



Funding Recommendations

It is clear that the City of Suwanee will have to be bold and creative to fund over \$25 million in open space and recreation facilities over the next 10 years. The city has \$1.2 million in projected funding for the next four years from the Governor's Greenspace and the Gwinnett County SPLOST Programs. Several funding options are available for the remaining projects that Suwanee wishes to undertake. These options include raising the current property tax, soliciting private and corporate funding and donations for parks, using regulatory requirements and seeking matching grant funds from state and federal programs.

Grant Funds

Grant funds for the addition of greenways are a viable resource for the city. The city is currently constructing extensions of its citywide trail system with TEA 21 grant funds from the Georgia Department of Transportation. This grant is expected to be available in the foreseeable future and the city should continue the greenway program to maximize the use of TEA 21 funds. TEA 21 greenway projects are financed at 80% state and 20% local funds. Using the \$7.1 million dollars in estimated greenway costs, if TEA 21 funds were secured for the projects the city's share would be \$1.42 million compared to \$5.7 million in state funds. This is a tremendous return on local tax dollars and should be a high priority.

The Georgia Department of Natural Resources (DNR) and Department of Transportation administers other small grant programs on an annual basis. A partial list of conservation programs offered through the DNR include:

- Environmental Quality Incentives Program
- Conservation Reserve Program
- Stewardship Incentive Program
- Wetland Reserve Program
- Wildlife Habitat Incentive Program

The Department of Transportation has a variety of programs tied to air quality and alternative forms of transportation. The U.S. Fish and Wildlife Service has grant programs, such as the Partners for Fish and Wildlife, that have cost-share payments to restore and enhance unique ecosystems, such as wetlands, and improve wildlife and fish habitats. This program will cost-share up to 100% of a maximum of \$10,000 annually and also offers technical assistance.

Georgia Greenspace Program

The State of Georgia recently created the Georgia Greenspace Program. This program provides financial assistance to growing communities for the permanent preservation and protection of greenspace. Administered by the Georgia Department of Natural Resources, this program provides money to local governments that agree to actively



pursue and protect at least 20% of their gross land area as permanently protected greenspace in accordance with their requirements. This program is an excellent way for the City to obtain additional money to acquire greenspace.

In conjunction with Gwinnett County, the City of Suwanee was one of the first recipients of funds through the Georgia Greenspace program. In 2000, the City received approximately \$60,000 for greenspace acquisition. The City should continue to participate in this program as long as funding through the State of Georgia exists.

Bond Program

The primary funding method needed to meet the park development cost will be local dollars raised through taxation. The city has a low millage assessment at this time. One mill in the city currently generates approximately \$316,000 annually. This translates to approximately \$80.00 per mill on a \$200,000 dollar home. For the city to implement a program to acquire land for open space and park development, a millage increase is the most feasible funding solution. The funds generated from a millage increase could be used to secure bonds to implement improvements over a short timeframe—before the open space is lost to development and land costs increase even more.

Comparisons to existing millage rates in other parts of Gwinnett County as well as in similar communities in the metropolitan Atlanta area find that Suwanee currently has the lowest millage rate by far over

	City Millage	County Millage	Total Millage
Suwanee	2.50	31.41	33.91
Snellville	4.31	31.41	35.72
Duluth	5.50	31.41	36.91
Roswell	5.80	39.46	45.26
Kennesaw	6.75	29.27	36.02

Figure 8.1

any other community with similar service offerings. Figure 8.1 provides comparisons to the millage rates of other communities in the area.

Bond programs allow cities to secure and expend funds over a three-year period, with the pay back spread over a 10 to 30-year timeframe. Interest rates are currently low and the amount of interest paid is justified by immediately providing services to the city that would otherwise take many years to develop.

Joint Venturing with the County

Another tool for funding the development of additional recreation programs would be to work with the county. As the county is the primary provider of programs and receives a greater portion of the Special Local Option Sales Tax (SPLOST) funds, there may be opportunities to maximize the city's dollars on county-funded projects in or near Suwanee. When approaching the county, the city must understand that the county does not want to establish a program that would increase their operational costs. Any joint ventures with the county should be approached where both parties share equally in operations and development cost, to meet needs that are currently going unmet.



One area where joint venturing can be effective is in providing trails and sidewalks. If the county is providing trails or sidewalks within the City of Suwanee, then the city should try making connections without duplicating routes through the city. The city can also look at selecting parklands and open space that would fall on connections proposed by the county.

Other joint venturing opportunities exist with the county school system. As new schools are developed, the city should work to secure additional open space adjacent to the schools to provide neighborhood parks to nearby residents. Opportunities may also exist for the joint development of recreation amenities such as gymnasiums, tennis, basketball, volleyball or other facilities.

Private Partnerships

Opportunities exist to partner with groups such as The Trust for Public Lands, the Gwinnett Open Land Trust and other not-for-profit land trusts in protecting open space in the city. These groups often work with municipalities to acquire and hold land until a city can fund the purchase of desired parcels. The Gwinnett Open Land Trust has stated that they are willing to hold conservation easements and serve as the long-term executor of properties within the county to insure that covenants of conservation easements are followed. These groups have some funds that they can commit to projects but more importantly, they can assist in fund-raising efforts and provide technical assistance on matters of conservation easements and the Georgia Greenspace program.

Other private partnerships exist with businesses located in Suwanee. Many businesses have national policies for supporting communities where they are located. The City should be proactive in soliciting information from businesses on programs they offer and their willingness to provide funding for community improvements that benefit their employees and the greater community.

Impact Fees

Another tool that is available to communities in Georgia is the development of a system of impact fees. The Georgia Development Impact Fee Act (DIFA) was enacted into law in 1990. This act set rules for local governments to charge new development for a portion of the additional capital facilities needed to serve the new development. A local government may impose exactions on developers to help finance the expansion of infrastructure systems only through an impact fee system and only for the specific types of public facilities and infrastructure listed in the law. Included in the list of facilities are parks, open space, recreation areas and related facilities.

In order to develop impact fees, Suwanee would need to develop and adopt a comprehensive plan that meets the state's Minimum Standards and Procedures established pursuant to the Georgia Planning Act of 1989 that contains a seventh element, the Capital Improvements Element or CIE. The CIE establishes where, when, and how capital improvement projects will be located and financed by the jurisdiction. The CIE must provide the following information if impact fees are to be charged:



A projection of need for the planning period (usually 20 years); Destination of service areas;
Designation of service levels;
A schedule of improvement listing impact fee related projects and cost for the first five years after plan adoption; and
A description of funding sources proposed for the project.

The implementation of impact fees for recreation improvements in Suwanee could be used to provide major benefits to the city in the following areas:

Expansion of the Greenway System;
Increasing the number of Park facilities throughout the community;
Increasing the amount of open space that is protected throughout the community;
Increasing the number of recreation facilities throughout the community.

The development of an impact fee system would require a concerted effort on the part of the city's legal and planning staff, but the resulting impact fees could benefit the community immediately and in the future. Several factors that must be addressed in developing the impact fees are outlined in the following paragraphs.

Level of Service

To determine the allowable impact fee charge per project, DIFA requires a community first to determine a current Level of Service (LOS) for a public facility and, then adopt a capital improvement spending program based on this LOS. Once formally adopted and approved, a community can then charge a proportional fee to each development to maintain the adopted service level.

Example: If a community contains 10,000 households and has 100 acres of parkland, then one measure of their LOS would be 100 households for each acre of parkland. The DIFA would permit the community to impose an impact fee to maintain this LOS at a rate of 0.01/acre of parkland for each additional housing unit. At an anticipated cost of land at \$40,000/acre, the community could charge an impact fee of \$400 per house.

However, DIFA also specifically prohibits impact fees to be collected from the new developments to compensate or supplement lower service levels. The fees can only be used to maintain current service levels. If a community has a service level deficiency, then it must raise the level with funds other than impact fees. Because of this the use of development impact fees is much less effective in communities with low existing service levels.

This situation applies to Suwanee and may be a significant issue for Suwanee's use of development impact fees. Although the City is fortunate to have extensive amounts of existing parkland, recreation areas owned by private homeowners associations and other governments (i.e. Gwinnett County) cannot be used to calculate the City's current LOS. Suwanee has approximately 15 acres of parkland that is owned by the City and eligible to be applied toward the City's current LOS. When compared to the City's population (roughly 10,000 persons) and/or number of households (approximately 3,100), the City's parkland LOS is relatively low.

Service Areas

One of the first steps in developing recreation impact fees is the development of service area boundaries. The DIFA requirements define service area *as a geographic area defined by a municipality, county or intergovernmental agreement in which a defined set of public facilities provides service to development within the area. Service areas shall be designated on the basis of sound planning or engineering principles or both.* In developing the service boundaries city's can develop both citywide or system boundaries or requirements and also develop district levels of service within the system. Levels of current service at the system-wide level and district level must be determined as part of the overall impact fee program. As discussed in the previous paragraphs, impact fees can not be charged to bring up the overall level of service but only to meet the current level of service. However, if a community commits to raising the current level of service through non-impact fee sources, the impact fees charged can be based on the higher level of service.

The service area requirements of the districts may vary among the districts based on the existing levels of service and development characteristics of the districts. For example a district that contains primarily commercial and industrial development would have a lower neighborhood park acreage requirement than a district composed primarily of residential properties. While neighborhood park land is desired for both district types, the demand for neighborhood parkland in a residential area would be much higher and require a higher impact fee to meet the need.

Spending Limitations and Alternatives to Impact Fees

An impact fee system results in a cash account that can be used to purchase property for parks and open space on both the system wide and district level. The funds collected for district improvements must be spent in the district they serve and for community facilities that serve the district where the funds are collected. Funds collected in one district may not be used to raise the level of service in another district.

Within the rules established by DIFA, opportunities also exist for developers to provide land and improvements in lieu of the impact fees. For instance, if the city has a greenway corridor that is planned through a new development, it may be possible for a developer to provide additional land above the required open space for the greenway and or construct the greenway in lieu of paying the impact fees. This type of credit would be an option if the value of the land or improvements equaled the value to the impact fee. Another credit could be created to increase the protection of existing trees along roadways. Where a roadway landscape strip is required for the purpose of protecting existing trees, if a developer provides additional width to the landscape strip for the purpose of protecting more existing trees, credits could be awarded against the impact fee cost. To accomplish this a credit table would need to be formulated to establish the dollar value credits based on a square foot or acreage of protect forest area.

There are numerous factors to consider when contemplating an impact fee system. A community's current and proposed LOS, land values, growth rate and other variables must be considered as part of any decision. An initial review of the situation suggests

there are impediments to the effectiveness of impact fees for Suwanee. However, should the City seek to utilize development impact fees for open space and recreation needs, the City should perform a professional prepared cost-benefit analysis to study them in greater detail.

The city should use the recommendations of this master plan for land acquisition as a starting point for determining the desired level of service for Suwanee. A committee should be formulated to meet the legal requirements of the impact fee legislation to work under the direction of the city council and planning commission and an impact fee consultant to formulate an impact fee plan. The impact fee plan should reflect the goals of this plan in acquiring and protecting public open space, greenway corridors, neighborhood parks and roadway landscape areas that protect existing forest. It is anticipated that the formulation of impact fees for new development would take six months to formulate and implement.