

TOWN OF SHELBURNE IMPACT FEE ORDINANCE

The Selectboard of the Town of Shelburne hereby ordains:

Section 1. Authority.

This ordinance is enacted pursuant to the specific authority granted municipalities to establish impact fees contained in 24 V.S.A., Chapter 131 and the authority granted the Town of Shelburne to enact ordinances set forth in its Charter and 24 V.S.A. Chapter 59. This ordinance shall be a civil ordinance within the meaning of 24 V.S.A. Chapter 59.

Section 2. Purpose.

It is the purpose of this ordinance to establish impact fees to pay portions of the cost of constructing capital facilities for new development in the Town that will be served by such facilities. To the extent that new capital facilities are necessitated by new development and such facilities benefit the new development, it is appropriate that the new residents and owners bear an appropriate portion of the costs of constructing the new facilities.

Section 3. Establishment of Fees

A. **Recreation Impact Fee:** Any land development as described in subparagraph (1) which is issued a permit under the Town of Shelburne Zoning Regulations after the date this Impact Fee Ordinance provision becomes effective shall pay an impact fee determined in accordance with the formula set forth in subparagraph (2).

(1) This impact fee shall apply to any land development that results in an increase in dwelling units.

(2) Formula for determination of impact fees:

(a) Single Family Dwelling: \$1,864.00 reduced by the amount of any credits due from Tables R3 and R4, attached.

(b) Multi-Family Dwelling (fee per unit): \$1,017.00 reduced by the amount of any credit due from Tables R3 and R4, attached.

(3) The impact fee formula set forth in subparagraph (2) above is based on a study and report entitled, "Shelburne Recreation Impact Fee Program" prepared by Burnt Rock, Inc., dated October 18, 2001, ("Report" herein) which report is incorporated into this ordinance by reference.

(4) Impact fees collected pursuant to this ordinance provision shall be used to pay costs associated with the following recreation improvement projects, which are described in the Report:

- (a) Playing Fields Project
- (b) Recreation Path Project

Section 4. Payment of Fees

Impact fees levied under this ordinance shall be paid to the Town Treasurer prior to the issuance of any building permits under the Zoning Regulations of the Town of Shelburne for the construction of any development subject to the payment of impact fees. The Zoning Administrator shall not issue any building permit for the construction of such developments without first receiving proof of payment of the required impact fees from the Town Treasurer.

Section 5. Accounting and Register of Payment.

- A. Impact fees collected pursuant to this Ordinance shall be placed by the Town Treasurer in a separate interest bearing account.
- B. The Town Treasurer shall maintain a register for such account indicating the date of payment of each fee, the amount paid, and the name of the payer.
- C. The Town Treasurer shall prepare an annual accounting of all fees paid into and withdrawn from such account, showing the source and amounts collected, and the amounts expended and the projects for which such expenditures were made.

Section 6. Refunds.

- A. If the actual expense to the Town of a project to be funded at least in part by impact fees is less than the fees collected or to be collected, the Town shall refund to the then owner of the property for which the fee was paid, that portion of any impact fee which is in excess of the appropriate amount due to the Town. The Town shall provide this refund within one year of the date it completes or terminates construction of the project.
- B. If the Town reduces the amount of an impact fee after some fees have been collected, the Town shall refund to the then owner of the property for which a fee was paid, that portion of any impact fee which is in excess of the appropriate amount due to the Town. The Town shall provide this refund within one year of the date it reduces the impact fee.
- C. If the Town does not expend an impact fee within six years of the date it is paid, the then owner of the property for which the fee was paid may apply for and receive a refund of the fee, provided the request for refund is filed within one year of the expiration of the six year time period.
- D. A person who pays an impact fee established under this ordinance and subsequently abandons the project without commencing construction of the land development on which the impact fee was based, may request and receive from the Town a refund of the impact fee in full. Any accrued interest may be retained by the Town to offset administrative costs. If the Town agrees to pay interest on the impact fee being refunded, it shall be at the rate of 3% per annum from the date the fee was paid to the Town. A person who receives a refund under this provision shall not commence construction of the land development for which the refund was made without repaying the required impact fees.

Section 7. Expenditure Restrictions.

- A. All impact fees collected pursuant to this ordinance, and accrued interest, shall be expended only for the specifically identified projects which were the basis for the fees. Such fees and accrued interest shall be expended within six years of the date they are received by the Town Treasurer.

B. The Town Treasurer shall pay, from the appropriate account, expenses associated with the designated projects as they become due and upon receipt of appropriate documentation regarding such expenses.

Section 8. Credits for "In-Kind" Contributions.

A. "In-Kind" contribution shall refer to land or construction of facilities provided to the Town which are related to types of facilities included in the Town's Comprehensive Plan and are the basis on which the impact fee is established.

B. Upon recommendation of the Planning Commission, the Selectboard may approve a credit against any impact fee levied under this ordinance for the value of "In-Kind" contributions. The amount of credit for an "In-Kind" contribution shall be based on the actual cost to the person requesting the credit of providing or creating the facilities. The Planning Commission shall indicate the basis on which the amount of credit is determined. The amount of credit for an "In-Kind" contribution shall not exceed the total amount of the impact fee for that type of facility which would otherwise be levied on the proposed development.

C. Credits for "In-Kind" contributions are not subject to refunds as outlined in Section 6.

Section 9. Exemptions or Waivers.

The Selectboard may by resolution establish exemptions, in part or in full, to the impact fees established under this ordinance for "affordable housing" and "elderly housing".

- A. Such a resolution shall include a set of criteria by which developments can be classified as eligible for exemptions, such as maximum sales prices or rentals, provisions that only elderly residents will be accommodated, etc.
- B. Such a resolution shall also include a schedule of the amount of any exemptions to be granted, tied directly to the criteria.
- C. Such resolution may also include a requirement for a provision that ensures that the development will continue to satisfy the criteria for a specified length of time.
- D. Such resolution shall also indicate the municipal board, commission or other body who is authorized to approve such exemptions, and/or whether such approval shall require recommendation by the Planning commission.

Section 10. Appeals.

An individual or entity required to pay an impact fee under this ordinance may challenge the imposition of such fee, or the amount of the fee, by filing a written notice of appeal with the Town Clerk, which appeal shall not be filed later than thirty days after payment of the impact fee. Said notice of appeal shall state the basis of the appellant's challenge to the fee. Within sixty days of the filing of a notice of appeal, the Selectboard shall hold a public hearing to receive oral and written evidence and argument from the appellant and Town representatives. Within forty-five days after the conclusion of the hearing, the Selectboard shall notify the appellant of its decision in writing.

Section 11. Enforcement.

A. Any individual or entity who undertakes land development in the Town of Shelburne without first paying a required impact fee imposed pursuant to this ordinance shall be subject to a civil penalty of up to five hundred dollars per day for each day that such land development continues without payment of said fee. The Administrative Officer shall be authorized to act as the issuing municipal official to issue and pursue before the Judicial Bureau a municipal complaint. The Administrative Officer is authorized to recover a waiver fee of not less than \$50 and not more than \$150 for each violation and a civil penalty of not less than \$100 and not more than \$500 for each violation.

B. In addition to the enforcement procedures set forth above, the Administrative Officer is authorized to commence a civil action to obtain injunctive and other appropriate relief.

Section 12. Severability.

In the event any provision of this ordinance is for any reason invalid, such invalidity shall not affect the remaining provisions which can be given effect without the invalid provision.

Section 13: This Ordinance shall take effect from its passage.

Dated at Shelburne, Vermont, this 27th day of November, 2001.

Kenneth Albert
Kenneth Albert

Norman W. Silcox
Norman Silcox

Stephen Good
Stephen Good

Stephen Dates
Stephen Dates

Jean Burks
Jean Burks

Received and Recorded
this 27 day of November, 2001.

Colleen Haag
Colleen Haag, Town Clerk

Table R-3 Impact Fee Credit for Future Tax Payments Assumes 2001 Grand List Equals Grand List has grown at 1.3% and will grow at 2%						
						\$5,932,143
						\$300,000
						\$150,000
Dwelling Fiscal Year	Payment	Tax Rate Needed	Tax on SF Dwell.	Tax on MF Dwell.	Credits Single Family Dwelling Multi-Family Dwelling	
2002	\$0	\$0.00	\$0.00	\$0.00	\$659.05	\$329.53
2003	\$0	\$0.00	\$0.00	\$0.00	\$692.01	\$346.00
2004	\$51,600	\$0.01	\$25.08	\$12.54	\$726.61	\$363.30
2005	\$105,916	\$0.02	\$50.47	\$25.24	\$737.86	\$368.93
2006	\$103,200	\$0.02	\$48.22	\$24.11	\$724.27	\$362.14
2007	\$142,584	\$0.02	\$65.31	\$32.66	\$712.27	\$356.14
2008	\$184,184	\$0.03	\$82.71	\$41.36	\$682.58	\$341.29
2009	\$179,253	\$0.03	\$78.92	\$39.46	\$633.99	\$317.00
2010	\$174,321	\$0.03	\$75.24	\$37.62	\$586.78	\$293.39
2011	\$169,389	\$0.02	\$71.88	\$35.84	\$540.87	\$270.44
2012	\$164,458	\$0.02	\$68.23	\$34.11	\$496.24	\$248.12
2013	\$159,526	\$0.02	\$64.88	\$32.44	\$452.82	\$226.41
2014	\$154,595	\$0.02	\$61.65	\$30.82	\$410.58	\$205.29
2015	\$149,663	\$0.02	\$58.51	\$29.25	\$369.46	\$184.73
2016	\$144,732	\$0.02	\$55.47	\$27.74	\$329.43	\$164.71
2017	\$139,800	\$0.02	\$52.53	\$26.27	\$290.43	\$145.21
2018	\$134,868	\$0.02	\$49.68	\$24.84	\$252.42	\$126.21
2019	\$129,937	\$0.02	\$46.93	\$23.46	\$215.35	\$107.68
2020	\$125,005	\$0.01	\$44.26	\$22.13	\$179.19	\$89.60
2021	\$120,074	\$0.01	\$41.68	\$20.84	\$143.89	\$71.94
2022	\$115,142	\$0.01	\$39.19	\$19.59	\$109.40	\$54.70
2023	\$110,211	\$0.01	\$36.77	\$18.39	\$75.68	\$37.84
2024	\$50,963	\$0.01	\$16.67	\$8.34	\$42.70	\$21.35
2025	\$48,747	\$0.01	\$15.63	\$7.82	\$28.16	\$14.08
2026	\$46,532	\$0.00	\$14.63	\$7.32	\$13.93	\$6.97
2027	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Assumed Discount Rate: 5%

Table R-3 is used to credit fee-payers for estimated future tax payments on new dwellings paid toward the capital projects funded, in part, with impact fees. To use the table, find the fiscal year in which the impact fee is being paid in the left-hand column. Depending upon whether the fee is being paid for a single-family or multi-family dwelling unit, follow the row for that particular fiscal year in one of the two right-hand columns and subtract the estimated tax payment from the base fee. For example, if a fee is paid in 2006, the 2006 row of Table R-3 indicates that the present value of tax payments used for the capital expenditures will be \$724.27 for single family dwellings and \$362.14 for a multi-family dwelling. These credits are then deducted from the base impact fee (The base impact fee is \$1,864 for a single family dwelling and \$1,017 for a multi-family dwelling).

Table R-4
Impact Fee Credit for Past Tax Payments
Assumes 2001 Grand List Equals \$5,932,143
Grand List has grown at 1.3% and will grow at 2%
Single Family Land \$70,000
Multi-Family Land \$25,000

Dwelling Fiscal Year	Payment	Tax Rate Needed	Tax on SF Dwell.	Tax on MF Dwell.	Credits	
					Single Family Dwelling	Multi-Family Dwelling
2002	\$0	\$0.000	\$0.00	\$0.00	\$0.00	\$0.00
2003	\$0	\$0.000	\$0.00	\$0.00	\$0.00	\$0.00
2004	\$51,800	\$0.004	\$2.90	\$1.04	\$0.00	\$0.00
2005	\$105,918	\$0.009	\$6.14	\$2.19	\$3.05	\$1.09
2006	\$103,200	\$0.009	\$6.17	\$2.20	\$9.64	\$3.44
2007	\$142,584	\$0.013	\$8.78	\$3.14	\$16.60	\$5.93
2008	\$184,184	\$0.017	\$11.89	\$4.18	\$26.65	\$9.52
2009	\$179,253	\$0.017	\$11.73	\$4.19	\$40.26	\$14.38
2010	\$174,321	\$0.017	\$11.76	\$4.20	\$54.59	\$19.50
2011	\$169,389	\$0.017	\$11.78	\$4.21	\$69.68	\$24.88
2012	\$164,458	\$0.008	\$5.88	\$2.10	\$85.53	\$30.55
2013	\$159,526	\$0.008	\$5.48	\$1.98	\$95.98	\$34.28
2014	\$154,595	\$0.007	\$5.11	\$1.82	\$106.53	\$38.05
2015	\$149,663	\$0.007	\$4.75	\$1.70	\$117.22	\$41.87
2016	\$144,732	\$0.006	\$4.42	\$1.58	\$128.08	\$45.74
2017	\$139,800	\$0.006	\$4.11	\$1.47	\$139.12	\$49.69
2018	\$134,868	\$0.005	\$3.81	\$1.36	\$150.39	\$53.71
2019	\$129,937	\$0.005	\$3.53	\$1.26	\$161.91	\$57.82
2020	\$125,005	\$0.005	\$3.26	\$1.17	\$173.71	\$62.04
2021	\$120,074	\$0.004	\$3.01	\$1.08	\$185.82	\$66.36
2022	\$115,142	\$0.004	\$2.78	\$0.99	\$198.27	\$70.81
2023	\$110,211	\$0.004	\$2.56	\$0.91	\$211.11	\$75.39
2024	\$50,983	\$0.002	\$1.14	\$0.41	\$224.35	\$80.12
2025	\$48,747	\$0.001	\$1.05	\$0.37	\$236.76	\$84.56
2026	\$46,532	\$0.000	\$0.34	\$0.21	\$249.69	\$89.18
2027	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Assumed Discount Rate: 5%

Table R-4 is used to credit fee-payers for estimated past tax payments on vacant, pre-development land paid toward the capital projects funded, in part, with impact fees. To use the table, find the fiscal year in which the impact fee is being paid in the left-hand column. Depending upon whether the fee is being paid for a single-family or multi-family dwelling unit, follow the row for that particular fiscal year to one of the two right-hand columns and subtract the estimated tax payment from the base fee. For example, if a fee is paid in 2006, the 2006 row of Table R-4 indicates that the present value of those tax payments is \$9.64 for a single family dwelling and \$3.44 for a multi-family dwelling. These credits are deducted from the base impact fee (The base impact fee is \$1,864 for a single family dwelling and \$1,017 for a multi-family dwelling).

TOWN OF SHELBURNE, VERMONT

**RECREATION FACILITIES
IMPACT FEE PROGRAM**

OCTOBER 18, 2001

prepared by



Burnt Rock Inc.
Associates in Community Planning
Waitsfield, Vermont

Shelburne Recreation Facilities Impact Fee Program
October 18, 2001

Introduction

The Town of Shelburne, Vermont, retained the services of Burnt Rock Inc., Associates in Community Planning, to assist with the preparation of an impact fee program to offset the capital costs of recreation facilities specifically needed to accommodate population growth. This report explains the statutory basis for establishing impact fees in Vermont, provides an inventory of existing and proposed recreation facilities, identifies the level of service for various facilities, and describes the formulae used to calculate the recreation facilities impact fee.

Authority to Adopt Impact Fees

According to Vermont statute [24 VSA, Chapter 131 §5202], a municipality desiring to levy impact fees must meet the following requirements:

- be confirmed by the appropriate regional planning commission in accordance with 24 VSA Chapter 117 §4350; and
- have a duly adopted capital budget and program.

The Town of Shelburne has in place a Town Plan adopted April 13, 1999 which has been approved by the Chittenden County Regional Planning Commission. In addition, the Town last adopted a Capital Budget and Program on September, 2000¹, which addresses capital facility needs through fiscal year 2005/06. Therefore, the Town is authorized under statute to levy impact fees.

Vermont statute also requires that impact fees be limited to ensure that the direct beneficiaries of new development pay only their *proportionate* share of the cost of capital projects. To this end, impact fees must:

- be based upon a reasonable formula that will be used to assess a fee that reflects the level of service for the capital project to be funded;
- be equal to or less than the portion of the impact fee of a capital project that is attributable to the development, and must not include operation, administration or maintenance costs;
- be used to fund the real cost of capital projects, based upon cost projections, and any payments beyond actual costs are to be reimbursed to the payers;
- be expended within six years of payment; and,
- be administered by a duly adopted ordinance or bylaw which establishes a formula for levying the impact fee.

¹It is anticipated that the Capital Budget and Program will be revised to reflect more accurate cost estimates for facilities described below concurrently with the adoption of an impact fee ordinance to implement this program.

In determining an appropriate fee, every effort was made to ensure that only the portion of any recreation capital project attributable to future development was used to calculate the fee, and that such fee is based upon a reasonable level of service for each facility. It is anticipated that the Town will periodically evaluate the fee to ensure it reflects real - rather than estimated - project costs, and to adjust the facility standards as needed to meet future community demand for recreation facilities.

Recreation Facilities

Shelburne residents are proud of the high quality of recreation programs and facilities available to local residents. Presently, the town's organized youth programs, which include soccer, baseball, softball, basketball and lacrosse, directly involve several hundred local residents. The number of participants has grown steadily in recent years, placing pressure on existing recreation facilities. This pressure is expected to continue increasing as the town's population expands.

To address the growing demand for facilities, and to anticipate future demand likely to result from ongoing population growth, an inventory of existing facilities was undertaken and a level of service standard identified for each. These facility standards were prepared in consultation with Town staff. In this way, existing and anticipated deficiencies may be identified, and costs may be fairly apportioned between existing and future residents.

Table 1 includes an inventory of existing recreation facilities owned and managed by the Town of Shelburne, as well as the level of service for each facility. The level of service is based upon the need for various facilities per every 1,000 residents. Finally, the table identifies anticipated facility needs that will result from projected population growth.

**TABLE R-1
PROJECTED RECREATION FACILITY NEEDS**

Facility	Facilities per 1,000 persons ¹	Existing Facilities	Projected Population/Facility Need 2000-2020				
			2000	2005	2010	2015	2020
			6,950	7,850	8,400	9,300	10,300
Developed Rec. Fields	5.5 acres	26.5	38.2	42.1	46.2	51.2	56.7
Baseball/Softball Fields	0.6	3	4	5	5	6	6
Public Beach	0.1	1	1	1	1	1	1
Tennis Courts	0.75	6	5	6	6	6	6
Multi-Purpose Paths	0.3 miles	1.5	2.1	2.3	2.5	2.8	3.1
Soccer field	0.6	3	6	6	6	6	7

¹ Facility standards developed by BRI in consultation with Town staff.
² 2000 population U.S. Census; 2005-2020 projections prepared for CCRPC & CCMPQ by Economic & Policy Resources, Inc.

Table 1 shows the extent to which existing recreation facilities available to Shelburne residents do not meet identified standards, and the extent to which these deficiencies are projected to worsen as a growing population continues to demand recreation facilities. It is important to note, however, the difficulty in identifying service standards for individual types of recreation fields (e.g., baseball/softball fields). The use of fields for multiple sports, shared use of support facilities (e.g. parking), changing recreation trends, and Shelburne's

relatively small population, combine to make such standards tenuous. A more appropriate means of identifying current deficiencies and future needs is to consider the total area of developed public outdoor recreation facilities (developed recreation fields), including support facilities and site improvements, relative to the current and projected population.

According to the U.S. Census, the town's population was 6,950 in 2000. At that time, the town maintained 26.5 acres of improved recreation facilities in several locations. Based upon a standard of 5.5 acres of improved, multi-purpose outdoor recreation facilities per every 1,000 residents, the town was deficient in outdoor recreation space by 11.7 acres. This deficiency is projected to increase to over 30 acres by 2020.

To address existing and projected deficiencies, the town has included three capital projects in its Capital Budget and Program. One of these, the reconstruction of Davis Park Tennis Courts, is to address existing needs and are therefore not eligible for funding through impact fees. Two other projects, however, are designed to accommodate future population growth. These are:

- **Playing Fields Project**, which includes land acquisition and site development costs to construct additional developed recreation fields. The project will involve the development of twenty acres of new, improved recreation fields and associated facilities (e.g., parking, playground space), and will involve the creation of two additional baseball/softball fields and four additional soccer/multi-purpose fields. The anticipated cost of the project is \$1,202,000, of which \$360,000 is anticipated to be funded through private donations and \$842,000 through a 20 year bond repaid through municipal property tax revenues and impact fees. (See attached draft Shelburne Recreational Fields site plan in Appendix A).
- **Bike/Pedestrian Path Project**, which includes the construction of a 1.5 mile (7,900') section of improved pathway from Longmeadow Drive to the Village Center. The project is expected to be constructed in three phases at a total cost of \$1,332,000, of which \$300,000 is anticipated to be funded through transportation grant programs and \$1,032,000 through a 20 year bond to be repaid through municipal property tax revenues and impact fees.

Impact Fee Calculation

Because both projects described above are designed, in part, to address future demand, an analysis of specific costs and facility capacities can be used to determine an appropriate method for calculating an impact fee.

Playing Fields Project: The Town has proposed the acquisition of 20 acres of developable land as a multi-purpose outdoor recreation facility. Conceptual plans for such a facility are included in Appendix A of this report. Based upon the conceptual plans, the Town prepared

an initial cost estimate of \$1,202,000 for acquisition, site development and equipment cost that will be required to maintain the new facility (only the cost of equipment purchase is included in the estimate - ongoing operation and maintenance costs are not included).

As stated above, Shelburne owns and maintains 26.5 acres of developed recreation fields (encompassing several non-contiguous parcels). Based upon the standard of 5.5 acres per every 1,000 residents, the town is currently deficient in outdoor recreation space by 11.7 acres. The 20 acre parcel will correct this deficiency, and address projected facility needs until the year 2010.

The Town expects that approximately \$360,000 of the total cost will be raised through private fundraising. The remaining \$842,000 will be repaid through a combination of impact fees and the issuance of a 20 year bond in 2006/2007 (fiscal year 2007). Assuming an interest rate of 5%, the total cost of the bonded portion of the project will be \$1,305,100.

Due to existing deficiencies in developed field space, a substantial portion of this project is intended to serve existing residents. It is important that only that portion of the project that is designed to serve demand stemming from population growth be funded through impact fees. The Town's facility standard is 5.5 acres of improved outdoor recreation space per 1,000 residents. Thus, the 20 acre facility is designed to serve 3,636 residents. The majority of the space (12 acres, or 60%) is needed to correct existing deficiencies and serve current population levels. The remainder of the project (8 acres, or 40%) is designed to accommodate future demand resulting from a projected population increase of 1,455 residents.

Using these standards, the per person cost of the facility may be calculated as such:

Step 1 Determine the unit cost of the facility (e.g., the cost of each 1 acre of developed recreation fields may be calculated as $\$1,305,100 / 20 = \$65,255$).

Step 2 Determine the cost of that portion of the facility needed to address future population growth ($\$65,255 * 8 \text{ acres} = \$522,040$).

Step 3 Determine the cost, per user, of the new facility needed to address future population growth based upon the facility standard of 5.5 acres per 1,000 residents ($\$522,040 / 1,455 \text{ new residents} = \$358.79/\text{person}$).

Bike/Pedestrian Path Project: The Town has proposed the expansion of its existing path network through the construction of a 1.5 mile section of improved pathway from Longmeadow Drive to the Village Center. The project is expected to be constructed in three phases at a total cost of \$1,032,000 (excluding anticipated grant funds), funded through a twenty year bond to be repaid through municipal property tax revenues.

The Town presently owns and maintains 1.5 miles of multi-purpose path. The identified level of service for recreation paths is 0.3 miles per every 1,000 residents, for a current need

for 2.1 miles of path, indicating a current deficiency of 0.6 miles. The multi-purpose recreation path will bring the total path mileage to 3 miles, which will correct the current deficiency and address anticipated demand for paths until the year 2020.

The \$1,032,000 will be funded through a 20 year bond to be repaid by a combination of impact fees and property tax revenues. Assuming the bond is issued in fiscal year 2004 at a rate of 5%, the total cost of the project over the 20 year bond period will be \$1,599,600.

Again, it is important that impact fees not be used to fund projects designed to address existing facility deficiencies. In this instance, the Town's facility standard is 0.3 miles of path per 1,000 residents. Thus, the 1.5 mile path is designed to serve 5,000 residents - nearly half (0.6 miles) being needed to address the existing deficiency (2,000 persons).

The remainder of the path (0.9 miles) is designed to accommodate future demand resulting from a projected population increase of 3,000 new residents, which is projected to occur prior to the year 2020 - the final year for which population projections have been included. To ensure that the fees are based on an equitable formula, impact fees must be based on the portion of the project that is attributable to new development based upon the facility standard included in Table R-1.

Using these standards, the per person cost of the facility may be calculated as such:

Step 1 Determine the unit cost of the facility (e.g., the cost of each 0.1 mile segment of path may be calculated as $\$1,599,600 / 15 = \$106,640$

Step 2 Determine the cost of that portion of the facility needed to address future population growth ($\$106,640 * 9$ (0.1 mile segments) = $\$959,760$.)

Step 3 Determine the cost, per user, of the new facility needed to address future population growth based upon the facility standard of 0.3 miles per 1,000 residents ($\$959,760 / 3,000$ new residents) = $\$319.92/\text{person}$.

The combined total cost of planned recreation facilities, based upon the calculations described above, are as follows:

Ballfields Project	\$358.79/person
Recreation Path	+ \$319.92/person
	= \$678.71

Based on 2000 census data and data from the New Practitioner's Guide to Fiscal Impact Analysis, it is estimated that multiple family dwellings in Shelburne will be occupied by an average of 1.5 persons and that single family dwellings will be occupied by an average of 2.75

persons. Using these estimates, the impact fee for new dwelling units may be calculated as follows:

Single-family dwelling 2.75 pph: $2.75 * \$678 = \$1,864$

Multi-family dwelling 1.5 pph: $1.5 * \$677 = \$1,017$

Calculating Property Tax Payment Credits

To ensure that the fee is equitable, statute requires impact fee formulae to ensure that dwelling units which are assessed the impact fees are not charged twice. The raw land used for new dwellings was assessed property taxes, some of which were used to offset the initial bond issues. In addition, the new dwellings will continue to pay property taxes, some of which will be used to offset the bond payments. In order to avoid double paying, the impact fee formulae must include provision for credits which reflect these past and future payments.

To this end, the stream of tax payments is broken into two parts – that which occurs before the dwelling comes onto the grand list, and occurring after the dwelling comes onto the grand list. In the former case, prior to the payment of the impact fee, there will have been a series of past tax payments made on raw land. In the latter case there will be a stream of future tax payments made on the new dwelling after the impact fee was paid.

Estimates were made of all annual capital expenditures (including bond payments of principal and interest and annual capital expenditures) for the projects described above. In this case, those payments are limited to the annual payments required to retire the two bonds anticipated to fund the ballfields project and the recreation path. An estimated payment schedule for the combined bonds is shown in Table R-2².

Table R-2
Estimated Annual Capital Expenditures

Fiscal Year	Estimated Payment	Year	Estimated Payment
2003	\$0	2015	\$149,883
2004	\$51,800	2016	\$144,732
2005	\$105,918	2017	\$139,800
2006	\$103,200	2018	\$134,888
2007	\$142,584	2019	\$129,937
2008	\$184,184	2020	\$125,005
2009	\$179,253	2021	\$120,074
2010	\$174,321	2022	\$115,142

²The Town may phase the construction of the recreation path over a 2-3 year period, in which case short term bond anticipation loans would delay the year in which the full bond payment would begin (payments on the anticipation loans would begin, however, in fiscal year 2004). It is anticipated that the use of short term anticipation loans for a portion of the bond amount during the first 1-3 years of the bond period would have a negligible effect on the impact fee credit tables presented in Tables R-3 and R-4.

Fiscal Year	Estimated Payment	Fiscal Year	Estimated Payment
2011	\$169,389	2023	\$110,211
2012	\$164,458	2024	\$50,983
2013	\$159,526	2025	\$48,747
2014	\$154,595	2026	\$46,532

It is necessary to estimate credits for past and future tax payments used to retire the bonded debt, as described above. For future tax payments, it is necessary to estimate the present value of future tax payments that will go to retire the bond issues. These payments will run from the year that the new dwelling enters the grand list (and begins making tax payments) to the end of the bond payment period.

Table R-3 estimates the present value of future tax payments on new dwellings used for the eligible capital expenditures, depending on the year in which the dwelling is constructed (and placed on the grand list). The estimated mean value of new dwellings is based upon the assessed value of dwellings constructed over the most recent five year period.

Table R-3 Impact Fee Credit for Future Tax Payments Assumes 2001 Grand List Equals \$5,932,143 Grand List has grown at 1.3% and will grow at 2% Single Family Dwelling Unit \$300,000 Multi-Family Dwelling Unit \$160,000						
Dwelling Fiscal Year	Payment	Tax Rate Needed	Tax on SF Dwell.	Tax on MF Dwell.	Credits	
					Single Family Dwelling	Multi-Family Dwelling
2002	\$0	\$0.00	\$0.00	\$0.00	\$659.05	\$329.53
2003	\$0	\$0.00	\$0.00	\$0.00	\$692.01	\$346.00
2004	\$51,800	\$0.01	\$25.08	\$12.54	\$728.61	\$363.30
2005	\$105,918	\$0.02	\$50.47	\$25.24	\$737.86	\$368.93
2006	\$103,200	\$0.02	\$48.22	\$24.11	\$724.27	\$362.14
2007	\$142,584	\$0.02	\$65.31	\$32.66	\$712.27	\$358.14
2008	\$184,184	\$0.03	\$82.71	\$41.36	\$682.58	\$341.29
2009	\$179,253	\$0.03	\$78.92	\$39.46	\$633.99	\$317.00
2010	\$174,321	\$0.03	\$75.24	\$37.62	\$686.78	\$293.39
2011	\$169,389	\$0.02	\$71.88	\$35.84	\$640.87	\$270.44
2012	\$164,458	\$0.02	\$68.23	\$34.11	\$496.24	\$248.12
2013	\$159,526	\$0.02	\$64.88	\$32.44	\$452.82	\$228.41
2014	\$154,595	\$0.02	\$61.65	\$30.82	\$410.88	\$206.29
2015	\$149,863	\$0.02	\$58.51	\$29.25	\$369.46	\$184.73
2016	\$144,732	\$0.02	\$55.47	\$27.74	\$329.43	\$164.71
2017	\$139,800	\$0.02	\$52.53	\$26.27	\$290.43	\$146.21
2018	\$134,868	\$0.02	\$49.88	\$24.84	\$252.42	\$128.21
2019	\$129,937	\$0.02	\$46.93	\$23.46	\$215.35	\$107.68
2020	\$125,005	\$0.01	\$44.26	\$22.13	\$179.19	\$89.60
2021	\$120,074	\$0.01	\$41.68	\$20.84	\$143.89	\$71.94

Year	Payment	Tax Rate	Tax on SF	Tax on MF	Single Family	Multi-Family
2022	\$115,142	\$0.01	\$39.19	\$19.59	\$109.40	\$64.70
2023	\$110,211	\$0.01	\$36.77	\$18.39	\$76.88	\$37.84
2024	\$50,983	\$0.01	\$16.87	\$8.34	\$42.70	\$21.35
2025	\$48,747	\$0.01	\$15.83	\$7.82	\$28.16	\$14.08
2026	\$48,532	\$0.00	\$14.83	\$7.32	\$13.93	\$8.97
2027	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Assumed Discount Rate: 5%

For example, if the dwelling comes onto the grand list in fiscal year 2006, the 2006 row of Table R-3 indicates that the present value of tax payments used for the capital expenditures will be \$724.27 for single family dwellings and \$362.14 for a multi-family dwelling. Again, these credits must be deducted from the base impact fee.

Similarly, Table R-4 estimates the present value of past tax payments on raw land used for the eligible capital expenditures, depending on the year in which the land is converted to a dwelling. The estimated mean value of raw land is based upon current property assessments for both improved and unimproved undeveloped land in Shelburne.

Table R-4 Impact Fee Credit for Past Tax Payments						
Assumes 2001 Grand List Equals						\$5,932,143.00
Grand List has grown at 1.3% and will grow at 2%						
Single Family Land						\$70,000.00
Multi-Family Land						\$25,000.00
Dwelling Fiscal Year	Payment	Tax Rate Needed	Tax on SF Dwell.	Tax on MF Dwell.	Credits	
					Single Family Dwelling	Multi-Family Dwelling
2002	\$0	\$0.000	\$0.00	\$0.00	\$0.00	\$0.00
2003	\$0	\$0.000	\$0.00	\$0.00	\$0.00	\$0.00
2004	\$51,800	\$0.004	\$2.90	\$1.04	\$0.00	\$0.00
2005	\$105,916	\$0.009	\$6.14	\$2.19	\$3.05	\$1.09
2006	\$103,200	\$0.009	\$6.17	\$2.20	\$9.64	\$3.44
2007	\$142,584	\$0.013	\$8.78	\$3.14	\$16.60	\$6.93
2008	\$184,184	\$0.017	\$11.89	\$4.18	\$26.58	\$9.52
2009	\$176,263	\$0.017	\$11.73	\$4.19	\$40.26	\$14.38
2010	\$174,321	\$0.017	\$11.76	\$4.20	\$84.59	\$19.50
2011	\$169,389	\$0.017	\$11.78	\$4.21	\$69.68	\$24.88
2012	\$164,458	\$0.008	\$5.88	\$2.10	\$85.53	\$30.55
2013	\$159,526	\$0.008	\$5.48	\$1.96	\$98.98	\$34.28
2014	\$154,595	\$0.007	\$5.11	\$1.82	\$106.53	\$38.05
2015	\$149,663	\$0.007	\$4.75	\$1.70	\$117.22	\$41.87
2016	\$144,732	\$0.008	\$4.42	\$1.58	\$128.08	\$46.74
2017	\$139,800	\$0.008	\$4.11	\$1.47	\$139.12	\$49.69
2018	\$134,868	\$0.005	\$3.81	\$1.36	\$150.39	\$53.71
2019	\$129,937	\$0.005	\$3.53	\$1.26	\$161.91	\$57.82

Year	Payment	Tax Rate	SF TAX	MF TAX	TAXES: SF	TAXES: MF
2020	\$125,005	\$0.005	\$3.28	\$1.17	\$173.71	\$62.04
2021	\$120,074	\$0.004	\$3.01	\$1.08	\$188.82	\$86.36
2022	\$118,142	\$0.004	\$2.78	\$0.99	\$198.27	\$70.81
2023	\$110,211	\$0.004	\$2.58	\$0.91	\$211.11	\$78.39
2024	\$50,983	\$0.002	\$1.14	\$0.41	\$224.38	\$80.12
2025	\$48,747	\$0.001	\$1.05	\$0.37	\$238.78	\$84.58
2026	\$48,532	\$0.000	\$0.34	\$0.21	\$248.88	\$89.18
2027	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

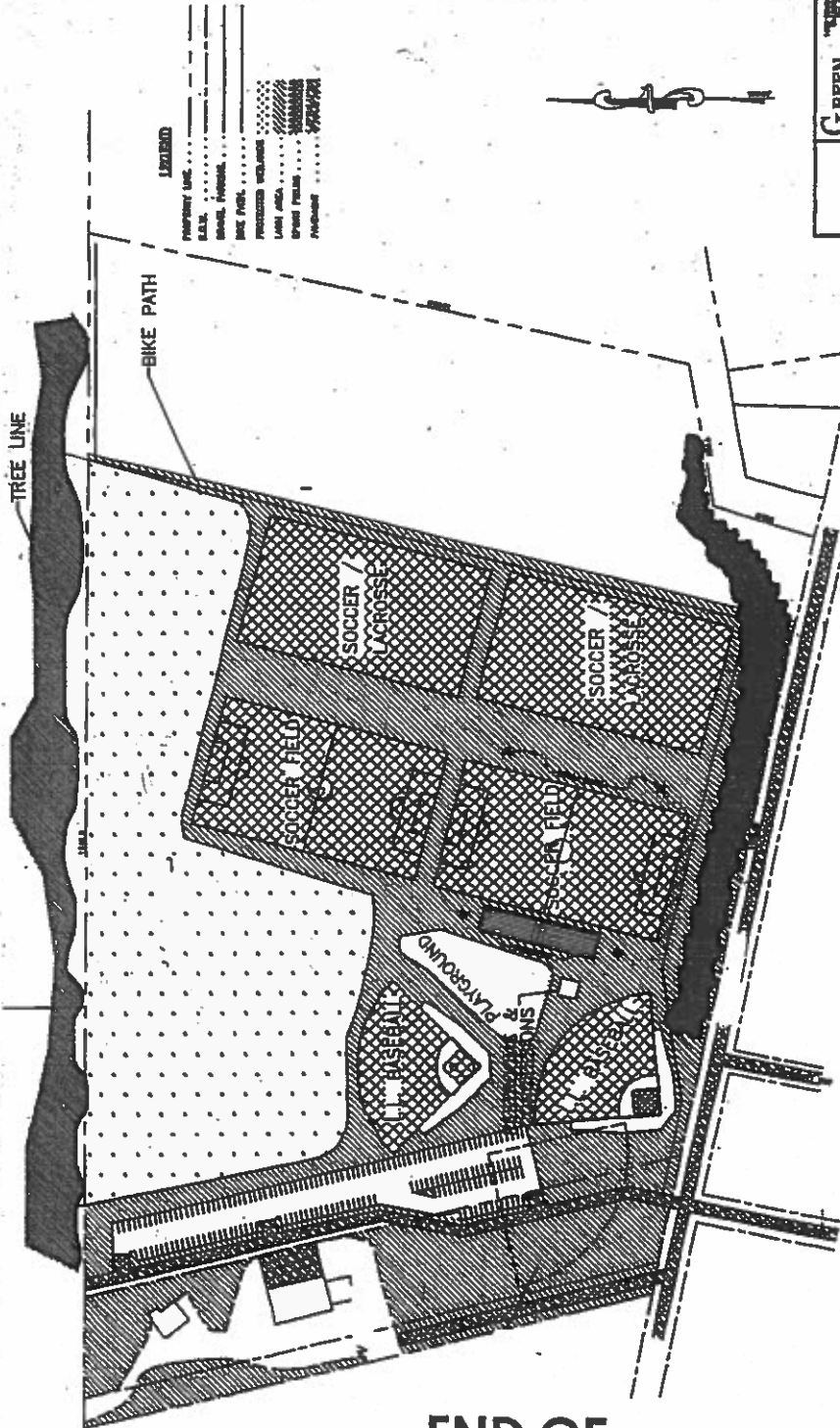
Assumed Discount Rate: 5%

Thus, if a dwelling comes onto the grand list in 2006, there will have been prior tax payments used for the designated projects. The 2006 row of Table R-4 indicates that the present value of those tax payments is \$9.64 for a single family dwelling and \$3.44 for a multi-family dwelling. These amounts must be deducted from or credited against the base impact fee. Thus, for a single family dwelling added to the grand list in 2006, the recreation impact fee is calculated as follows:

$$\$1,864 \text{ (base fee)} - \$724.27 \text{ (future payments)} - \$9.64 \text{ (past payments)} = \$1,130$$

Similarly, the fee for a multi-family dwelling unit would be calculated as:

$$\$1,017 \text{ (base fee)} - \$362.14 \text{ (future payments)} - \$3.44 \text{ (past payments)} = \$651$$



LEGEND

PROPERTY LINE
 B.A.S.
 BIKE PATH
 SOCCER FIELD
 CROSS-COUNTRY
 PLAYGROUND
 BASEBALL
 ASPHALT
 CONCRETE
 GRAVEL
 SAND
 GRASS
 TREES
 FENCE
 DRIVEWAY
 SIDEWALK
 DRIVEWAY
 SIDEWALK

GREEN MOUNTAIN ENGINEERING

PROJECT NO. 7-014

DATE: 11/11/01

SCALE: 1" = 100'

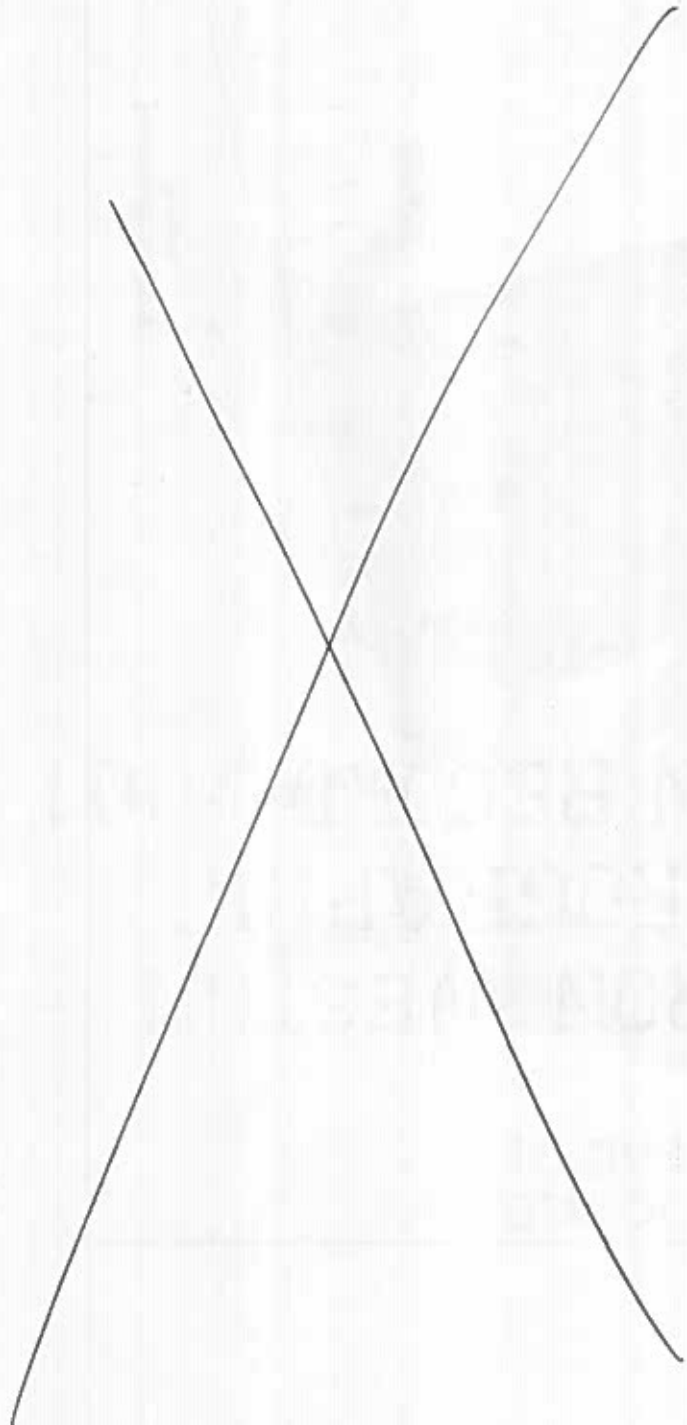
PROJECT: RECREATIONAL FIELDS

DATE: 11/11/01

SCALE: 1" = 100'

APPENDIX
A

END OF
DOCUMENT



AMENDMENT OF THE
TOWN OF SHELBURNE IMPACT FEE ORDINANCE

The Selectboard of the Town of Shelburne hereby ordains:

Section 1. Section 3 of the Town of Shelburne Impact Fee Ordinance is hereby amended to add sub-section B as follows:

B. Educational Facilities Impact Fee: Any land development as described in subparagraph (1) which is issued a permit under the Town of Shelburne Zoning Regulations after the date this Impact Fee Ordinance provision becomes effective shall pay an impact fee determined in accordance with the formula set forth in subparagraph (2).

- (1) This impact fee shall apply to any land development that results in an increase in dwelling units.
- (2) Formula for determination of impact fees:
 - (a) Single Family Dwelling: \$6,809.00 reduced by the amount of any credits due from Tables S-2 and S-3, attached.
 - (b) Multi-Family Dwelling (fee per unit): \$2,383.00 reduced by the amount of any credit due from Tables S-2 and S-3 attached.
- (3) The impact fee formula set forth in subparagraph (2) above is based on a study and report entitled, "Shelburne Educational Facilities impact Fee Program" prepared by Burnt Rock, Inc., dated June 21, 2002, ("Report" herein) which report is incorporated into this ordinance by reference.
- (4) Impact fees collected pursuant to this ordinance provision shall be used to pay costs associated with constructing a school facility to increase student capacity, as described in the Report.

Section 2. This amendment shall take effect upon passage.

Dated at Shelburne, Vermont, this 13th day of August, 2002.

Kenneth Albert
Kenneth Albert

Norman Silcox
Norman Silcox

Steve Good
Steve Good

Steve Dates
Steve Dates

George T. Faris, IV
George T. Faris, IV

Received and Recorded
this 14th day of August, 2002.

Colleen T. Haag
Colleen Haag, Town Clerk

Table S-2						
Impact Fee Credit for Future Tax Payments						
Assumes 2001 Grand List Equals \$5,932,143						
Grand List has grown at 1.3% and will grow at 2%						
Single Family Dwelling Unit						\$300,000
Multi-Family Dwelling Unit						\$150,000
Dwelling Fiscal Year	Payment	Tax Rate Needed	Tax on SF Dwell.	Tax on MF Dwell.	Credits	
					Single Family Dwelling	Multi-Family Dwelling
2002	\$0	\$0.00000	0.00	0	702.29	351.15
2003	\$0	\$0.00000	0.00	0	737.41	368.70
2004	\$0	\$0.00000	0.00	0	774.28	387.14
2005	\$98,000	\$0.01557	46.70	23.351	812.99	406.49
2006	\$201,158	\$0.03133	93.98	46.9912	806.94	403.47
2007	\$196,000	\$0.02993	89.78	44.8885	753.30	376.65
2008	\$190,842	\$0.02857	85.70	42.8502	701.19	350.59
2009	\$185,684	\$0.02725	81.75	40.8745	650.55	325.27
2010	\$180,526	\$0.02597	77.92	38.9599	601.33	300.66
2011	\$175,368	\$0.02474	74.21	37.1047	553.47	278.74
2012	\$170,210	\$0.02354	70.61	35.3072	508.94	253.47
2013	\$165,053	\$0.02238	67.13	33.5661	461.87	230.84
2014	\$159,895	\$0.02125	63.76	31.8796	417.82	208.81
2015	\$154,737	\$0.02016	60.49	30.2463	374.74	187.37
2016	\$149,579	\$0.01911	57.33	28.6647	332.99	166.49
2017	\$144,421	\$0.01809	54.27	27.1336	292.31	146.15
2018	\$139,263	\$0.01710	51.31	25.6526	252.66	126.33
2019	\$134,105	\$0.01614	48.43	24.2171	213.98	106.99
2020	\$128,947	\$0.01522	45.66	22.829	176.25	88.12
2021	\$123,790	\$0.01432	42.97	21.4863	139.40	69.70
2022	\$118,632	\$0.01346	40.37	20.1873	103.40	51.70
2023	\$113,474	\$0.01262	37.86	18.9308	68.20	34.10
2024	\$108,316	\$0.01181	35.43	17.7161	33.74	16.87
2025	\$0	\$0.00000	0.00	0	0.00	0.00
2026	\$0	\$0.00000	0.00	0	0.00	0.00
2027	\$0	\$0.00000	0.00	0	0.00	0.00

Assumed Discount Rate: 5%

Table S-3 is used to credit fee-payers for estimated future tax payments on new dwellings paid toward the capital projects funded, in part, with impact fees. To use the table, find the fiscal year in which the impact fee is being made in the left-hand column. Depending upon whether the fee is being paid for a single-family or multi-family dwelling unit, follow the row for that particular fiscal year in one of the two right-hand columns and subtract the estimated tax payment from the base fee. For example, if a fee is paid in 2006, the 2006 row of Table S-2 indicates that the present value of tax payments used for the capital expenditures will be \$806.94 for single family dwellings and \$403.47 for a multi-family dwelling. These credits must be deducted from the base impact fee.

Table S-3 Impact Fee Credit for Past Tax Payments Assumes 2001 Grand List Equals \$5,932,143 Grand List has grown at 1.3% and will grow at 2% Single Family Land \$70,000 Multi-Family Land \$25,000						
Dwelling Fiscal Year	Payment	Tax Rate Needed	Tax on SF Dwell.	Tax on MF Dwell.	Credits	
					Single Family Dwelling	Multi-Family Dwelling
2002	\$0	\$0.00000	\$0.00	\$0.00	\$0.00	\$0.00
2003	\$0	\$0.00000	\$0.00	\$0.00	\$0.00	\$0.00
2004	\$0	\$0.00000	\$0.00	\$0.00	\$0.00	\$0.00
2005	\$98,000	\$0.00811	\$5.88	\$2.03	\$0.00	\$0.00
2006	\$201,158	\$0.01717	\$12.02	\$4.29	\$5.96	\$2.13
2007	\$198,000	\$0.01725	\$12.07	\$4.31	\$18.88	\$6.74
2008	\$190,842	\$0.01731	\$12.12	\$4.33	\$32.50	\$11.81
2009	\$185,884	\$0.01736	\$12.16	\$4.34	\$46.85	\$16.73
2010	\$180,526	\$0.01740	\$12.18	\$4.35	\$61.95	\$22.13
2011	\$175,368	\$0.01743	\$12.20	\$4.36	\$77.84	\$27.80
2012	\$170,210	\$0.00889	\$8.08	\$2.17	\$94.54	\$33.77
2013	\$165,053	\$0.00810	\$5.67	\$2.03	\$105.66	\$37.73
2014	\$159,896	\$0.00755	\$5.28	\$1.89	\$116.89	\$41.75
2015	\$154,737	\$0.00702	\$4.92	\$1.76	\$128.28	\$45.82
2016	\$149,579	\$0.00653	\$4.57	\$1.63	\$139.86	\$49.95
2017	\$144,421	\$0.00606	\$4.24	\$1.51	\$151.65	\$54.16
2018	\$139,263	\$0.00562	\$3.93	\$1.40	\$163.69	\$58.46
2019	\$134,105	\$0.00520	\$3.64	\$1.30	\$176.00	\$62.86
2020	\$128,947	\$0.00481	\$3.37	\$1.20	\$188.62	\$67.36
2021	\$123,790	\$0.00444	\$3.11	\$1.11	\$201.59	\$72.00
2022	\$118,632	\$0.00409	\$2.86	\$1.02	\$214.93	\$76.76
2023	\$113,474	\$0.00378	\$2.63	\$0.94	\$228.68	\$81.67
2024	\$108,316	\$0.00345	\$2.42	\$0.86	\$242.88	\$86.74
2025	\$0	\$0.00000	\$0.00	\$0.00	\$257.67	\$91.99
2026	\$0	\$0.00000	\$0.00	\$0.00	\$270.44	\$96.58

Assumed Discount Rate: 5%

Table S-3 is used to credit fee-payers for estimated past tax payments on vacant, pre-development land paid toward the capital projects funded, in part, with impact fees. To use the table, find the fiscal year in which the impact fee is being made in the left-hand column. Depending upon whether the fee is being paid for a single-family or multi-family dwelling unit, follow the row for that particular fiscal year to one of the two right-hand columns and subtract the estimated tax payment from the base fee. For example, if a fee is paid in 2006, the 2006 row of Table S-3 indicates that the present value of those tax payments is \$5.96 for a single family dwelling and \$2.13 for a multi-family dwelling. These amounts must be deducted from the base impact fee.

SHELBURNE TOWN CLERK'S OFFICE
30 SEPTEMBER 2003
 RECEIVED FOR RECORDS 9 O'CLOCK DOMINUTES
 AM., AND RECORDED IN BOOK 1 PAGE 28.20-28.21
 OF SHELBURNE FINANCE RECORDS
 ATTEST: *[Signature]* ASST. CLERK

RESOLUTION

**RELATING TO EXEMPTIONS OR WAIVERS
 UNDER SECTION 9 OF THE SHELBURNE IMPACT FEE ORDINANCE**

WHEREAS, the Town of SHELBURNE has a duly adopted impact fee ordinance created pursuant to 24 V.S.A. Chapter 131, its charter, and 24 V.S.A. Chapter 59; and

WHEREAS, the impact fee ordinance, at Section 9, specifically authorizes the Selectboard to establish exemptions or waivers, in full or in part, for affordable housing and elderly housing type land development; and

WHEREAS, the policy of the Town, expressed via the Town Plan and via the bylaws that implement the Town Plan, supports the creation and retention of affordable housing and housing for the elderly;

Now, **THEREFORE, BE IT RESOLVED**, that exemptions/waivers shall be granted when an individual or entity required to pay a fee under the ordinance demonstrates to the Selectboard that:

1. Land development otherwise subject to the impact fee consists of affordable housing and/or elderly housing:
 - A) Housing shall be considered affordable if it is restricted to households or individuals earning not more than 80 percent of the median household income for Chittenden County;
 - B) Elderly housing shall be defined as housing units created primarily for the use of persons age 65 and older;

AND

2. Units for which the exemption/waiver is sought have received applicable local land use permits (i.e., conditional use approval, if required; site plan approval, if required; and final plat subdivision approval, if required); AND
3. Units otherwise subject to the fee will remain affordable and/or limited to occupancy by persons 65 and older for a period of at least 30 years, as evidenced by binding legal documents and with compliance monitored by a public agency for 15 years; AND
4. His or her request has been reviewed by the Shelburne Planning Commission and documentation is provided that the Planning Commission does not oppose the exemption or waiver of a portion, or all, of the fee; AND

BE IT FURTHER RESOLVED that

5. Adjustments to fee may be made according to the following schedule (presented as a guideline):

Category/ Level of Support for Town Policies	Education Impact Fee Reduction	Recreation Impact Fee Reduction
Affordable Housing Unit <ul style="list-style-type: none"> • Accessible to Households or Individuals Earning Not more than <u>60</u> percent of County median 	Reduced 90%	Reduced 90%
Affordable Housing Unit <ul style="list-style-type: none"> • Accessible to Households or Individuals Earning Not more than <u>80</u> percent of County median 	Reduced 85%	Reduced 85%
Elderly Housing Unit <ul style="list-style-type: none"> • Limited to Households or Individuals Earning Not more than <u>80</u> percent of County median 	Reduced 80%	Reduced 70%
Elderly Housing Unit <ul style="list-style-type: none"> • No limits based on income 	Reduced 60%	Reduced 50%

BE IT FURTHER RESOLVED that

6. An additional 5 % reduction of the fee will be provided (i.e., amounts shown in table above will be increased) when the unit will maintain its status in perpetuity.

Passed this 23 day of September, 2003.

(Name)	LEGISLATIVE BODY	(Signature)
STEPHEN DATES, CHAIR		<u><i>Stephen Dates</i></u>
GEORGE FARIS		_____
JIM DUDLEY		<u><i>J. Dudley</i></u>
STEPHEN GOOD		<u><i>Stephen W. Good</i></u>
NORM SILCOX		<u><i>Norman W. Silcox</i></u>

The above resolution is a true and correct copy of the resolution as finally adopted at a meeting of the Legislative Body held on the 23 day of Sept, 2003, and duly recorded in my office.

IN WITNESS WHEREOF, I hereunto set my hand this 23 day of September, 2003



Colleen T. Haug
(Signature of Municipal Clerk)

END OF DOCUMENT

AMENDMENT OF THE
TOWN OF SHELBURNE IMPACT FEE ORDINANCE

The Selectboard of the Town of Shelburne hereby ordains:

Section 1. Section 3 of the Town of Shelburne Impact Fee Ordinance is hereby amended to add sub-section C as follows:

C. CVU Expansion Impact Fee: Any land development as described in subparagraph (1) which is issued a permit under the Town of Shelburne Zoning Regulations after the date this Impact Fee Ordinance provision becomes effective, shall pay an impact fee determined in accordance with the formula set forth in subparagraph (2).

(1) This impact fee shall apply to any land development that results in an increase in dwelling units.

(2) Formula for determination of impact fees:

(a) Single Family Dwelling: \$3,015.00 reduced by the amount of any credits due from Tables 2 and 3, attached.

(b) Multi-Family Dwelling (fee per unit): \$1,044.00 reduced by the amount of any credit due from Tables 2 and 3, attached.

(3) The impact fee formula set forth in subparagraph (2) above is based on a study and report entitled, "Education Facilities Impact Fee Program: CVU Expansion Facility Addendum prepared by Burnt Rock, Inc., dated August 15, 2005 (Report herein) which report is incorporated into this ordinance by reference.

(4) Impact fees collected pursuant to this ordinance provision shall be used to pay the Town of Shelburne's share of the costs associated with constructing the CVU expansion in order to increase student capacity, as described in the Report.

Section 2. This amendment shall take effect upon passage.

Dated at Shelburne, Vermont, this 27th day of October 2005.

[Signature]
Jim Dudley, Chairman

[Signature]
Chris Boyd

Lisa Levine

Lisa Levine

Chris Nerfe

Chris Nerfe

Jim Talley

Jim Talley

Received and Recorded
this 11 day of Oct, 2005.

Colleen Haag
Colleen Haag, Town Clerk

EXHIBIT

TOWN OF SHELBURNE, VERMONT

**EDUCATION FACILITIES IMPACT FEE PROGRAM:
CVU EXPANSION FACILITY ADDENDUM**

AUGUST 15, 2005

prepared by



Burnt Rock Inc.
Associates In Community Planning
Waitsfield, Vermont

**Shelburne VT Educational Facilities Impact Fee Program Addendum
Addition of CVU Expansion to Fee Schedule
August 15, 2005**

Introduction

In June 2002 the Town of Shelburne adopted an impact fee program to help fund educational facilities needed to serve the Town's growing population. The fee, which is based on the planned construction of a new middle school to serve grades 6-8, was explained in detail in the report prepared by Burnt Rock Inc., Associates in Community Planning, entitled *Educational Facilities Impact Fee Program*, dated June 21, 2002.

In 2004, the five municipalities that comprise the Champlain Valley Union High School (CVU) District voted to expand the CVU facility to accommodate a growing student enrollment and address existing facility deficiencies. As a member of the CVU District, the Town of Shelburne is responsible for a proportionate share of the costs of this expansion. These costs are eligible uses for impact fee revenues. This report presents the analysis to establish the formulae for levying impact fees for high school (grades 9 - 12) facilities.

Calculating an Impact Fee to Fund the CVU Expansion

As was the case with the fee established to partially fund the middle school project, the general procedure for calculating the CVU Facility Expansion Impact Fee is:

- 1) Determine the per-student cost to the Town of new space designed to accommodate new students, excluding the cost of space required to correct existing deficiencies;
- 2) Multiply the per student cost by the number of new students expected to be generated by each new dwelling unit;
- 3) Subtract estimated past and future tax payments used for debt service on the bond.

These calculations are described in the following sections.

The Cost of the CVU Expansion

CVU High School, located in Hinesburg, was constructed in 1968. In 1993 the facility was expanded to accommodate a growing enrollment. As a result of the 1993 expansion, the school had a capacity of 997 students. In May, 2003, district voters approved an \$18,400,000 project that included renovations and facility expansion. Funding for the project is to be shared between the state, which is expected to pay 30% (\$5,520,000) of the total cost, with the remaining \$12,880,000 to be paid by CVU member towns.

The \$12,880,000 local share of the project was funded through a 20 year bond issued in 2003 at an annual interest rate of 4.41%. The total cost (principal and interest) of this project will be \$18,873,691. Analysis of the project conducted by the Town of Williston in association with the CVU District indicated that 55.6% of the total cost was allocated to the renovation of existing space, while 44.4% of the cost involved expanding the school's capacity. Thus, \$10,493,772 of

EXHIBIT

Vol. 1
Page 28-26

Shelburne CVU Expansion Impact Fee

August 15, 2005

the local share of the project is for renovation and is therefore ineligible to fund through impact fees, while \$8,379,919 was used to expand the facility to serve a growing student body.

As noted, prior to the expansion CVU High School's capacity was 997 students. The expansion funded by the 2003 bond brought the total capacity to 1,410 students – an increase in capacity of 413 student spaces. Dividing the total cost of the project that resulted in expanded capacity (\$8,379,919) by the number of new students served by that increased capacity¹ (413) yields a cost of \$20,290 per student space.

For the purposes of this study, the total cost to the Town of additional high school capacity is estimated to be \$20,290 per student.

CVU Students Generated by New Dwellings

The *Educational Facilities Impact Fee Program* report dated June 21, 2002 – which served as the basis for Shelburne's current impact fee to partially fund the development of a new middle school – identified that single family homes in town are estimated to generate 0.36 students in grades k-8, while multi-family units² are estimated to generate 0.126 k-8 students.

Partly due to Shelburne's well regarded school system and quality of life, it is widely presumed that most families with school-age families remain in the community for the duration of their children's public education. Therefore, the number of high-school students is estimated to be 44.4% of the number of k-8 students. This is based upon the k-8 grade being comprised of nine grade levels, while 9-12 is only 4 grade levels, so that 44.4% of k-8 students would be expected to be in grades 9-12 over the course of a single school year. This results in an estimated high school generation rate of 0.1598 for single family dwellings and 0.0554 for multi-family dwellings.

It should be noted that the student generation rates of dwellings may vary over the life of the unit. It's been suggested, based upon anecdotal information, that newer units in Shelburne may be more attractive to young families and therefore have a higher generation rate. Impact fees, however, must be based on the full life cycle of the dwelling, not the generation rate for the years immediately following construction. Thus, generation rates must be based upon the average for the type of dwelling unit, exclusive of the dwelling's age.

1 The expansion created new capacity for 413 students, although approximately 55% of the new capacity was needed to address an existing space deficiency caused by a 2003 enrollment of 1,224 students – 227 students over the school's design capacity. Reducing the cost of the expansion, however, to exclude the percentage needed to address the deficiency (which is ineligible for funding through impact fees) and dividing that figure by 186 (the number of new students that may be accommodated) does not change the per-student cost of facility space.

2 Shelburne's recreation impact fee, which is based on the total number of people per household (pph) generated by new dwellings, assesses fees for three categories of dwellings – single family dwellings (2.85 pph); two-family attached dwelling (1.93 pph); and multi-family dwelling (1.66 pph). While the slightly larger household size of two-family attached dwellings may indicate a higher generation rate than that of multi-family dwellings, the lack of available data, coupled with the greater similarity of two-family dwellings' pph with multi-family dwellings (0.27pph vs. 0.92 pph) suggest that two-family attached dwellings should be included in the category of multi-family dwellings for the purpose of this analysis. This assumption may be evaluated in the future if data becomes available.

An analysis of Shelburne's grades k-8 and 9-12 enrollment for the past 10 years, however, indicated that an average of 7% of local k-8 students opt to attend a school other than CVU after 8th grade. Therefore, the generation rate for high school students should be reduced to a factor of 0.93 to reflect the 93% of k-8 students likely to attend CVU. Therefore, the generation rate for single-family dwellings is estimated as $0.1598 \times 0.93 = 0.1486$ and the generation rate for multi-family dwelling units as $0.0554 \times 0.93 = 0.05152$.

For the purposes of this study, the high school student generation rate is estimated to be 0.1486 students for single family dwellings and 0.0515 students for multi-family dwellings.

Impact Fee Calculation

Using the facility cost figures and student generation rates, the per-student cost of that portion of the CVU expansion designed to accommodate new housing development may be calculated as such:

For single-family dwellings, the fee is based on the cost of facility space per student (\$20,290) multiplied by the number of 9-12 students per dwelling (0.1486) = \$3,015/dwelling

For multi-family dwellings, the fee is based on the cost of facility space per student (\$20,290) multiplied by the number of 9-12 students per dwelling unit (0.0515) = \$1,044/dwelling

Calculating Property Tax Payment Credits

To ensure that the fee is equitable, Vermont statutes require impact fee formulae to ensure that dwelling units assessed an impact fee are not charged twice. The raw land used for new dwellings was assessed property taxes, some of which were used to offset the initial bond payments. In addition, the new dwellings will continue to pay property taxes, some of which will be used to offset the bond payments. In order to avoid double paying, the impact fee formulae must include provision for credits which reflect these past and future payments.

To this end, the stream of tax payments is broken into two parts: payments that occur before the dwelling comes onto the grand list, and that occur after the dwelling comes onto the grand list. In the former case, prior to the payment of the impact fee, there will have been a series of past tax payments made on raw land. In the latter case there will be a stream of future tax payments made on the new dwelling after the impact fee was paid.

Estimates were made of all annual capital expenditures (including bond payments of principal and interest and annual capital expenditures) for the portion of the \$18,400,000 project that may be attributed to facility expansion (44.4% of the total, or \$8,379, 919). Only a portion of this amount, however, will be repaid by Shelburne taxpayers. CVU assesses member towns on an annual basis based upon the percentage of total enrollment attributable to each town. In 2004, Shelburne's assessment was 28.5% of the total CVU budget. This was slightly down from the

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Shelburne CVU Expansion Impact Fee

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prior year, but slightly above the average assessment over the past 5 years (27.9%). Given this recent trend, and the lack of reliable long-term enrollment projections, for the purposes of this analysis it is assumed that Shelburne will continue to contribute 28% of the cost of debt service on the expansion bond.

An estimated payment schedule for the portion of the project dedicated to facility expansion to be repaid by CVU member towns, and a schedule for the portion of those payment's estimated to be funded by the town of Shelburne, is shown in Table 1.

Fiscal Year	Estimated Payment	Shelburne Share (@ 28%)
2004	\$90,938.55	\$25,462.79
2005	\$542,821.27	\$151,933.96
2006	\$536,755.36	\$150,291.50
2007	\$529,132.81	\$148,157.19
2008	\$520,192.79	\$145,653.98
2009	\$510,217.60	\$142,860.93
2010	\$499,458.21	\$139,848.30
2011	\$488,008.70	\$136,842.44
2012	\$475,900.46	\$133,252.13
2013	\$461,154.04	\$129,123.13
2014	\$448,094.89	\$125,468.57
2015	\$382,412.05	\$107,075.37
2016	\$370,972.80	\$103,872.38
2017	\$359,326.04	\$100,611.29
2018	\$347,471.76	\$97,292.09
2019	\$335,409.97	\$93,914.79
2020	\$323,140.66	\$90,479.38
2021	\$308,678.97	\$86,430.11
2022	\$296,144.44	\$82,920.44
2023	\$283,404.00	\$79,353.12
2024	\$270,483.39	\$75,735.35
Total	\$8,379,918.76	\$2,346,377.25

It is necessary to estimate credits for past and future tax payments used to retire the bonded debt, as described above. For future tax payments, it is necessary to estimate the present value of future tax payments that will go to retire the bond issues. These payments will run from the year that the new dwelling enters the grand list (and begins making tax payments) to the end of the bond payment period.

Table 2 estimates the present value of future tax payments on new dwellings used for the eligible capital expenditures, depending on the year in which the dwelling is constructed (and placed on the grand list). The estimated mean value of new dwellings is based upon the assessed value of dwellings constructed over the most recent five year period.

For example, if the dwelling comes onto the grand list in fiscal year 2007, the 2007 row of Table 2 indicates that the present value of tax payments used for the capital expenditures will be \$527.72 for single family dwellings and \$263.86 for a multi-family dwelling. Again, these credits must be deducted from the base impact fee.

Table 2 Impact Fee Credit for Future Tax Payments on Dwellings						
Assumes 2003 Grand List Equals (and will increase at 1.3% annually)						\$9,320,894
Single Family Dwelling (Est. Avg. Cost)						\$400,000
Multi-Family Dwelling (Est. Avg. Cost)						\$200,000
Dwelling Fiscal Year	Payment	Tax Rate Needed	Tax on SF Dwell.	Tax on MF Dwell.	Credits Single Family Dwelling	Credits Multi-Family Dwelling
2004	\$25,483	\$0.00273	10.83	5.463712	578.95	289.48
2005	\$151,934	\$0.01809	64.37	32.18305	598.97	298.49
2006	\$160,292	\$0.01571	62.85	31.42659	562.45	281.23
2007	\$148,157	\$0.01528	61.17	30.58272	527.72	263.86
2008	\$145,854	\$0.01484	59.38	29.68017	492.94	246.47
2009	\$142,861	\$0.01437	57.47	28.73743	458.23	229.12
2010	\$139,848	\$0.01389	55.54	27.77041	423.67	211.83
2011	\$136,842	\$0.01339	53.57	26.78559	389.31	194.66
2012	\$133,252	\$0.01289	51.57	25.78578	355.20	177.60
2013	\$129,123	\$0.01233	49.33	24.68812	321.39	160.70
2014	\$125,487	\$0.01183	47.32	23.60003	288.13	144.07
2015	\$107,075	\$0.00997	39.87	19.93278	255.22	127.61
2016	\$103,872	\$0.00954	38.18	19.08836	228.11	114.06
2017	\$100,811	\$0.00913	36.50	18.2518	201.34	100.67
2018	\$97,292	\$0.00871	34.85	17.42317	174.90	87.45
2019	\$93,915	\$0.00830	33.21	16.60252	148.80	74.40
2020	\$90,479	\$0.00789	31.58	15.78993	123.04	61.52
2021	\$86,430	\$0.00744	29.78	14.88971	97.61	48.81
2022	\$82,920	\$0.00705	28.20	14.10178	72.71	36.38
2023	\$79,353	\$0.00666	26.84	13.3219	48.14	24.07
2024	\$75,735	\$0.00628	25.10	12.55138	23.91	11.95
2025	\$0	\$0.00000	0.00	0	0.00	0.00

Assumes 5% Discount Rate

Similarly, Table 3 estimates the present value of past tax payments on raw land used for the eligible capital expenditures, depending on the year in which the land is converted to a dwelling. The estimated mean value of raw land is based upon current property assessments for both improved and unimproved undeveloped land in Shelburne.

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Using the same example as above, if a dwelling comes onto the grand list in 2007 there will have been prior tax payments used for the designated projects. The 2007 row of Table 3 indicates that the present value of those tax payments is \$37.40 for a single family dwelling and \$14.96 for a multi-family dwelling. These amounts must be deducted from or credited against the base impact fee.

Table 3 Impact Fee Credit for Past Tax Payments on Land						
Assumes 2003 Grand List Equals (and will increase at 1.3% annually)						\$9,320,694
Single Family Land (Est. Avg. Cost)						\$160,000
Multi-Family Land (Est. Avg. Cost)						\$40,000
Dwelling Fiscal Year	Payment	Tax Rate Needed	Tax on SF Dwell.	Tax on MF Dwell.	Credits	
					Single Family Dwelling	Multi-Family Dwelling
2004	\$25,463	\$0.00273	\$2.73	\$1.09	\$0.00	\$0.00
2005	\$151,934	\$0.01609	\$16.09	\$6.44	\$2.67	\$1.18
2006	\$150,292	\$0.01571	\$15.71	\$6.29	\$19.91	\$7.96
2007	\$148,157	\$0.01529	\$15.29	\$6.12	\$37.40	\$14.96
2008	\$145,654	\$0.01484	\$14.84	\$5.94	\$55.33	\$22.13
2009	\$142,861	\$0.01437	\$14.37	\$5.75	\$73.68	\$29.47
2010	\$139,848	\$0.01389	\$13.89	\$5.55	\$92.45	\$36.98
2011	\$136,842	\$0.01339	\$13.39	\$5.36	\$111.65	\$44.66
2012	\$133,252	\$0.01289	\$12.89	\$5.16	\$131.29	\$52.52
2013	\$129,123	\$0.01233	\$12.33	\$4.93	\$151.40	\$60.56
2014	\$125,467	\$0.01183	\$11.83	\$4.73	\$171.92	\$68.77
2015	\$107,075	\$0.00997	\$9.97	\$3.99	\$192.93	\$77.17
2016	\$103,872	\$0.00954	\$9.54	\$3.82	\$213.05	\$85.22
2017	\$100,811	\$0.00913	\$9.13	\$3.65	\$233.72	\$93.49
2018	\$97,292	\$0.00871	\$8.71	\$3.48	\$254.99	\$101.99
2019	\$93,915	\$0.00830	\$8.30	\$3.32	\$276.88	\$110.75
2020	\$90,479	\$0.00789	\$7.89	\$3.16	\$299.44	\$119.78
2021	\$86,430	\$0.00744	\$7.44	\$2.98	\$322.71	\$129.08
2022	\$82,920	\$0.00705	\$7.05	\$2.82	\$346.66	\$138.66
2023	\$79,353	\$0.00666	\$6.66	\$2.66	\$371.39	\$148.56
2024	\$75,735	\$0.00628	\$6.28	\$2.51	\$396.96	\$158.78
2025	\$0	\$0.00000	\$0.00	\$0.00	\$423.40	\$169.36

Assumes 5% Discount Rate

Thus, for a single family dwelling added to the grand list in 2007, the CVU portion of an the education impact fee is calculated as follows:

$$\$3,015 \text{ (base fee)} - \$527.72 \text{ (future payments)} - \$37.40 \text{ (past payments)} = \$2,449.88$$

And, the fee for a multi-family dwelling would be calculated as:

$$\$1,044 \text{ (base fee)} - \$263.86 \text{ (future payments)} - \$14.96 \text{ (past payments)} = \$765.18$$

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DOCUMENT**

AMMENDMENT OF THE
TOWN OF SHELBURNE IMPACT FEE ORDINANCE

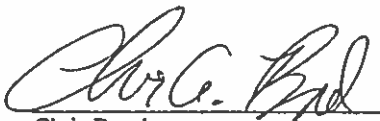
The Selectboard of the Town of Shelburne hereby ordains:
Section 3 of the Town of Shelburne Impact Fee Ordinance is hereby amended as follows:

Delete Subsection B., paragraphs (1) through (4).

This amendment shall take effect upon passage.

Dated at Shelburne, Vermont, this 25th day of April, 2006.


Chris Neme


Chris Boyd


Jim Talley


Jane McKnight


Bob Roesler

Received and Recorded
This 14 day of ~~April~~, 2006.


Colleen Haag, Town Clerk

END OF
DOCUMENT


AMMENDMENT OF THE
TOWN OF SHELburnE IMPACT FEE ORDINANCE

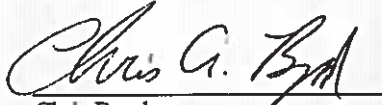
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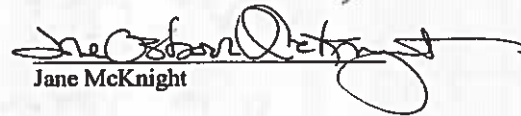
This amendment shall take effect upon passage.

Dated at Shelburne, Vermont, this 25th day of April, 2006.


Chris Neme


Chris Boyd


Jim Talley


Jane McKnight


Bob Roesler

Received and Recorded
This ___ day of April, 2006.


Colleen Haag, Town Clerk

RECEIVED FOR RECORD
SHELburnE TOWN CLERK'S OFFICE
27 APRIL 2006 @ 9:30 A.M.
RECORDED IN VOL. 1 PAGE(S) §28.32
OF SHELburnE Ordinance RECORDS.
ATTEST: Colleen T. Haag CLERK

END OF
DOCUMENT

THE FOLLOWING RESOLUTION ADOPTED ON SEPTEMBER 23, 2003 IS NOW AMENDED SO THAT IT NOW READS IN ITS ENTIRETY AS FOLLOWS:

RESOLUTION

RELATING TO EXEMPTIONS OR WAIVERS
UNDER SECTION 9 OF THE SHELBURNE IMPACT FEE ORDINANCE

WHEREAS, the Town of SHELBURNE has a duly adopted impact fee ordinance created pursuant to 24 V.S.A. Chapter 131, its charter, and 24 V.S.A. Chapter 59; and

WHEREAS, the impact fee ordinance, at Section 9, specifically authorizes the Selectboard to establish exemptions or waivers, in full or in part, for affordable housing and elderly housing type land development; and

WHEREAS, the policy of the Town, expressed via the Town Plan and via the bylaws that implement the Town Plan, supports the creation and retention of affordable housing and housing for the elderly;

Now, THEREFORE, BE IT RESOLVED, that exemptions/waivers shall be granted when an individual or entity required to pay a fee under the ordinance demonstrates to the Selectboard that:

1. Land development otherwise subject to the impact fee consists of affordable housing and/or elderly housing:
 - A) Housing shall be considered affordable if it is restricted to households or individuals earning not more than 80 percent of the median household income for Chittenden County;
 - B) Elderly housing shall be defined as housing units created primarily for the use of persons age 65 and older; AND
2. Units for which the exemption/waiver is sought have received applicable local land use permits (i.e., conditional use approval, if required; site plan approval, if required; and final plat subdivision approval, if required); AND
3. Units otherwise subject to the fee will remain affordable and/or limited to occupancy by persons 65 and older for a period of at least 30 years, as evidenced by binding legal documents and with compliance monitored by a public agency for 15 years; AND
4. His or her request has been reviewed by the Shelburne Planning Commission and documentation is provided that the Planning Commission does not oppose the exemption or waiver of a portion, or all, of the fee; AND

BE IT FURTHER RESOLVED THAT;

5. Adjustments to the fee shall be made according to the following schedule:

Category/ Level of Support for Town Policies	Education Impact Fee Reduction	Recreation Impact Fee Reduction
Affordable Housing Unit • Accessible to Households or Individuals Earning Not more than <u>60</u> percent of County median	Reduced 90%	Reduced 90%
Affordable Housing Unit • Accessible to Households or Individuals Earning Not more than <u>80</u> percent of County median	Reduced 85%	Reduced 85%
Elderly Housing Unit • Limited to Households or Individuals Earning Not more than <u>80</u> percent of County median	Reduced 100%	Reduced 70%

RECEIVED FOR RECORD
SHELBURNE TOWN CLERK'S OFFICE

16 SEPTEMBER 20 10 03 30 AM
RECORDED IN VOL. 1 PAGE(S) 20.33-34
OF SHELBURNE IMPACT FEE ORDINANCE RECORDS
ATTEST: *[Signature]* TOWN CLERK

Elderly Housing Unit • No limits based on income	Reduced 100%	Reduced 50%
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BE IT FURTHER RESOLVED that

6. An additional 5 % reduction of the fee will be provided (i.e., amounts shown in table above will be increased) when the unit will maintain its status in perpetuity.

Passed this 24th day of August, 2010.

SHELburnE SELECTBOARD

ROBERT ROESLER, CHAIR

Robert Roesler

WILLIAM SMITH

William Smith

TIMOTHY PUDVAR

Timothy Pudvar

AL GOBEILLE

Al Gobeille

GARY VON STANGE

Gary Von Stange

The above resolution is a true and correct copy of the amended resolution as finally adopted at a meeting of the Legislative Body held on the 24th day of August, 2010, and duly recorded in my office.

IN WITNESS WHEREOF, I hereunto set my hand this 6th day of September, 2010.

(SEAL)

W. C. ... Asst. Clerk
(Signature of Municipal Clerk)

**END OF
DOCUMENT**