

Overview of Exaction Program

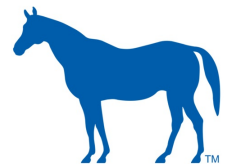
Budget, Finance and Economic
Development

August 28, 2018

Department of Planning, Preservation and Development

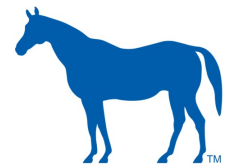
Presentation Overview

- Overview of Exactions program
- Ongoing Exactions work
- Specific Exactions questions



Overview of Exactions Program

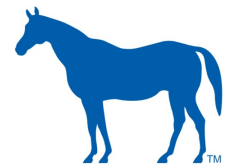
- The goal is to provide an equitable means of allocating a fair share of the cost of capital facilities which are needed to serve new growth and development.
- Exactions are a lawful means of mitigating the impact of new growth and development so long as the exaction is roughly proportional to the need for capital facilities generated by the new growth and development.



Overview of Exactions Program

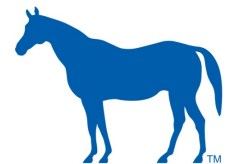
■ Facilities Covered

- Sanitary sewer capacity
- Sanitary sewer transmission facilities
- Collector roads
- Multi-neighborhood parks
- Neighborhood parks/Non-floodplain greenways
- Rural open space
- Storm water management facilities



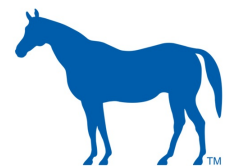
Overview of Exactions Program

- Exactions are assessed on an acreage basis.
- Exactions are due at the time of a building permit.
- Amount of exaction varies depending upon specific expansion area and zoning.
- Developers can construct exacted infrastructure for exaction credit and reimbursement.
- Exaction rates are set by the Urban County Council.
- Exaction rates are updated.
- Exactions are tracked for each lot created.



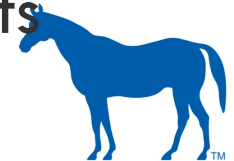
Overview of Exactions Program

- The Exaction rate table establishes the rates to be paid.
 - Non-sewer: Roads, parks, stormwater, open space.
 - Sewer: Transmission and capacity.
- Developers can pay cash or enter into agreements if they choose to build system improvements.
- Credits are given for infrastructure that is built.
- Credits can be transferred/sold within the same expansion area.



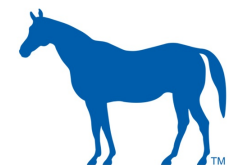
Overview of Exactions Program

- **Planning:** Calculates the exactions at the time of plat of development plan; enters new lots/addresses into the EAMP database.
- **Building Inspection:** Collects exactions on a per lot basis at the time of building permit.
- **Engineering:** Reviews agreements and final “exactable” improvement costs.
- **Finance:** Accounts for all collection of exactions; maintains accurate credit balances for each developer/agreement; responsible for all accounts related to each Expansion Area.



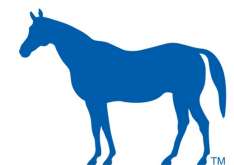
Ongoing Exactions Work

- **New Exactions Database:**
 - Replaces aging EAMP database
 - Testing to begin in the next few weeks
- **Rate Table Update:**
 - Closeouts
 - Reconciliation of plats
 - Updating all cost estimates for remaining improvements



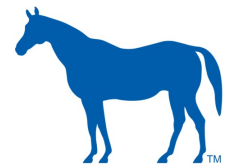
Specific Exactions Questions

- Accounting of who has received credits or payments.
 - We have a master list of over 40 developer agreements/memos in the Exactions program.
 - We have an accounting of total credits they have received and current balances as of June 30th.
- Accounting of total outstanding credits
 - There are approximately \$10.6 million outstanding credits.
 - Recent closeouts may not be reflected in this accounting.



Specific Exactions Questions

- What happens to money in the exactions reserve account?
 - Any reserves from cash payments of exactions can be used for capital/infrastructure improvements in the Expansion Area.
 - Reserves are split into sewer and non-sewer accounts and must be used as such.
 - Sewer: Approximately \$3.4m
 - Non-Sewer: Approximately \$4.0m



Questions?