

2016 GENERAL FUND IFFP & IFA

SALT LAKE CITY, UTAH



LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.

JULY 2016




LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.

INTRODUCTION TO IMPACT FEES



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- 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)

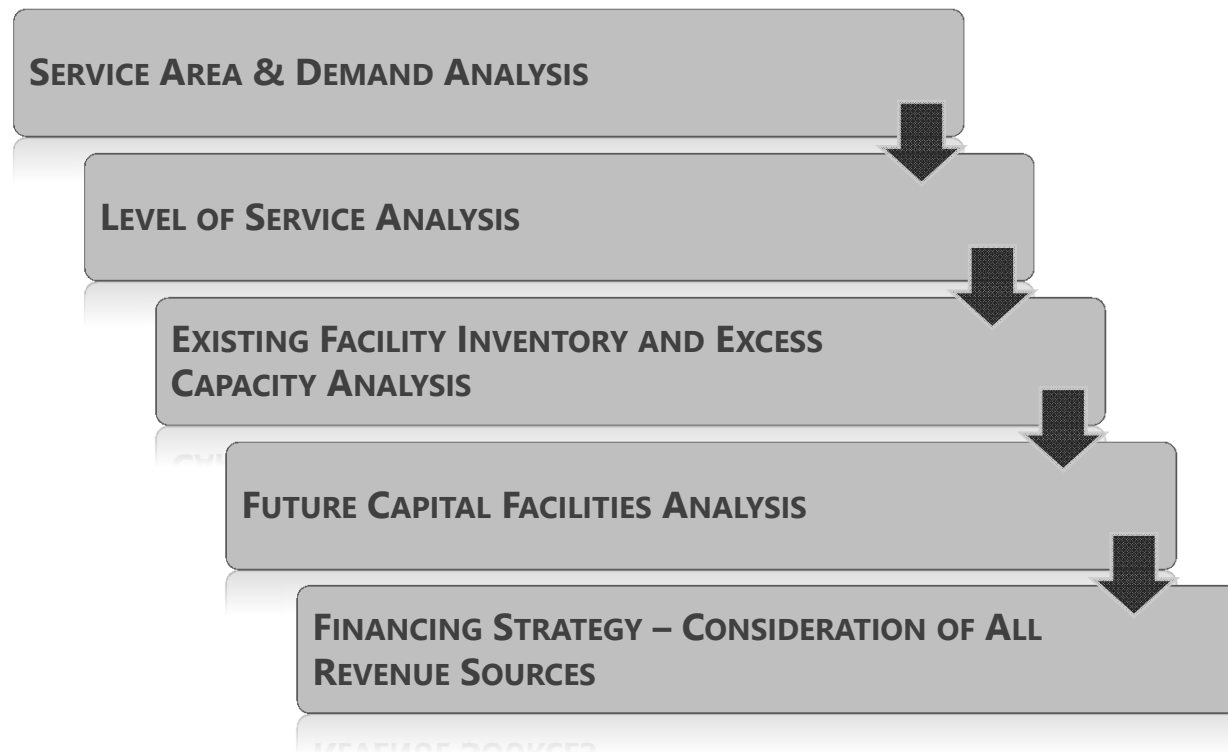
Proportionately allocates the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered.

INTRODUCTION TO IMPACT FEES



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- The following elements are important considerations when completing an IFFP and IFA:



IMPACT FEE PROCESS



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WE PROVIDE SOLUTIONS



PARKS

PARKS



□ Existing Inventory:

	TOTAL ACRES	CITY OWNED & FUNDED ACRES	ESTIMATED LAND VALUE FOR CITY OWNED ACRES	2016 EST. IMPROV. VALUE
All Parks & Public Lands	1,532	1,275	\$191,292,000	\$107,354,500

Land value based on a cost of \$150K per acre.

□ Level of Service:

- The level of service consists of two components:
 - The land value per capita (or the cost to purchase the land in 2016); and
 - The improvement value per capita for each type of park improvement.

	TOTAL LAND VALUE	LAND VALUE PER CAPITA	TOTAL IMPROVEMENT VALUE	IMPROVEMENT VALUE PER CAPITA	TOTAL VALUE PER CAPITA
All Parks & Public Lands	\$191,292,000	\$995	\$107,354,500	\$558	\$1,553

PARKS



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□ Funding of Existing Facilities:

- The City issued the Series 2013B bonds to fund the construction of a soccer complex and the Series 2009A and 2013C bonds to finance open space.
- These bonds were refunded by the Series 2015A and Series 2015B bonds.
- The facilities funded by these bonds are not included in the calculation of LOS, therefore a credit is not necessary.
- The analysis does not currently contemplate excess capacity.

PARKS



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□ Capital Facilities Analysis:

- Based on the expected changes in population within the next 10 years, the City will need to invest approximately **\$44M** in new park improvements.
 - Annual average future spending of **\$4.4M**.
 - Historic spending average of **\$2.6M** annually (excluding debt).

- A total of **\$39M** in Capital Improvement Cost is identified in the Parks & Public Lands CIP (including Tier 1-3 and CAM Projects)

□ Resources to Finance System Improvements:

- The general fund and impact fees will continue to be a funding source for park improvements. The analysis does not include bonding.

PARKS



□ Park Impact Fee:

	LAND VALUE PER CAPITA	VALUE OF IMPROVEMENTS PER CAPITA	TOTAL VALUE PER CAPITA
All Parks and Public Lands	\$995	\$558	\$1,553
Other		Value	Value per Capita
Impact Fee Fund Balance		\$8,055,602	\$42
Professional Services Expense		\$10,107	\$1
Estimate of Impact Fee per Capita			\$1,596

IMPACT FEE PER HH	PERSONS PER HH	FEE PER HH	EXISTING FEE PER HH	% CHANGE
Single Family	3.16	\$5,043	\$2,875	75%
Multi-Family	1.88	\$3,000	\$2,875	4%



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FIRE

FIRE



□ Existing Inventory and Excess Capacity:

- Original cost of existing fire stations estimated at **\$24.1M** (excluding Public Safety Building).
 - 2012 Study showed **\$95.3M**.
 - Public Safety Building is GO bond funded (impact fee credit would be required), thus excluded from this analysis.

□ Demand Summary:

- Average annual calls of 80,071.

□ Level of Service:

- 1.61 station square feet per Call.
- 1.44 non-station square feet per Call.
- Other Level of Service measurements:
 - *SLCFD has a 3.81 minute response time to Fires with Imminent Life Threat*

DEMAND	FIRE FACILITIES
Total Current Station Sq. Ft.	128,830
Non-Station Sq. Ft.	115,245
Average Annual Total Calls	80,071

Total Fire Station SF	128,830
<i>SF per Call</i>	1.61
New Private Calls	5,159
SF to Maintain LOS	8,301

Total Non-Fire Station SF	115,245
<i>SF per Call</i>	1.44
New Private Calls	5,159
SF to Maintain LOS	7,425

FIRE CIP



Future Facilities (within 10 years)

Facilities or Engines	Construction Year	Total SF	Total Existing SF	Total New SF	Land Acreage	% of Station to Fire	Construction Cost Total
Fire Station #14 Land Acquisition	2014				1.40	100%	\$539,000
Fire Station #14 - Relocation and Expansion; Construction	2016	16,450	7,442	9,008		100%	\$10,445,874
Fire Station #3 Land Acquisition	2016			-	0.85	100%	\$300,000
Fire Station #3 - Relocation and Expansion; Construction	2016	16,500	7,016	9,484		100%	\$10,870,145
Interest Expense						100%	\$3,459,052
Total		32,950	14,458	18,492	2.25		\$25,614,071

Facilities or Engines	Construction Year	Total SF	Total Existing SF	Total New SF	Land Acreage	% of Station to Fire	Construction Cost Total
Fire Training Center - Renovation of old #14	2017	7,300	-	7,300		100%	\$400,000
Fire Training Center - Large Equipment Garage	2016	20,000	-	20,000		100%	\$2,500,000
Total		27,300	-	27,300			\$2,900,000



FIRE CIP



Future Facilities (within 10 years)

Stations	Construction Year Cost	Less Impact Fee Fund Balance	Remaining Cost to Fire	Expansion Cost	% Attributable to Growth	Total Impact Fee Eligible Cost
Fire Station #14 Land Acquisition	\$539,000	(\$125,812)	\$413,188	\$231,887	100.0%	\$231,887
Fire Station #14 - Relocation and Expansion; Construction	\$10,759,250	(\$2,511,390)	\$8,247,860	\$4,628,814	100.0%	\$4,628,814
Fire Station #3 Land Acquisition	\$309,000	(\$72,126)	\$236,874	\$132,937	100.0%	\$132,937
Fire Station #3 - Relocation and Expansion; Construction	\$11,196,249	(\$2,613,393)	\$8,582,856	\$4,816,819	100.0%	\$4,816,819
Interest Expense	\$3,459,052	(\$807,401)	\$2,651,651	\$1,488,144	100.0%	\$1,488,144
Total	\$26,262,551	(\$6,130,121)	\$20,132,430	\$11,298,601	100.0%	\$11,298,601

Facilities	Construction Year Cost	Less Impact Fee Fund Balance	Cost to Fire	Expansion Cost	% Attributable to Growth	Total Impact Fee Eligible Cost
Fire Training Center - Renovation of old #14	\$424,360	(\$99,053)	\$325,307	\$325,307	100.0%	\$325,307
Fire Training Center - Large Equipment Garage	\$2,575,000	(\$601,048)	\$1,973,952	\$1,973,952	100.0%	\$1,973,952
Total	\$2,999,360	(\$700,101)	\$2,299,259	\$2,299,259	100.0%	\$2,299,259



FIRE



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□ Capital Facilities Analysis:

- Total of **\$26.3M** is identified as future station capital costs, with nearly **\$3.0M** for training facilities.
 - This is higher than the **\$13.6M** estimate used for the 2012 Analysis.
 - Historic CIP spending averaged **\$1.2M** annually (excluding debt).

□ Financing Revenues and Resources to Finance System Improvements:

- The City is anticipating using a bond to fund all or a portion of the future fire stations. A total of approximately **\$3.5M** in interest cost is also included in this analysis. **If we use GO Bond for Large Equipment Garage, may need to remove from analysis.**

FIRE



□ Impact Fee Calculation: Build-Out Approach

	ESTIMATED TOTAL COST	% INCLUDED IN IFFP	IFFP COST	TOTAL CALLS	COST PER CALL
Existing Stations and Facilities	\$24,142,414	20%	\$4,746,899	21,521	\$221
Future Stations	\$20,132,430	20%	\$3,958,453	21,521	\$184
Future Facilities	\$2,999,360	20%	\$452,082	21,521	\$21
Professional Expense	\$10,107	100%	\$10,107	5,159	\$2
Impact Fee Cost	\$46,584,211		\$9,167,542		\$428

	COST PER CALL	CALLS PER UNIT	TOTAL IMPACT FEE PER UNIT	EXISTING IMPACT FEE	% CHANGE
Residential (per Unit)	\$428	0.39	\$166	\$119	40%
Commercial (per 1K SF)	\$428	0.57	\$244	\$320	(24%)
Office(per 1K SF)	\$428	0.12	\$52	\$320	(84%)
Industrial(per 1K SF)	\$428	0.06	\$24	\$320	(93%)



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POLICE

POLICE



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□ Existing Inventory:

- **\$8.4M** existing facility value (excluding Public Safety Building).
 - 2012 Study showed a value of **\$133.4M** including Public Safety Building.
 - Public Safety Building is GO bond funded (impact fee credit would be required), thus excluded from this analysis.

□ Level of Service:

- The level of service consists of square feet per Call and per Officer.
- 359 square feet per Officer (excluding new public safety building) and 3.46 Officers per 1,000 Calls.

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- Current CIP shows **\$9.8M** in new capital cost.
 - The 2012 IFA included a total of **\$9.0M** in capital cost, of which **\$262K** was impact fee eligible.

FACILITIES	CONST. YEAR	TOTAL SQ. FT.	EST. COST	CONST. YEAR COST	Less Impact Fee Fund Balance	IFFP Cost
Sugarhouse Precinct	2019	39,256	\$9,000,000	\$9,834,543	(\$3,893,924)	\$5,940,619

Includes Land and Construction

- Financing of System Improvements:
 - We do not have the financing component included at this point. Once this is finalized, interest cost will increase the total capital cost shown above.*



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□ Impact Fee: Build-Out Approach

	Estimated Growth Related Cost	% to IFFP	Cost to Impact Fees	New Calls	Cost per Call
Existing Facility Buy-In	\$8,359,046	23%	\$1,898,497	37,445	\$51
New Facilities	\$5,940,619	23%	\$1,349,227	37,445	\$36
Professional Expense	\$10,107	100%	\$10,107	9,084	\$1
Impact Fee Cost	\$14,309,772		\$3,257,831		\$88

	Cost per Call	Calls per Unit	Total Impact Fee per Unit	Existing Impact Fee	% Change
Residential (per Unit)	\$88	0.67	\$59	\$41	43%
Commercial (per 1K SF)	\$88	0.98	\$86	\$30	186%
Office(per 1K SF)	\$88	0.22	\$20	\$30	(35%)
Industrial(per 1K SF)	\$88	0.12	\$10	\$30	(66%)



TRANSPORTATION

TRANSPORTATION



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□ Existing Inventory:

- \$338.6M in signals, street lights, bridges, roads, curbs and gutters.
 - 2012 Study shows a value of \$1.72B.

□ Level of Service:

- The level of service is based on maintaining a level of service C on roadways.

TRANSPORTATION



□ CIP:

- A total of **\$41.8M** identified as growth related cost.
 - 2012 Study showed **\$10.5M**.

Project #	Estimated Cost	Const. Year Cost	%Other	% City	Growth Related Cost
0 -10 Year Transportation CIP	\$43,780,000	\$52,547,086	\$1,868,809	\$50,678,278	\$24,975,574
0-10 Year Streets CIP	\$259,420,600	\$275,186,267	\$28,994,875	\$246,191,392	\$16,830,387
Total	\$303,200,600	\$327,733,353	\$30,863,684	\$296,869,669	\$41,805,960
Less Impact Fee Fund Balance					(\$7,239,460)
Remaining					\$34,566,500

- Historic CIP shows an average of **\$11.0M** annually (excluding debt).

TRANSPORTATION



□ Impact Fee: Maximum

	Construction Year Cost	% to Growth	Impact Fee Funded Cost	Trips	Cost per Trip
Buy-In	\$338,585,715	8%	\$26,739,091	302,001	\$89
Future Facilities	\$327,733,353	13%	\$41,805,960	302,001	\$138
Impact Fee Fund Balance	(7,239,460.06)	100%	(\$7,239,460)	302,001	(\$24)
Professional Expense	\$10,107	100%	\$10,107	302,001	\$0
Total					\$203

Type	Total IFF Growth	Trip Weighting	Proposed Fee	Existing Fee	% Change
Single Family Units	545	10.00	\$2,030	\$424	379%
Multifamily Units	7,064	7.00	\$1,421	\$249	471%
Retail 1,000 SF	2,361	50.00	\$10,150	\$3,280	209%
Office 1,000 SF	1,267	13.00	\$2,639	\$2,330	13%
Industrial 1,000 SF	12,507	9.00	\$1,827	\$2,260	(19%)

TRANSPORTATION



□ Impact Fee: Revised

	Construction Year Cost	% to Growth	Impact Fee Funded Cost	Trips	Cost per Trip
Buy-In	\$338,585,715	8%	\$26,739,091	302,001	\$0
Future Facilities	\$156,552,710	11%	\$17,245,997	302,001	\$57
Impact Fee Fund Balance	(7,239,460.06)	100%	(\$7,239,460)	302,001	(\$24)
Professional Expense	\$10,107	100%	\$10,107	302,001	\$0
Total					\$33

Type	Total IFF Growth	Trip Weighting	Proposed Fee	Existing Fee	% Change
Single Family Units	545	10.00	\$330	\$424	(22%)
Multifamily Units	7,064	7.00	\$231	\$249	(7%)
Retail 1,000 SF	2,361	50.00	\$1,650	\$3,280	(50%)
Office 1,000 SF	1,267	13.00	\$429	\$2,330	(82%)
Industrial 1,000 SF	12,507	9.00	\$297	\$2,260	(87%)

Scenario 1: Fee Summary



	Single Family Residential		Multi Family Residential		Commercial		Office		Industrial	
	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing
Parks	5,043	2,875	3,000	2,875	-	-	-	-	-	-
Fire	166	119	166	119	244	320	52	320	24	320
Police	59	41	59	41	86	30	20	30	10	30
Transportation	2,030	424	1,421	249	10,150	3,280	2,639	2,330	1,827	2,260
Total	\$7,298	\$3,459	\$4,646	\$3,284	\$10,480	\$3,630	\$2,710	\$2,680	\$1,861	\$2,610
Percent Change	111%		41%		189%		1%		(29%)	

Scenario 2: Fee Summary

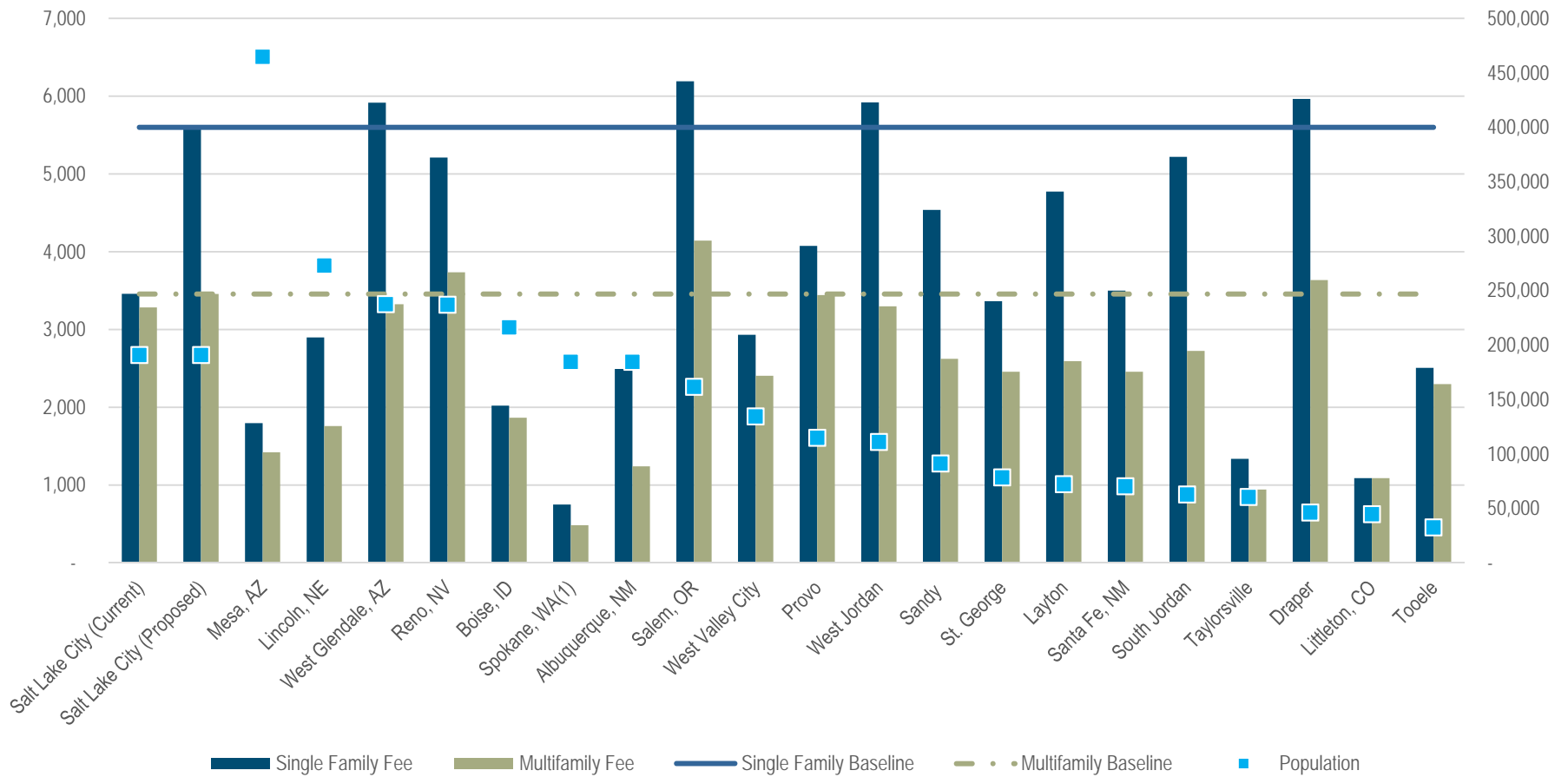


	Single Family Residential		Multi Family Residential		Commercial		Office		Industrial	
	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing
Parks	5,043	2,875	3,000	2,875	-	-	-	-	-	-
Fire	166	119	166	119	244	320	52	320	24	320
Police	59	41	59	41	86	30	20	30	10	30
Transportation	330	424	231	249	1,650	3,280	429	2,330	297	2,260
Total	\$5,598	\$3,459	\$3,456	\$3,284	\$1,980	\$3,630	\$500	\$2,680	\$331	\$2,610
Percent Change	62%		5%		(45%)		(81%)		(87%)	

COMPARABLES



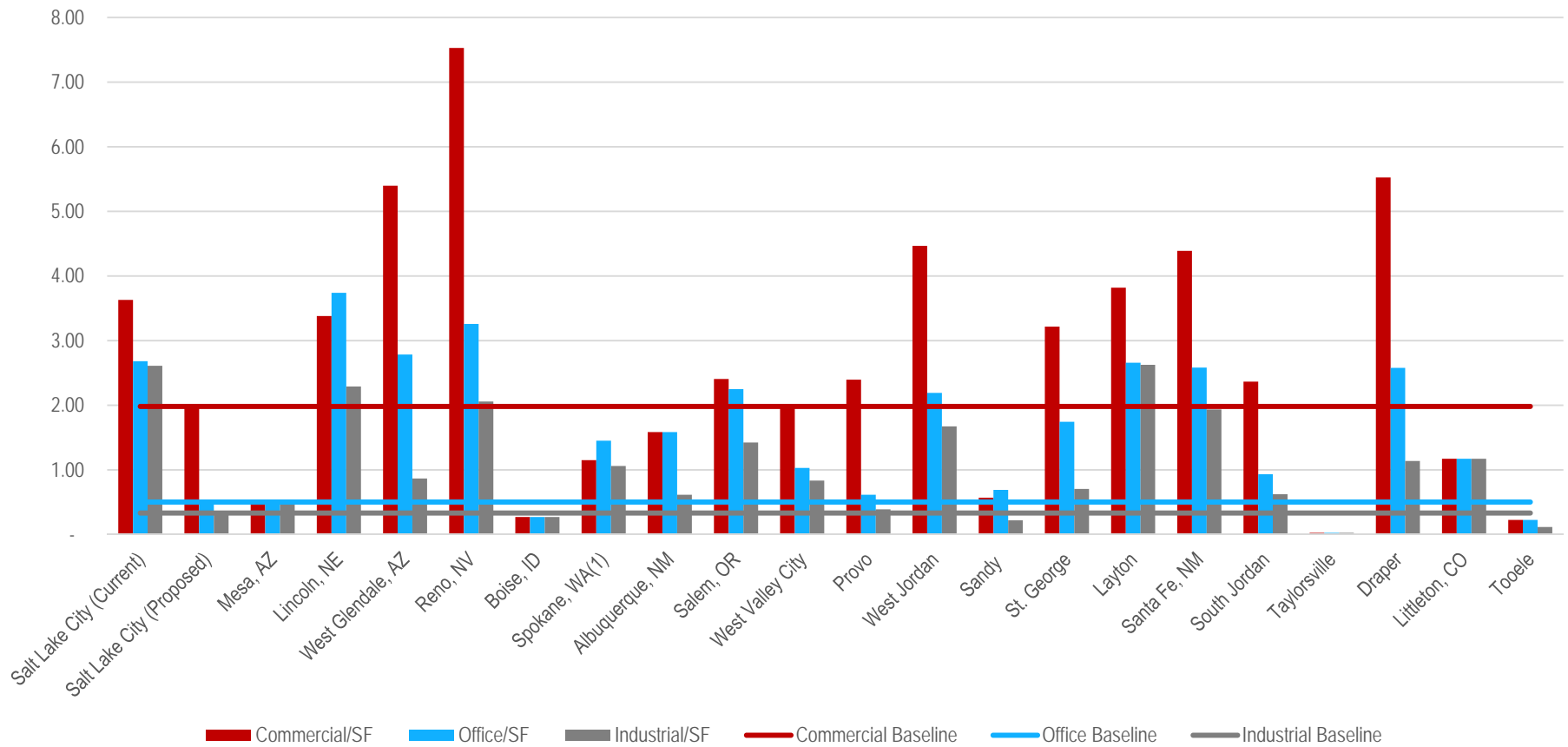
Residential IFA Comparison



COMPARABLES



Non Residential IFA Comparison



1. Only Transportation Fees are collected