

STORM WATER IMPACT FEES UPDATE

PLEASANT GROVE, UTAH

PRESENTED BY:

ZIONS BANK PUBLIC FINANCE



IMPACT FEE BASICS

What is an Impact Fee?

- One time fee assessed at time of building permit issuance
- CAPITAL cost (not O&M) of providing service to new growth
- Impact fee assessed is the cost of capacity required per unit

Important Calculations

- Existing Facilities
- Number of Existing Users
- Excess Capacity
- Future Facilities
- Number of Future Users

CURRENT AND PROPOSED IMPACT FEES

- The City currently assesses an impact fee of approximately \$2,713 per acre of total lot or about \$680 per home on a ¼ acre lot
- Current Impact Fee Facility Plan (IFFP) projects result in an impact fee of about \$2,226 for a typical single family home
- The residential impact fee will be the same City-wide but the non-residential impact fee varies based upon on-site detention requirements

CAPITAL PROJECTS

- Approximately \$14.14M in projects will be required in the next ten years according to the IFFP, of which \$5.28M will be impact fee qualifying

By Component	2013 Cost	2013 Impact Fee Qualifying	Construction Cost (FV)	FV Non-Qualifying	FV Impact Fee Qualifying
Line Upsizing	9,132,384	1,905,912	11,106,832	8,788,857	2,317,976
Buildout Improvements	2,416,602	2,416,602	2,939,078	-	2,939,078
Master Plan Reviews	76,000	24,612	96,788	65,511	31,276
Total	\$ 11,624,986	\$ 4,347,126	\$ 14,142,699	\$ 8,854,368	\$ 5,288,331

Proposed Rate Increases

- Storm drain utility rates will gradually increase to fund the non-impact fee portion of projects
- Potential exists to issue bonds, but the decision will be largely dependent upon development timing

QUESTIONS

Matt Millis

801.935.0337

matthew.millis@zionsbank.com