



LOCAL IMPLEMENTATION



Implemented on Cape Cod

## OVERVIEW

Development impact fees and processing fees may be assessed during the permitting process depending on the locality. Reducing or waiving these fees can reduce a project's overall cost. Reducing or waiving fees for certain types of affordable or attainable housing projects may help to encourage those types of projects. The parameters for the types of projects that are eligible for reduced or waived fees should reflect a community's needs and vision for types and location of development or redevelopment. For example, the reduced or waived fees may apply only to projects in a certain area or projects with a certain amount of affordable or attainable housing. Communities might also allow deferred payment of fees, which may help a project's financial viability by reducing upfront costs.

## CHALLENGES ADDRESSED



Not Allowed to Build Multi-family Housing



Too Expensive to Build New Housing



Too Expensive to Secure or Maintain Housing



Hard to Find Year-round Housing

## POTENTIAL BENEFITS & CONSIDERATIONS

- Lower development costs may make projects more financially viable
- Reduced or waived fees should be calibrated to the types of development a community wants to encourage
- Municipalities will need to identify who makes the determination on whether a project qualifies for reduced or waived fees (e.g., staff, a Town board, etc.)
- Impacts to a municipal or other review body's budgets should be well understood if fees are to be reduced or waived for certain projects

## RESOURCES & EXAMPLES

**Reduced or Waived Fees Overview** - This webpage from Local Housing Solutions provides an overview of reduced or waived fees for qualifying projects, including examples from across the country.

**Impact Fee Reduction for New Affordable Units** - In Sacramento, CA, certain development projects that restrict housing units as affordable for at least 30 years are eligible for reduced impact fees.

## CASE STUDY: S.M.A.R.T HOUSING POLICY

The S.M.A.R.T. (Safe, Mixed-Income, Accessible, Reasonably-priced, Transit-oriented) Housing program in the City of Austin provides developers with incentives—such as fee waivers, density bonuses, tax incentives, and development agreements—to build

and to set aside affordable rental and ownership housing for low- and moderate-income households. Fee waivers vary but can amount to approximately \$1,500 per single-family infill unit and \$1,250 per multi-family unit.

Learn more [here](#).

