

SANDY CITY, UTAH

IMPACT FEE FACILITIES PLAN (IFFP)
AND IMPACT FEE ANALYSIS (IFA)



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INTRODUCTION TO IMPACT FEES

- Identify the anticipated impact on or **consumption of any existing capacity** of a **public facility** by anticipated development activity.
- Identify the anticipated impact on **system improvements** required by the anticipated development activity to **maintain the established level of service** for each public facility.
- Demonstrate how the anticipated impacts are reasonably related to the anticipated development activity through a **proportionate share analysis.**

INTRODUCTION TO IMPACT FEES

- ▣ Qualified **Public Facilities**:
 - ▣ WATER: water rights and water supply, treatment, storage, and distribution facilities;
 - ▣ SEWER/WASTEWATER: wastewater collection and treatment facilities;
 - ▣ STORM DRAINAGE: storm water, drainage, and flood control facilities;
 - ▣ ELECTRICITY: municipal owned electric system facilities;
 - ▣ TRANSPORTATION: roadway facilities;
 - ▣ PARKS, RECREATION & OPEN SPACE: parks, recreation facilities, open space, and trails;
 - ▣ PUBLIC SAFETY FACILITIES: police, fire and emergency services;
 - ▣ ENVIRONMENTAL: environmental mitigation as provided in Section 11-36a-205; or
 - ▣ NATURAL GAS: municipal owned natural gas facilities.

INTRODUCTION TO IMPACT FEES

System Improvements vs. Project Improvements:

- **"System improvements" means existing & future public facilities that are:**
 - identified in the impact fee analysis under Section 11-36a-304; and
 - designed to provide services to service areas within the community at large.

- **"Project improvements" means site improvements that are:**
 - planned and designed to provide service for development resulting from a development activity;
 - necessary for the use and convenience of the occupants or users of development resulting from a development activity; and
 - not identified or reimbursed as a system improvement.

INTRODUCTION TO IMPACT FEES

- ▣ **"Public safety facility" means:**

- ▣ a building constructed or leased to house police, fire, or other public safety entities; or
- ▣ a fire suppression vehicle costing in excess of \$500,000.
- ▣ "Public safety facility" does not mean a jail, prison, or other place of involuntary incarceration.

- ▣ **"Roadway facilities" means:**

- ▣ a street or road that has been designated on an officially adopted subdivision plat, roadway plan, or general plan of a political subdivision, together with all necessary appurtenances.
- ▣ "Roadway facilities" includes associated improvements to a federal or state roadway only when the associated improvements:
 - ▣ are necessitated by the new development; and
 - ▣ are not funded by the state or federal government.
 - ▣ "Roadway facilities" does not mean federal or state roadways.

INTRODUCTION TO IMPACT FEES

- Before imposing an impact fee, each local political subdivision or private entity shall prepare:



IMPACT FEE FACILITIES PLAN (IFFP)

Identifies the demands placed upon the City's existing facilities by future development and evaluates how these demands will be met by the City. Outlines the improvements which are intended to be funded by impact fees.

IMPACT FEE ANALYSIS (IFA)

Proportionately allocates the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered.



IMPACT FEE PROCESS



CRAFTING A WORKING IFFP & IFA

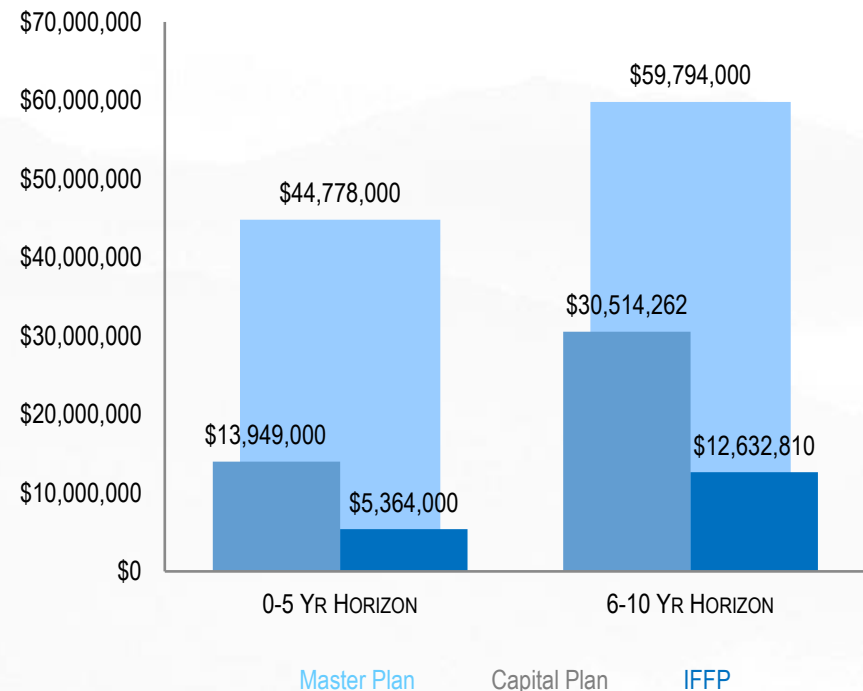
- 1. Determine Demand**
- 2. Provide Inventory of Existing Facilities**
- 3. Establish Existing and Future Level of Service**
- 4. Identify Existing and Future Capital Facilities Necessary to Serve New Growth**
- 5. Consider All Revenue Resources to Finance System Improvements**
- 6. Conduct Proportionate Share Analysis**

IFFP & IFA PLANNING HORIZON

■ Master Plan vs. IFFP:

- The **master plan** addresses all needs within the service area, including R&R, new facilities, increasing level of service, and all other projects.
- The **master plan** is usually a buildout document.
- The **IFFP** identifies the growth related, impact fee eligible projects within a shorter planning horizon.
- The **IFFP** identifies the system improvements needed to maintain the level of service.

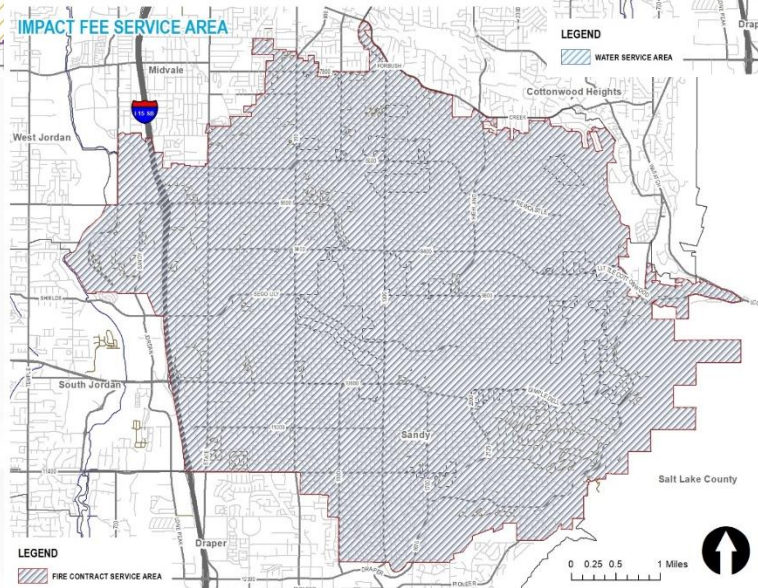
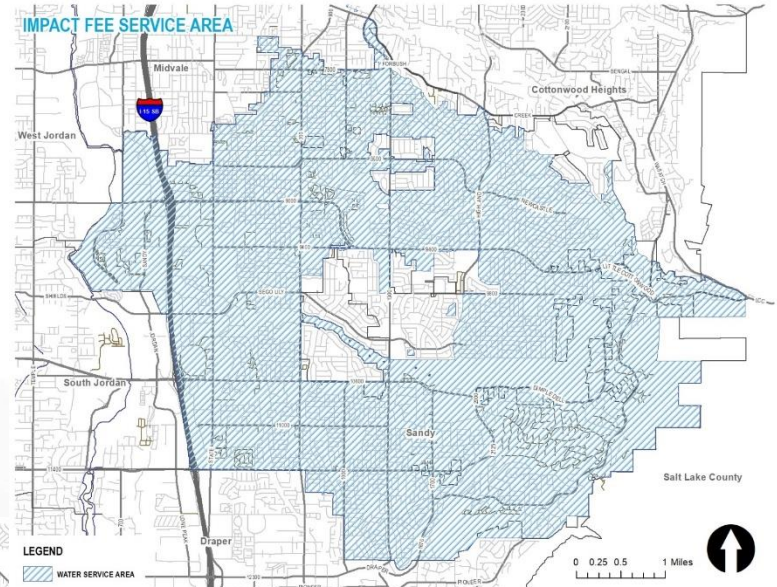
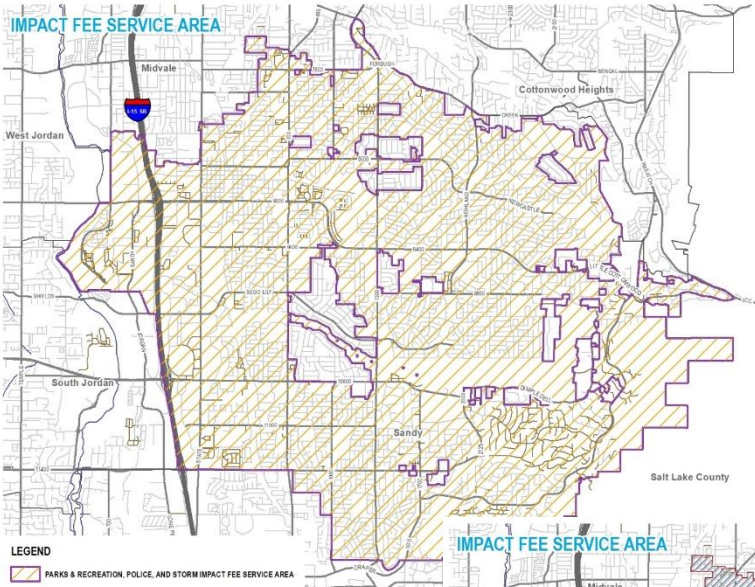
IMPACT FEE FACILITIES PLAN



IMPACT FEES ANALYZED

- ▣ Parks & Recreation
- ▣ Police
- ▣ Fire
- ▣ Water
- ▣ Storm

SERVICE AREAS



DEMAND UNITS

The demand units utilized in this analysis include:

- a) equivalent residential units (“ERUs”) or connections (“ERCs”);
- b) impervious area;
- c) trip generation;
- d) calls for service;
- e) residential units; and,
- f) population.

As new development occurs within the City, it generates increased demand on all City infrastructure. The system improvements identified in this study are designed to meet the demands of any new development or redeveloped property within the City.

LEVEL OF SERVICE

The existing LOS for each utility or service is defined in detail in the IFA. Through an inventory of existing facilities combined with existing development, this analysis identifies the LOS provided to the City's existing development and ensures that future facilities maintain these standards.

EXCESS CAPACITY

- The demand analysis and LOS analysis allow for the development of a list of capital facilities necessary to serve new growth and maintain the existing LOS.
- This list includes any excess capacity of existing facilities, as well as future system improvements necessary to maintain the LOS.
- The inclusion of excess capacity is known as a “buy-in”.
- Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities.
- This analysis includes a buy-in component for **culinary water, storm water, fire, and police.**

FUTURE FACILITIES

- The IFA identifies the capital facilities needed to maintain the LOS based on the demand analysis specific to parks and recreation, police, fire, culinary water, and storm water services.
- The plans consider a ten-year time horizon, and growth projections are considered over the same time, in addition to build-out horizon.

SUMMARY OF PROPOSED FEES

	Single Family Residential (per unit)		Multi-Family Residential (per unit)	
	Proposed	Existing	Proposed	Existing
Parks & Recreation	\$6,988	\$4,156	\$3,612	\$2,402
Police	\$66	\$64	\$77	\$37
Fire/EMS	\$415	\$318	\$473	\$183
Culinary Water*	\$5,105	\$2,265	\$5,105	\$2,265
Storm Water**	\$5,416	\$3,748	\$5,416	\$3,748
Total	\$17,990	\$10,551	\$14,683	\$8,635
% Change	71%		70%	

* Fee is for 1 ERC based on 3/4" water meter size. Larger water meters will be assessed a higher fee.

** Assumes 1 Acre. The proposed impact fee will be assessed on a per ERU basis. Non-residential development is based on 2,816 square feet of impervious area per ERU. Existing Storm Impact Fee is assessed on a per acre basis. For purposes of comparison, 1 acre is assumed to equal 4 ERUs

	Commercial/Retail (per 1,000 SF)		Office (per 1,000 SF)		Industrial (per 1,000 SF)	
	Proposed	Existing	Proposed	Existing	Proposed	Existing
Parks & Recreation	\$91	\$220	\$57	\$126	\$16	\$29
Police	\$73	\$160	\$35	\$92	\$32	\$21
Fire/EMS	\$558	\$189	\$183	\$472	\$107	\$169
Culinary Water*	\$5,105	\$2,265	\$5,105	\$2,265	\$5,105	\$2,265
Storm Water**	\$5,416	\$3,748	\$5,416	\$3,748	\$5,416	\$3,748
Total	\$11,243	\$6,582	\$10,796	\$6,703	\$10,676	\$6,232
% Change	71%		61%		71%	

GROWTH COMPARISON

- Illustration of Inflation Impacts

National Price Index	Municipal Cost Index (MCI)	Construction Cost Index (CCI)	Consumer Price Index (CPI)	Producer Price Index (PPI)
Index Rate Change Since 2014	34%	40%	27%	34%

Source: American City and County

National Price Index	FRED HPI	Federal Housing Finance Agency HPI
Index Rate Change Since 2014	138%	149%

HPI = Housing Price Index

Source: Federal Reserve of St. Louis Economic Data (FRED)

Federal Housing Finance Agency Housing Price Index Datasets

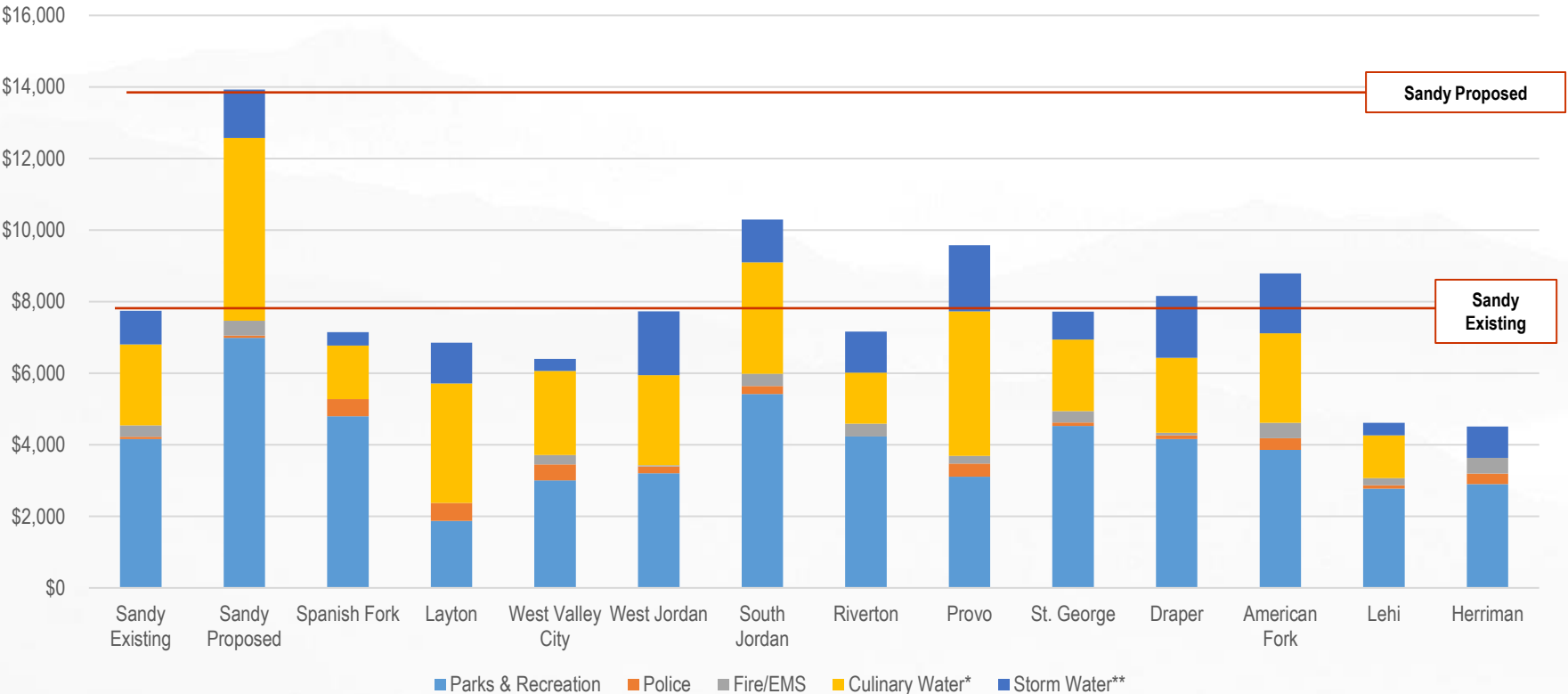
Utah PPI – Single Family Residential	FRED PPI (Single Family Residential)
Index Rate Change Since 2014	49%

Source: Federal Reserve of St. Louis Economic Data (FRED)

Producer Price Index by Commodity: Inputs to Industries: Net Inputs to Single Family Residential Construction, Goods Less Foods and Energy

COMPARISONS

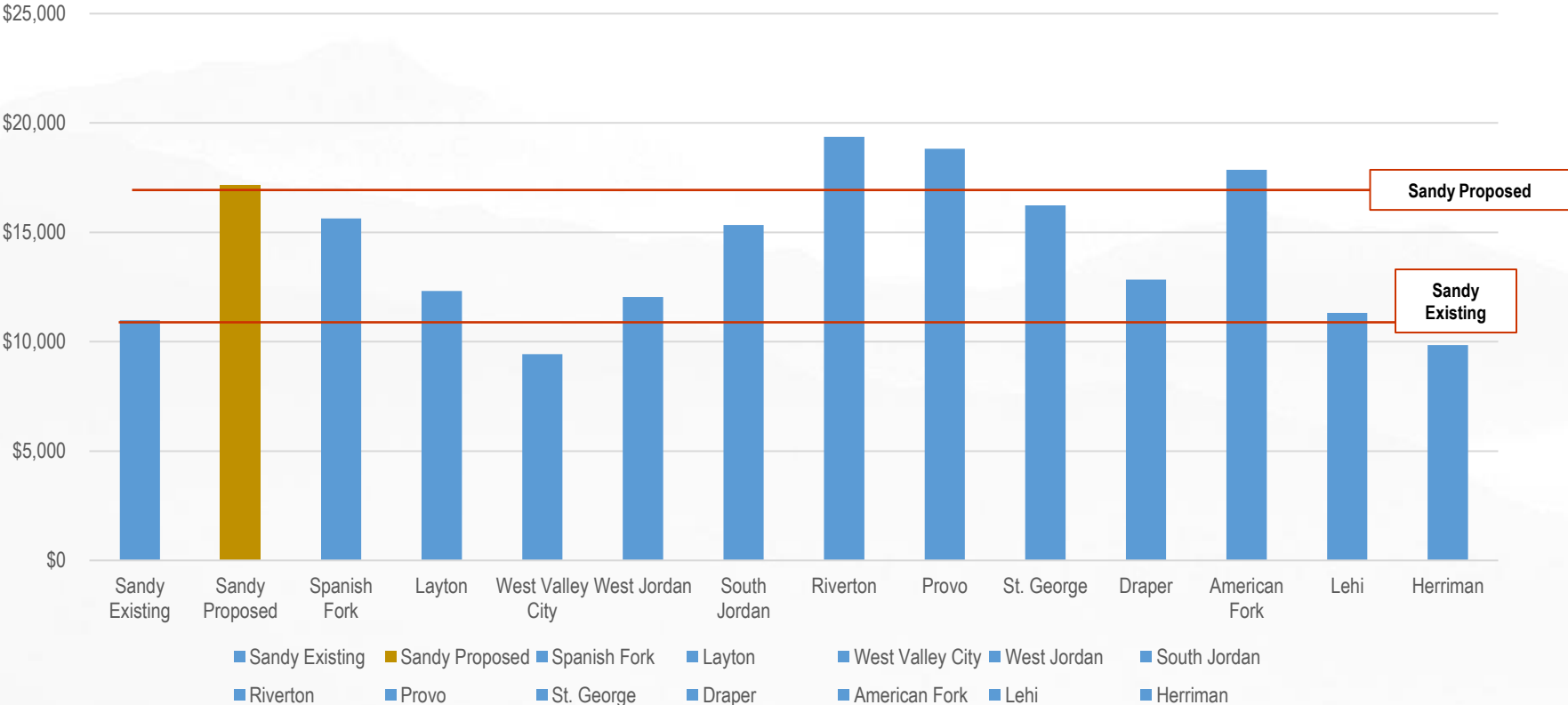
Impact Fee Comparison



* Fee is for 1 ERC based on 3/4" water meter size. Larger water meters will be assessed a higher fee.
 ** Assumes 1 ERU. Existing Storm Impact Fee is based on an .25-acre lot.
 West Valley City Water Fee Assessed by Granger Hunter Improvement District
 Total represents only the fees included in the table. Each comparison community may have other impact fees that are assessed.
 For comparison purposes only.

COMPARISONS

Impact Fee Comparison



Represents total assessed impact fees by community. Assumes 1 ERU and based on a .25-acre lot. Fees for District provided services included. For comparison purposes only.

NEXT STEPS:

- Finalize IFFP/IFA Based on Council Feedback
- Complete Notice for Public Hearing
- Publish Documents
- Hold Public Hearing
- Adopt, Modify, Reject Impact Fees
- 90 Day Wait Period to Assess Increase