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The International City/County Management Association (ICMA) promotes excellence in local government through professional management. Toward this end, ICMA provides an information clearinghouse, technical assistance, and training and professional development to nearly 8,000 chief appointed administrators, assistant administrators, and other individuals throughout the world. Its resources and services reach thousands of local, county, and state government professionals, academics, and consultants.

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Development Impact Fee Use by Local Governments

Larry L. Lawhon
Kansas State University

Selected Findings

Contrary to expectations, a comparison of impact fee usage in 1987 with usage in 2002 reveals a decrease from 36% to 25%.

Among cities the use of impact fees is most prevalent in the Pacific Coast (62%) and Mountain (55%) divisions; among counties it is found most often in the Pacific Coast (30%) and South Atlantic (15%) divisions. The extensive use in the South Atlantic division may be explained, for example, by the high growth rate in unincorporated areas of Florida, where there is a need to provide infrastructure and services to a rapidly growing population.

In response to the fiscal consequences of rapid growth, cutbacks in federal funding, property tax revolts, and voter resistance to an increasing tax burden, many local governments have sought techniques that shift the cost of new infrastructure and services "necessitated by growth to the parties responsible for that growth."[1] Development impact fees are one technique that is used to offset the undesirable consequences of growth.[2] Such fees also provide local governments with a revenue stream sufficient to partially or fully pay for the needed infrastructure and services. However, development impact fees have also been criticized for adversely affecting housing affordability, dampening economic development efforts, and fostering the exclusivity of communities that impose them.[3]

This report discusses the use of development impact fees by local governments in the United States. A survey of 1,350 cities and 539 counties was conducted in March 2002 to ascertain the extent to which development impact fees are used, the characteristics of fee users, the types of fees imposed, and the factors influencing their imposition.

BACKGROUND

Historically communities have used a cost-sharing approach through which existing and new residents have shared the cost of new infrastructure necessitated by growth. Traditional methods of sharing the cost of new capital items have included general revenue funds; general obligation bonds (often used for street improvements, parks, or public safety facilities), which generally require voter approval, have a lower interest rate, and are retired through local property tax collections; and revenue bonds (often used for water or wastewater treatment plant improvements), which typically do not require voter approval, have a higher interest rate, and pledge future revenues generated by an improvement.

Yet all these methods have drawbacks. General revenue funds are often insufficient to fund personnel, operations, and maintenance and at the same time fund construction of new improvements and provide additional services related to community growth. General obligation bonds require all citizens to pay for improvements (usually through property taxes) whether or not the individual taxpayer receives benefit from those improvements. And although revenue bonds provide an equitable approach to redirecting the costs of improvement to those who use the improved services, state regulations and bonding requirements may limit their use. Moreover, as these cost-sharing approaches for new development increase the tax burden for existing residents, many of those residents question their desirability, especially when they can perceive no direct benefit from the improvements. Voter resistance to such approaches has led government officials to seek other funding methods that shift the cost of providing new infrastructure and services from existing residents to those who will actually use and benefit from the needed improvements. Development impact fees have been chosen increasingly to serve this purpose.

Impact Fees and Exactions

Impact fees are a type of exaction—that is, "a governmental requirement that a developer dedicate or reserve land for public use or improvements, or pay a fee in lieu of dedication, which is used to purchase land or construct public improvements."[4] Community development regulations typically require developers to dedicate land for such features as streets, parks, and sometimes schools as a condition for development approval. Developers are also generally required to construct and dedicate sewer and water lines within their developments (the build-install technique). In lieu of these dedications and/or improvements, community regulations may allow the payment of a fee that is used to provide and construct the needed infrastructure. Some communities may choose more traditional cost-sharing approaches, such as those described above, and many use a combination of dedications and bonds to fund the infrastructure and services needed to accommodate community growth.

Research suggests that there is a correlation between community growth and the propensity to use exactions. James Frank and Elizabeth Purdum, in a 10-year study of local governments, concluded in 1987 that 85% of surveyed communities used land dedication, 89% used a build-install technique, and 58% used cash payments.[5] Communities that experienced growth rates of 30% or greater during the 10-year period used all three mechanisms to a greater degree than those that experienced a slower rate of growth. Of the high-growth communities, 96% used land dedication, 94% used a build-install technique, and 77% used cash payments. This suggests that communities experiencing high rates of population growth are more likely to enact exactions. An outgrowth of the expanded use of exactions is a greater reliance on development impact fees to finance off-site improvements and services necessitated by new development.

As a newer type of exaction, impact fees have several advantages over traditional cost-sharing approaches. The primary advantage is the flexibility in their use to fund various improvements and services. According to the generally accepted definition, impact fees are a monetary payment, predetermined by a formula adopted by the governmental unit and levied to fund large-scale off-site improvements, public facilities, and services that are necessary to serve new development adequately;[6] typical off-site projects and services undertaken with impact fees include library expansion, streets, parks, municipal buildings, schools, police/fire facilities and personnel, and water/sewer treatment facilities.[7] Impact fees can also be charged to new construction on lots platted before the impact fee ordinance was adopted. The flexibility of these fees also allows them to be applied to commercial or industrial uses as well as to

The author was assisted by Marc T. Smith, University of Florida, formerly faculty member in Regional and Community Planning, Kansas State University. Special thanks go to Ben Ehreth, graduate student, Regional and Community Planning, Kansas State University, for assisting with the survey and geographic information system.

condominiums and apartments, however the community might choose. Finally, impact fees are typically imposed at the building permit stage, when occupancy is imminent, rather than at the platting stage; this ensures that funds will not be spent on improvements and services that will go unused but will be available when the anticipated growth occurs.

Existing Impact Fee Research

Several noteworthy surveys have been conducted concerning the use of development impact fees. Through 1984–1985, Gus Bauman and William Ethier surveyed 1,000 U.S. communities nationwide; they published their results in 1987.[8] Of the 220 communities that responded to their survey, 79 (36%) affirmed the presence of impact fee policies. Of those 79, only 10% had such policies in place prior to 1960, 19% adopted impact fee policies during the 1960s, 36% adopted them during the 1970s, and 35% adopted them between 1980 and 1985. These findings indicate that use of development impact fees is accelerating. Bauman and Ethier also found that impact fees policies were more likely to exist in certain regions of the United States—notably, the western and Pacific states (see Table 3/1).

A survey conducted in 1985 by the International City Management Association (ICMA) determined that communities in 36 states were using either impact fees or exactions to pay for community infrastructure.[9] A second ICMA study, reported in 1991, found that suburban communities were more likely to use impact fees than were central or independent cities.[10] That study also found that states in the Pacific Coast, Mountain, and South Atlantic divisions were the most prolific users of impact fees. Expanded use of impact fees has been documented in Florida as well. A survey of Florida cities and counties found that only five Florida communities imposed impact fees in 1972 but that by 1991, 125 communities were using them.[11]

The increased reliance on impact fees to mitigate the fiscal and social impacts of population growth is also evident in the increase in state legislation enabling their imposition. In a 1993 study, Martin Leitner and Susan Schoettle found that more than 20 states had passed legislation authorizing local governments to adopt development impact fees.[12] Although as of 2002 about half the states had not yet adopted enabling legislation, the use of impact fees has been successfully defended in many states as an appropriate exercise of local government power.[13]

The studies above show that the use of development impact fees has been rising over the last 30 years, most notably in communities in the fast-growing South Atlantic, Pacific Coast, and Mountain states as well as in suburban communities. Possibly the expanded use of impact fees can be attributed to the ease with which they are imposed and collected. As noted above, impact fees are typically assessed at the time a building permit is issued or a certificate of occupancy is approved; they are then placed in earmarked accounts for specific improvements and services, and are expended as those improvements and services are constructed or provided. Arthur C. Nelson indicates that when the cost of administering impact fee programs is compared with that of negotiated exactions, the administration costs of negotiated exactions are four times higher.[14] His conclusion is that impact fee programs are fairly easy to administer.

Table 3/1 LOCAL GOVERNMENT IMPACT FEE USE, BY REGION, 1987

Region	No. reporting (A)	Imposing impact fees No.	Imposing impact fees %
Total	220	79	36
New England (CT, ME, MA, NH, RI, VT)	11	0	0
Mid-Atlantic (DE, MD, NJ, NY, PA, WV)	15	2	13
South (AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, TX, VA)	54	15	28
Midwest (IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, OK, SD, WS)	63	15	24
West (AK, AZ, CO, HI, ID, MT, NV, NM, OR, UT, WA, WY)	44	20	46
California (CA)	33	27	82

Note: The regions defined in this study do not always correspond with the Census Bureau divisions used by ICMA and represented in Table 3/2.

Source: Gus Bauman and William H. Ethier, "Development Exactions and Impact Fees, A Survey of American Practices," *Law and Contemporary Problems* 50 (winter 1987): 51–68.

THE SAMPLE AND METHODOLOGY

The sample for the current survey was drawn from U.S. cities and counties with populations greater than 2,500 throughout the nine geographic divisions identified by the Census Bureau. In all, 18 separate survey pools were selected, representing the nine geographic divisions for municipalities and the identical nine divisions for counties. To ensure representation across the country regardless of density in different geographic divisions, the random sample maintains the same proportion of cities and counties in each division as is found in total across the country. The sample size selected was 1,350 of the 7,004 municipalities and 539 of the 2,932 counties. Thus, the total sample was 1,889, or 19% of local governments in the total population. Surveys were mailed, along with a postage-paid return envelope, in mid-March 2002 and were directed to the attention of the local government finance director. A follow-up postal card was mailed to nonrespondents in early June 2002, and the survey was posted concurrently to a university survey Web site, allowing respondents to complete the survey online rather than having to return the paper document. A very small group of respondents submitted survey responses via the Web site. Responses were checked to eliminate duplicate submissions from any respondent.

The survey instrument consisted of a definitional statement of development impact fees: "A development impact fee is a monetary payment, predetermined by a formula adopted by the governmental unit, levied to fund large-scale, *off-site* improvements, public facilities and services that are necessary to serve new development adequately." That statement was followed by 11 questions that were used to assess development impact fee use and characteristics of the respondents. Survey responses were categorized by municipality and county and divided into the nine geographic divisions.

Respondents were first asked whether their local government imposes an impact fee that meets the definition provided by the survey. If the respondent answered in the affirmative, he or she was then asked to select from among six 10-year increments beginning in 1950 and a seventh increment from the year 2000 to the present in order to indicate when that fee was first imposed. Respondents were also asked to describe the types of fees imposed, the dollar value of fees for a typical single-family residential home, and the characteristics of the local government in question. Although the primary thrust of the survey was to assess impact fees for residential uses, the instrument did not exclude fees for commercial and industrial uses. Some respondents indicated that their community has only commercial or industrial impact fees; others did not indicate a specific differentiation.

FINDINGS

Survey responses were received from 30% (407 of 1,350) of the surveyed city governments and 27% (144 of 539) of the surveyed county governments. The response rate varied widely among geographic divisions. The highest municipal response rates were received from the Mountain (47%), West North-Central (42%), and West South-Central (42%) divisions; the Pacific Coast division led the county governments in surveys returned with a response rate of 40% (Table 3/2). (A graphical representation of these divisions is shown on page xi of this *Year Book*.)

Use of Impact Fees

Of the 407 respondent municipalities, 103 (25%) impose impact fees (Table 3/2). Geographically, municipalities in the Pacific Coast (62%) and Mountain (55%) divisions dominate in the use of development impact fees, whereas those in the Mid-Atlantic (6%) and East South-Central (8%) divisions use them least often.

Counties are also using development impact fees to fund off-site capital projects and provide services, but to a lesser degree than municipal governments; only about 7% of the counties (10 of 144 respondents) use impact fees (Table 3/2). Such use is most prevalent in the Pacific Coast division (30%), followed by the South Atlantic division (15%). The extensive use in the South

Atlantic division may be explained, for example, by the high growth rate in unincorporated areas of Florida, where there is a need to provide infrastructure and services to a rapidly growing population. Somewhat surprising, responses from the New England, Mid-Atlantic, East South-Central, and West South-Central divisions indicate that these counties do not use impact fees at all. Some New England division respondents indicated that case law in this area has sided against impact fees, making many local governments reluctant to impose them. Yet as will be seen further on, it is in New England that the use of impact fees has notably increased.

Year of Impact Fee Adoption

Of those local governments in the current study that impose impact fees and reported the year in which such fees were first adopted, 26% said between 1980 and 1989, 46% adopted them between 1990 and 1999, and 9% did so since the year 2000 (not shown).

Community Size, Metro Status, and Fee Use

The size of respondent communities was also investigated, primarily to determine whether a relational pattern exists between propensity to use impact fees and population. Approximately 22% of respondent communities having a population below 10,000 impose impact fees, as do 26% of communities with populations of 10,000–24,999, 32% of communities between 25,000 and 49,999 in population, and 37% of communities with populations of 50,000 and above (Figure 3/1). These data suggest that as community size increases, a greater percentage of local governments impose impact fees.

We also looked into whether a community's metro status might be a factor influencing the local government's decision to adopt impact fees. Respondents were first asked to indicate whether their community is a part of a metropolitan area—population of 50,000–249,999, 250,000–1,000,000, or over 1,000,000—or is a nonmetropolitan area (i.e., an independent community). Fifty-one respondents said that their community was located in a nonmetropolitan area, whereas 48 said it was located within a metropolitan area (not shown). To distinguish central cities from suburban cities, we next asked respondents whether their community would be considered a suburb. Although these two questions were not meant to be treated as mutually exclusive, some respondents did not interpret the second question as intended and thus answered only one of them. (Actually, many respondents chose not to respond to either question, resulting in a low response rate to these questions.) It is conceivable that many communities may not consider themselves a suburb of a major metropolitan area but may consider themselves a suburb of a smaller, nearby community.

Table 3/2 LOCAL GOVERNMENT IMPACT FEE USE, BY GEOGRAPHIC DIVISION, 2002

	Cities[1] (n = 1,350)		Counties (n = 539)	
Geographic division	Response rate, % (n = 407)	Respondents imposing impact fees, % (n = 103)	Response rate, % (n = 144)	Respondents imposing impact fees, % (n = 10)
Total	30	25	27	7
New England (CT, ME, MA, NH, RI, VT)	35	18	22	0
Mid-Atlantic (NJ, NY, PA)	14	6	11	0
East North-Central (IL, IN, MI, OH, WS)	33	23	25	5
West North-Central (IA, KS, MN, MO, NE, ND, SD)	42	20	37	3
South Atlantic (DE, FL, GA, MD, NC, SC, VA, WV)	26	27	26	15
East South-Central (AL, KY, MS, TN)	29	8	18	0
West South-Central (AR, LA, OK, TX)	42	21	20	0
Mountain (AZ, CO, ID, MT, NV, NM, UT, WY)	47	55	33	7
Pacific Coast (AK, CA, HI, OR, WA)	22	62	40	30

[1]For a definition of terms, please see "Inside the *Year Book,*" xi.

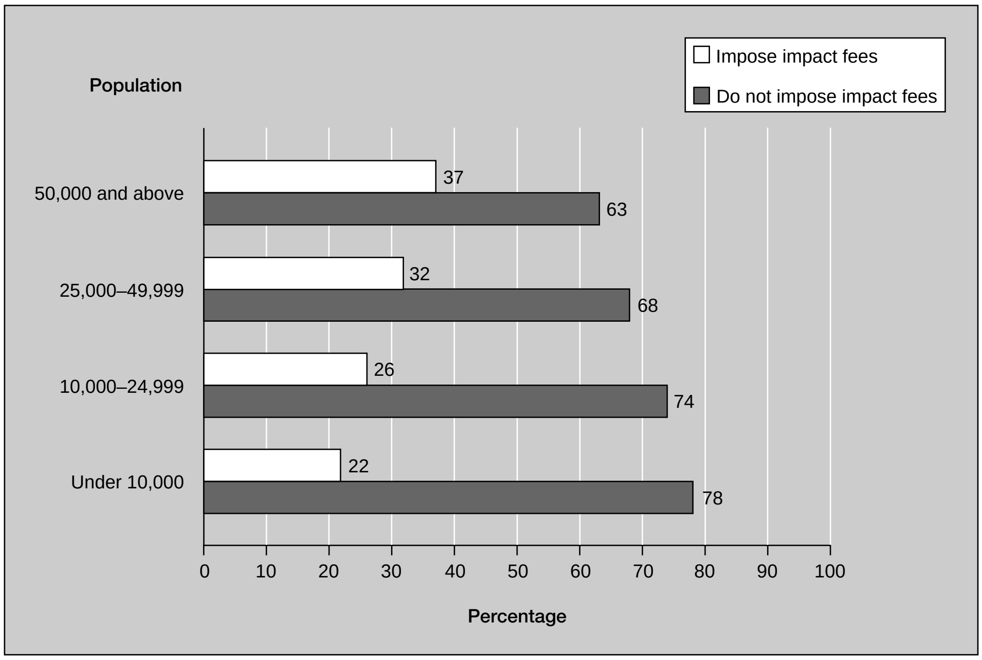

Figure 3/1 *Local government use of impact fees, by population category, 2002 (n = 388)*

Types and Amounts of Fees Imposed

Local governments that impose impact fees do so primarily for water and sewer lines; a transportation fee was ranked third in use. Other communities use impact fees for schools, public safety, and parks and recreation.

Fee amounts, which range from a low of $100 to a high of $3,000 for the same category, are determined by the local government and relate directly to that government's financial capacity to provide that particular facility or service.

Factors Influencing the Imposition of Impact Fees

Respondents whose local governments impose impact fees were asked the principal reason for doing so. They were presented with six possible responses and asked to rank the choices from the most important to the least important. An "Other reasons" category was provided among the options, enabling respondents to write in a reason that was not already listed.

Among cities, the most often cited reason for imposing fees was "citizens' desire that new growth pay its way"; this reason was ranked most important or second most important by 71% of respondents (Figure 3/2). The second highest-ranking reason selected (by 63%) was "large increase in new home construction." The least important reasons were "slow revenue growth" and "large increase in commercial construction," each of which was ranked first or second by only 17% of respondents. Unfortunately, many respondents failed to rank the choices and simply checked those reasons they believed were important in the decision to adopt impact fees; unranked reasons were not included in the responses for this question.

Among counties, the chief reason for adopting impact fees was "county's inability to meet citizens' demand for infrastructure and services," which was ranked as the first or second most important factor by 100% of respondents (Figure 3/2); the second most important reason was "citizens' desire that new growth pay its way" (50%). Among the "other" reasons cited by county respondents were loss of property tax, fire district's inability to meet infrastructure requirements, conformance with California Governmental Code, and passage of Proposition 13.

HYPOTHESIS

We hypothesized that the surveys conducted in previous research efforts[15] would show an increase in local government use of impact fees and that the results of the current survey would confirm this increase, continuing the general trend reported in much of the existing literature.

Unfortunately, it was not possible to compare findings from this survey with those from the 1991 ICMA survey because the two research efforts defined impact fees differently. Whereas the survey on which the current research is based provided respondents with the generally accepted definition of development impact fees, one that specifies fees used for *off-site* improvements and services necessitated by new growth, the 1991 survey asked, “Does your government levy an impact or development fee on developers to help defray the capital costs of facilities, of services, or of other infrastructure?” Because that survey did not specify the use of off-site improvements and/or services, we believe the question could be construed to include a variety of exactions in the form of fees that could be used for on-site improvements, off-site improvements, or general fund purposes. Therefore, it is difficult to compare the results of the two studies.

However, because both studies used the same definition of impact fees as well as a random sample of jurisdictions, comparisons can be made between the current research and Bauman and Ethier’s study published in 1987. When the findings of the two studies are compared, there is an overall decrease—from 36% to 25%—in the use of impact fees by city governments (Table 3/3). A comparison of results from the West and California regions in the 1987 study with those from the Mountain and Pacific Coast divisions in the current study show a decrease in impact fee usage from 61% to 58%. Similarly, the remaining regions, when combined into one single region, show a decrease in usage from 24% to 20%. The only discernable increase is in the New England division, from 0% to 19%. Thus, our hypothesis did not prove valid.

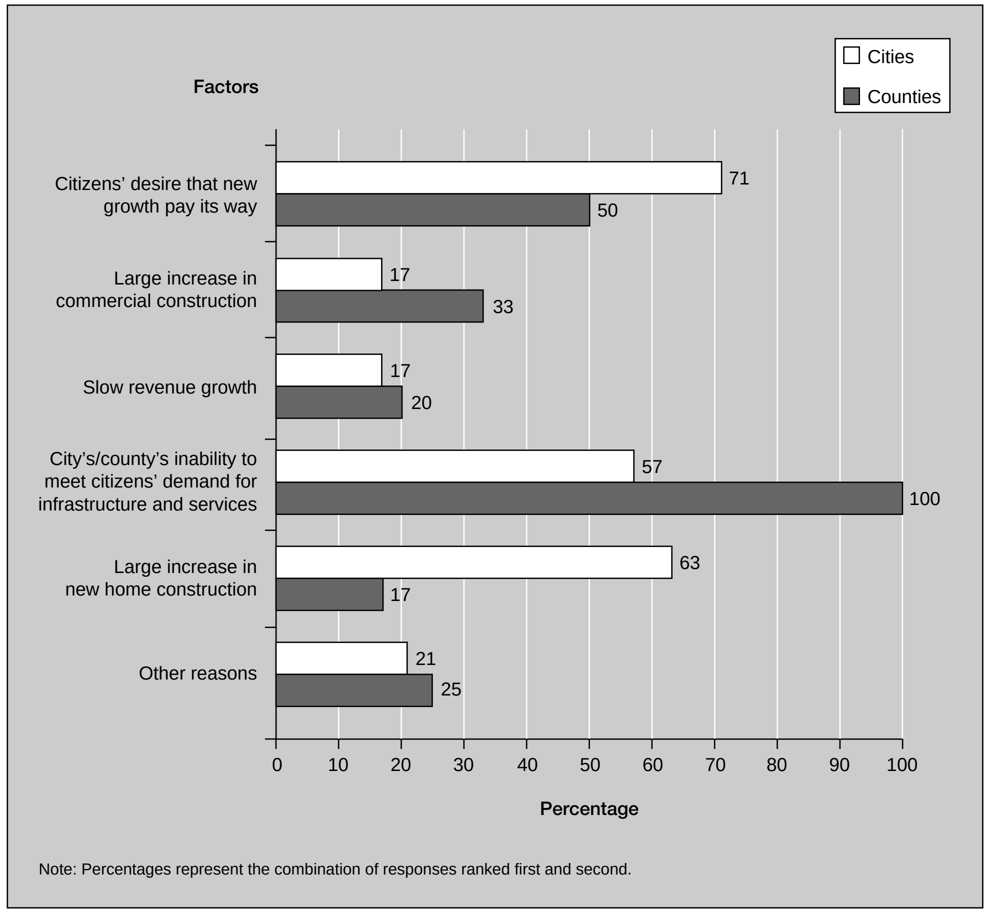

Figure 3/2 *Factors influencing local government adoption of impact fees, 2002*

Table 3/3 MUNICIPALITY IMPACT FEE USE, BY REGION, 1987 AND 2002

	Bauman and Ethier 1987			Lawhon 2002		
		Impose impact fees			Impose impact fees	
Geographic region	No. reporting (A)	No.	% of (A)	No. reporting (A)	No.	% of (A)
Total	220	79	36	407	103	25
New England (CT, ME, MA, NH, RI, VT)	11	0	0	48	9	19
Regions combined	132	32	24	297	58	20
Mid-Atlantic (DE, MD, NJ, NY, PA, WV)	...	...	...	...	...	...
South (AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, TX, VA)	...	...	...	...	...	...
Midwest (IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, OK, SD, WS)	...	...	...	...	...	...
Regions combined	77	47	61	62	36	58
West (AK, AZ, CO, HI, ID, MT, NV, NM, OR, UT, WA, WY)	...	...	...	...	...	...
California (CA)	...	...	...	...	...	...

Sources: Gus Bauman and William H. Ethier, “Development Exactions and Impact Fees: A Survey of American Practices,” *Law and Contemporary Problems* 50 (winter 1987): 51–68; current survey.

CONCLUSIONS

Although we hypothesized that this research would indicate an increase in the percentage of local governments that impose impact fees, a comparison of our findings with those of Bauman and Ethier from 1987 show this not to be the case. Still, several conclusions can be drawn from this research. A representative sample of city governments indicates that 25% impose impact fees to offset some of the costs of expanding off-site infrastructure and services to accommodate an increasing population, and that this practice is extensive in the Pacific Coast and Mountain divisions. Among the 7% of county governments overall that impose impact fees, the overwhelming majority are again in the Pacific Coast division as well as in the South Atlantic division. More than half of these respondents (55%) indicated that their local governments adopted impact fees in 1990 or later. The chief types of impact fees adopted are those used to mitigate problems in water, sewer, and transportation. The principal reason influencing cities’ adoption of impact fees was pressure from citizens to require new growth to pay its way; among counties, it was the county’s inability to meet citizens’ demand for adequate infrastructure and services to keep pace with growth. It might be concluded, then, that city constituents desire to shift the cost of improvements to new residents and that county constituents are concerned about having adequate facilities and services. This research also concludes that as community population increases, there is a greater incidence of impact fee usage by the community.

Although this research did not investigate reasons that local governments do not adopt impact fees, there are several plausible explanations. One reason is likely related to state enabling legislation for impact fees. Respondents were confused as to whether their states have enabling legislation or not; however, the lack of such legislation may act as a deterrent to many local governments that have considered using this approach but are unsure of its legality. Another reason is that many local governments may have concerns about the effects of impact fees on housing affordability or economic development efforts. These are legitimate concerns, yet many local governments may find themselves in a position where they are required to respond to citizens' calls for new development to pay its way or where it is necessary to respond to a deteriorating level of services. Development impact fees offer one solution to these dilemmas, but this solution is not without costs. Local government professionals need to be well informed so they can make difficult choices with regard to development impact fees and other financing mechanisms designed to protect the quality of life in both growing communities and growing county areas.

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[1] Susan M. Denbo, "Development Exactions: A New Way to Fund State and Local Government Infrastructure Improvements and Affordable Housing?" *Real Estate Law Journal* 23, no. 7 (1994): 7–38.

[2] See, e.g., Benjamin Chintz, "Communities Turn to Impact Fees to Pay for Growth," *National Association of Counties—County News* 21 (June 1989): 11; and Thomas P. Snyder and Michael A. Stegman, with contributions by David H. Moreau, *Paying for Growth: Using Impact Fees to Finance Infrastructure* (Washington, D.C.: Urban Land Institute, 1987).

[3] Arthur C. Nelson, "Development Impact Fees: The Next Generation," *The Urban Lawyer* 26, no. 3 (1994): 541–562; Timothy Beatley, "Applying Moral Principles to Growth Management," *Journal of the American Planning Association* 50 (autumn 1984): 459–469; and Charles E. Connerly, "The Social Implications of Impact Fees," *Journal of the American Planning Association* 54 (winter 1988): 75–78.

[4] Gus Bauman and William H. Ethier, "Development Exactions and Impact Fees: A Survey of American Practices," *Law and Contemporary Problems* 50 (winter 1987): 51–68.

[5] James E. Frank and Elizabeth D. Purdum, "Community Use of Exactions: Results of a National Survey," in *Development Exactions*, ed. James E. Frank and Robert M. Rhodes (Washington, D.C.: American Planning Association, 1987), 137.

[6] Brian W. Blaesser and Christine M. Kentopp, "Impact Fees: The 'Second Generation,"' *Washington Journal of Urban and Contemporary Law* 38 (fall 1990): 55–113. According to Julian Conrad Juergensmeyer and Thomas E. Roberts, in their book *Land Use Planning and Control Law* (St. Paul, Minn.: West Group, 1998), states may allow impact fees to be used within the development as well, but this is not at all the prevailing practice; consequently, for the purposes of this research, we have not expanded the accepted definition of impact fees to include intradevelopment.

[7] See Blaesser and Kentopp, "Impact Fees: The 'Second Generation,"' for a good discussion of impact fees and a review of impact fee cases generic to this topic.

[8] Bauman and Ethier, "Development Exactions and Impact Fees."

[9] *Capital Financing—1985* survey (Washington, D.C.: International City Management Association, 1985), as cited in Maureen G. Valente and Clayton Carlisle, "Developer Financing: Impact Fees and Negotiated Exactions," *MIS Report* 20, no. 4 (1988).

[10] Dan Hoxworth, "Impact Fees: Issues and Case Studies," *MIS Report* 23, no. 12 (1991).

[11] Florida Advisory Council on Intergovernmental Relations, *1991 Florida Impact Fee Report* 91-2 (September 1991): 5–7, 20.

[12] Martin L. Leitner and Susan P. Schoettle, "A Survey of State Impact Fee Enabling Legislation," *The Urban Lawyer* 25 (1993): 491–518.

[13] Arthur C. Nelson and James B. Duncan, *Growth Management Principles and Practices* (Chicago: Planners Press [American Planning Association], 1995).

[14] Nelson, "Development Impact Fees," 552.

[15] Bauman and Ethier, "Development Exactions and Impact Fees"; and Hoxworth, "Impact Fees: Issues and Case Studies."

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Development Impact Fee Use by Local Governments
While development impact fees are seen as an effective way for local governments to handle the cost of growth-induced new infrastructure and services, they are also criticized for adversely affecting housing affordability and economic development efforts. This article *reviews research conducted over the past 20 years* and discusses findings of a 2002 survey to ascertain the extent to which local governments use development impact fees, the characteristics of fee users, the types of fees imposed, and the factors influencing their imposition.
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INTERGOVERNMENTAL RELATIONS

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In the face of growing centralization in state-local relations, *local officials* over the past decade have been *increasingly willing to fight challenges to their authority* and *financial well-being* at both the federal and state levels. Focusing on home rule, unfunded mandates, limitations on local taxing authority, school district interventions, and state assistance to local governments, this article provides a comprehensive view of the trends and patterns in state-local relations.

The 107th Congress and Local Government
The September 11 terrorist attacks unified the 107th Congress as legislators came together to confront issues of airport and airline security, bioterrorism prevention, stronger border control, and victims' assistance. The bipartisanship was limited, however, and Congress once again wrangled over such issues as educational reform, the environment, Internet taxation and accessibility, and election reform.

Recent Supreme Court Cases Affecting Local Government
This article reviews *Supreme Court decisions in 2001–2002 that have implications for local government.* Among the many areas discussed are immunity of government and government officials from suit, the Americans with Disabilities Act, Title VII of the Civil Rights Act and the Age Discrimination in Employment Act, search and seizure, regulatory takings, school vouchers, the Family and Medical Leave Act, free speech, the Family Educational Rights and Privacy Act, and prisons and jails.

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