

Annual Report on Impact Fees

January 2020 – December 2020

Engineering Department
Office of Impact Fees

Jefferson County Government

13 January 2021

Contents

| | |
|---|----|
| Tables and Figures | 3 |
| Appendices..... | 3 |
| 1.1. Trends in Fee Collection..... | 4 |
| 1.2. Fees Collected..... | 6 |
| 1.3. Financial Data | 9 |
| 1.4. Fees Disbursed | 11 |
| 1.4.1. Refunds | 11 |
| 1.4.2. Requisitions..... | 11 |
| 2. Annual Review..... | 14 |
| 2.1. Recommended Changes to Ordinances or Procedures | 14 |
| 2.1.1. Ordinance Changes During 2020..... | 14 |
| 2.2. Identification of FY 2022 Impact Fee-Fundable Capital Projects | 15 |
| 2.2.1. Schools..... | 16 |
| 2.2.2. Law Enforcement..... | 16 |
| 2.2.3. Parks & Recreation | 16 |
| 2.2.4. EMS | 16 |
| 2.3. Proposed Fee Boundary Districts..... | 17 |
| 2.4. Proposed Fee Schedule Changes | 17 |
| 2.4.1. Inflation Adjustments..... | 17 |
| 2.5. Proposed Changes to Level of Service Standards..... | 17 |
| 2.5.1. Overview..... | 17 |
| 2.6. Proposed Changes to Base Data for Fee Calculation..... | 18 |
| 3. 2020 Inflation Adjustments..... | 18 |
| 3.1. Source Data..... | 18 |
| 3.2. Inflation Adjustment – Schools | 19 |
| 3.3. Inflation Adjustment – Law Enforcement | 20 |
| 3.4. Inflation Adjustment – Parks & Recreation..... | 20 |
| 3.5. Inflation Adjustment – EMS..... | 21 |
| 3.6. Residential Fee Totals – Inflation Adjusted..... | 22 |

Tables and Figures

| | |
|--|----|
| Table 1A. Total County Residential Building Permits (CY 2004-2020) | 4 |
| Table 1B. Total County Non-Residential Building Permits (CY 2004-2020) | 5 |
| Table 2. Fees Collected – Calendar Year 2020 | 6 |
| County & Municipal Combined | 6 |
| Table 3. Fees Collected by County Tax District – Calendar Year 2020 | 7 |
| Table 4. Fees Collected by Municipal Tax District – Calendar Year 2020..... | 8 |
| Table 5. Office of Impact Fees General Account (3111776) | 9 |
| Table 6. Impact Fee Holding Accounts | 10 |
| Table 7. FY 2021 Approved Fee Fundable Projects..... | 11 |
| Table 8. Impact Fee Holding Account Withdraws | 12 |
| Table 9. BOE Fee Fundable Projects..... | 16 |
| Table 10. Jefferson County Law Enforcement Projects | 16 |
| Table 11. Park & Recreation Fee Fundable Projects | 16 |
| Table 12. Jefferson County EMS Projects..... | 16 |
| Table 13. Price Indices and Cost of Living Adjustment..... | 18 |
| Table 14. Inflation Adjustment – Schools | 19 |
| Table 15. Inflation Adjustment - Law Enforcement..... | 20 |
| Table 16. Inflation Adjustment - Parks & Recreation | 20 |
| Table 17. Inflation Adjustment - EMS | 21 |
| Table 18. Inflation Adjusted Maximum Fee Schedule - 01 April 2021 | 22 |

Appendices

| | |
|---|---|
| Appendix A. Reduction of Commercial Impact Fee Ordinance..... | A |
| Appendix B. Affordable Housing Discount Fee Schedule | B |

Executive Summary

1.1. Trends in Fee Collection

Permitting for new residential construction in Jefferson County in Calendar Year (CY) 2020 increased relative to CY 2019. There were 601 impact fee applications processed in CY 2020 versus 225 impact fee applications in CY 2019. Of that total in CY 2019, 15 applications were for replacement of existing dwelling units, which do not represent new growth and were exempt from impact fees.

Permitting for new commercial construction in Jefferson County in CY 2020 decreased relative to CY 2019. There were 10 impact fee applications processed in CY 2020 versus 22 in CY 2019.

Table 1A. Total County Residential Building Permits (CY 2004-2020)

| Year | Single Family | | | Town Home | | | Duplex | | | Multifamily | | | Grand Total |
|--------------|---------------|--------------|--------------|-----------|------------|------------|----------|-----------|-----------|-------------|------------|------------|--------------|
| | Exempt | Fees | Total | Exempt | Fees | Total | Exempt | Fees | Total | Exempt | Fees | Total | |
| 2004 | 49 | 269 | 318 | 0 | 5 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 323 |
| 2005 | 39 | 324 | 363 | 0 | 22 | 22 | 0 | 0 | 0 | 0 | 0 | 0 | 385 |
| 2006 | 42 | 256 | 298 | 0 | 57 | 57 | 0 | 0 | 0 | 0 | 0 | 0 | 355 |
| 2007 | 38 | 213 | 251 | 0 | 66 | 66 | 0 | 0 | 0 | 0 | 0 | 0 | 317 |
| 2008 | 22 | 108 | 130 | 0 | 39 | 39 | 0 | 0 | 0 | 0 | 0 | 0 | 169 |
| 2009 | 25 | 75 | 100 | 0 | 50 | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 150 |
| 2010 | 32 | 91 | 123 | 0 | 39 | 39 | 0 | 0 | 0 | 0 | 0 | 0 | 162 |
| 2011 | 21 | 73 | 94 | 1 | 40 | 41 | 0 | 0 | 0 | 0 | 0 | 0 | 135 |
| 2012 | 13 | 118 | 131 | 0 | 24 | 24 | 0 | 0 | 0 | 0 | 0 | 0 | 155 |
| 2013 | 4 | 207 | 211 | 0 | 38 | 38 | 0 | 0 | 0 | 0 | 0 | 0 | 249 |
| 2014 | 4 | 182 | 186 | 0 | 16 | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 202 |
| 2015 | 14 | 182 | 196 | 0 | 8 | 8 | 0 | 4 | 4 | 0 | 96 | 96 | 304 |
| 2016 | 14 | 165 | 179 | 0 | 10 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 189 |
| 2017 | 14 | 225 | 239 | 0 | 8 | 8 | 0 | 4 | 4 | 0 | 0 | 0 | 251 |
| 2018 | 19 | 178 | 197 | 1 | 32 | 33 | 0 | 33 | 33 | 0 | 24 | 24 | 287 |
| 2019 | 13 | 165 | 178 | 0 | 36 | 36 | 0 | 11 | 11 | 0 | 0 | 0 | 225 |
| 2020 | 15 | 182 | 197 | 0 | 91 | 91 | 0 | 4 | 4 | 0 | 309 | 309 | 601 |
| Total | 378 | 3,013 | 3,391 | 2 | 583 | 585 | 0 | 56 | 56 | 0 | 429 | 429 | 4,459 |

Table 1B. Total County Non-Residential Building Permits (CY 2004-2020)

| Year | Exempt | Fees | Total |
|--------------------|---------------|-------------|--------------|
| 2004 | 0 | 4 | 4 |
| 2005 | 0 | 5 | 5 |
| 2006 | 0 | 0 | 0 |
| 2007 | 10 | 12 | 22 |
| 2008 | 4 | 9 | 13 |
| 2009 | 3 | 2 | 5 |
| 2010 | 10 | 8 | 18 |
| 2011 | 1 | 11 | 12 |
| 2012 | 3 | 13 | 16 |
| 2013 | 1 | 3 | 4 |
| 2014 | 0 | 4 | 4 |
| 2015 | 0 | 5 | 5 |
| 2016 | 0 | 13 | 13 |
| 2017 | 1 | 6 | 7 |
| 2018 | 1 | 4 | 5 |
| 2019 | 1 | 21 | 22 |
| 2020 | 0 | 10 | 10 |
| Grand Total | 35 | 130 | 165 |

1.2. Fees Collected

Jefferson County uses a fiscal year which starts in July and runs through June of the next year. The accounting of fees collected to date is based on a calendar year since this report is due to the Commission in January of each year. Thus, these values reported below span Fiscal Years 2019 and 2020 and run from 1 January 2020 through 31 December 2020. Table 2 presents the total fee collection data, while Tables 3 and 4 present the financial data categorized into county and municipal tax districts.

The financial transaction information for the Office of Impact Fees general account (which serves as the initial account of fee deposit) is presented in Table 5. Table 6 presents the financial data for each of the four long term impact fee holding accounts (Schools, Law Enforcement, Parks & Recreation, and EMS).

**Table 2. Fees Collected – Calendar Year 2020
County & Municipal Combined**

| Land Use | Type | Schools | Law | Parks & Rec | EMS | Grand Total |
|--------------------------|---------------|--------------------|-----------------|------------------|-----------------|--------------------|
| Residential | Single Family | \$1,028,845 | \$26,963 | \$81,894 | \$9,420 | \$1,147,122 |
| | Town Home | \$605,562 | \$0 | \$43,117 | \$4,668 | \$653,347 |
| | Duplex | \$26,442 | \$0 | \$1,382 | \$154 | \$27,978 |
| | Multi-Family | \$717,432 | \$0 | \$60,249 | \$6,831 | \$784,512 |
| Residential Total | | \$2,378,281 | \$26,963 | \$186,642 | \$21,073 | \$2,612,959 |
| Commercial | Comm25Less | \$0 | \$11 | \$0 | \$7 | \$18 |
| | Manufacturing | \$0 | \$1 | \$0 | \$1 | \$2 |
| | Ware House | \$0 | \$2 | \$0 | \$2 | \$4 |
| | Office10Less | \$0 | \$2 | \$0 | \$4 | \$6 |
| | Office10-25 | \$0 | \$7 | \$0 | \$6 | \$13 |
| Commercial Total | | \$0 | \$23 | \$0 | \$20 | \$43 |
| Grand Total | | \$2,378,281 | \$26,986 | \$186,642 | \$21,093 | \$2,613,002 |

Table 3. Fees Collected by County Tax District – Calendar Year 2020

| Tax District | Land Use | Type | Schools | Law | Parks & Rec | EMS | Grand Total |
|-------------------------------------|--------------------------|---------------|------------------|-----------------|----------------------------|----------------|------------------------|
| 02 Charles Town | Residential | Single Family | \$273,706 | \$8,025 | \$21,910 | \$2,378 | \$306,019 |
| | Residential Total | | \$273,706 | \$8,025 | \$21,910 | \$2,378 | \$306,019 |
| | Commercial | Comm25Less | \$0 | \$1 | \$0 | \$1 | \$2 |
| | | Manufacturing | \$0 | \$1 | \$0 | \$1 | \$2 |
| | | Office10Less | \$0 | \$2 | \$0 | \$1 | \$3 |
| | | Ware House | \$0 | \$2 | \$0 | \$2 | \$4 |
| | Commercial Total | | \$0 | \$6 | \$0 | \$5 | \$11 |
| 02 Charles Town Grand Total | | | \$273,706 | \$8,031 | \$21,910 | \$2,383 | \$306,030 |
| 04 Harpers Ferry | Residential | Single Family | \$155,207 | \$4,554 | \$12,437 | \$1,348 | \$173,546 |
| | Residential Total | | \$155,207 | \$4,554 | \$12,437 | \$1,348 | \$173,546 |
| 04 Harpers Ferry Grand Total | | | \$155,207 | \$4,554 | \$12,437 | \$1,348 | \$173,546 |
| 06 Kabletown | Residential | Single Family | \$165,308 | \$4,848 | \$13,238 | \$1,436 | \$184,830 |
| | Residential Total | | \$165,308 | \$4,848 | \$13,238 | \$1,436 | \$184,830 |
| | Commercial | Comm25Less | \$0 | \$1 | \$0 | \$1 | \$2 |
| | Commercial Total | | \$0 | \$1 | \$0 | \$1 | \$2 |
| 06 Kabletown Grand Total | | | \$165,308 | \$4,849 | \$13,238 | \$1,437 | \$184,832 |
| 07 Middleway | Residential | Single Family | \$153,570 | \$4,504 | \$12,299 | \$1,334 | \$171,707 |
| | Residential Total | | \$153,570 | \$4,504 | \$12,299 | \$1,334 | \$171,707 |
| 07 Middleway Grand Total | | | \$153,570 | \$4,504 | \$12,299 | \$1,334 | \$171,707 |
| 09 Shepherdstown | Residential | Single Family | \$171,543 | \$5,032 | \$13,742 | \$1,490 | \$191,807 |
| | Residential Total | | \$171,543 | \$5,032 | \$13,742 | \$1,490 | \$191,807 |
| | Commercial | Comm25Less | \$0 | \$9 | \$0 | \$2 | \$11 |
| | | Office10-25 | \$0 | \$7 | \$0 | \$6 | \$13 |
| | Commercial Total | | \$0 | \$16 | \$0 | \$8 | \$24 |
| 09 Shepherdstown Grand Total | | | \$171,543 | \$5,048 | \$13,742 | \$1,498 | \$191,831 |
| Grand Total | | | \$919,334 | \$26,986 | \$73,626 | \$8,000 | \$1,027,946 |

Table 4. Fees Collected by Municipal Tax District – Calendar Year 2020

| Tax District | Land Use | Type | Schools | Parks & Rec | EMS | Grand Total |
|---|-------------------------|---|-------------------------|------------------------|-----------------------|---------------------------|
| 03 Charles Town Corp | Residential | Single Family | \$16,754 | \$1,336 | \$146 | \$18,236 |
| | | Multi-Family | \$566,772 | \$47,505 | \$5,427 | \$619,704 |
| | | Residential Total | \$583,526 | \$48,841 | \$5,573 | \$637,940 |
| <i>03 Charles Town Corp Grand Total</i> | | | <i>\$583,526</i> | <i>\$48,841</i> | <i>\$5,573</i> | <i>\$637,940</i> |
| 05 Harpers Ferry Corp | Residential | Single Family | \$5,991 | \$481 | \$52 | \$6,524 |
| | | Residential Total | \$5,991 | \$481 | \$52 | \$6,524 |
| | | <i>05 Harpers Ferry Corp Grand Total</i> | <i>\$5,991</i> | <i>\$481</i> | <i>\$52</i> | <i>\$6,524</i> |
| 08 Ranson Corp | Residential | Single Family | \$83,351 | \$6,177 | \$1,206 | \$90,734 |
| | | Town Home | \$605,562 | \$43,117 | \$4,668 | \$653,347 |
| | | Multi-Family | \$150,660 | \$12,744 | \$1,404 | \$164,808 |
| | | Residential Total | \$839,573 | \$62,038 | \$7,278 | \$908,889 |
| | Commercial | Comm25Less | \$0 | \$0 | \$3 | \$3 |
| | Commercial | Office10Less | \$0 | \$0 | \$3 | \$3 |
| | Commercial Total | \$0 | \$0 | \$6 | \$6 | |
| <i>08 Ranson Corp Grand Total</i> | | | <i>\$839,573</i> | <i>\$62,038</i> | <i>\$7,284</i> | <i>\$908,895</i> |
| 10 Shepherdstown Corp | Residential | Single Family | \$3,415 | \$274 | \$30 | \$3,719 |
| | | Duplex | \$26,442 | \$1,382 | \$154 | \$27,978 |
| | | Residential Total | \$29,857 | \$1,656 | \$184 | \$31,697 |
| <i>10 Shepherdstown Corp Grand Total</i> | | | <i>\$29,857</i> | <i>\$1,656</i> | <i>\$184</i> | <i>\$31,697</i> |
| Grand Total | | | \$1,458,947 | \$113,016 | \$13,093 | \$1,585,056 |
| County Tax District Fees Collected Totals | | | | | | \$1,027,946 |
| Municipal Tax District Fees Collected Totals | | | | | | \$1,585,056 |
| <i>GRAND TOTAL</i> | | | | | | <i>\$2,613,002</i> |

1.3. Financial Data

Table 5. Office of Impact Fees General Account (3111776)

| Month | Starting Balance | Total Deposits | Total Checks | Interest | Ending Balance |
|--------------|-------------------------|-----------------------|---------------------|-----------------|-----------------------|
| January | \$63,530.13 | \$137,986.31 | \$63,590.44 | \$41.26 | \$137,967.26 |
| February | \$137,967.26 | \$105,350.00 | \$137,967.26 | \$40.80 | \$105,390.80 |
| March | \$105,390.80 | \$288,469.00 | \$105,390.80 | \$83.24 | \$288,552.24 |
| April | \$288,552.24 | \$163,766.00 | \$288,552.24 | \$73.32 | \$163,839.32 |
| May | \$163,839.32 | \$137,453.00 | \$163,839.32 | \$53.83 | \$137,506.83 |
| June | \$137,506.83 | \$169,235.00 | \$137,506.83 | \$44.42 | \$169,279.42 |
| July | \$169,279.42 | \$150,900.00 | \$169,279.42 | \$83.01 | \$150,983.01 |
| August | \$150,983.01 | \$297,975.00 | \$150,983.01 | \$60.56 | \$298,035.56 |
| September | \$298,035.56 | \$96,057.00 | \$298,035.56 | \$92.64 | \$96,149.64 |
| October | \$96,149.64 | \$720,396.00 | \$96,149.64 | \$252.22 | \$720,648.22 |
| November | \$720,648.22 | \$116,097.00 | \$720,648.22 | \$250.99 | \$116,347.99 |
| December | \$116,347.99 | \$229,378.00 | \$116,347.99 | \$91.51 | \$229,469.51 |

| | |
|-----------------------------------|-----------------------|
| December 2020 Outstanding Credits | \$0.00 |
| January 2021 Transfers | (\$229,469.51) |
| 01 January 2021 Deposits | \$0.00 |
| 01 January 2021 Balance | \$0.00 |

Table 6. Impact Fee Holding Accounts

| Category | Schools | Law | Parks | EMS |
|--------------------------------------|-----------------------|---------------------|---------------------|--------------------|
| Account Number | 3107582 | 3120120 | 3122808 | 3122816 |
| Balance on 01 January 2020 | \$4,055,692.67 | \$156,010.26 | \$246,822.71 | \$8,067.55 |
| Total Deposits | \$2,225,781.51 | \$26,776.52 | \$176,287.62 | \$19,445.08 |
| Withdraws /1 | \$18,180.00 | \$9,720.00 | \$61,880.00 | \$23,730.00 |
| Interest Accrued - CY 2020 | \$24,762.02 | \$840.49 | \$1,495.27 | \$65.52 |
| Balance on 31 December 2020 | \$6,288,056.20 | \$173,907.27 | \$362,725.60 | \$3,848.15 |
| January Transfers /2 | \$211,058.26 | \$1,232.92 | \$15,499.41 | \$1,678.92 |
| <i>Of Which</i> | | | | |
| <i>Transferred Fees</i> | \$210,975.00 | \$1,232.00 | \$15,493.00 | \$1,678.00 |
| <i>Transferred Interest</i> | \$83.26 | \$0.92 | \$6.41 | \$0.92 |
| Final Balance 05 January 2021 | \$6,499,114.46 | \$175,140.19 | \$378,225.01 | \$5,527.07 |

Notes

/1 See Table 8 for details.

/2 From fees collected in December 2020 and transferred in January 2020.

1.4. Fees Disbursed

Fees are disbursed from the long term accounts for only two reasons: refund and requisition. The transactional details for all fee disbursements are presented in Table 8.

1.4.1. Refunds

Refunds are only processed when a building permit is revoked and upon written request of the building permit applicant. There was no refunds processed in CY 2020.

1.4.2. Requisitions

The fee fundable projects approved by the Impact Fee Program Specialist for FY 2021 along with the approved funding amounts are listed in Table 7. The impact fee payments for projects listed on the FY 2021 Capital Improvement Plans are listed in Table 8. Projects eligible for funding by impact fees must be approved by the County Commission. The impact fee fundable projects for FY 2022 remain to be presented to the County Commission for approval.

Table 7. FY 2021 Approved Fee Fundable Projects

| Category | Capital Improvement Project | Approved Impact Fee Funding |
|----------------------|--|------------------------------------|
| Schools | Regional Student Support Center | \$1,000,000 |
| Law Enforcement | Weapons Training Qualifications Range | \$25,000 |
| | Expansion Temporary Sheriff's Office Space | \$100,000 |
| Parks and Recreation | Land Acquisition | \$200,000 |
| | James Hite Park (Playground) | \$50,000 |
| EMS | JCESA Building Mortgage | \$20,000 |

Table 8. Impact Fee Holding Account Withdraws

| Account | Check Date | Statement Date | Debit | Notes |
|----------------|-------------------|-----------------------|--------------------|--|
| Schools | 7/28/2020 | 7/31/2020 | \$3,030.00 | 2020 Impact Fee Recalculation - Schools and Admin June Services |
| | 8/11/2020 | 8/31/2020 | \$2,020.00 | 2020 Impact Fee Recalculation - Schools and Admin July Services |
| | 8/31/2020 | 8/31/2020 | \$4,280.00 | 2020 Impact Fee Recalculation - Schools and Admin August Services |
| | 10/01/2020 | 10/31/2020 | \$7,840.00 | 2020 Impact Fee Recalculation - Schools and Admin September Services |
| | 10/30/2020 | 10/31/2020 | \$1,010.00 | 2020 Impact Fee Recalculation - Schools and Admin October Services |
| TOTAL | | | \$18,180.00 | |
| Law | 7/28/2020 | 7/31/2020 | \$1,620.00 | 2020 Impact Fee Recalculation Study - Law Enforcement and Admin June Services |
| | 8/11/2020 | 8/31/2020 | \$620.00 | 2020 Impact Fee Recalculation Study - Law Enforcement and Admin July Services |
| | 8/31/2020 | 8/31/2020 | \$4,240.00 | 2020 Impact Fee Recalculation Study - Law Enforcement and Admin August Services |
| | 10/01/2020 | 10/31/2020 | \$2,700.00 | 2020 Impact Fee Recalculation Study - Law Enforcement and Admin September Services |
| | 10/30/2020 | 10/31/2020 | \$540.00 | 2020 Impact Fee Recalculation Study - Law Enforcement and Admin October Services |
| TOTAL | | | \$9,720.00 | |
| Parks | 7/28/2020 | 7/31/2020 | \$1,980.00 | 2020 Impact Fee Recalculation Study - Parks and Rec and Admin June Services |
| | 8/11/2020 | 8/31/2020 | \$740.00 | 2020 Impact Fee Recalculation Study - Parks and Rec and Admin July Services |
| | 8/31/2020 | 8/31/2020 | \$5,200.00 | 2020 Impact Fee Recalculation Study - Parks and Rec and Admin August Services |
| | 9/17/2020 | 9/30/2020 | \$50,000.00 | Requisition 20R0127 - James Hite Park Playground |
| | 10/01/2020 | 10/31/2020 | \$3,300.00 | 2020 Impact Fee Recalculation Study - Parks and Rec and Admin September Services |
| | 10/30/2020 | 10/31/2020 | \$660.00 | 2020 Impact Fee Recalculation Study - Parks and Rec and Admin October Services |
| TOTAL | | | \$61,880.00 | |

| | | | | |
|--------------------|------------|------------|---------------------|--|
| EMS | 7/28/2020 | 7/31/2020 | \$1,455.00 | 2020 Impact Fee Recalculation Study - EMS and Admin June Services |
| | 8/11/2020 | 8/31/2020 | \$970.00 | 2020 Impact Fee Recalculation Study - EMS and Admin July Services |
| | 8/31/2020 | 8/31/2020 | \$3,395.00 | 2020 Impact Fee Recalculation Study - EMS and Admin August Services |
| | 9/17/2020 | 9/30/2020 | \$2,425.00 | 2020 Impact Fee Recalculation Study - EMS and Admin September Services |
| | 10/01/2020 | 10/31/2020 | \$485.00 | 2020 Impact Fee Recalculation Study - EMS and Admin October Services |
| | 12/31/2020 | 12/31/2020 | \$15,000.00 | Requisition 20R0128 - JCESA Mortgage |
| | 10/30/2020 | 10/31/2020 | \$485.00 | 2020 Impact Fee Recalculation Study - EMS and Admin December Services |
| TOTAL | | | \$24,215.00 | |
| Grand Total | | | \$113,995.00 | |

2. Annual Review

2.1. *Recommended Changes to Ordinances or Procedures*

There are no proposed changes to any of the Impact Fee Ordinances.

2.1.1. Ordinance Changes During 2020

In 2014, the County Commission contracted with Tischler-Bise to recalculate the impact fees. The recalculation was completed in 2015 and the new impact fees were adopted by the County Commission on April 2, 2015, at 70% of the full calculated amounts. The fees became effective May 1, 2015. The following impact fee ordinances were amended to reflect the new impact fee schedules for each impact fee entity:

Schools Ordinance No. 2003-3

Amended April 2, 2015; Effective May 1, 2015

Parks & Recreation Ordinance No. 2005-2

Amended April 2, 2015; Effective May 1, 2015

Law Enforcement Ordinance No. 2005-1

Amended April 2, 2015; Effective May 1, 2015

EMS Ordinance No. 2005-3

Amended April 2, 2015; Effective May 1, 2015

In 2013, the County Commission adopted Ordinance No. 2013-1, which amended Law Enforcement Ordinance No. 2005-1 and EMS Ordinance No. 2005-3; reducing the commercial impact fees by 99.5% of the actual impact fee calculation for new commercial development. The reduction became effective on July 1, 2013 and was set to expire on July 1, 2015, unless extended by the County Commission. At the July 2, 2015, County Commission meeting, John Reisenweber, Executive Director, Jefferson County Development Authority, presented a report to the County Commission. Commissioner Jane Tabb made a motion “to request the Jefferson County Development Authority complete an updated report on the data regarding the two year reduction of commercial impact fees in Jefferson County and to continue with the current reduced commercial impact fee rates until all impact fees are ready to be reviewed or as needed.” Motion was seconded and unanimously approved.

The Impact Fees Procedure Ordinance was amended on November 12, 2012, to provide for the Affordable Housing Discount. The discount is required under West Virginia Code §7-20-7A “Impact Fees for Affordable Housing”, which was enacted during the CY 2011 Legislative Session. The level of the threshold for condominiums and apartments qualifying for the Affordable Housing Discount was lowered by the County Commission from 60% to 40% of the value of the average housing index figure on 21 March 2019 with an effective date of 1 June 2019. There were no amendments to the Impact Fee Procedures Ordinance in 2020.

2.2. Identification of FY 2022 Impact Fee-Fundable Capital Projects

The following projects will appear on the FY 2022 Jefferson County Capital Improvement Plan and are listed because they have been identified by the Impact Fee Program Specialist as being eligible for funding by impact fees, either in whole or in part. However, a final determination of eligibility has not been made. Projects so identified represent maintaining the current level of service due to new growth. Exclusion of other projects, listed in the FY 2022 CIP but not included here, only indicates that they are not eligible for funding by impact fees and should not be taken as an indication of their overall merit.

Note that in all service categories, there are insufficient funds to approve all listed projects. Tables 9-12 list all potentially fundable projects with the knowledge that not all listed projects will be funded via impact fees.

2.2.1. Schools

Table 9. BOE Fee Fundable Projects

| Project | Current Request | Funding Potential | Category |
|---------------------------------|------------------------|--------------------------|--|
| Regional Student Support Center | \$1,000,000 | \$1,000,000 | Elementary School & Land Middle School/High Schools & Land |
| Totals | \$1,000,000 | \$1,000,000 | |

2.2.2. Law Enforcement

Table 10. Jefferson County Law Enforcement Projects

| Project | Current Request | Funding Potential | Category |
|--|------------------------|--------------------------|--------------------|
| Weapons Training Qualifications Range | \$25,000 | \$25,000 | Buildings and Land |
| Expansion Temporary Sheriff's Office Space | \$100,000 | \$100,000 | Buildings and Land |
| Totals | \$125,000 | \$125,000 | |

2.2.3. Parks & Recreation

Table 11. Park & Recreation Fee Fundable Projects

| Project | Current Request | Funding Potential | Category |
|---------------------------------------|------------------------|--------------------------|---------------------------------------|
| Land Acquisition | \$250,000 | \$250,000 | Park Land |
| Sam Michael's Park (Amphitheatre-ADA) | \$10,000 | \$10,000 | Park Improvements & Rec Facilities |
| Totals | \$260,000 | \$260,000 | |

2.2.4. EMS

Table 12. Jefferson County EMS Projects

| Company | Project | Current Request | Funding Potential | Category |
|----------------|----------------------|------------------------|--------------------------|-----------------|
| JCESA | Building Mortgage /1 | \$81,000 | \$5,000 | Facilities |
| | Total | \$81,000 | \$5,000 | |

Note: /1 Request exceeds funds anticipated by beginning of FY 2022.

2.3. Proposed Fee Boundary Districts

Presently, the only fee category which utilizes fee districts is Law Enforcement. The boundaries of these districts are coincident with the current municipal boundaries. The Law Enforcement Impact Fee Ordinance defines the fee collection district as that portion of the county which is unincorporated. Development projects in the municipalities do not pay the Law Enforcement impact fee. As various municipalities continue to annex portions of the county, this boundary automatically adjusts. Thus there are no specific recommendations to change fee boundaries.

2.4. Proposed Fee Schedule Changes

Under past Office of Impact Fee procedures, impact fee studies have been updated on a three to five year cycle. In December of 2011, all four impact fee categories underwent a recalculation of which the County Commission elected to retain the current Impact Fee Schedule upon the 2012 Annual Report presentation.

The 2011 TischlerBise report indicates that on average, the County updates its impact fee methodologies and components every five years. Therefore, the Schools, Law Enforcement, Parks and Recreation, and EMS impact fee categories were due for recalculation in CY 2014. The County Commission recalculated the fees beginning in 2014 and adopted new fee schedules, which became effective on 1 May 2015.

A recalculation study began in CY 2020 and is currently nearing completion. The \$53,900.00 cost of the study is paid for from impact fees.

2.4.1. Inflation Adjustments

It is generally recommended that all fee schedules not recalculated in any given calendar year be adjusted for inflation. By dictate of the Impact Fee Procedures Ordinance [2003-1], the Impact Fee Program Specialist must use the Price Indexes for Gross Government Fixed Investment by Type which is published by the United States Bureau of Economic Analysis¹. Table 13 is extracted from the United States Bureau of Economic Analysis (BEA) data for price indexes (Table 5.9.4B – Price Indexes for Gross Government Fixed Investment by Type), for year 2017 and 2018. These represent the most recent price indices and were released on 30 July, 2020. These data constitute the source for the annual inflation adjustments for the four impact fee categories currently in effect. As per the Impact Fee Procedures Ordinance 2003-1, Section 6(B), the annual inflation adjustment will be applied on 1 April 2021 unless the County Commission acts to stay these adjustments. Considering that a recalculation study is currently on going, staff recommends staying the inflationary adjustment.

2.5. Proposed Changes to Level of Service Standards

2.5.1. Overview

West Virginia Code §7-20 requires that the County maintain, as part of its capital improvement program, level of service standards (LOS) for impact fee-applicable categories. The County maintains its LOS as the base data used to conduct impact fee calculations and these standards

¹ Source is Table 5.9.4B, Price Indexes for Gross Government Fixed Investment by Type; lines 35, 36, and 37.

are documented in the various impact fee studies. Thus, the Level of Service Standards for the categories of Schools, Law Enforcement, Parks & Recreation, and EMS services were last updated and adopted in April 2015. The Level of Service Standards will be updated again as of the 2020 Impact Fees Recalculation Study.

Regardless of whether the County Commission adopts any or all of the recalculated fee schedules, the recalculation exercise in effect recalibrates the Level of Service Standards for Jefferson County. The next scheduled update to the Level of Service Standards will occur in 2025.

2.6. Proposed Changes to Base Data for Fee Calculation

There are no changes at this time.

3. 2020 Inflation Adjustments

3.1. Source Data

The following Table 13 is extracted from the United States Bureau of Economic Analysis (BEA) data for price indexes (Table 5.9.4B - Price Indexes for Gross Government Fixed Investment by Type), for years 2017 and 2018². These represent the most recent price indices and were released on 30 July, 2020. These data constitute the source for the annual inflation adjustments for the 4 impact fee categories currently in effect. As per the Impact Fee Procedures Ordinance 2003-1, Section 6(B), the annual inflation adjustment will be applied on 1 April 2020 unless the County Commission acts to stay these adjustments. The inflationary adjustments result in a higher impact fee for all fee categories.

The values in the columns titled 2020 Impact Fee (tables 14-17) are the fees currently in effect as of 1 April 2020.

Table 13. Price Indices and Cost of Living Adjustment

| BEA Table Line | Fee Category | Structure Class | Price Index CY 2018 | Price Index CY 2019 | Differential (Inflation Adjustment Factor) |
|-----------------------|---------------------|---------------------------------|----------------------------|----------------------------|---|
| 35 | School | State and Local – Educational | 114.817 | 121.596 | 1.0590 |
| 36 | Law & EMS | State and Local – Public Safety | 131.301 | 137.016 | 1.0435 |
| 37 | Parks | Amusement & Recreation | 131.303 | 136.981 | 1.0432 |

Source: Bureau of Economic Analysis, US Department of Commerce.

² Source:

<https://www.bea.gov/iTable/iTable.cfm?reqid=19&step=2#reqid=19&step=3&isuri=1&1921=survey&1903=338> (select Table 5.9.4B).

3.2. Inflation Adjustment – Schools

Table 14. Inflation Adjustment – Schools

| Residential Development | 2020 Impact Fee | 2021 Adjusted | Differential |
|--------------------------------|------------------------|----------------------|---------------------|
| Single Family | \$5,991 | \$6,344 | \$353 |
| Town home | \$6,748 | \$7,146 | \$398 |
| Duplex | \$6,748 | \$7,146 | \$398 |
| Multi-family | \$4,185 | \$4,432 | \$247 |

3.3. Inflation Adjustment – Law Enforcement

Table 15. Inflation Adjustment - Law Enforcement

| Residential Development | 2020 Impact Fee | 2021 Adjusted | Differential |
|---|----------------------------|--------------------------|---------------------|
| Single Family | \$176.16 | \$183.82 | \$7.66 |
| Town home | \$176.16 | \$183.82 | \$7.66 |
| Duplex | \$128.98 | \$134.59 | \$5.61 |
| Multi-family | \$128.98 | \$134.59 | \$5.61 |
| Non Residential Development (fees per 1,000 sq ft gross usable floor area) | 2020 Impact Fee | 2021 Adjusted | Differential |
| Commercial/Shopping Center 25,000 SF or less | \$304.09 | \$317.32 | \$13.23 |
| Commercial/Shopping Center 25,001 – 50,000 SF | \$304.09 | \$317.32 | \$13.23 |
| Commercial/Shopping Center 50,001 – 100,000 SF | \$304.09 | \$317.32 | \$13.23 |
| Commercial/Shopping Center 100,001 – 200,000 SF | \$304.09 | \$317.32 | \$13.23 |
| Commercial/Shopping Center over 200,000 SF | \$304.09 | \$317.32 | \$13.23 |
| Office/Institutional 10,000 SF or less | \$118.49 | \$123.64 | \$5.15 |
| Office/Institutional 10,001 – 25,000 SF | \$118.49 | \$123.64 | \$5.15 |
| Office/Institutional 25,001 – 50,000 SF | \$118.49 | \$123.64 | \$5.15 |
| Office/Institutional 50,001 – 100,000 SF | \$118.49 | \$123.64 | \$5.15 |
| Office/Institutional over 100,000 SF | \$118.49 | \$123.64 | \$5.15 |
| Business Park | \$134.22 | \$140.06 | \$5.84 |
| Light Industrial | \$75.50 | \$78.78 | \$3.28 |
| Warehousing | \$37.75 | \$39.39 | \$1.64 |
| Manufacturing | \$39.85 | \$41.58 | \$1.73 |

3.4. Inflation Adjustment – Parks & Recreation

Table 16. Inflation Adjustment - Parks & Recreation

| Residential Development | 2020 Impact Fee | 2021 Adjusted | Differential |
|--------------------------------|------------------------|----------------------|---------------------|
| Single Family | \$480.85 | \$501.62 | \$20.77 |
| Town home | \$480.85 | \$501.62 | \$20.77 |
| Duplex | \$353.82 | \$369.11 | \$15.29 |
| Multi-family | \$353.82 | \$369.11 | \$15.29 |

3.5. Inflation Adjustment – EMS

Table 17. Inflation Adjustment - EMS

| Residential Development | 2020 Impact Fee | 2021 Adjusted | Differential |
|---|----------------------------|--------------------------|---------------------|
| Single Family | \$52.43 | \$54.71 | \$2.28 |
| Town home | \$52.43 | \$54.71 | \$2.28 |
| Duplex | \$38.80 | \$40.49 | \$1.69 |
| Multi-family | \$38.80 | \$40.49 | \$1.69 |
| Non Residential Development (fees per 1,000 sq ft gross usable floor area) | 2020 Impact Fee | 2020 Adjusted | Differential |
| Commercial/Shopping Center 25,000 SF or less | \$56.62 | \$59.08 | \$2.46 |
| Commercial/Shopping Center 25,001 – 50,000 SF | \$56.62 | \$59.08 | \$2.46 |
| Commercial/Shopping Center 50,001 – 100,000 SF | \$56.62 | \$59.08 | \$2.46 |
| Commercial/Shopping Center 100,001 – 200,000 SF | \$56.62 | \$59.08 | \$2.46 |
| Commercial/Shopping Center over 200,000 SF | \$56.62 | \$59.08 | \$2.46 |
| Office/Institutional 10,000 SF or less | \$93.33 | \$97.39 | \$4.06 |
| Office/Institutional 10,001 – 25,000 SF | \$93.33 | \$97.39 | \$4.06 |
| Office/Institutional 25,001 – 50,000 SF | \$93.33 | \$97.39 | \$4.06 |
| Office/Institutional 50,001 – 100,000 SF | \$93.33 | \$97.39 | \$4.06 |
| Office/Institutional over 100,000 SF | \$93.33 | \$97.39 | \$4.06 |
| Business Park | \$87.03 | \$90.82 | \$3.79 |
| Light Industrial | \$65.01 | \$67.84 | \$2.83 |
| Warehousing | \$26.22 | \$27.36 | \$1.14 |
| Manufacturing | \$50.33 | \$52.52 | \$2.19 |

3.6. Residential Fee Totals – Inflation Adjusted

The Impact Fee Procedure Ordinance (2003-1) indicates that unless the Commission acts to prevent these adjustments from taking effect, they automatically apply on the first day of April (c.f. §6(B) *et seq.*). If the County Commission does not act to prevent the inflation adjustments listed in Table 18 from going into effect, the fee schedule listed in Table 18 below will apply on 1 April 2021. Commercial fee schedules are always determined by the Impact Fee Program Specialist on a case by case basis and thus may not easily be condensed into a summary table. This fee schedule is based on the schedule resulting from the fee recalculations of 2015. Considering that the impact fee recalculation study is currently on going, staff recommends staying the inflationary adjustment effective 1 April 2021.

Table 18. Inflation Adjusted Maximum Fee Schedule - 01 April 2021

| Residential Development | Impact Fee Category | Current Impact Fee per Dwelling Unit | 01 April 2021 Impact Fee per Dwelling Unit |
|-------------------------|---------------------|--------------------------------------|--|
| Single Family | Schools | \$5,991 | \$6,344 |
| | Law Enforcement | \$176 | \$184 |
| | Parks & Recreation | \$481 | \$502 |
| | EMS | \$52 | \$55 |
| | TOTAL | \$6,700 | \$7,085 |
| Town Home | Schools | \$6,748 | \$7,146 |
| | Law Enforcement | \$176 | \$184 |
| | Parks & Recreation | \$481 | \$502 |
| | EMS | \$52 | \$55 |
| | TOTAL | \$7,457 | \$7,887 |
| Duplex | Schools | \$6,748 | \$7,146 |
| | Law Enforcement | \$129 | \$135 |
| | Parks & Recreation | \$354 | \$369 |
| | EMS | \$39 | \$41 |
| | TOTAL | \$7,270 | \$7,691 |
| Multi-Family | Schools | \$4,185 | \$4,432 |
| | Law Enforcement | \$129 | \$135 |
| | Parks & Recreation | \$354 | \$369 |
| | EMS | \$39 | \$41 |
| | TOTAL | \$4,707 | \$4,977 |