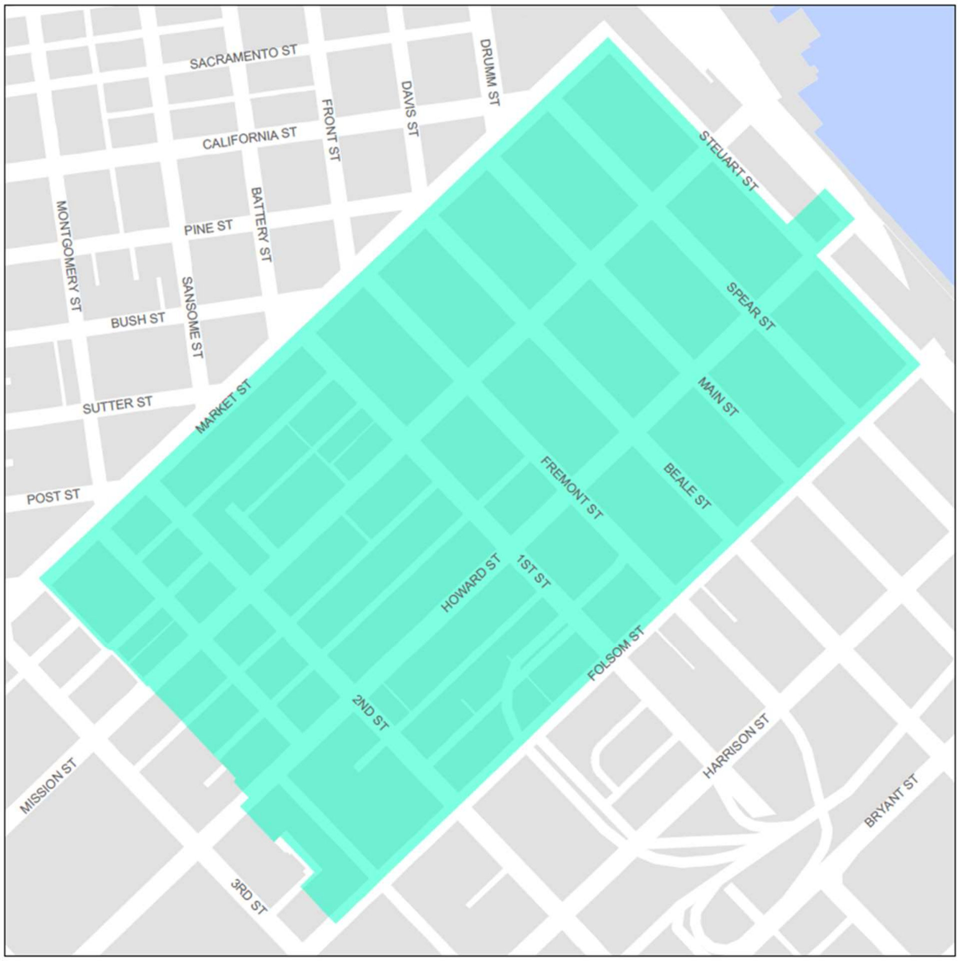


Market and Octavia



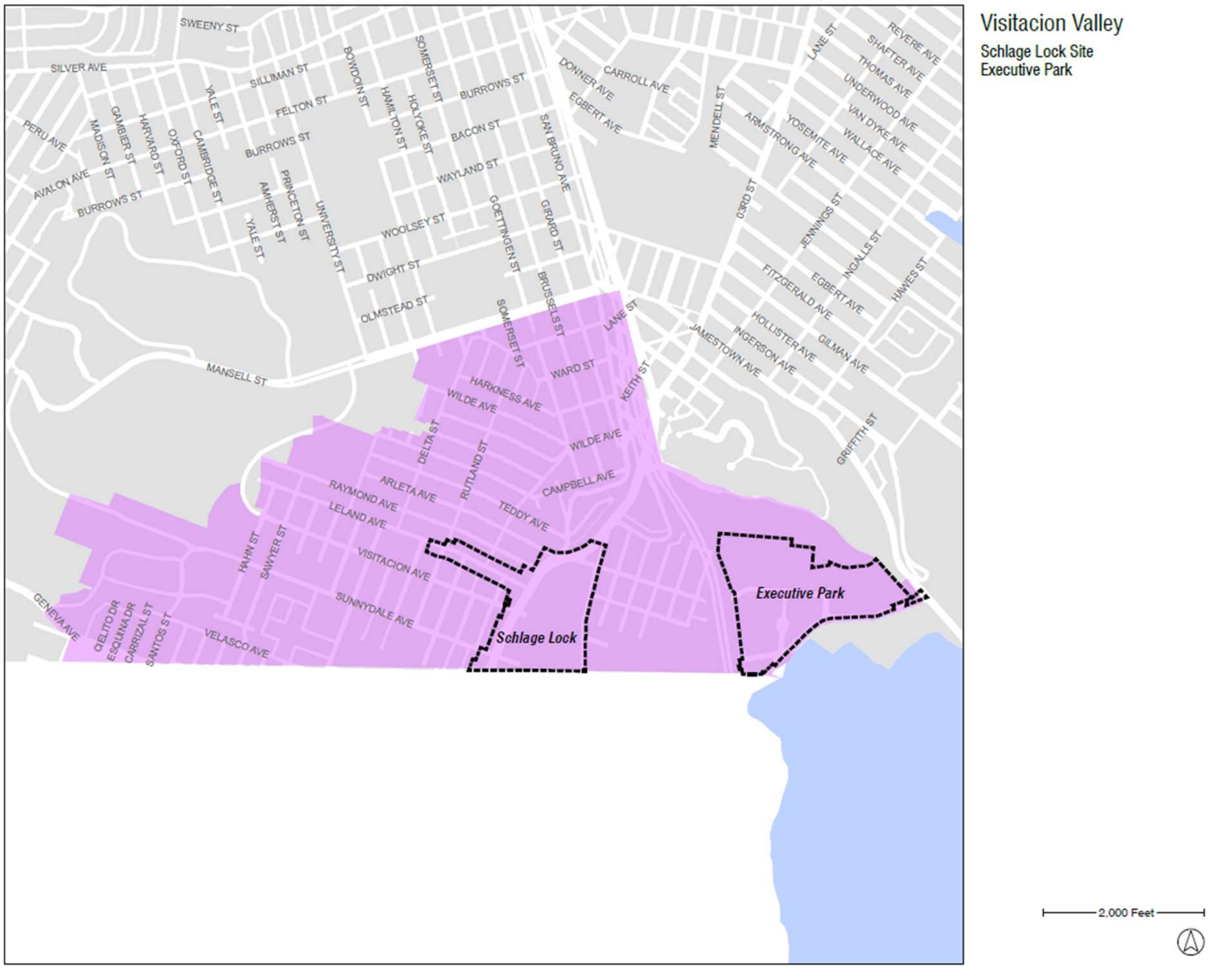
Rincon Hill


HOWARD ST
FOLSOM ST
FREMONT ST
SPEAR ST
MAIN ST
BEALE ST
HARRISON ST
01ST ST
BRYANT ST
500 Feet



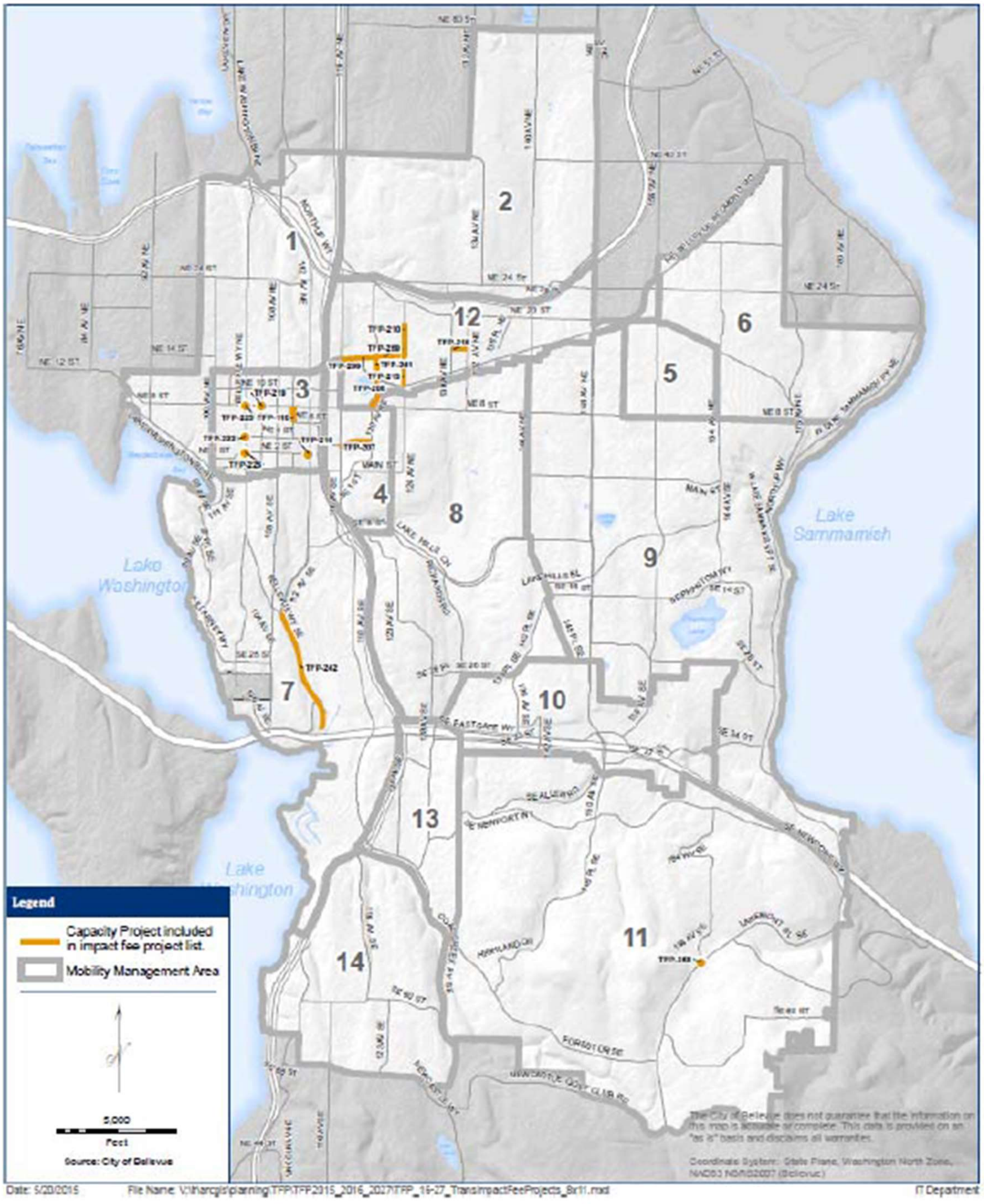
Transit Center District

1,000 Feet


Visitacion Valley
Schlage Lock Site
Executive Park
Schlage Lock
Executive Park
2,000 Feet
SWEENY ST
SILVER AVE
SILLIMAN ST
FELTON ST
BURROWS ST
BACON ST
WAYLAND ST
WOOLSEY ST
DWIGHT ST
OLMSTEAD ST
MANSELL ST
PERU AVE
AVALON AVE
MADISON ST
GAMBIER ST
HARVARD ST
OXFORD ST
CAMBRIDGE ST
YALE ST
AMHERST ST
PRINCETON ST
UNIVERSITY ST
BOWDOIN ST
HAMILTON ST
SOMERSET ST
HOLYOKE ST
GOETTINGEN ST
GIRARD ST
SAN BRUNO AVE
BRUSSELS ST
DONNER AVE
EGBERT AVE
CARROLL AVE
MENDELL ST
ARMSTRONG AVE
YOSEMITE AVE
LANE ST
REVERE AVE
SHAFTER AVE
THOMAS AVE
UNDERWOOD AVE
VAN DYKE AVE
WALLACE AVE
03RD ST
JENNINGS ST
INGALLS ST
HAWES ST
FITZGERALD AVE
HOLLISTER AVE
INGERSON AVE
JAMESTOWN AVE
GILMAN AVE
GRIFFITH ST
KEITH ST
WARD ST
HARKNESS AVE
WILDE AVE
DELTA ST
RUTLAND ST
CAMPBELL AVE
ARLETA AVE
RAYMOND AVE
LELAND AVE
TEDDY AVE
VISITACION AVE
SUNNYDALE AVE
HAHN ST
SAWYER ST
GENEVA AVE
CIELITO DR
ESQUINA DR
CARRIZAL ST
SANTOS ST
VELASCO AVE

ii. Bellevue impact fee implementation areas:

Figure 2. Transportation Impact Fee Projects



iii. Phoenix impact fee implementation areas: