

Council Meeting of November 17,
2015

Agenda Item No. 6c

REQUEST FOR COUNCIL ACTION

SUBJECT: Reimbursement of Impact Fees Paid for Sun Ridge Assisted Living Center.

SUMMARY: The applicant has been approved to develop an assisted living facility with a 47,014 square foot building footprint. The facility will accommodate 65 residents in 64 care units, staffed by 13 employees. The development will be served by one 2" indoor water meter and one 1.5" irrigation meter. Total site acreage is 2.22 acres, located at 7037 South 4800 West.

The owners approached the City Staff about reducing the fees based on the non-standard type of land use being constructed on this property. Two separate analyses were conducted and submitted at the City's request to provide written documentation in support of an impact fee adjustment. Both parties agree that the currently applied impact fees are high for the assisted living center land use. Therefore reimbursements are recommended.

FISCAL AND OR ASSET IMPACT: The city will receive a deficit of \$64,378.50 from account #443824.

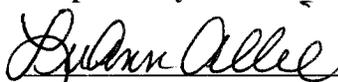
STAFF RECOMMENDATION:

Staff recommends that City Council adopt the fee schedule as proposed by Hales Engineering which adjusts the road fee only and leaves the fire and police fee the same. This would then provide a reimbursement to Sunset Village LLC/Cerito Development LLC, (Sun Ridge Assisted Living Center) in the amount of \$64,378.50.

MOTION RECOMMENDED:

I move we approve Resolution 15-206 authorizing staff to pay the reimbursement to Sunset Village LLC/Cerito Development LLC (Sun Ridge Assisted Living Center) in the amount of \$64,378.50.

Prepared by:


LuAnn Allie
ODA Dev Coordinator

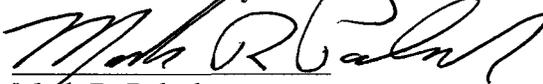
Reviewed by/Concur with:


David Oka, Community and Economic
Development Director

Reviewed as to legal form:


Darien Alcorn,
Interim City Attorney

Recommended by:


Mark R. Paless,
City Manager

BACKGROUND DISCUSSION: The Sun Ridge Assisted Living Center is a unique type of land use being constructed in West Jordan at 7037 South 4800 West and does not fit the typical road, police and fire impact fee categories currently utilized by the City to assess fees for future improvements. The owners of the Sun Ridge Assisted Living Center approached the City Staff about reducing the fees based on the non-standard type of land use being constructed on this property. Because of its unique characteristics, impact fees should be adjusted so that they more accurately reflect the true demands placed by new development on roads, water, sewer, storm water, police and fire/EMS capital facilities.

Typically, roadway impact fees are based on average daily traffic volumes due to the methodology followed to identify future municipal needs. The typical process includes the development of a Transportation Master plan which identifies new roads, and widening projects to narrow the gap between the existing transportation demand and the future demand (daily trips), on a city-wide basis. This process is completed utilizing a travel demand model, in the case of the Salt Lake Valley, most municipalities will use the Wasatch Front Regional Council's (WFRC) travel demand model as the backbone for this analysis. On occasion, a municipality will refine the model with updated land uses and planned roadway improvements, some of which are constructed by development. Following completion of the Transportation Master Plan, an Impact Fee Facilities Plan and an Impact Fee Analysis will be completed to identify a cost attributable to new development to cover the projected future improvements.

When a review of the Jordan Valley Station TOD site was completed by Hales Engineering in 2010, roadway impact fees in West Jordan were being assessed on a daily trip basis and impact fees were lowered to account for the lower impact of a mixed use transit oriented development, based on the fact that they would generate less traffic than a standard development.

The same premise applies to the Sun Ridge Assisted Living Center. Due to limited number of categories associated with the West Jordan Impact Fee schedule, the Sun Ridge Assisted Living Center roadway impact fees were calculated on a square foot basis of "Office" land use and totaled \$83,872.98. For comparison purposes, Hales Engineering calculated a daily trip generation rate for the Sun Ridge Assisted Living Center as if it were an office land use and as an assisted living facility. By comparison, the Sun Ridge Assisted Living Center will generate 172 daily trips compared to an office of the same size that will generate 740 daily trips. The roadway impacts generated by Sun Ridge Assisted Living Center will be 4.3 times lower than a comparable office space and 568 trips lower on a daily basis. Much of this is due to the fact that most of the assisted living residents no longer drive a personal vehicle.

It is Hales professional opinion that if the impact fees could be kept on a relative basis of comparison, e.g., $\$83,872.98/740$ daily trips = $\$113.34/\text{daily trip}$, then the impact fees for the Sun Ridge Assisted Living Center could be calculated by multiplying the daily trips by the per trip rate assessed for office space, e.g., 172 daily trips X $113.34/\text{trip}$ = $\$19,494.48$, therefore the fees are still charged at the same rate, however, the lower intensity use can pay for their appropriate and proportionate impact.

TischlerBise explored another approach to determine the increased demand on the City's infrastructure due to the construction of the proposed assisted living facility. They based Police and Fire fees on residential per person impact of the development. Additionally, TischlerBise created a custom Roads fee using a special trips generation rate from the

Institute for Transportation Engineers (ITE) trip Generation Manual. As noted above, the residential impact of the development is an additional 65 residents. Based on the cost per person for each category, (65 X \$61.29 = \$3,983.98), the Fire fee will be a \$3,983.98 and (65 X \$36.55 = \$2,375.50) the Police fee will be \$2,375.50. Using ITE's rate of 2.74 trips per occupied bed specified under ITE code 254: Assisted Living Facility, they calculated a total of 178.1 trips per weekday for a facility with 65 beds (at maximum occupancy). With a standard 50% trip adjustment rate, total trips generated is multiplied by West Jordan's average miles per vehicle trip (5.22), cost per vehicle mile of travel (82.84), and trip length adjustment factor from the 2001 National Household Travel Survey for "other Family/Personal Errands" (75%), resulting in a total Road fee of \$28,859.00. The City of West Jordan's Storm water fee is calculated based on capital costs associate with varying levels of impervious surface area. The building footprint of 42,518 square feet plus impervious surface area (asphalt and concrete) of 19,685 square feet totals 62,203 square feet, or 64% of 2.22 acres. This percent impervious figure most closely aligns with the Industrial category (60% impervious), per the Salt Lake City Hydrology Manual (1993) referenced in the City's 2013 impact fee study. Thus, since impervious area strongly correlates with overall need for storm water infrastructure, TischlerBise used the Industrial capital cost per acre of \$12,081 for the proposed assisted living facility. This resulted in a total cost of \$26,819.00. TischlerBise calculates the Sun Ridge Assisted Living Facility would create new demands on City infrastructure that equates to \$85,625.90 in total costs. (\$62,037.90 for Fire, Police, Roads and Storm Drain).

See **Exhibit 1** for cost comparisons of Fees paid in regards to Fire, Police, Roads and Storm Drain by Sun Ridge Assisted Living Center, and estimates from Hales Engineering and TischlerBise with reimbursements amounts.

Exhibit 1

Impact Fees

Sun Ridge Assisted Living Center

	Fire	Police	Roads	Storm Drain	
West Jordan Fees	\$ 9,543.84	\$ 3,337.99	\$ 83,872.98	\$ 33,542.22	\$ 130,297.03
Tischler/Bise Changes	\$ 3,983.98	\$ 2,375.50	\$ 28,859.00	\$ 26,819.42	\$ 62,037.90
Hales Eng Changes	\$ 9,543.84	\$ 3,337.99	\$ 19,494.48	\$ 33,542.22	\$ 65,918.53
Tischler/Bise Reimbursement -		\$ 68,259.13			
Hales Engineering Reimbursement -		\$ 64,378.50			

THE CITY OF WEST JORDAN, UTAH

A Municipal Corporation

RESOLUTION NO. 15-206

A RESOLUTION AUTHORIZING THE MAYOR TO APPROVE THE APPEAL TO CITY COUNCIL TO REIMBURSE IMPACT FEES IN EXCESS OF THE PERCENTAGE OF REASONABLE COSTS BETWEEN THE CITY OF WEST JORDAN AND SUNSET VILLAGE LLC/CERITO DEVELOPMENT, LLC (SUN RIDGE ASSISTED LIVING CENTER).

Whereas, the City Council of the City of West Jordan has determined that it is in the best interest of the City to reimburse the impact fees found in excess of the percentage of reasonable costs to be recovered, and

Whereas, the City Council of the City of West Jordan desires that the reimbursement be paid by City Staff; and

Whereas, the Mayor is authorized to execute the reimbursement.

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST JORDAN, UTAH, THAT:

Section 1. The City Staff is hereby authorized and directed to reimburse impact fees found in excess of the percentage of reasonable costs of the Sunset Village LLC/Cerito Development LLC, (Sun Ridge Assisted Living Center) in the amount of \$64,378.50.

Section 2. This Resolution shall take effect immediately upon passage.

Adopted by the City Council of West Jordan, Utah, this ____ day of _____, 2015.

CITY OF WEST JORDAN

By: _____
Mayor Kim V. Rolfe

ATTEST:

Melanie S. Briggs, City Clerk/Recorder

Voting by the City Council

"AYE"

"NAY"

Jeff Haaga

Judy Hansen

Chris McConnehey

Chad Nichols

Ben Southworth

Sophie Rice

Mayor Kim V. Rolfe
