

# IMPACT FEE ORDINANCE



**Town of Frye Island  
Cumberland County  
State of Maine**

## **Chapter 113 -- Impact Fee Ordinance**

[HISTORY: Adopted Town Meeting 10/11/03, WA9]

### 1. Preamble

The Town of Frye Island finds that new construction of dwelling units, additions to dwelling units, and commercial buildings (referred herein as development) places demands on municipal government to provide new services and expand and improve public facilities. In order to provide an equitable source of funding for these new services and facilities, the Town of Frye Island has established a municipal infrastructure improvement program which charges a proportionate share of the costs of new services and facility improvements to those who are creating the demand for these services and improvements.

### 2. Use of Impact Fees

A. Impact fees may only be used for financing new services and facility improvements needed due to demand caused by new growth.

B. Impact fees may not be used for:

1. Operations and maintenance: impact fees may not be used to pay salaries or to pay for day-to-day costs or simple replacement of existing equipment;

2. Facilities not needed to serve new development or which do not benefit new development: impact fees may not be used to finance improvements that will not serve the new development. There must be a reasonable connection between the need for additional facilities and growth due to new development and between spending the fees collected and benefits received by the development paying the fee.

3. Applicability:

- A. The Code Enforcement Officer shall require the applicant for a Building Permit participate in the municipal infrastructure improvement program and to pay a Development impact fee at the rate currently in effect. The total impact fee shall be paid separately from any other fees and shall be paid prior to the issuance of the Building Permit.
- B. The Board of Selectmen shall establish the impact fee schedule and shall review and revise, if necessary, the impact fee schedule at least annually to reflect changes in planned improvements, current budget levels, and compliance to the Town of Frye Island Comprehensive Plan and the Town's Capital Improvement Plan. Prior to the establishment or revision of the impact fee schedule, the Municipal Officers shall hold a public hearing on the proposed fees. Notice of the public hearing shall be published in the FINS at least than seven days prior to the hearing.
- C. The impact fee schedule shall indicate the improvements to be financed, the anticipated schedule of construction, and the characteristic of new development by which the impact fee shall be calculated.
- D. The amount of the impact fee shall be reasonably related to the development's share of the cost of the facilities improvements made necessary by the development or if the improvements were previously constructed at municipal expense prior to the development. The fee must be reasonably related to the portion or percentage of the improvement used by the development.

4. Segregation of Impact Fees from General Fund

- A. The Code Enforcement Officer shall record the name of the individual paying the impact fee, the assessor's map and lot number(s) for the property for which the impact fee is being paid, the amount of the fee paid for each facility for which fees are collected, and the date the impact fee was paid.
- B. Upon collection of an impact fee, the Code Enforcement Officer shall transfer the funds to the municipal treasurer who shall deposit the impact fees in special non-lapsing accounts dedicated for funding the improvements for which the fee is collected.

C. Impact fee funds shall be maintained separately from and not be combined with other municipal revenues.

D. Funds collected as impact fees shall be expended only for the infrastructure improvements for which the fee was collected.

5. Refund of Impact Fees

A. The Town shall refund impact fees, or that portion of impact fees, actually paid that exceed the Town's actual costs or that were not expended within ten years of the date they were collected. The Board of Selectmen shall establish the procedure for refunding impact fees or portions of impact fees not expended. Unexpended fees shall be returned to the owner of record at the time a refund is warranted

6. Enactment:

If enacted, the provisions of this ordinance shall be applicable to all pending proceedings, applications, and petitions commenced after October 15<sup>th</sup>, 2003.