



# Development Impact Fees

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Presentation to City Council

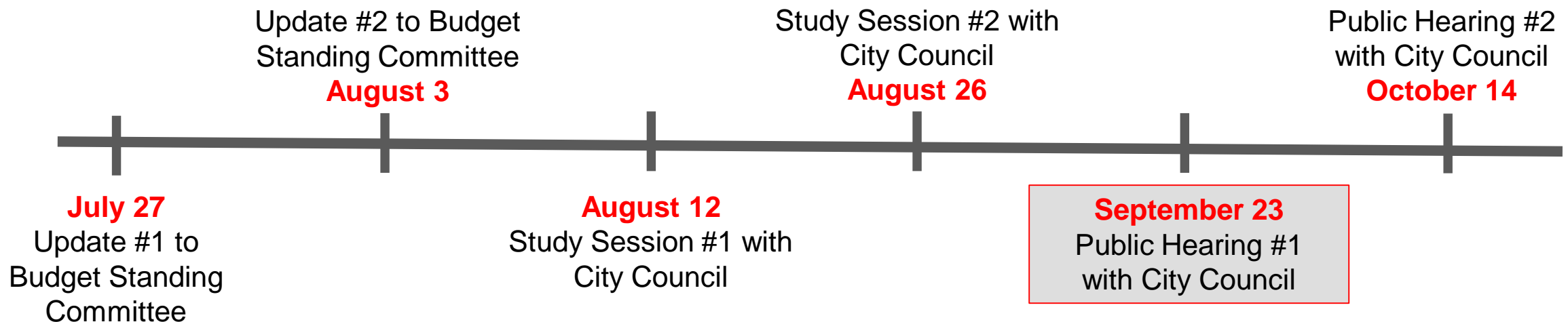
JANET SALISBURY, DIRECTOR OF FINANCE

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# Overview of Development Impact Fee Studies

- **Impact Fees = Fees collected to cover cost of capital facilities and equipment as a result of new development**
- **Studies Conducted**
  - **Development Impact Fee Study** (led by Matrix Consulting Group)
  - **Transportation Impact Fee Calculation** (led by DKS Associates)
  - **Impact Fee Feasibility Study** (led by Century Urban)
- **Public Meetings on Topic to Date**



# New Impact Fees

## ■ Citywide Transportation Impact Fee

- **Purpose:** To fund transportation infrastructure improvements to mitigate increased traffic from new developments
  - Repeals and replaces:
    - E101 Traffic Impact Fee
    - Bike & Pedestrian Impact Fee
- Monies already collected remain; will fund projects identified as part of original nexus study*

Impact Fee Category	Current Fee	Full Cost Fee	Proposed Fee	Surplus / (Deficit)	Cost Recovery %age
Single Family	\$243	\$27,377	\$6,721.37	(\$20,655)	25%
Multi-Family	\$170	\$15,776	\$3,873.30	(\$11,903)	25%
Comm./Retail - Per Sq Ft	\$25.42	\$32.93	\$25.42	(\$7.51)	77%
Office / R&D - Per Sq Ft	\$6.14	\$31.47	\$29.15	(\$2.32)	93%
Industrial - Per Sq Ft	\$0.12	\$16.39	\$13.15	(\$3.24)	80%
Hotel - Per Sq Ft	\$3.05	\$46.64	\$3.50	(\$43.14)	8%

## ■ Library Impact Fee

- **Purpose:** To fund library infrastructure improvements (both materials and facilities) to maintain current service levels even with population growth as a result of future development

Impact Fee Category	Current Fee	Full Cost Fee	Proposed Fee	Surplus / (Deficit)	Cost Recovery %age
Low Density - Per Unit	\$0	\$1,691	\$693.28	(\$998)	41%
Medium Density - Per Unit	\$0	\$1,480	\$606.87	(\$873)	41%
High Density - Per Unit	\$0	\$1,260	\$516.44	(\$743)	41%
Comm./Retail - Per Sq Ft	\$0.00	\$0.07	\$0.07	\$0.00	100%
Office/R&D - Per Sq Ft	\$0.00	\$0.12	\$0.12	(\$0.00)	97%
Industrial - Per Sq Ft	\$0.00	\$0.04	\$0.04	\$0.00	95%
Hotel - Per Sq Ft	\$0.00	\$0.03	\$0.03	\$0.00	108%

# Proposed Changes to Existing Impact/In-Lieu Fees

## ■ Childcare Impact Fee

- **Purpose:** To fund projects or programs that ensures current childcare availability levels are maintained as SSF workforce and resident population grows as a result of additional development
- Current study reestablishes the nexus between new development and future childcare spaces
- Fee has not increased since 2007

Impact Fee Category	Current Fee	Full Cost Fee	Proposed Fee	Surplus / (Deficit)	Cost Recovery %age
Low Density - Per Unit	\$1,979	\$5,748	\$3,463.48	(\$2,284)	60%
Medium Density - Per Unit	\$1,858	\$5,034	\$3,033.16	(\$2,000)	60%
High Density - Per Unit	\$1,851	\$4,285	\$2,582.20	(\$1,703)	60%
Comm./Retail - Per Sq Ft	\$0.68	\$0.82	\$0.68	(\$0.14)	83%
Office/R&D - Per Sq Ft	\$0.57	\$1.49	\$1.26	(\$0.23)	85%
Industrial - Per Sq Ft	\$0.54	\$0.50	\$0.50	\$0.00	100%
Hotel - Per Sq Ft	\$0.18	\$0.32	\$0.25	(\$0.07)	78%

## ■ Public Safety Impact Fees

- **Purpose:** To fund expansion of public safety infrastructure to support new development
- Current study reestablishes the nexus between new development and the need to maintain Police and Fire facilities and equipment
- Fee has not increased since 2012

Impact Fee Category	Current Fee	Full Cost Fee	Proposed Fee	Surplus / (Deficit)	Cost Recovery %age
Low Density - Per Unit	\$1,285	\$1,758	\$1,387	(\$372)	79%
Medium Density - Per Unit	\$810	\$1,539	\$1,214	(\$325)	79%
High Density - Per Unit	\$563	\$1,310	\$1,033	(\$277)	79%
Comm./Retail - Per Sq Ft	\$0.44	\$0.66	\$0.44	(\$0.22)	66%
Office/R&D - Per Sq Ft	\$0.44	\$1.20	\$1.10	(\$0.10)	92%
Industrial - Per Sq Ft	\$0.18	\$0.40	\$0.40	\$0.00	100%
Hotel - Per Sq Ft	\$0.42	\$0.26	\$0.26	\$0.00	100%

## ■ Repeal of Cultural Arts / Landscape In-Lieu Fees

# Overview of Legislative Actions / Timing

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- **5 Ordinances**

- Adoption of Transportation Impact Fee
- Adoption of Library Impact Fee
- Adoption of Childcare Impact Fee
- Adoption of Public Safety Impact Fee
- Repeal of Landscaping In-Lieu Fee\*

- **4 Resolutions**

- Adoption of Transportation Impact Fee
- Adoption of Library Impact Fee
- Amendment of Childcare Impact Fee
- Amendment of Public Safety Impact Fee

- **Timing**

- Non-Residential – Fees go into effect 60 days from today
- Residential – Fees go into effect January 1, 2022
- Resolutions allow for annual increases related to benchmark indices (CCI or CPI)

\* Repeal of Landscaping In-Lieu Fee in effect 30 days from ordinance adoption

# QUESTIONS?

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