



RILEY RIPER HOLLIN & COLAGRECO

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CHESTER COUNTY ENGINEERS

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Understanding Traffic Impact Fees for Project Owners

Presented by:

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Act 209 of 1990

- Article V-A of the Pennsylvania Municipalities Planning Code – “Municipal Capital Improvement”
- Powers under Act 209 granted to municipalities (excluding counties) which have adopted:
 - (1) either a municipal or county comprehensive plan;
 - (2) subdivision and land development ordinance; and
 - (3) zoning ordinance.



Definitions – Section 502-A

- “Onsite improvements” – all improvements constructed on the applicant’s property, or the improvements constructed on the property abutting the applicant’s property necessary for the ingress or egress to the applicant’s property, and required to be constructed by the applicant pursuant to any municipal ordinance, including, but not limited to, the municipal building code, subdivision and land development ordinance, PRD regulations and zoning ordinance.
- “Offsite improvements” – those capital public improvements which are not onsite improvements and that serve the needs of more than one development.



Definitions – Section 502-A

- “New development” – any commercial, industrial or residential or other project which involves new construction, enlargement, reconstruction, redevelopment, relocation or structural alteration and which is expected to generate additional vehicular trips within the transportation service area of the municipality.
- “Transportation service area” – a geographically defined portion of the municipality not to exceed seven square miles of area which, pursuant to the comprehensive plan and applicable zoning district regulations, has an aggregation of sites with development potential creating the need for transportation improvements within such area to be funded by impact fees. No area may be included in more than one transportation service area.
- “Transportation capital improvements” – those offsite road improvements that have a life expectancy of three or more years, not including costs for maintenance, operation or repair.



Permissible Uses of Impact Fees

Impact fees may be used for improvements designated in the transportation capital improvement program which are attributable to new development, including:

- Acquisition of land and right-of-way.
- Engineering, legal and planning costs.
- All other costs directly related to road improvements within the service area, including debt service.



Section 504-A – Transportation Capital Improvements Plan

- Required studies:
 - Land use assumptions report.
 - Roadway sufficiency analysis.
- The transportation capital improvements plan is required to include projections of all designated road improvements in the program.
 - Total costs are based on estimated costs, using standard traffic engineering standards, with a 10% maximum contingency.
 - Costs include improvements to correct existing deficiencies with identified sources of funding and timetables for implementing the improvements.



Section 505-A – Impact Fees

- The impact fee is determined on the basis of the total costs of the road improvements included in the capital improvements plan attributable to or necessitated by new development calculated based on:
 - The costs of providing necessary road improvements or portions thereof attributable to future development based on the plan specifying said improvements that are necessary to maintain the preferred level of service, divided by the number of anticipated peak hour trips generated by all new development.
- For a new development or subdivision:
 - Determined as of the date of preliminary subdivision or land development approval.
 - The per trip cost established for the service area multiplied by the estimated number of peak-hour trips to be generated by the new development or subdivision.
 - Payable at the time of issuance of building permits for the new development or subdivision.



Credit Against Impact Fee

- Can I get a credit against the impact fee?
 - Yes, under Section 505-A(f), an applicant is entitled to a credit against the impact fee in the amount of:
 - The fair market value of any land dedicated by the applicant to the municipality for future right-of-way.
 - Realignment or widening of any existing roadways.
 - For the value of any construction of road improvements contained in the transportation capital improvement program.



Refund of Impact Fee

- Can I get a refund of the impact fee?
 - Yes, under Section 505-A(g), there are procedures for refund of the impact fee based on:
 - Municipal termination or completion of the capital improvements plan.
 - Municipal failure to commence construction within three years of the scheduled construction date set forth in the capital improvements plan.
 - New development for which the impact fee was paid but not commenced.



Section 506-A - Appeals

- Any person required to pay an impact fee may file an appeal to the court of common pleas to contest:
 - The land use assumptions.
 - The development and implementation of the transportation capital improvements program.
 - The imposition of impact fees.
 - The periodic updating of the of the program.
 - The refund of impact fees.
 - All other matters relating to impact fees, including the constitutionality or validity of the impact fee ordinance.

