

PARK CITY



DRAFT PUBLIC SAFETY IMPACT FEE FACILITIES PLAN



IMPACT FEE FACILITIES PLAN PARK CITY

Executive Summary

Background

This Impact Fee Facilities Plan (IFFP) was prepared to meet the requirements of Utah Code §11-36a. Impact fees are a one-time fee charged to new development to help offset the capital costs associated with new growth in a community. Park City has determined that there is one city-wide service area.

New Development and Growth

Park City is experiencing solid growth. Residential, commercial, and institutional growth create the demand for new public safety capital facilities. Projected growth is shown in the following table:

TABLE 1: GROWTH PROJECTIONS, 2019-2030

Year	Households	Commercial SF	Institutional SF
2019	9,851	4,168,444	1,316,185
2020	9,876	4,178,488	1,319,357
2021	9,909	4,192,550	1,323,797
2022	9,942	4,206,612	1,328,237
2023	9,976	4,220,675	1,332,677
2024	10,009	4,234,737	1,337,118
2025	10,042	4,248,799	1,341,558
2026	10,075	4,262,861	1,345,998
2027	10,109	4,276,924	1,350,438
2028	10,142	4,290,986	1,354,878
2029	10,175	4,305,048	1,359,318
2030	10,208	4,319,110	1,363,758

Source: Park City; Summit County Assessor's Office

Identify the Existing and Proposed Levels of Service and Excess Capacity

Utah Code 11-36a-302(1)(a)(i)(ii)(iii)

The IFFP considers only *system* facilities in the calculation of impact fees. For the City, this has been determined to mean public safety buildings.

Existing service levels are based on the current capital facilities (i.e., building square feet) as measured per demand unit. Demand units increase with development which generates more calls for service and, therefore, the need for more public building space.

The City had 17,549 calls for service in Park City in 2019.¹ With the growth that the City is experiencing, these calls for service will only increase in the future. The City currently has excess capacity in its existing police facilities sufficient to serve the needs of the City through at least the next 10 years and therefore will not need to construct new facilities in order to meet the demands of new growth.

During 2019, the City averaged 0.74 police calls per residential dwelling unit. It also averaged 0.001653 calls per square foot of commercial space and .002462 calls per square foot of institutional space. With 23,000 police building square feet, this results in an existing service level of 1.31 square feet of police facility space for every police call. The proposed service level is for 1.26 square feet per call calculated by dividing the total police building square feet (23,000) by the projected calls in 2030 (18,185).

TABLE 2: EXISTING AND PROPOSED LEVEL OF SERVICE

	TOTAL	Residential	Commercial	Institutional
Police Calls 2019	17,549	7,298	6,890	3,240
Residential Dwelling Units or Non-Residential SF – 2019		9,851	4,168,444	1,316,185
Average Annual Calls per Residential Dwelling Unit or Nonresidential SF		0.74	0.001653	0.002462
TOTAL Police Building SF	23,000	9,565	9,030	4,247
Existing LOS - SF per Call		1.31	1.31	1.31
Police Calls 2030	18,185	7,563	7,140	3,357
Proposed Police Building SF per Call		1.26	1.26	1.26

Identify Demands Placed Upon Existing Public Facilities by New Development Activity at the Proposed Level of Service

Utah Code 11-36a-302(1)(a)(iv)

The police department currently has excess capacity sufficient to serve the needs of new development through at least the next 10 years. Therefore, no new facilities are needed in order to meet growth demands in the City. Rather, new development will consume excess capacity in the existing building. Assuming that a new police station is needed by 2030, the current excess capacity is 804 square feet.

Identify How the Growth Demands Will Be Met

Utah Code 11-36a-302(1)(a)(v)

New growth will need to buy into the excess capacity of the existing police facilities. The actual cost of existing police facilities is \$7,300,000.

¹ Park City had 17,549 total police calls for service in 2019. These calls have been reduced for impact-fee purposes to account for the fact that 2 percent of all traffic-related police calls are attributed to pass-through traffic that does not originate in Park City. Traffic calls represent 34.3 percent of all calls for service received by the police department. An estimated 2 percent of these traffic calls are attributed to pass-through traffic and therefore cannot be included in the calculation of impact fees.

Consideration of Revenue Sources to Finance Impacts on System Improvements

Utah Code 11-36a-302(2)

This Impact Fee Facilities Plan includes a thorough discussion of all potential revenue sources for public safety improvements. These revenue sources include grants, bonds, interfund loans, transfers from the General Fund, impact fees and anticipated or accepted dedications of system improvements.

Utah Code Legal Requirements

Utah law requires that communities prepare an Impact Fee Facilities Plan before preparing an Impact Fee Analysis (IFA) and enacting an impact fee. Utah law also requires that communities give notice of their intent to prepare and adopt an IFFP. This IFFP follows all legal requirements as outlined below. The City has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Facilities Plan in accordance with legal requirements.

Notice of Intent to Prepare Impact Fee Facilities Plan

A local political subdivision must provide written notice of its intent to prepare an IFFP before preparing the Plan (Utah Code §11-36a-501). This notice must be posted on the Utah Public Notice website. **The City has complied with this noticing requirement for the IFFP.**

Preparation of Impact Fee Facilities Plan

Utah Code requires that each local political subdivision, before imposing an impact fee, prepare an impact fee facilities plan. (Utah Code 11-36a-301).

Section 11-36a-302(a) of the Utah Code outlines the requirements of an IFFP which is required to identify the following:

- (i) identify the existing level of service
- (ii) establish a proposed level of service
- (iii) identify any excess capacity to accommodate future growth at the proposed level of service
- (iv) identify demands placed upon existing facilities by new development activity at the proposed level of service; and
- (v) identify the means by which the political subdivision or private entity will meet those growth demands.

Further, the proposed level of service may:

- (i) exceed the existing level of service if, independent of the use of impact fees, the political subdivision or private entity provides, implements, and maintains the means to increase the existing level of service for existing demand within six years of the date on which new growth is charged for the proposed level of service; or

- (ii) establish a new public facility if, independent of the use of impact fees, the political subdivision or private entity provides, implements, and maintains the means to increase the existing level of service for existing demand within six years of the date on which new growth is charged for the proposed level of service.

In preparing an impact fee facilities plan, each local political subdivision shall generally consider all revenue sources to finance the impacts on system improvements, including:

- (a) grants
- (b) bonds
- (c) interfund loans
- (d) transfers from the General Fund
- (e) impact fees; and
- (f) anticipated or accepted dedications of system improvements.

Certification of Impact Fee Facilities Plan

Utah Code states that an impact fee facilities plan shall include a written certification from the person or entity that prepares the impact fee facilities plan. This certification is included at the conclusion of this analysis.

Existing Service Levels

Utah Code 11-36a-302(1)(a)(i)(ii)(iii)

Growth in Demand

Impacts on public safety facilities will come from both residential, commercial, and institutional growth. This growth is projected as follows:

TABLE 3: GROWTH PROJECTIONS, 2019-2030

Year	Households	Commercial SF	Institutional SF
2019	9,851	4,168,444	1,316,185
2020	9,876	4,178,488	1,319,357
2021	9,909	4,192,550	1,323,797
2022	9,942	4,206,612	1,328,237
2023	9,976	4,220,675	1,332,677
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2026	10,075	4,262,861	1,345,998
2027	10,109	4,276,924	1,350,438
2028	10,142	4,290,986	1,354,878
2029	10,175	4,305,048	1,359,318
2030	10,208	4,319,110	1,363,758

Source: Park City; Summit County Assessor's Office

Residential, commercial, and institutional growth will create increased demand for public safety services as demonstrated by the increased calls for service that are projected to occur.

The increased police calls for service are projected as follows for residential, commercial, and institutional land uses in Park City. Additional calls may be received for pass-through traffic, but these demand units are not included in the calculation of impact fees.

TABLE 4: PROJECTED GROWTH IN POLICE CALLS FOR SERVICE BY DEVELOPMENT IN PARK CITY

Year	Residential Calls	Commercial Calls	Institutional Calls	Total Impact Fee Eligible Calls	Total Calls
2019	7,298	6,890	3,240	17,429	17,549
2020	7,317	6,907	3,248	17,472	17,593
2021	7,341	6,931	3,259	17,531	17,652
2022	7,366	6,954	3,270	17,590	17,711
2023	7,391	6,977	3,281	17,649	17,771
2024	7,415	7,000	3,292	17,707	17,830
2025	7,440	7,024	3,303	17,766	17,889
2026	7,465	7,047	3,314	17,825	17,948
2027	7,489	7,070	3,325	17,884	18,007

Year	Residential Calls	Commercial Calls	Institutional Calls	Total Impact Fee Eligible Calls	Total Calls
2028	7,514	7,093	3,336	17,943	18,067
2029	7,538	7,116	3,347	18,001	18,126
2030	7,563	7,140	3,357	18,060	18,185

Existing Service Levels

The police department currently has excess capacity sufficient to serve the needs of new development through the next 10 years. Therefore, no new facilities are needed in order to meet growth demands in the City. At the proposed service level of 1.26 building square feet per call, new residential, commercial, and institutional development will consume the excess capacity in the existing police facility by 2030.

During 2019, the City averaged 0.74 police calls per residential dwelling unit. It also averaged 0.001653 calls per square foot of commercial space and .002462 calls per square foot of institutional space. With 23,000 police building square feet, this results in an existing service level of 1.31 square feet of police facility space for every police call.

TABLE 5: EXISTING LEVEL OF SERVICE

	TOTAL	Residential	Commercial	Institutional
Police Calls 2019	17,549	7,298	6,890	3,240
Residential Dwelling Units or Non-Residential SF – 2019		9,851	4,168,444	1,316,185
Average Annual Calls per Residential Dwelling Unit or Nonresidential SF		0.74	0.001653	0.002462
TOTAL Attributable Police Building SF	23,000	9,565	9,030	4,247
Existing LOS – SF per Call		1.31	1.31	1.31

*Does not include traffic pass-thru calls that do not originate in Park City

Proposed Level of Service

New growth will need to buy into the excess capacity of the existing police facilities. The actual cost of existing police facilities is \$7,300,000. The proposed level of service is 1.26 police building square feet per call; the existing service level is 1.31 square feet per call.

TABLE 6: PROPOSED LEVEL OF SERVICE

	TOTAL	Residential	Commercial	Institutional
Police Calls 2030	18,185	7,563	7,140	3,357
Residential Dwelling Units or Non-Residential SF – 2030		10,208	4,319,110	1,363,758

	TOTAL	Residential	Commercial	Institutional
Average Annual Calls per Residential Dwelling Unit or Nonresidential SF		0.74	.001653	.002462
TOTAL Attributable Police Building SF 2030	23,000	9,565	9,030	4,247
Proposed LOS – SF per Call		1.26	1.26	1.26

Excess Capacity

The existing police department has excess capacity sufficient to serve the needs of new development through at least the next 10 years. Therefore, no new facilities are needed within the timeframe of this study in order to meet growth demands in the City. At the proposed service level of 1.26 building square feet per call, new residential, commercial, and institutional development will need a total of 23,000 square feet of space by 2030. Therefore, the excess capacity in the existing building will be consumed by 2030.

Identify Demands Placed upon Existing Facilities by New Development Activity at the Proposed Level of Service

New development will consume 804 square feet of the excess capacity in the existing police station by 2030.

TABLE 7: FACILITIES NEEDED (POLICE BUILDING SQUARE FEET) TO MAINTAIN PROPOSED SERVICE LEVELS

Year	Residential Calls	Commercial Calls	Institutional Calls	Total Police SF Needed
2019	7,298	6,890	3,240	22,196
2020	7,317	6,907	3,248	22,251
2021	7,341	6,931	3,259	22,326
2022	7,366	6,954	3,270	22,401
2023	7,391	6,977	3,281	22,476
2024	7,415	7,000	3,292	22,551
2025	7,440	7,024	3,303	22,626
2026	7,465	7,047	3,314	22,700
2027	7,489	7,070	3,325	22,775
2028	7,514	7,093	3,336	22,850
2029	7,538	7,116	3,347	22,925
2030	7,563	7,140	3,357	23,000
Growth, 2019-2030	265	250	117	804

Identify the Means by Which the Political Subdivision or Private Entity Will Meet Those Growth Demands

The City will meet the proposed growth demands by allowing new development to buy into the existing excess capacity of the police station. The police station has 804 square feet of excess capacity in 2020. New development will therefore need to buy into the cost of the existing, excess capacity of the police station. Total actual cost of the existing police station is \$7,300,000.

Manner of Financing for Public Facilities

Utah Code 11-36a-304(2)(c)(d)(e)

Impact fees will be used to fund the established growth-driven public safety services for law enforcement and fire.

Credits Against Impact Fees

Utah Code 11-36a-304(2)(f)

The Impact Fees Act requires credits to be paid back to development for future fees that may be paid to fund system improvements found in the IFFP so that new development is not charged twice. Credits may also be paid back to developers who have constructed or directly funded items that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions or improvements required to offset density or as a condition for development. Any item that a developer funds must be included in the IFFP if a credit is to be issued and must be agreed upon with the City before construction of the improvements.

In the situation that a developer chooses to construct facilities found in the IFFP in lieu of impact fees, the arrangement must be made through the developer and the City.

The standard impact fee can also be decreased to respond to unusual circumstances in specific cases in order to ensure that impact fees are imposed fairly. In certain cases, a developer may submit studies and data that clearly show a need for adjustment.

At the discretion of the City, impact fees may be modified for low-income housing, although alternate sources of funding must be identified.

Grants

The City is unaware of any potential grant sources for future public safety facilities. However, should it be the recipient of any such grants, it will then look at the potential to reduce impact fees.

Bonds

The City has one remaining bond payment on the 2014A Sales Tax Bond that was partially issued to pay for the existing police station. The 2021 payment is for \$28,380. This will result in a credit of \$1.62 per call.

Transfer from General Fund

To the extent that the City is able to generate net revenues in its General Fund, it may choose to transfer all or a portion of the net revenues to the City's capital fund. It is most likely that, if net revenues should be generated, they will be used to reach the Proposed Service Levels recommended in this IFFP and not to offset the demands generated by new development, which is anticipated to be offset with impact fees.

Impact Fees

Because of the growth anticipated to occur in the City, impact fees are a viable means of allowing new development to pay for the impacts that it places on the existing system. This IFFP is developed in accordance with legal guidelines so that an Impact Fee Analysis may be prepared and the City may charge impact fees for public safety.

Anticipated or Accepted Dedications of System Improvements

Any item that a developer funds must be included in the IFFP if a credit against impact fees is to be issued and must be agreed upon with the City before construction of the improvements.

Certification

Zions Public Finance, Inc. 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;

3. Complies in each and every relevant respect with the Impact Fees Act.