

Summary: Impact Fee Analysis Report

Sandy City, Utah, has retained TischlerBise to determine growth-related infrastructure needs and calculate impact fees for the following infrastructure categories:

- Parks and Recreation
- Fire
- Police
- Water
- Storm Water

Impact fees are one-time payments used to construct system improvements needed to accommodate development. Impact fees for Sandy City are proportionate and reasonably related to the capital facility service demands of new development. Impact fees are necessary to achieve an equitable allocation of capital costs, in comparison to past and future benefits. Sandy City has complied with all requirements of Utah's Impact Fees Act.

After discussions with City staff, TischlerBise determined demand indicators for each type of public facility and calculated residential and nonresidential proportionate share factors. These factors are used to allocate costs by type of development. The formulas used to calculate the impact fees for the City of Sandy are diagrammed in a flow chart for each type of public facility in the respective chapter of this report. Also contained in this report are summary tables indicating the specific level of service (LOS) or infrastructure standards used to derive the impact fees.

Full detail is provided in the *Impact Fee Analysis Report (2014)*.

IMPACT FEE METHODOLOGIES

There are three basic methods used to calculate the impact fees. The **incremental expansion** method documents the current LOS for each type of public facility in both quantitative and qualitative measures. This method is best suited for public facilities that will be expanded incrementally in the future, with LOS standards based on current conditions in the community. The **plan-based** method is best suited for public facilities that have adopted plans or commonly accepted engineering standards to identify the need for capital projects. A **cost recovery** method may be used for facilities that have been oversized to

accommodate future development, at least for the next six years. The rationale for the cost recovery approach is that new development is paying for its share of the useful life or remaining capacity of the existing facility. To the extent that new growth and development is served by the previously constructed improvements, Utah’s Impact Fee Act allows the City to be reimbursed for the previously incurred public facility costs (see Utah Code §11-36a-304).

Another general requirement that is common to impact fee methodologies is the evaluation of credits. Past and future revenue credits have been evaluated to avoid potential double payment situations arising from the payment of a one-time impact fee and then subsequent payments of other revenues that may also fund growth-related capital improvements. General Fund revenues (such as property taxes) that are being used for public safety improvements have been accounted for in the impact fee calculations.

SUMMARY OF CURRENT AND PROPOSED IMPACT FEES

For comparison purposes, the City of Sandy’ **current** impact fees are shown in Figure 1.

Figure 1. City of Sandy Current Impact Fees

<i>Residential (per housing unit)</i>	<i>Parks</i>	<i>Fire EMS</i>	<i>Police</i>	<i>Trail</i>	<i>Water</i>	<i>Stormwater</i>
Single-Family Detached	\$3,269	\$165	\$71	\$46	Per Meter	Per Acre
Multi-Family	\$1,808	\$92	\$40	\$33	Per Meter	Per Acre
Mobile Home	\$1,808	\$92	\$40	\$24	Per Meter	Per Acre
<i>Nonresidential (1,000 Sq. Ft.)</i>						
Hotel/Motel (per room)	N/A	\$110	\$47	\$33	Per Meter	Per Acre
Retail/Shopping Center	N/A	\$322	\$140	\$86	Per Meter	Per Acre
Office/Institutional	N/A	\$206	\$89	\$54	Per Meter	Per Acre
Church/Synagogue	N/A	\$115	\$49	\$44	Per Meter	Per Acre
Elementary School/ Secondary School	N/A	\$301	\$130	\$15	Per Meter	Per Acre
Industrial	N/A	\$130	\$57	\$34	Per Meter	Per Acre
Warehouse	N/A	\$82	\$36	\$24	Per Meter	Per Acre
Mini-Warehouse	N/A	\$16	\$6	\$12	Per Meter	Per Acre

<i>Water Fees</i>	<i>Construction Water</i>	<i>Meter Connection</i>
3/4" meter	\$30	\$1,529
1" meter	\$30	\$2,141
1 1/2" meter	\$30	\$2,752
2" meter	\$30	\$4,434
3" meter	\$30	\$16,819
4" meter	\$30	\$21,406
6" meter	\$30	\$32,109
8" meter	\$30	\$44,341

<i>Storm Water Fees</i>	<i>Per Acre</i>
Flood Control Basin Fees (per acre)	\$4,333

Summary of Methodologies and Cost Components

Figure 2 summarizes the method used in the Impact Fee Analysis to derive each type of impact fee in the City of Sandy, plus each component that contributes to the impact fee.

Figure 2. Proposed Impact Fees: Methods and Cost Components

<i>Type of Impact Fee</i>	<i>Cost Recovery (past)</i>	<i>Incremental Expansion (present)</i>	<i>Plan-Based (future)</i>	<i>Cost Allocation</i>
1a. Parks and Recreation		Park improvements	Park land acquisition	<i>Population</i>
1b. Trails		Trail expansion		<i>Population/Average Weekday Vehicle Trips</i>
2. Fire		Fire Station Space		<i>Calls for Service</i>
3. Police	Police Space			<i>Calls for Service</i>
4. Water	System Improvements for Supply and Distribution		System Improvements for Storage and Distribution	<i>Average Day Water Demand</i>
6. Storm Water	System Improvements		System Improvements	<i>Acreage</i>

Summary of Proposed Impact Fees

The following series of figures provides summary schedules of the calculated updated **proposed** impact fees for Sandy City. The first table shows the calculated impact fee schedule for Parks, Fire, and Police. The second figure is the calculated impact fee schedule for Water; and the third figure is the calculated impact fee schedule for Storm Water.

Figure 3. Sandy City Proposed Impact Fees: Parks, Fire, and Police

<i>Residential (per housing unit)</i>	Parks and Recreation	Fire	Police	TOTAL [^]
Single Family	\$4,156	\$225	\$64	\$4,445
Multifamily	\$2,402	\$130	\$37	\$2,569
<i>Nonresidential (per 1,000 Sq. Ft.)</i>	Parks and Recreation ^{^^}	Fire	Police	TOTAL [^]
Commercial	\$220	\$271	\$160	\$651
Office	\$83	\$450	\$61	\$594
Industrial	\$29	\$242	\$21	\$292

[^] Without Water or Storm Water; see separate tables.

^{^^} Nonresidential Parks and Recreation impact fee only includes Trails component.

Figure 4. Sandy City Proposed Impact Fees: Water

<i>All Development Types</i>	Water Fee
<i>Water Meter (inches)</i>	Per Meter
.75 and smaller	\$2,265
1.00	\$3,171
1.50	\$4,077
2.00	\$6,569
3.00	\$24,920
4.00	\$31,716
6.00	\$47,575
8.00	\$65,698

Figure 5. Sandy City Proposed Impact Fees: Storm Water

<i>Residential</i>	Storm Water Fee
	Per Acre
Single Family	\$3,545
Multifamily	\$4,721
<i>Nonresidential</i>	Per Acre
Commercial	\$11,212
Office	\$8,879
Industrial	\$7,106