PARKS & RECREATION IMPACT FEE FACILITIES PLAN (IFFP) AND IMPACT FEE ANALYSIS (IFA)

CITY OF SOUTH SALT LAKE, UTAH

APRIL 2016

NOTICING DRAFT

LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.
GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM

TABLE OF CONTENTS

IMPACT FEE CERTIFICATION 3

SECTION 1: EXECUTIVE SUMMARY 4
PROPOSED PARKS AND RECREATION IMPACT FEE 4

SECTION 2: GENERAL IMPACT FEE METHODOLOGY 6

SECTION 3: DEMAND ANALYSIS 8
DEMAND UNITS 8

SECTION 4: EXISTING FACILITIES INVENTORY 9
LAND VALUE 10
MANNER OF FINANCING EXISTING PUBLIC FACILITIES 11

SECTION 5: LEVEL OF SERVICE ANALYSIS 12
LEVEL OF SERVICE STANDARDS 12

SECTION 6: CAPITAL FACILITY ANALYSIS 13
SYSTEM VS. PROJECT IMPROVEMENTS 14
FUNDING OF FUTURE FACILITIES 14
EQUITY OF IMPACT FEES 15
NECESSITY OF IMPACT FEES 15

SECTION 7: PARKS & RECREATION IMPACT FEE CALCULATION 16
PROPOSED PARKS AND RECREATION IMPACT FEE 16
CONSIDERATION OF ALL REVENUE SOURCES 17
EXPENDITURE OF IMPACT FEES 17
PROPOSED CREDITS OWED TO DEVELOPMENT 17
GROWTH-DRIVEN EXTRAORDINARY COSTS 17
SUMMARY OF TIME PRICE DIFFERENTIAL 17

APPENDIX A: EXISTING FACILITIES INVENTORY 18

DRAFT

IMPACT FEE CERTIFICATION

IMPACT FEE FACILITIES PLAN (IFFP) CERTIFICATION

LYRB certifies that the attached impact fee facilities plan:

1. includes only the costs of public facilities that are:
    a. allowed under the Impact Fees Act; and
    b. actually incurred; or
    c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
    a. costs of operation and maintenance of public facilities;
    b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
    c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement; and,
3. complies in each and every relevant respect with the Impact Fees Act.

IMPACT FEE ANALYSIS (IFA) CERTIFICATION

LYRB certifies that the attached impact fee analysis:

1. includes only the costs of public facilities that are:
    a. allowed under the Impact Fees Act; and
    b. actually incurred; or
    c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
    a. costs of operation and maintenance of public facilities;
    b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
    c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement;
    d. offsets costs with grants or other alternate sources of payment; and,
3. complies in each and every relevant respect with the Impact Fees Act.

Lewis Young Robertson & Burningham, Inc. makes this certification with the following caveats:

1. All of the recommendations for implementations of the IFFP made in the IFFP documents or in the IFA documents are followed by City staff and elected officials.
2. If all or a substantial portion of the IFFP or IFA are modified or amended by the City, this certification is no longer valid.
3. All information provided to LYRB is assumed to be correct, complete, and accurate. This includes information provided by the City as well as outside sources.

LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.

DRAFT

SECTION 1: EXECUTIVE SUMMARY

The purpose of the Parks and Recreation Impact Fee Analysis ("IFA"), is to fulfill the requirements established in Utah Code Title 11 Chapter 36a, the "Impact Fees Act", and assist the City of South Salt Lake (the "City") in financing and constructing necessary capital improvements for future development and growth. The following summarizes the inputs utilized in this analysis.

- **Service Area:** The service area for purposes of the City's parks and recreation impact fees includes all areas within the City.

- **Demand Analysis:** The demand unit used in this analysis is **population**. The City's current population is approximately **24,995**. Based on reasonable growth estimates provided in the IFFP, the service area should reach a population of approximately **27,611 residents by 2025**. As a result of new growth, the City will need to construct additional parks and recreation facilities to maintain the existing level of service (LOS).

- **Level of Service:** The level of service (LOS) for this analysis is based on maintaining the existing level of investment in current parks and recreation facilities. The LOS consists of two components – the **land value per capita** and the **improvement value per capita** (or the cost to purchase land and make improvements in today's dollars), resulting in a total value per capita for parks and recreation of approximately **$714 per capita**. The level of service is shown in more detail in **SECTIONS 4 AND 6**.

- **Excess Capacity:** No buy-in component was considered in this analysis. The existing inventory of parks and recreation has been included in the current calculation of LOS and therefore no capacity projects are outside or beyond this LOS.

- **Capital Facilities Analysis:** Based on the expected changes in population over the planning horizon (ten years), the City will need to invest approximately **$1.6 to $1.9 million** in parks and recreation in order to maintain the existing LOS. For further details, **SEE SECTION 6**.

- **Funding of Future Facilities:** Impact fees will continue to be a significant source of funding for parks and recreation infrastructure as they are an appropriate and fair mechanism for funding growth-related infrastructure.

PROPOSED PARKS AND RECREATION IMPACT FEE

The IFFP must properly complete the legislative requirements found in the Impact Fee Act if it is to serve as a working document in the calculation of appropriate impact fees. The calculation of impact fees relies upon the information contained in this analysis. Impact fees are then calculated based on many variables centered on proportionality share and level of service. The following describes the methodology used for calculating impact fees in this analysis.

GROWTH-DRIVEN (PERPETUATION OF EXISTING LOS)

The methodology utilized in this analysis is based on the increase, or **growth**, in residential demand. The growth-driven method utilizes the existing level of service and perpetuates that level of service into the future. Impact fees are then calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development provides sufficient investment to maintain the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (i.e. park facilities).

Utilizing the estimated value per capita by park type and the value per capita to provide the same level of improvements, the fee per capita is **$714**. With the addition of the professional expense the total fee per capita is **$719**, as provided in **TABLE 1.1**.

TABLE 1.1: ESTIMATE OF IMPACT FEE VALUE PER CAPITA

	LAND VALUE PER CAPITA	VALUE OF IMPROVEMENTS PER CAPITA	TOTAL VALUE PER CAPITA
Parks, Facilities, and Trails			
All Parks	$327	$272	$599
Indoor Recreation Space	-	$91	$91
Trails	-	$22	$22
Bike Trails	-	$1	$1
Total Parks, Facilities, and Trails	**$327**	**$387**	**$714**
Other			
Professional Services Expense[1]		$8,700	$6
Estimate of Impact Fee Per Capita			**$719**

Based on the per capita fee, the proposed impact fee per household is summarized in **TABLE 1.2.**

TABLE 1.2: PARK IMPACT FEE SCHEDULE

IMPACT FEE PER HH	PERSONS PER HH	FEE PER HH
Single Family	2.67	$1,920
Multi Family	2.56	$1,841

If the City does not plan to construct additional indoor recreation space in the next six to ten years, an alternative impact fee schedule is found below which removes the indoor recreation space component from the calculation of the impact fee.

TABLE 1.3: ALTERNATIVE IMPACT FEE VALUE PER CAPITA

	LAND VALUE PER CAPITA	VALUE OF IMPROVEMENTS PER CAPITA	TOTAL VALUE PER CAPITA
Parks, Facilities, and Trails			
All Parks	$327	$272	$599
Trails	-	$22	$22
Bike Trails	-	$1	$1
Total Parks, Facilities, and Trails	**$327**	**$296**	**$623**
Other			
Professional Services Expense[2]		$8,700	$6
Estimate of Impact Fee Per Capita			**$628**

Based on the per capita fee, the proposed impact fee per household is summarized in **TABLE 1.4.**

TABLE 1.4: ALTERNATIVE PARK IMPACT FEE SCHEDULE

IMPACT FEE PER HH	PERSONS PER HH	FEE PER HH
Single Family	2.67	$1,677
Multi Family	2.56	$1,608

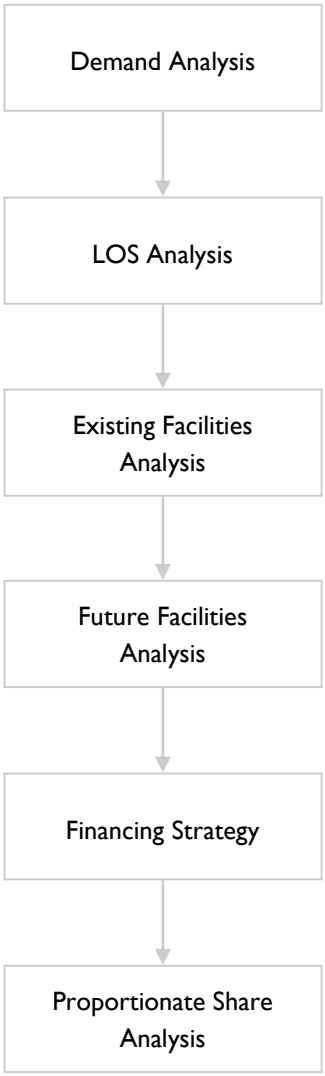
NON-STANDARD PARK IMPACT FEES

The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon public facilities.[3] This adjustment could result in a lower impact fee if the City determines that a particular user may create a different impact than what is standard for its land use.

[1] This is the actual cost to update the IFFP and IFA. The City can use this portion of the impact fee to reimburse itself for the expense of updating the IFFP and IFA. The cost is divided over the population added in the next six years.
[2] This is the actual cost to update the IFFP and IFA. The City can use this portion of the impact fee to reimburse itself for the expense of updating the IFFP and IFA. The cost is divided over the population added in the next six years.
[3] 11-36a-402(1)(c)

SECTION 2: GENERAL IMPACT FEE METHODOLOGY

FIGURE 2.1: IMPACT FEE METHODOLOGY



The purpose of this study is to fulfill the requirements of the Impact Fees Act regarding the establishment of an IFFP and IFA. The IFFP is designed to identify the demands placed upon the City's existing facilities by future development and evaluate how these demands will be met by the City. The IFFP is also intended to outline the improvements which are intended to be funded by impact fees. The IFA is designed to proportionately allocate the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered. Each component must consider the historic level of service provided to existing development and ensure that impact fees are not used to raise that level of service. The following elements are important considerations when completing an IFFP and IFA:

DEMAND ANALYSIS

The demand analysis serves as the foundation for the IFFP. This element focuses on a specific demand unit related to each public service – the existing demand on public facilities and the future demand as a result of new development that will impact public facilities.

LEVEL OF SERVICE ANALYSIS

The demand placed upon existing public facilities by existing development is known as the existing "Level of Service" ("LOS"). Through the inventory of existing facilities, combined with the growth assumptions, this analysis identifies the level of service which is provided to a community's existing residents and ensures that future facilities maintain these standards. Any excess capacity identified within existing facilities can be apportioned to new development. Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities.

EXISTING FACILITY INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, the Impact Fee Facilities Plan provides an inventory of the City's existing system improvements. To the extent possible, the inventory valuation should consist of the following information:

- Original construction cost of each facility;
- Estimated date of completion of each future facility;
- Estimated useful life of each facility; and,
- Remaining useful life of each existing facility.

The inventory of existing facilities is important to properly determine the excess capacity of existing facilities and the utilization of excess capacity by new development.

FUTURE CAPITAL FACILITIES ANALYSIS

The demand analysis, existing facility inventory and LOS analysis allow for the development of a list of capital projects necessary to serve new growth and to maintain the existing system. This list includes any excess capacity of existing facilities as well as future system improvements necessary to maintain the level of service. Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities.

DRAFT

FINANCING STRATEGY – CONSIDERATION OF ALL REVENUE SOURCES

This analysis must also include a consideration of all revenue sources, including impact fees, future debt costs, alternative funding sources and the dedication (aka donations) of system improvements, which may be used to finance system improvements.[4] In conjunction with this revenue analysis, there must be a determination that impact fees are necessary to achieve an equitable allocation of the costs of the new facilities between the new and existing users.[5]

PROPORTIONATE SHARE ANALYSIS

The written impact fee analysis is required under the Impact Fees Act and must identify the impacts placed on the facilities by development activity and how these impacts are reasonably related to the new development. The written impact fee analysis must include a proportionate share analysis, clearly detailing each cost component and the methodology used to calculate each impact fee. A local political subdivision or private entity may only impose impact fees on development activities when its plan for financing system improvements establishes that impact fees are necessary to achieve an equitable allocation to the costs borne in the past and to be borne in the future (UCA 11-36a-302).

DRAFT

[4] 11-36a-302(2)
[5] 11-36a-302(3)

SECTION 3: DEMAND ANALYSIS

The purpose of this document is to establish a LOS based on the facilities and amenities funded by the City within the service area. The current LOS for parks and recreation is based on the City's residential population. The LOS consists of two components – the **land value per capita** and the **improvement value per capita** (or the cost to purchase the land and make improvements in today's dollars), resulting in a total value per capita for parks and recreation.

DEMAND UNITS

The demand unit used in this analysis is **population.** The population projections are based on several sources including Census data, GOMB estimates, and City data. The average annual Census growth rate from 2000 to 2010 is approximately 0.69 percent, while GOMB projections from 2010 to 2020 use a growth rate of 1.29 percent. The City's current Master Plan assumes a growth rate of one percent. Based on these sources, the City has determined that one percent is a reasonable growth rate for the impact fee calculations. Census 2014 data shows the City's population to be 24,748. Using a growth rate of one percent, the City estimates 2015 population to be 24,995.

TABLE 3.1: FUTURE DEMAND PROJECTIONS

YEAR	POPULATION PROJECTIONS
2014	24,748
2015	24,995
2016	25,245
2017	25,498
2018	25,753
2019	26,010
2020	26,271
2021	26,533
2022	26,799
2023	27,067
2024	27,337
2025	27,611

Source: LYRB, based on Census data for 2014 and a one percent growth rate.

TABLE 3.2: RESIDENTS PER HOUSEHOLD

	PERSONS PER HOUSEHOLD
Single-Family	2.67
Multi-Family	2.56

Source: LYRB estimated household size based on 2009-2013 ACS data.

The future population in the City is used to determine the additional parks and recreation needs. The level of service standards for each of these types of improvements has been calculated, and a blended level of service determined for the future population, giving the City flexibility to provide future residents the types of improvements that are desired. If growth projections and land use planning changes significantly in the future, the City will need to update the parks and recreation projections, the IFFP, and the impact fees. The City anticipates the service area should reach a population of approximately 27,611 in 2025. This is an increase of approximately 2,615 residents within in the impact fee horizon. As a result of this growth, the City will need to construct additional parks and recreation facilities to maintain the existing level of service.

DRAFT

SECTION 4: EXISTING FACILITIES INVENTORY

The City's existing inventory for parks, indoor recreation space, and trails is shown in **TABLE 4.1** and **4.2.** See **APPENDIX A** for a detailed list of park facilities and amenities. The improvement value for parks and trails is based on the existing improvements to each type of facility and are calculated on a per acre basis for parks.

The city-owned acreage and estimated improvement value illustrated below will be the basis for the LOS analysis discussed in **SECTION 5.** In this analysis, indoor recreation space has been included in the LOS instead of treated as a buy-in component. The reason for the inclusion of indoor recreation space in the LOS is that the City has determined that these facilities are currently at capacity based on programmable space and existing utilization. As a result, the City anticipates building additional indoor recreation space in the future.

TABLE 4.1: ACREAGE OF EXISTING PARKS AND RECREATION

ALL PARKS	FINAL IMPACT FEE ACRES	ESTIMATED LAND VALUE FOR CITY OWNED ACRES	2015 EST. CITY FUNDED IMPROV. VALUE
Central Park	6.5	$3,346,244	$1,340,909
Fitts Park	7.3	$3,758,090	$3,399,165
Gateway Garden	0.2	$102,961	$264,853
Historic Scott School Great Lawn and Gardens	0.6	$308,884	$410,135
Lincoln Park	-	-	$66,000
Lions Park	-	-	$645,975
McCall Park	0.50	$257,403	$196,653
Millcreek Trailhead Park	-	-	$5,817
Columbus Center Green Space (detention)	0.65	$334,624	$333,850
Columbus Center Green Space (leased)	-	-	$100,375
General Holm Park	-	-	-
Harmony Park	-	-	-
James Madison Park	-	-	-
Whitlock Park	0.11	$56,629	$41,800
Total Parks	**15.86**	**$8,164,836**	**$6,805,530**
INDOOR RECREATION SPACE	**FINAL IMPACT FEE ACRES**	**ESTIMATED LAND VALUE FOR CITY OWNED ACRES**	**2015 EST. CITY FUNDED IMPROV. VALUE**
CENTRAL PARK COMMUNITY CENTER	**-**	**-**	
Gym, Rec Room, Kitchen and Recreation Storage Room	-	-	642,237
Boxing Gym	-	-	251,327
Fitness Room	-	-	111,356
COLUMBUS CENTER	**-**	**-**	**-**
Gymnasium	-	-	389,940
"Overflow Room" (senior center fitness equipment, pool table and ping pong, and rec storage)	-	-	213,109
Auditorium (used for dance and fitness)	-	-	426,412
2 Classrooms (hardwood floors used for karate, dance, etc.)	-	-	238,135
Total Indoor Recreation Space	**-**	**-**	**$2,272,516**
TRAILS	**CITY FUNDED PAVED MILES**	**ESTIMATED LAND VALUE FOR CITY OWNED ACRES**	**2015 EST. CITY FUNDED IMPROV. VALUE**
Parley's Trail	-	-	-
Millcreek Trail	-	-	-
Meadowbrook Trail	0.55	-	$119,900
Jordan River Parkway Trail	2	-	$436,000
Total Trails	**2.55**	**$0**	**$555,900**

DRAFT

BIKE TRAILS	CITY FUNDED PAVED MILES	ESTIMATED LAND VALUE FOR CITY OWNED ACRES	2015 EST. CITY FUNDED IMPROV. VALUE
500 East Bike route (SLC + SSL)	1.75	-	$10,377
300 East Bike Lane	2.6	-	$15,417
West Temple Bike Lane	1.75	-	$10,377
Main Street Bike Lane	-	-	-
500 West Bike Lane	-	-	-
700 West Bike Lane	-	-	-
2700 South Bike Lane	-	-	-
Total Bike Trails	**6.1**	**-**	**$36,171**

Existing parks include a variety of services including: basketball courts, playgrounds, restrooms and other amenities as listed below.

TABLE 4.2: EXISTING PARK FACILITY IMPROVEMENTS

	MEASUREMENT	TOTAL AMENITIES
Baseball	Each	1
Basketball Court	Each	2
Benches	Each	56
Community Garden Plots	Each	24
Concessions	Each	1
Dog Park	Each	1
Fence (per foot)	Each	2,762
Turf & Event Lawn	Each	10
Jogging/walking path (miles)	Each	1
Lighting	Each	39
Multi-purpose fields	Each	1
Parking Lot (stalls)	Miles	314
Small Pavilion	Sq. Ft.	-
Medium Pavilion	Each	3
Large Pavilion	Each	1
Picnic Tables	Each	8
Small Playground	Each	2
Medium Playground	Each	2
Large Playground	Each	3
Playground Canopies	Each	1
Restroom	Foot	2
Soccer (goal posts)	Acres	2
Veterans Memorial	Acres	1
Indoor Recreation Space	Sq. Ft.	23,428

LAND VALUE

It is noted that current costs are used strictly to determine the actual cost, in today's dollars, of duplicating the current level of service for future development in the City, and does not reflect the value of the existing improvements within the City. The City estimates that the value for residential land is approximately $514,807 per acre. This is based off of several recent land purchases and estimates by the City and includes the cost to purchase land for Central Park in 2009, an additional acre of land in 2007 that included the Historic Scott School and Pioneer House, and the cost to purchase the land surrounding Granite High School.

TABLE 4.3: LAND VALUE ASSUMPTIONS

ASSUMPTIONS	
2015 Population	24,995
Land Value per Acre	$514,807

DRAFT

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City's existing parks and recreation infrastructure has been funded through a combination of general fund revenues and donations. General fund revenues include a mix of property taxes, sales taxes, federal and state grants, and any other available general fund revenues. While the City has received some donations to fund parks and trails facilities, all park land and improvements funded through donations have been excluded in the impact fee calculations. See **APPENDIX A** for a detailed list of land and improvements that have been excluded from the calculation of the impact fee. Parks such as General Holm Park, Harmony Park, and James Madison Park have been excluded from the impact fee calculation since these parks are owned by Salt Lake County. Portions of Fitts Parks and Lions Park were donated and have also been excluded from the impact fee calculation.

DRAFT

SECTION 5: LEVEL OF SERVICE ANALYSIS

LEVEL OF SERVICE STANDARDS

The level of service (LOS) for this analysis is based on maintaining the existing level of investment in current parks and recreation facilities. The LOS consists of two components – the land value per capita and the improvement value per capita funded by the City (or the cost to purchase the land and make improvements in today's dollars), resulting in a total value per capita for parks and recreation. Using the estimated improvement value per type of park shown in **TABLE 5.1** and the existing population for 2015, the value per capita (or LOS) is calculated below. This approach uses current construction costs to determine the current value. It is assumed that the City will continue to maintain the current level of service standard through the collection and expenditure of impact fees.

Table 5.1 below shows the LOS for parks and recreation in the defined service area.

TABLE 5.1: EXISTING PARK ACREAGE LEVEL OF SERVICE

	LAND VALUE PER CAPITA	IMPROVEMENT VALUE PER CAPITA	TOTAL VALUE PER CAPITA
All Parks	$327	$272	$599
Indoor Recreation Space	$0	$91	$91
Trails	$0	$22	$22
Bike Trails	$0	$1	$1
Total	**$327**	**$387**	**$714**

Land values are estimated conservatively using recent comparable land purchases by the City.

The calculation of impact fees relies upon the information contained in this analysis. The timing of construction for development-related park facilities will depend on the rate of development and the availability of funding. For purposes of this analysis, a specific construction schedule is not required. The construction of park facilities can lag behind development without impeding continued development activity. This analysis assumes that construction of needed park facilities will proceed on a pay-as-you-go basis, and assumes a standard annual dollar amount the City should anticipate collecting and plan to expend on park improvements.

DRAFT

SECTION 6: CAPITAL FACILITY ANALYSIS

Future planning for park land is an ongoing process based on the changes in population and community preference. The City will purchase and improve parks and recreation facilities to maintain the level of service (LOS) defined in this document. Actual future improvements will be determined as development occurs and the opportunity to acquire and improve park land arises. Impact fees will only be assessed the proportionate fee to maintain the existing LOS.

Based on the expected changes in population over the planning horizon, the City will need to invest approximately $1.9 million in parks and recreation to maintain the existing LOS. **This assumes the City will grow by 2,615 persons through 2025.** The City may invest in parks and recreation facilities at a higher level, however impact fees cannot be used to increase the existing LOS.

TABLE 6.1: ILLUSTRATION OF PARKS AND RECREATION INVESTMENT NEEDED TO MAINTAIN LOS

TYPE OF IMPROVEMENT	TOTAL VALUE PER CAPITA	POPULATION INCREASE IFFP HORIZON (2015 – 2025)	COST TO PARKS OVER IFFP HORIZON
All Parks	$599	2,615	$1,566,232
Indoor Recreation Space	$91	2,615	$237,755
Trails	$22	2,615	$58,159
Bike Trails	$1	2,615	$3,784
Total	**$714**		**$1,865,931**

If the City does not plan to construct additional indoor recreation space in the next six to ten years, alternatively, the City would need to invest approximately $1.6 million in parks and recreation to maintain the existing LOS.

TABLE 6.2: ILLUSTRATION OF PARKS AND RECREATION INVESTMENT NEEDED TO MAINTAIN LOS

TYPE OF IMPROVEMENT	TOTAL VALUE PER CAPITA	POPULATION INCREASE IFFP HORIZON (2015 – 2025)	COST TO PARKS OVER IFFP HORIZON
All Parks	$599	2,615	$1,566,232
Trails	$22	2,615	$58,159
Bike Trails	$1	2,615	$3,784
Total	**$623**		**$1,628,175**

The City has identified a list of potential capital projects for parks and recreation in the existing Parks, Open Space, Trails, and Community Facilities Master Plan completed in 2015. This list is provided in table 6.3. The City anticipates the cost of these facilities to be approximately $17.2 million. These facilities will be funded through a combination of RDA funds, impact fees, development agreements, City funds, assistance from the County or through grants and donations.

TABLE 6.3: POTENTIAL COST AND FUNDING OF FUTURE PARKS (CAPITAL PROJECT LIST)

NAME	PROPERTY COST	IMPROVEMENT COST	TOTAL COST	POTENTIAL CITY FUNDING	POTENTIAL OTHER FUNDING
Downtown Park	$3,000,000	$3,000,000	$6,000,000	$6,000,000	$0
Greenway Park	$3,000,000	$3,000,000	$6,000,000	$6,000,000	$0
S-Line Greenway	$0	$625,000	$625,000	$625,000	$0
Columbus Park	$400,000	$450,000	$850,000	$850,000	$0
West Fitts Park	$50,000	$500,000	$550,000	$550,000	$0
Granite High (per acre)	$450,000	$500,000	$950,000	TBD	TBD
Carlisle Park	$0	$250,000	$250,000	$250,000	$250,000
Overlook Park	$0	$125,000	$125,000	$125,000	$125,000
Total	**$7,600,000**	**$9,450,000**	**$17,250,000**	**$15,250,000**	**$1,875,000**

Source: City of South Salt Lake, Parks, Open Space, Trails, and Community Facilities Master Plan 2015

DRAFT

SYSTEM VS. PROJECT IMPROVEMENTS

System improvements are defined as existing and future public facilities designed and intended to provide services to service areas within the community at large.[6] Project improvements are improvements and facilities that are planned and designed to provide service for a specific development (resulting from a development activity) and considered necessary for the use and convenience of the occupants or users of that development.[7] The Impact Fee Analysis may only include the costs of impacts on system improvements related to new growth within the proportionate share analysis. Only park facilities that serve the entire community are included in the level of service.

FUNDING OF FUTURE FACILITIES

The IFFP must also include a consideration of all revenue sources, including impact fees and developer dedications of system improvements, which may be used to finance system improvements.[8] In conjunction with this revenue analysis, there must be a determination that impact fees are necessary to achieve an equitable allocation of the costs of the new facilities between the new and existing users.[9]

PROPERTY TAX REVENUES

Property tax revenues are not specifically identified in this analysis as a funding source for capital projects, but may be used as a funding mechanism within the General Fund for future park improvements.

GRANTS AND DONATIONS

The City does not anticipate any donations from new development for future system-wide capital improvements related to park facilities. A donor will be entitled to a reimbursement for the negotiated value of system improvements funded through impact fees if donations are made by new development.

The City may receive grant monies to assist with park construction and improvements. This analysis has removed all funding that has come from federal grants and donations to ensure that none of those infrastructure items are included in the level of service. Therefore, the City's existing "level of service" standards have been funded by the City's existing residents. Funding the future improvements through impact fees places a similar burden upon future users as that which has been placed upon existing users through impact fees, property taxes, user fees, and other revenue sources.

IMPACT FEE REVENUES

Impact fees are an ideal mechanism for funding growth-related infrastructure. Impact fees are currently charged to ensure that new growth pays its proportionate share of the costs for the development of public infrastructure. Impact fee revenues can also be attributed to the future expansion of public infrastructure if the revenues are used to maintain an existing level of service. Increases to an existing level of service cannot be funded with impact fee revenues. Analysis is required to accurately assess the true impact of a particular user upon the City infrastructure and to prevent existing users from subsidizing new growth.

DEBT FINANCING

In the event the City has not amassed sufficient impact fees in the future to pay for the construction of time sensitive or urgent capital projects needed to accommodate new growth, the City must look to revenue sources other than impact fees for funding. The Impact Fees Act allows for the costs related to the financing of future capital projects to be legally included in the impact fee. This allows the City to finance and quickly construct infrastructure for new development and reimburse itself later from impact fee revenues for the costs of issuing debt (i.e. interest costs). Debt financing has not been considered in the calculation of the parks and recreation impact fee.

[6] 11-36a-102(20)
[7] 11-36a102(13)
[8] 11-36a-302(2)
[9] 11-36a-302(3)

EQUITY OF IMPACT FEES

Impact fees are intended to recover the costs of capital infrastructure that relate to future growth. The impact fee calculations are structured for impact fees to fund 100% of the growth-related facilities identified in the proportionate share analysis as presented in the impact fee analysis. Even so, there may be years that impact fee revenues cannot cover the annual growth-related expenses. In those years, other revenues, such as general fund revenues, will be used to make up any annual deficits. Any borrowed funds are to be repaid in their entirety through impact fees.

NECESSITY OF IMPACT FEES

An entity may only impose impact fees on development activity if the entity's plan for financing system improvements establishes that impact fees are necessary to achieve parity between existing and new development. This analysis has identified the improvements to public facilities and the funding mechanisms to complete the suggested improvements. Impact fees are identified as a necessary funding mechanism to help offset the costs of new capital improvements related to new growth. In addition, alternative funding mechanisms are identified to help offset the cost of future capital improvements.

DRAFT

SECTION 7: PARKS & RECREATION IMPACT FEE CALCULATION

The calculation of impact fees relies upon the information contained in this analysis. Impact fees are calculated based on many variables centered on proportionality and level of service. The following paragraphs briefly discuss the methodology for calculating impact fees.

PROPOSED PARKS AND RECREATION IMPACT FEE

GROWTH-DRIVEN (PERPETUATION OF EXISTING LOS)

The methodology utilized in this analysis is based on the increase, or **growth**, in residential demand. The growth-driven method utilizes the existing level of service (LOS) and perpetuates that LOS into the future. Impact fees are then calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development provides sufficient investment to maintain the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (i.e. park facilities).

PARKS AND RECREATION IMPACT FEE CALCULATION

Utilizing the estimated value per capita by park type and the value per capita to provide the same level of improvements, the fee per capita is **$714**. With the addition of the professional expense the total fee per capita is **$719**, as provided in **TABLE 7.1** below.

TABLE 7.1: ESTIMATE OF IMPACT FEE VALUE PER CAPITA

	LAND VALUE PER CAPITA	VALUE OF IMPROVEMENTS PER CAPITA	TOTAL VALUE PER CAPITA
Parks, Facilities, and Trails			
All Parks	$327	$272	$599
Community Centers	-	$91	$91
Trails	-	$22	$22
Bike Trails	-	$1	$1
Total Parks, Facilities, and Trails	**$327**	**$387**	**$714**
Other			
Professional Services Expense[10]		$8,700	$6
Estimate of Impact Fee Per Capita			**$719**

Based on the per capita fee, the proposed impact fee per household is summarized in **TABLE 7.2.**

TABLE 7.2: PARK IMPACT FEE SCHEDULE

IMPACT FEE PER HH	PERSONS PER HH	FEE PER HH
Single Family	2.67	$1,920
Multi Family	2.56	$1,841

If the City does not plan to construct additional indoor recreation space in the next six to ten years, an alternative impact fee schedule is found below which removes the indoor recreation space component from the calculation of the impact fee.

TABLE 7.3: ALTERNATIVE IMPACT FEE VALUE PER CAPITA

	LAND VALUE PER CAPITA	VALUE OF IMPROVEMENTS PER CAPITA	TOTAL VALUE PER CAPITA
Parks, Facilities, and Trails			
All Parks	$327	$272	$599
Trails	-	$22	$22
Bike Trails	-	$1	$1

[10] This is the actual cost to update the IFFP and IFA. The City can use this portion of the impact fee to reimburse itself for the expense of updating the IFFP and IFA. The cost is divided over the population added in the next six years.

DRAFT

	LAND VALUE PER CAPITA	VALUE OF IMPROVEMENTS PER CAPITA	TOTAL VALUE PER CAPITA
Total Parks, Facilities, and Trails	**$327**	**$296**	**$623**
Other			
Professional Services Expense[11]		$8,700	$6
Estimate of Impact Fee Per Capita			**$628**

Based on the per capita fee, the proposed impact fee per household is summarized in **TABLE 7.4.**

TABLE 7.4: ALTERNATIVE PARK IMPACT FEE SCHEDULE

IMPACT FEE PER HH	PERSONS PER HH	FEE PER HH
Single Family	2.67	$1,677
Multi Family	2.56	$1,608

NON-STANDARD PARK IMPACT FEES

The proposed fees are based upon population growth. The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon park facilities.[12] This adjustment could result in a lower impact fee if the City determines that a particular user may create a different impact than what is standard for its land use.

CONSIDERATION OF ALL REVENUE SOURCES

The Impact Fees Act requires the proportionate share analysis to demonstrate that impact fees paid by new development are the most equitable method of funding growth-related infrastructure. See **SECTION 6** for further discussion regarding the consideration of revenue sources.

EXPENDITURE OF IMPACT FEES

Legislation requires that impact fees should be spent or encumbered with six years after each impact fee is paid. Impact fees collected in the next five to six years should be spent only on impact fee eligible projects to maintain the LOS.

PROPOSED CREDITS OWED TO DEVELOPMENT

The Impact Fees Act requires that credits be paid back to development for future fees that will pay for growth-driven projects included in the Impact Fee Facilities Plan that would otherwise be paid for through user fees. Credits may also be paid to developers who have constructed and donated facilities to that City that are included in the IFFP in-lieu of impact fees. This situation does not apply to developer exactions or improvements required to offset density or as a condition of development. Any project that a developer funds must be included in the IFFP if a credit is to be issued.

In the situation that a developer chooses to construct facilities found in the IFFP in-lieu of impact fees, the decision must be made through negotiation with the developer and the City on a case-by-case basis.

GROWTH-DRIVEN EXTRAORDINARY COSTS

The City does not anticipate any extraordinary costs necessary to provide services to future development.

SUMMARY OF TIME PRICE DIFFERENTIAL

Although the Impact Fees Act allows for the inclusion of a time price differential to ensure that the future value of costs incurred at a later date are accurately calculated to include the costs of construction inflation, an inflation component was not considered in the cost estimates in this study. All costs are represented in today's dollars.

[11] This is the actual cost to update the IFFP and IFA. The City can use this portion of the impact fee to reimburse itself for the expense of updating the IFFP and IFA. The cost is divided over the population added in the next six years.

[12] 11-36a-402(1)(c)

DRAFT

APPENDIX A: EXISTING FACILITIES INVENTORY

TABLE A.1: ILLUSTRATION OF EXISTING INVENTORY

PARK TYPE	CITY PARKS SYSTEM	TOTAL ACREAGE	LESS DETENTION	LAND DONATION	FINAL ACREAGE	% CITY OWNED	% CITY FUNDED (LAND)	CITY OWNED & FUNDED ACREAGE	LAND VALUE	TOTAL IMPROVEMENTS	DESIGN/ ENGINEERING COST (%)	TOTAL CITY FUNDED IMPROVEMENTS
All Parks												
	Central Park	6.50	-	-	6.50	100%	100%	6.50	$3,346,244	$1,219,008	$121,901	$1,340,909
	Fitts Park	7.80	-	0.5	7.30	100%	100%	7.30	3,758,090	3,090,150	309,015	3,399,165
	Gateway Garden	0.20	-	-	0.20	100%	100%	0.20	102,961	240,775	24,078	264,853
	Historic Scott School Great Lawn and gardens	0.60	-	-	0.60	100%	100%	0.60	308,884	372,850	37,285	410,135
	Lincoln Park	0.30	-	-	0.30	100%	-	-	-	60,000	6,000	66,000
	Lions Park	1.00	-	0.16	0.84	-	-	-	-	587,250	58,725	645,975
	McCall Park	0.50	-	-	0.50	100%	100%	0.50	257,403	178,775	17,878	196,653
	Millcreek Trailhead Park	0.40	-	-	0.40	100%	-	-	-	5,288	529	5,817
	Columbus Center Green Space (detention)	0.65	-	-	0.65	100%	100%	0.65	334,624	303,500	30,350	333,850
	Columbus Center Green Space (leased)	0.50	-	-	0.50	-	-	-	-	91,250	9,125	100,375
	General Holm Park	3.40	-	-	3.40	-	-	-	-	-	-	-
	Harmony Park	10.60	-	-	10.6	-	-	-	-	-	-	-
	James Madison Park	3.80	-	-	3.80	-	-	-	-	-	-	-
	Whitlock Park	0.11	-	-	0.11	100%	100%	0.11	56,629	38,000	3,800	41,800
	SUBTOTAL All PARKS	**36.36**	**-**	**0.66**	**35.70**			**15.86**	**$8,164,836**	**$6,186,846**	**$618,685**	**$6,805,530**
Indoor Recreation Space												
Central Park Community Center	Gym, Rec Room, Kitchen and Recreation Storage Room	-	-	-	-	-	-	-	-	-	-	-
	Boxing Gym	-	-	-	-	-	-	-	-	$642,237	-	$642,237
	Fitness Room	-	-	-	-	-	-	-	-	251,327	-	251,327
Columbus Center	Gymnasium	-	-	-	-	-	-	-	-	111,356	-	111,356
	"Overflow Room" (senior center fitness equipment, pool table and ping pong, and rec storage)	-	-	-	-	-	-	-	-	-	-	-
	Auditorium (used for dance and fitness)	-	-	-	-	-	-	-	-	389,940	-	389,940
	2 Classrooms (hardwood floors used for karate, dance, etc.)	-	-	-	-	-	-	-	-	213,109	-	213,109
	SUBTOTAL Indoor Recreation Space	-	-	-	-	-	-	-	-	**$2,272,516**	**-**	**$2,272,516**
TOTAL		**36.36**	**-**	**0.66**	**35.70**			**15.86**	**$8,164,836**	**$8,459,362**	**$618,685**	**$9,078,046**

TABLE A.2: ILLUSTRATION OF EXISTING INVENTORY (IMPROVEMENTS AND IMPROVEMENT VALUE)

PARK TYPE	CITY PARKS SYSTEM	BASEBALL	BASKETBALL COURT	BENCHES	COMMUNITY GARDEN PLOTS	CONCESSIONS	DOG PARK	FENCE (PER FOOT)	TURF & EVENT LAWN	JOGGING/WALKING PATH (MILES)	LIGHTING	MULTI-PURPOSE FIELDS	PARKING LOT (STALLS)
Cost per Unit		$312,000	$60,000	$1,500	$20,000	$750,000	$237,500	$25	$150,000	$200,000	$10,000	$200,000	$650
All Parks													
	Central Park	1.00	2.00	-	-	-	-	1,182.00	0.75	-	19.00	1.00	75.00
	Fitts Park	-	-	39.00	-	1.00	-	-	5	0.50	6.00	-	70.00
	Gateway Garden	-	-		12.00	-	-	-	-	-	-	-	-
	Historic Scott School (Great Lawn and Gardens)	-	-	1.00	12.00	-	-	-	0.75	-	-	-	29.00
	Lincoln Park	-	-		-	-	-	-	0.4	-	-	-	-
	Lions Park	-	-	1.00	-	-	1.00	930.00	0.9	-	2.00	-	-
	McCall Park	-	-	2.00	-	-	-	-	0.5	-	-	-	-
	Millcreek Trailhead Park	-	-	1.00	-	-	-	-		0.02	-	-	-
	Columbus Center Green Space (detention)	-	-	10.00	-	-	-	-	0.65	-	10.00	-	140.00
	Columbus Center Green Space (leased)	-	-	-	-	-	-	650.00	0.5	-	-	-	-
	General Holm Park	-	-	-	-	-	-	-	-	-	-	-	-
	Harmony Park	-	-	-	-	-	-	-	-	-	-	-	-
	James Madison Park	-	-	-	-	-	-	-	-	-	-	-	-
	Whitlock Park	-	-	2.00	-	-	-	-	0.1	-	2.00	-	-
	SUBTOTAL All PARKS	**1.00**	**2.00**	**56.00**	**24.00**	**1.00**	**1.00**	**2,762.00**	**9.55**	**0.52**	**39.00**	**1.00**	**314.00**
	COST	**$312,000**	**$120,000**	**$84,000**	**$480,000**	**$750,000**	**$237,500**	**$69,050**	**$1,432,500**	**$103,788**	**$390,000**	**$200,000**	**$204,100**
Indoor Recreation Space													
Central Park Community Center	Gym, Rec Room, Kitchen and Recreation Storage Room	-	-	-	-	-	-	-	-	-	-	-	-
	Boxing Gym	-	-	-	-	-	-	-	-	-	-	-	-
	Fitness Room	-	-	-	-	-	-	-	-	-	-	-	-
Columbus Center	Gymnasium	-	-	-	-	-	-	-	-	-	-	-	-
	"Overflow Room" (senior center fitness equipment, pool table and ping pong, and rec storage)	-	-	-	-	-	-	-	-	-	-	-	-
	Auditorium (used for dance and fitness)	-	-	-	-	-	-	-	-	-	-	-	-
	2 Classrooms (hardwood floors used for karate, dance, etc.)	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL Indoor Recreation Space	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL		**$312,000**	**$120,000**	**$84,000**	**$480,000**	**$750,000**	**$237,500**	**$69,050**	**$1,432,500**	**$103,788**	**$390,000**	**$200,000**	**$204,100**

TABLE A.3: ILLUSTRATION OF EXISTING INVENTORY (IMPROVEMENTS AND IMPROVEMENT VALUE) CONTINUED

PARK TYPE	CITY PARKS SYSTEM	SMALL PAVILION	MEDIUM PAVILION	LARGE PAVILION	PICNIC TABLES	SMALL PLAYGROUND	MEDIUM PLAYGROUND	LARGE PLAYGROUND	PLAYGROUND CANOPIES	RESTROOM	SOCCER (GOAL POSTS)	VETERANS MEMORIAL	INDOOR COMMUNITY CENTER AREA (SQ FT)
Cost per Unit		$50,000	$100,000	$200,000	$775	$50,000	$100,000	$200,000	$131,500	$120,000	$3,104	$20,000	$97
All Parks													
	Central Park	-	-	-	-	-	-	1.00	-	-	2.00	-	-
	Fitts Park	-	3.00	1.00	6.00	1.00	1.00	2.00	1.00	1.00	-	1.00	-
	Gateway Garden	-	-	-	1.00	-	-	-	-	-	-	-	-
	Historic Scott School (Great Lawn and Gardens)	-	-	-	-	-	-	-	-	-	-	-	-
	Lincoln Park	-	-	-	-	-	-	-	-	-	-	-	-
	Lions Park	-	-	-	-	1.00		-	-	1.00	-	-	-
	McCall Park	-	-	-	1.00	-	1.00	-	-	-	-	-	-
	Millcreek Trailhead Park	-	-	-	-	-	-	-	-	-	-	-	-
	Columbus Center Green Space (detention)	-	-	-	-	-	-	-	-	-	-	-	-
	Columbus Center Green Space (leased)	-	-	-	-	-	-	-	-	-	-	-	-
	General Holm Park	-	-	-	-	-	-	-	-	-	-	-	-
	Harmony Park	-	-	-	-	-	-	-	-	-	-	-	-
	James Madison Park	-	-	-	-	-	-	-	-	-	-	-	-
	Whitlock Park	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL All PARKS	**-**	**3.00**	**1.00**	**8.00**	**2.00**	**2.00**	**3.00**	**1.00**	**2.00**	**2.00**	**1.00**	**-**
	Cost	**-**	**$300,000**	**$200,000**	**$6,200**	**$100,000**	**$200,000**	**$600,000**	**$131,500**	**$240,000**	**$6,208**	**$20,000**	**-**
Indoor Recreation Space													
Central Park Community Center	Gym, Rec Room, Kitchen and Recreation Storage Room	-	-	-	-	-	-	-	-	-	-	-	6,621
	Boxing Gym	-	-	-	-	-	-	-	-	-	-	-	2,591
	Fitness Room	-	-	-	-	-	-	-	-	-	-	-	1,148
		-	-	-	-	-	-	-	-	-	-	-	
Columbus Center	Gymnasium	-	-	-	-	-	-	-	-	-	-	-	4,020
	"Overflow Room" (senior center fitness equipment, pool table and ping pong, and rec storage)	-	-	-	-	-	-	-	-	-	-	-	2,197
	Auditorium (used for dance and fitness)	-	-	-	-	-	-	-	-	-	-	-	4,396
	2 Classrooms (hardwood floors used for karate, dance, etc.)	-	-	-	-	-	-	-	-	-	-	-	2,455
	SUBTOTAL Indoor Recreation Space	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**23,428**
	COST	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$2,272,516**
TOTAL		**$0**	**$300,000**	**$200,000**	**$6,200**	**$100,000**	**$200,000**	**$600,000**	**$131,500**	**$240,000**	**$6,208**	**$20,000**	