

## Georgia Development Impact Fee Act (GDIFA) Overview of Requirements

GDIFA specifies that impact fees can be charged only for seven types of public facilities or services:

- Libraries
- Recreation
- Water supply
- Roads and bridges
- Public safety (police, jails, fire and EMS)
- Wastewater treatment
- Stormwater management

A local government must address the following requirements before implementing impact fees:

- Amend its comprehensive plan to add a Capital Improvements Element that includes the following:
  1. Mapped service areas for each type of public facility or service for which impact fees will be charged.
  2. Existing and proposed levels of service for each service area.
  3. A projection of facility needs (based on levels of service and growth projections in the comprehensive plan).
  4. A five-year schedule of needed facility improvements.
  5. Policy statements regarding any proposed exemptions from impact fees.

Once completed, the Capital Improvements Element must be reviewed and approved by the Georgia Department of Community Affairs.

- Adopt an impact fee ordinance that spells out the actual fee schedule.

GDIFA distinguishes between project improvements and system improvements:

- **Project improvements** are public facilities that primarily benefit specific developments. Developers may be required to bear the entire expense of project improvements, provided this is clearly specified in local development ordinances.
- **System improvements** are part of the overall public facility network that benefits the community at large. Developers may only be charged impact fees for their proportionate share of system improvements.

- **Impact fees** may not be used to defray regular maintenance and operational expenses for any public facility, although up to 3% of all fees collected can be used to cover costs of administering the local impact fee ordinance.

Other GDIFA's provisions:

1. Communities charging impact fees must be able to demonstrate a direct benefit returning to the developer that is proportionate to the fee he pays.
2. Impact fees must be expended in the same service areas where they are collected.
3. Impact fees not encumbered within five years of collection must be returned to the developer.
4. Developers must be given impact fee credits for any system improvements they construct.
5. Developers are entitled to appeal impact fees they consider disproportionate or unfair.