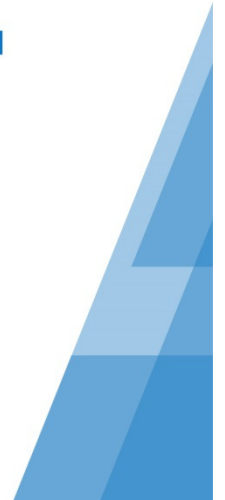


TRANSPORATION IMPACT FEES AND THE IMPLEMENTATION OF ACT 145

white + burke

VERMONT
DEVELOPMENT
CONFERENCE



Transportation Impact Fees & Act 145

▶ Session Goals

- ▶ Provide Intro/Update to Transportation Impact Fees & Act 145
- ▶ Share Thoughts & Perspectives from Attendees

▶ Transportation Impact Fees address two key issues:

- ▶ Last one in pays is not most equitable approach (see camel)
- ▶ Fees provide objective guidance for District Commissions

▶ Devil is in the details...which are still being worked out

▶ Panel representatives to offer State, Natural Resource Board/Act 250, Regional, and Local perspectives



Transportation Impact Fees & Act 145

- ▶ **JOE SEGALE** | *Director of Policy, Planning & Research* | VTrans
 - *Overview of Act 145 and Examples of Applications*
- ▶ **GREG BOULBOL** | *General Counsel* | Vermont Natural Resources Board
 - *Act 250 & Act 145: The Nexus*
- ▶ **BRYAN DAVIS** | *Senior Transportation Planner* | CCRPC
 - *Reducing Impact Fees through **T**ransportation **D**emand **M**anagement*
- ▶ **KEN BELLIVEAU** | *Director of Planning and Zoning* | Town of Williston
 - *Transportation Impact Fees; The Local Experience*

Act 145 of 2014 Transportation Impact Fees Overview & Status

VT Development Conference
November 4, 2015

Joe Segale, P.E./PTP
Director
VTrans Policy, Planning & Research Bureau



Presentation Overview

- ◉ Review of Act 145
- ◉ Fee formula and adjustments
- ◉ Example of fees applied to date
- ◉ Issues

Act 145 of 2014

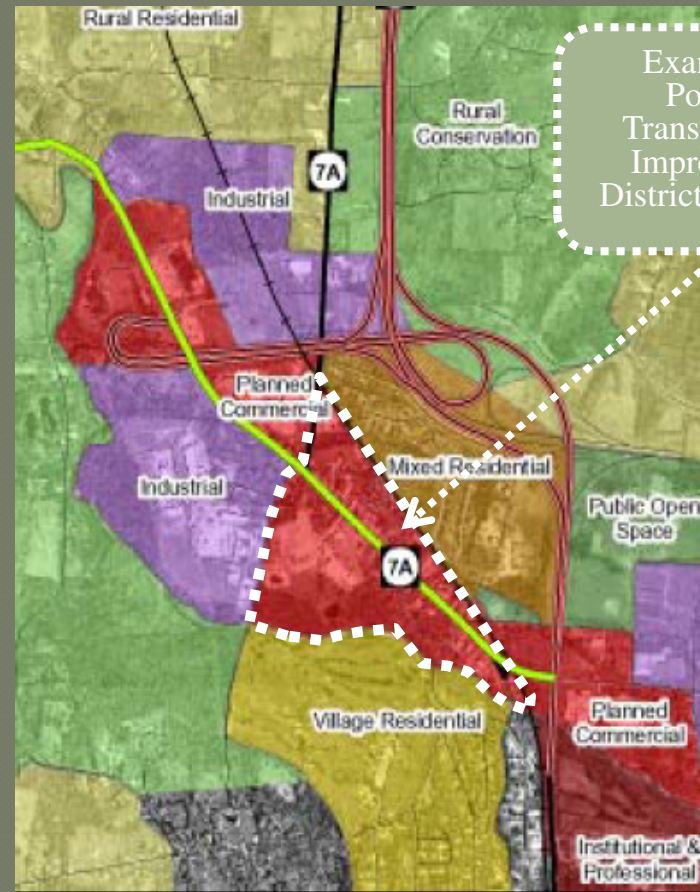
Authorizes:

- VTTrans Established Transportation Impact Fees and Districts
- Act 250 District Commission Established Fees

Effective Jul 1, 2014

VTrans Established TID and Fee

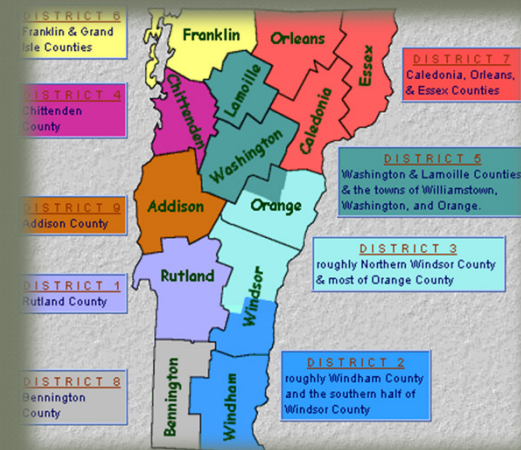
- Based on transportation project that:
 - Is in VTrans Capital Program
 - Under VTrans jurisdiction
 - **Adds Capacity**
- Transportation Infrastructure Study
- Local and Regional Consultation
- Public Notice & Hearing
- Secretary Approval
- Appeal Process



Example of Possible Transportation Improvement District Boundary

Act 250 District Commission Established Fees

- Established in response to Act 250 land use permit application
- May be based on transportation project(s):
 - In VTrans Capital Program,
 - Municipal Capital Program, or
 - Built by developer
- No geographic boundary or district established
- Project must mitigate transportation impacts, or benefit proposed land use



Basic Act 145 Transportation Impact Fee Formula

$$\frac{\text{Total Cost}}{\text{Total Capacity}} = \frac{\text{\$ \$ \$ \$}}{\text{Peak Hour Trip}} \\ \text{(vehicles per hour)}$$

Fee Adjustments for Specific Development Projects

- Traffic allocations from existing permits
- Net Change in Traffic
 - Pass-by Trips
 - Existing site traffic
- Transportation Demand Management (TDM)
- Municipal Impact fees paid by developer
- Developer built projects
- Location in designated center or neighborhood



VTrans Projects where Fee has been Established by Act 250

| Municipality | Location | Description | Total Project Cost | Fee Formula |
|----------------|----------------------------|---|--------------------|-------------|
| Berlin | VT 62-Fisher Rd-Airport Rd | Realignment and additional lane | \$2.1 M | \$649/vph |
| Colchester | Exit 16 | DDI and other intersection changes | \$9.8 M | \$1,170/vph |
| Colchester | VT 289-VT 2A | Additional lanes and signal upgrades | \$1.7 M | \$640/vph* |
| Colchester | US 2/7-VT 2A-Bay Rd | New traffic signal and additional lanes | \$5.2 M | \$813/vph |
| Essex Junction | Crescent Connector | New road | \$4.1 M | \$1,394/vph |
| Hartford | US 5-Sykes Ave. | Roundabout | \$3.1 M | \$364/vph |
| Waterbury | US 2-VT 100 | Roundabout | \$5.4 M | \$1,276/vph |

* Permit pending

Total Fee Costs

| Municipality | Development Project | Construction Cost | Total Act 145 Fee | % of Const. Cost |
|----------------|------------------------------------|-------------------|-------------------|------------------|
| Berlin | 55.5 ksf Retail | \$4.9 M | \$20,119 | 0.4% |
| Colchester | 12.9 ksf Office | \$1.9 M | \$17,550 | 1.5% |
| Colchester | 21 Bed Hospice | \$4.8 M | \$13,821 | 0.3% |
| Colchester | 20.0 ksf Office | \$1.3 M | \$12,160 | 1.0% |
| Essex Junction | 16ksf Office, Residential (48 DUs) | \$4.1 M | \$11,184 | 0.3% |
| Hartford | 11 ksf Church | \$2.0 M | \$2,184 | 0.1% |
| Waterbury | 14.8ksf Office | \$2.3 M | \$14,001 | 0.6% |

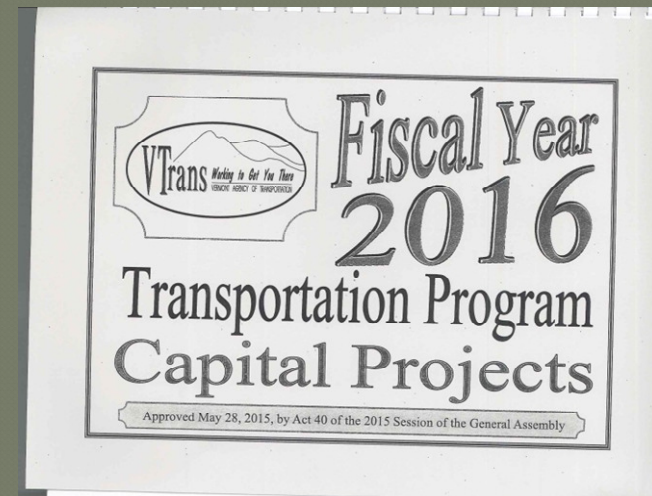
Other Important Requirements

- Developers will still have to mitigate site specific impacts
- Payment of fee, and any other required mitigation, will satisfy Criteria 5 and 9k relative to congestion
- Allows development to open before transportation project is complete, **UNLESS** there is a safety issue exacerbated by the development
- Payback of fee required if transportation projects not built within 15 years



Recurring Issues

- Fee needs to be based on a “committed” project
- Why charge a fee for a Federally funded project?
- What is payment shed?
- Accounting for local impact fees
- Accounting for existing & permitted trips
- Accounting for TDM
- Avoiding surprises – knowing soon that Act 145 fee may be required.
- Accounting for project cost increases



<http://vtrans.vermont.gov/>

Next Steps

- ◉ Continue establishing and assessing fees through Act 250
- ◉ Rule making
- ◉ TID Planning

Eggs are
PEOPLE
TOO!!



NATURAL RESOURCES BOARD

Dewey Building
National Life Drive
Montpelier, Vermont 05620-3201

ACT 250 & ACT 145: the NEXUS

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Vermont Natural Resources
Board
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OUTLINE:

- What should applicants focus on regarding Act 145/Act 250?
- Nuts & Bolts
- The process at the District Commission
- Case Studies
 - 4 Pearl Street
 - Walmart

What should applicants FOCUS on?

- Regarding the issue of mitigation, Question is no longer : “is there an impact that warrants mitigation?”
- Question now is: “how many trips are added?”

NUTS & BOLTS

addressing transportation/traffic (Criteria 5) at the District Commission

EARLY IN THE PROCESS:

1. Process has not changed significantly.
2. Always best to get your ducks in a row.
3. Pre application process is always helpful—especially for larger projects. Before submitting application—work with coordinator, show plans, figure out what the issues are and what to focus on.
4. Traffic studies are very helpful in complicated cases.
5. Work with Joe and VTrans staff upfront.
6. Work with other stakeholders –Town, RPCs, Neighbors(?).

WHAT HAPPENS AT THE DISTRICT COMMISSION:

1. VTrans will make a recommendation to the District Commission regarding the necessity and amount of fee.
2. Other parties may participate.
3. Hearing (if application is reviewed as Major).
4. Commission will consider other evidence if offered including competing proposed fees (if any).
5. District Commission considers all evidence when determining fee.
6. If necessary, Commission may ask for additional briefing.
7. Decision is issued.

When will fee be determined?

- ❖ Not known definitively until Permit is final. BUT
- ❖ The formula is not rocket science: you should be able to have a good sense of what the fee will be if you work with VTrans.

CASE STUDIES

- 4 Pearl Street (mixed use building)--
Essex Jct.
- WALMART--Derby

4 PEARL STREET: considering previous trips



- Existing bank to be demolished.
- Bank had been closed for 3-4 years prior to Act 250 application.
- Though bank “used” trips, no formal allocation of any kind.
- Bank had no Act 250 permit.

THE LAW

- (b) When determining a transportation impact fee under this section for a land use project, the Secretary or *the District Commission* may adjust the result of the formula to account for one or more of the following:
 - (1) a traffic allocation, if any, set for the land use project by a prior permit;
 - (2) the net change in vehicle trip generation of a proposed land use project considering pass-by-trips and the amount of traffic already generated by the tract of land on which the land use project is to be located;

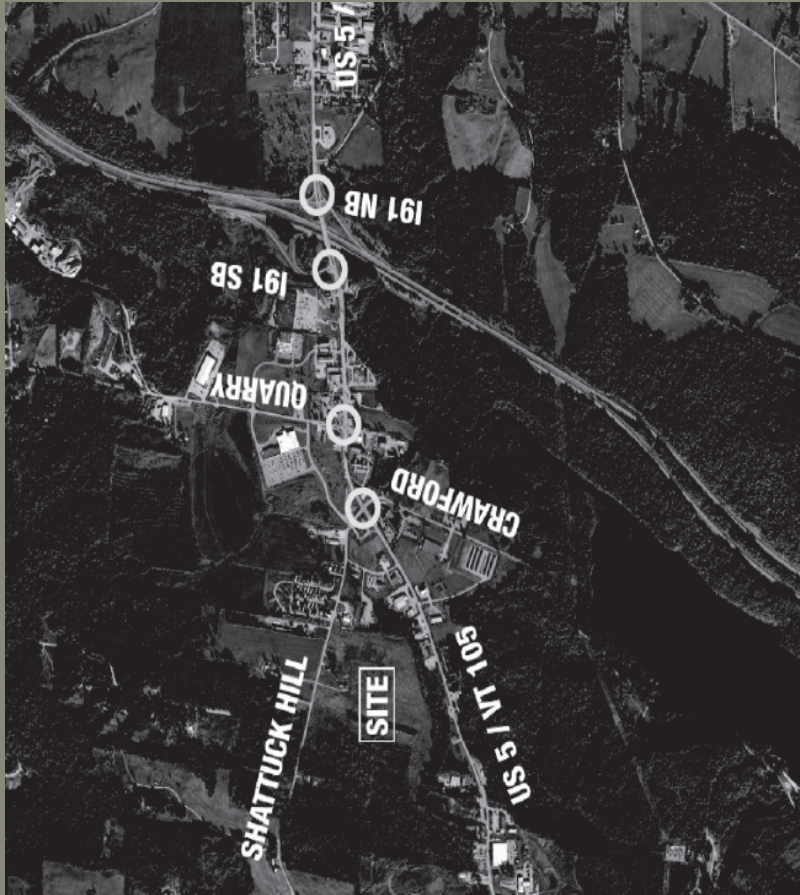
Vt. Stat. Ann. tit. 10, § 6106

Key components of 4 Pearl Street Permit

- Commission is concerned with the increased traffic volumes at the Five Corners as a result of the Project.
- Applicant argued that the Project will result in net loss of traffic volume compared to the bank.
- However, prior development is not subject to Act 250--no permitted traffic allocations.
- Business (Bank) on the Project parcel had been closed for a period of years, so the Project will result in an increase, not a decrease in traffic impacts.
- Commission is required to look at the total proposed traffic impacts from the Project.
- In this case, there was no traffic generated by the Project site for several years by the time the application was filed.

WALMART

a developer may be reimbursed



- Derby just off RT 91.
- Project would create trips beyond capacity for both Northbound and Southbound ramps on RT 91.
- No project on the state or municipal capital plan.
- Prior to Act 145, would have been treated as “last one in.”
- Act 145 provides a mechanism for developers to recoup some expense when providing excess capacity.

THE LAW

- The District Commission may require an applicant to pay the entire cost of a capital transportation project and may provide for reimbursement of the applicant by developments and subdivisions subsequently receiving permits or amended permits under this chapter that benefit from the capital transportation project. The period for reimbursement shall expire when the associated capital transportation project ceases to provide additional capacity.

Vt. Stat. Ann. tit. 10, § 6104

- An applicant may choose to fund the entire cost of a capital transportation project. An applicant for a permit under this chapter who chooses to fund the entire cost of a capital transportation project may request and the District Commission may authorize reimbursement in accordance with subsection 6104(a) of this title.

Vt. Stat. Ann. tit. 10, § 6106

Key components of Walmart Permit

- Transportation improvements by Permittee created excess capacity of 1,445 trips on northbound ramp and similar excess capacity on southbound ramp.
- Applicant/developer worked with RPC and VTrans to develop transportation agreement in advance of hearing.
- In the event that the District Commission approves additional Act 250 projects in the Derby area that will use excess intersection capacity the District Commission will require such future projects to reimburse Permittee.
- It is understood between the parties that Permittee will likely not be fully reimbursed for the excess capacity because it is anticipated that the improved intersection will likely reach capacity (in part by projects that are not under Act 250 jurisdiction consuming capacity) before full reimbursement is realized.

SUMMARY:

- Process has not changed significantly
- Work with VTrans and other stakeholders in advance of submitting your application—try to develop an Agreement (Walmart).
- Questions?

Want to Reduce Your Traffic Impact Fees? Think TDM! (Transportation Demand Management)

Bryan Davis, AICP
Senior Transportation Planner



CHITTENDEN COUNTY RPC
Communities Planning Together

What is TDM?

Strategies to reduce or reallocate automobile travel

- Physical
- Operational
- Financial
- Organizational

TDM Benefits

- ✓ Reduced roadway congestion
- ✓ Improved air quality
- ✓ Reduced energy use
- ✓ Fewer greenhouse gas emissions
- ✓ Improved public health
- ✓ Reduced commuting and travel costs



Who cares?

- Transportation sector = largest energy user in Vermont
- Largest source of greenhouse gas emissions (47%)
- 88% of **all trips** in Vermont are by personal vehicle
- 82% of all **commute** trips in Vermont were single occupant vehicle
- 39% of trips are less than 2 miles, 28% are less than 1 mile
- Car ownership is expensive: 58.9 cents per mile/\$8,839 per year for medium-size sedan (AAA, 2014)
- On average, municipalities spent ~41% of town budget on transportation-related costs

Vermont Transportation Energy Report for 2010 (Sears, Justine; Glitman, Karen)
[TRC Report # 11-007](#)

The Vermont Transportation Energy Profile (VTrans, August 2013)
<http://www.uvm.edu/~transctr/pdf/VTEPVTRANSAugust%2028%202013%20FINAL.pdf>

Local Motion





**CHITTENDEN
COUNTY**

GOCHITTENDENCOUNTY.ORG | 800-685-RIDE



**ALL YOU
NEED
TO KNOW
TO GO.**



CHITTENDEN
COUNTY

partners:



Department of Health
Agency of Human Services

A screenshot of the Go Vermont website. The header includes the logo "Go Vermont Vermont Agency of Transportation" and a "Q/A HOTLINE 800-685-RIDE (7433)". Below the header is a navigation menu with options: "Carpool", "Walk/Bike", "Bus / Train / Ferry", and "Contact". The main content area features a large green circular logo with "go!" and an upward arrow, followed by the text "VERMONT ALL YOU NEED TO KNOW TO GO." To the right, there is a "CARPOOL MATCHING" section with a "Get Started!" button and a video icon labeled "Video: How to use our ride matching system". At the bottom, there is a "PARK AND RIDE" button. A small text block below the main heading reads: "Go Vermont is a resource for travelers who want to reduce the cost and environmental impact of driving. Throughout this site you will find information about the different ways you can get around the state, and how these modes can save you money. In addition to information on [bus routes](#), [hiking or walking](#), and other modes, Go Vermont features a [free carpool matching service](#), [ridesharing tips](#), and other practical information on getting around."



Make it easy and convenient to combine modes



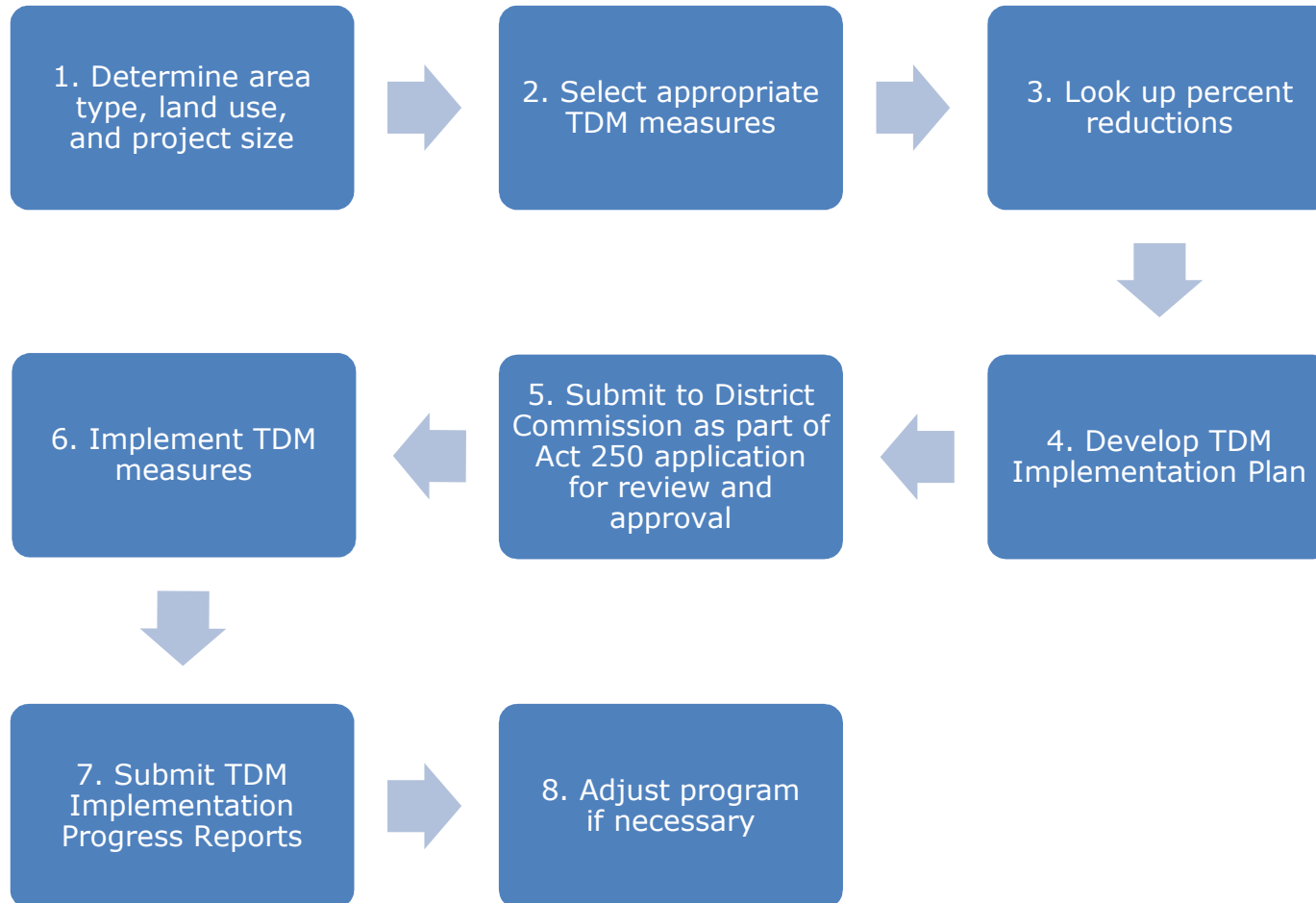
VTrans TDM Guidance

- VTrans' Traffic Impact Study (TIS) Guidelines recommend that **TDM measures, be considered as part of traffic mitigation measures** for new development.¹
- VTrans' Level of Service (LOS) Policy notes that **TDM strategies may be used to mitigate traffic impacts** when geometric improvements are not sufficient to maintain an acceptable level of service.²
- **NEW! Draft TDM Guidance** supplements the TIS Guidelines and LOS Policy by providing a **consistent set of guidance for developers** that wish to implement and take credit for TDM measures to mitigate traffic impacts.

1. Vermont Agency of Transportation, Traffic Impact Study Guidelines, 2008.

2. Vermont Agency of Transportation, Highway Design "Level of Service" Policy, 2007.

Process for Obtaining Trip Reduction Credits for TDM



Trip Reduction Credits by TDM Measure and Area Type

Credits are expressed as a percentage of PM peak period vehicle trips as estimated for the corresponding land use(s) using the latest version of the ITE Trip Generation manual.

Trip reduction credits recommended for three area types:

Mixed-Use/Moderate Transit

Mixed-Use/Low Transit

Other (single use)



Draft Allowable Trip Reductions: *Physical Strategies*

| TDM Measure | Mixed-Use/ Moderate Transit | Mixed-Use/ Low Transit | Other | Office – Medical – Institutional | Industrial | Residential | Retail | Lodging | Any Site | Larger Sites | Notes |
|---|--------------------------------|---------------------------|-------|-------------------------------------|------------|-------------|--------|---------|----------|--------------|---|
| Physical | | | | | | | | | | | |
| Bus stop with shelter | 2% | 1% | 0.5% | ✓ | ✓ | ✓ | ✓ | b | ✓ | ✓ | Provided on-site or within 600-foot walk of building entrance |
| Design site to support transit and walk access | 4% | 2% | 1% | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | Front setback <20 feet from street, main entrance fronting on street with transit service, direct pedestrian connection to bus stop |
| Secure bicycle parking | 1% | 1% | 1% | ✓ | ✓ | ✓ | b | b | ✓ | ✓ | Lockers or indoor parking (in addition to racks for short-term parking) |
| Bicycle racks only | 0.5% | 0.5% | 0.5% | ✓ | ✓ | ✓ | ✓ | b | ✓ | ✓ | |
| Showers and lockers | 1% | 1% | 1% | ✓ | ✓ | | b | b | ✓ | ✓ | |
| Sidewalk or shared-use path improvements | 2% | 2% | 1% | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | On-site sidewalk improvements might be considered a basic requirement |
| Parking supply management (provide <min or requirements met through shared parking) | 5% | 4% | 3% | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | Alternatively, trips may be reduced in proportion to reduction parking provided below minimum requirements |
| On-site amenities | 1% | 1% | 1% | ✓ | ✓ | ✓ | | ✓ | | ✓ | Café/convenience store, business center, ATM, wiring for ease of telework, etc. |

Draft Allowable Trip Reductions: *Operational Strategies*

| TDM Measure | Mixed-Use/ Moderate Transit | Mixed-Use/ Low Transit | Other | Office – Medical – Institutional Industrial | Residential | Retail | Lodging | Any Site | Larger Sites | Notes |
|---|--------------------------------|---------------------------|-------|---|-------------|--------|---------|----------|--------------|---|
| Operational | | | | | | | | | | |
| Flextime | 4% | 4% | 4% | ✓ | ✓ | | | ✓ | ✓ | |
| Compressed work week | 1% | 1% | 1% | ✓ | ✓ | | | ✓ | ✓ | |
| Telecommuting | 3% | 3% | 3% | ✓ | | | | ✓ | ✓ | |
| Preferential parking | 0.5% | 0.5% | 0.5% | ✓ | ✓ | | | | ✓ | |
| Participation in ridematching program with GRH option | 1-2% | 1-2% | 1-2% | ✓ | ✓ | b | b | | ✓ | 1% for <100 workers at site 2% for >100 workers at site |
| Participation in vanpool or shuttle program with GRH option | 1-2% | 1-2% | 1-2% | ✓ | ✓ | | | | ✓ | 1% for 100-250 workers at site 2% for >250 workers at site |
| On-site carsharing | 1% | 1% | -- | ✓ | ✓ | ✓ | | ✓ | ✓ | |
| On-site bikesharing | 1% | 1% | -- | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |



Draft Allowable Trip Reductions: *Financial Strategies*

| TDM Measure | Mixed-Use/ Moderate Transit | Mixed-Use/ Low Transit | Other | Office – Medical – Institutional | Industrial | Residential | Retail | Lodging | Any Site | Larger Sites | Notes |
|---|--------------------------------|---------------------------|-------|-------------------------------------|------------|-------------|--------|---------|----------|--------------|---|
| Financial | | | | | | | | | | | |
| Financial incentive/rewards programs | 3% | 2% | 1% | ✓ | ✓ | ✓ | b | b | ✓ | ✓ | |
| Parking pricing or cash-out, <\$5 per day or \$75 per month | 5% | 3% | 1% | ✓ | ✓ | ✓ | b | ✓ | ✓ | ✓ | |
| Parking pricing or cash-out, >\$5 per day or \$75 per month | 10% | 5% | 3% | ✓ | ✓ | ✓ | b | ✓ | ✓ | ✓ | |
| Transit subsidies/discounts, <50% of fare | 2.5% | 1% | 0.5% | ✓ | ✓ | | b | b | ✓ | ✓ | Only if local transit service exists within quarter-mile walk of building entrance with sidewalk/pathway access |
| Transit subsidies/discounts, >50% of fare | 5% | 2% | 1% | ✓ | ✓ | | b | b | ✓ | ✓ | |



Draft Allowable Trip Reductions: *Organizational Strategies*

| TDM Measure | Mixed-Use/ Moderate Transit | Mixed-Use/ Low Transit | Other | Office – Medical – Institutional | Industrial | Residential | Retail | Lodging | Any Site | Larger Sites | Notes |
|--|--------------------------------|---------------------------|-------|-------------------------------------|------------|-------------|--------|---------|----------|--------------|--|
| Organizational | | | | | | | | | | | |
| Marketing/information program | 3% | 2% | 1% | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | TDM plan should describe proposed program elements |
| Join a TMA (small site, <100 workers) | 13% | 10% | 7% | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | Do not take additional credit for any measures included in TMA services ^c |
| Join a TMA (large site, >100 workers) | 15% | 12% | 9% | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | |



Draft Allowable Trip Reductions: *Max Combined Reductions*

Mixed-Use/Moderate Transit
Mixed-Use/Low Transit
Other

| Maximum Combined Reductions | | | |
|---|----------------------------|-----------------------|-------|
| | Mixed-Use/Moderate Transit | Mixed-Use/Low Transit | Other |
| Physical measures only | 6% | 4% | 3% |
| Physical and operational and organizational | 15% | 12% | 9% |
| Including financial incentives | 20% | 15% | 12% |



Possible Monitoring Compliance

- Act 250 permit will establish any compliance actions that may be required such as TDM Implementation Progress Reports at the end of the first year and the third year:
 - Identify TDM activities that were undertaken during the reporting period;
 - Provide any available evidence (quantitative and/or qualitative) on their effectiveness;
 - Identify any committed TDM activities that were not undertaken; and
 - Note any recent or anticipated changes to TDM activities.

After three years:

- TDM Implementation Progress Reports not be required OR options for further action:
 - Submit an improvement plan
 - Pay a mitigation fee



Transportation Impact Fees

The Local Experience



Ken Belliveau, AICP
Director of Planning and Zoning
Town of Williston, VT

Impact Fee Basics

- A means of providing necessary infrastructure to support the development
- Fee should be used only for providing the defined type of facilities
- Fee should be proportional to the impact created

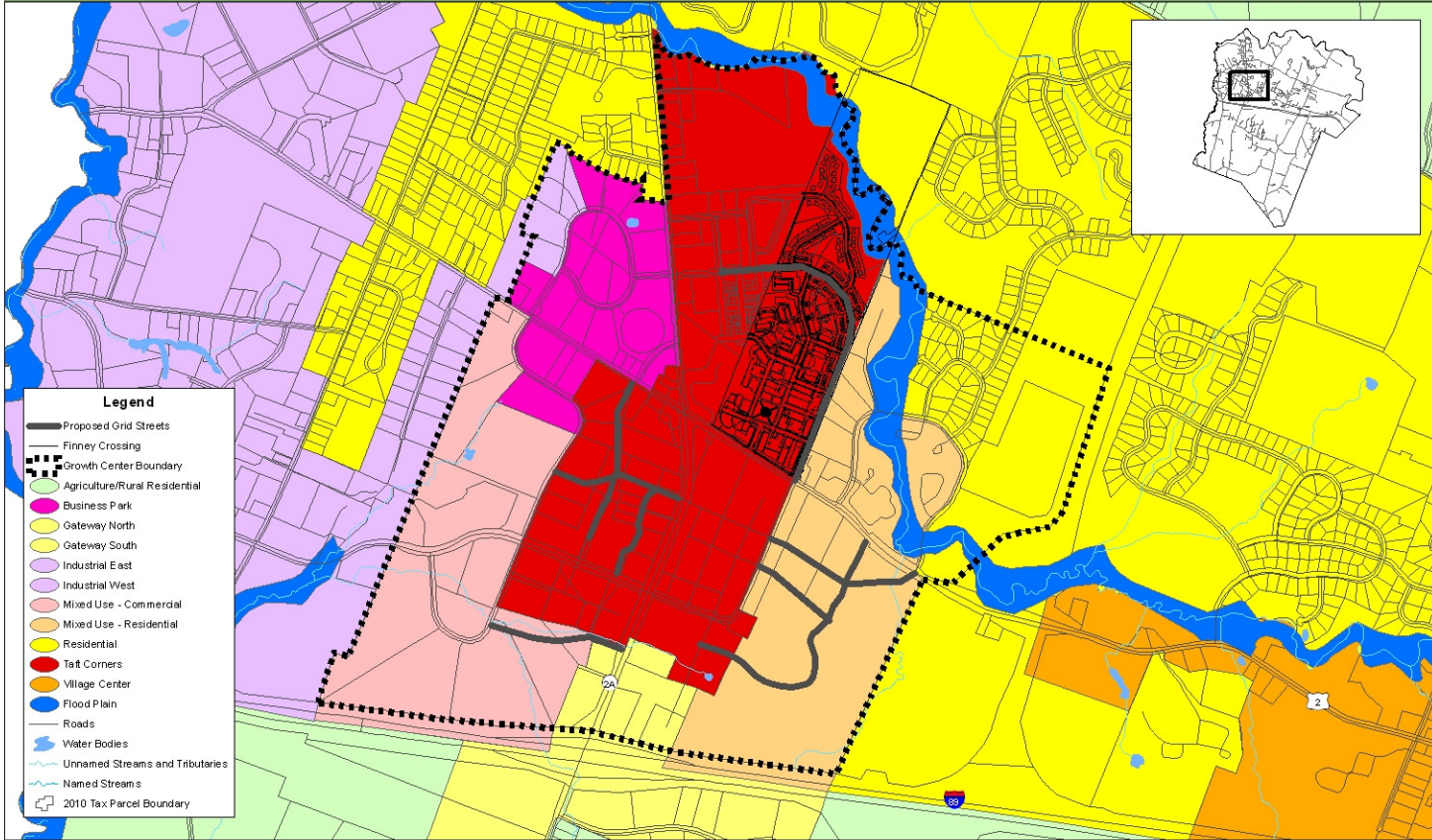
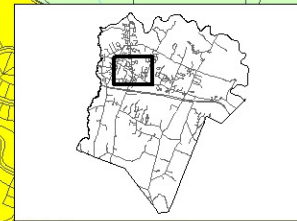
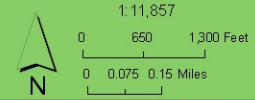
How is the money used?

- Funds kept in a separate account
- Funds used only to construct defined necessary transportation facilities
- Construction of facilities in some cases eliminates and satisfies the fee requirements
- Facilities should be identified in a transportation plan for the area

Who pays and how much?

- Any development that add new trips
- \$700 X # of P.M. Peak Hour Trips
 - **Example: 100 trips X \$700 = \$70,000**
- Trips calculated using ITE manual
- Payable prior to issuance of permit to build

Williston 2012 Zoning Districts, Proposed Grid Streets, Finney Crossing Development



- Legend**
- Proposed Grid Streets
 - Finney Crossing
 - Growth Center Boundary
 - Agriculture/Rural Residential
 - Business Park
 - Gateway North
 - Gateway South
 - Industrial East
 - Industrial West
 - Mixed Use - Commercial
 - Mixed Use - Residential
 - Residential
 - Tax Corners
 - Village Center
 - Flood Plain
 - Roads
 - Water Bodies
 - Unnamed Streams and Tributaries
 - Named Streams
 - 2010 Tax Parcel Boundary

Example # 1 - CVS



Example # 2 Eco Car Wash



11/04/2015

Vermont Development Conference

The Future

- Looking for greater coordination between state permitting and the town for funding transportation projects
- Demonstration project for implementing the Act 145 T.I.D. in the Taft Corners area

QUESTIONS?

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