This memo provides a summary of the changes to the April 25, 2003 version of the “Impact Fees” report.

1. Residential Categories

   Mobile Homes: Based on discussion with the Schools and County staff, we agreed to include mobile homes in the single family category. This is based on the fact that there are few new mobile homes coming into the County and the persons per household data from the 2000 Census for single family housing unit and mobile home units is very similar (2.63 for single family units vs. 2.67 for mobile homes).

   Townhouse: We have added a residential category for townhouses. This is discussed in the section below on School Impact Fees.

There are now three residential categories in the impact fee report:

   Single Family (including mobile homes)
   Townhouses (including duplexes)
   Multi-family (3 or more units with common hallways, entrance, etc.)

These have somewhat different persons per households than the categories in the April 25, 2003 impact fee report, which accounts for most of the changes in the non-school impact fees.

2. School Impact Fee

   Pupil Generation Rates: We continue to recommend the .50 rate for single family units and .28 for multi-family. After some discussion, we agreed to use the Brown survey’s .38 rate for townhouses based on the rationale that since townhouses are a fairly new housing product, Brown’s survey of post-1983 townhouses is a reasonable estimate for the countywide impact of these units. This is consistent with our rationale for the single family and multi-family units in that the countywide rate is the more appropriate number for measuring the impact on schools.
School Bond Credit: Nancy White from the Schools provided additional information for credit calculation and the following changes were made:

- The tax rate for the principal portion of the bond which is .00058 for Class II property and .00116 for Class III property.
- Due to lag time in assessing new construction, the earliest new residential development could begin paying property taxes is SY05-06.
- Only the principal amount of the bond payment should be credited and not the interest portion of the payment. The school cost factors used in the calculation of the Schools’ LOS is for construction only and does not include financing costs. Thus, there is no double payment concern.
- A credit for townhouses has been calculated.

These changes account for the most significant changes in the dollar amounts of the school impact fees from the April 25th report.

Expenditure and Collection Zones: We received a letter clarifying that Jefferson County Public Schools operates under a single district method and that schools are evaluated as to available space and that students are reassigned on an annual basis to maintain proper class sizes. The impact fee report has been revised to reflect one collection and expenditure zones for all elementary schools.

Capital Costs: There have been no changes to any of the capital costs.

3. Other Impact Fee Categories

There have been no changes to the other fee categories except for changing the residential categories as mentioned above.

4. Cash Flow Analysis Memo

The cash flow memo has been revised to reflect the above changes.