

# City of Saratoga Springs



## Public Safety Impact Fee Facilities Plan



## IMPACT FEE FACILITIES PLAN CITY OF SARATOGA SPRINGS

### Executive Summary

#### Background

This Impact Fee Facilities Plan (IFFP) was prepared to meet the requirements of Utah Code §11-36a. Public safety includes both police (law enforcement) and fire capital facilities. Impact fees are a one-time fee charged to new development to help offset the capital costs associated with new growth in a community. Saratoga Springs has determined that there is one city-wide service area for police and fire protection services.

#### New Development and Growth

Saratoga Springs is experiencing rapid growth. Utah is one of the fastest-growing states in the nation and Saratoga Springs is one of the most rapidly-growing cities in the State. Residential and non-residential growth creates the demand for new public safety capital facilities. Projected growth is shown in the following table:

TABLE 1: GROWTH PROJECTIONS

Year	Population	Residential Units	Nonresidential SF
2017	27,780 <sup>1</sup>	6,859	3,379,543
2018	29,608	7,311	3,551,820
2019	31,384	7,749	3,724,097
2020	33,268	8,214	3,896,374
2021	35,264	8,707	4,068,651
2022	37,379	9,229	4,240,928
2023	39,622	9,783	4,413,205
2024	42,000	10,370	4,585,482
2025	44,519	10,992	4,757,759
2026	47,191	11,652	4,930,036
<b>Growth 2017-2026</b>	<b>19,411</b>	<b>4,793</b>	<b>1,550,493</b>

Source: Utah State Tax Commission and Saratoga Springs

#### 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, as well as fire vehicles that were or will be acquired within the next six years at a cost of \$500,000 or more.

<sup>1</sup> Source: Utah State Tax Commission

Existing service levels for both police and fire 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. In addition, existing service levels for fire include fire vehicles acquired at a cost of \$500,000 or more.

Police. The City had 13,606 calls for service that originated from development in Saratoga Springs, in 2017.<sup>2</sup> With the rapid growth that the City is experiencing, these calls for service will only increase in the future. The City will need additional space to house the increased personnel that will need to be hired in order to provide services for the increased demand. The City has no excess capacity in its existing police facilities (12,500 sf) and will therefore need to construct new facilities in order to meet the demands of new growth.

During 2017, the City averaged 1.37 police calls per residential dwelling unit and 0.001254 calls per square foot of nonresidential space. This results in an existing service level of 0.779 square feet of police facility space for every police call.

TABLE 2: EXISTING LEVEL OF SERVICE - POLICE

	TOTAL	Residential	Non-Residential
2017 Police Calls (less calls attributed to pass-thru traffic)	16,037	9,367	4,239
Residential Dwelling Units or Non-Residential SF		6,859	3,379,543
Average Annual Calls per Residential Dwelling Unit or Nonresidential SF		1.37	0.001254
TOTAL Attributable Police Bldg SF	12,500	7,301.35	3,303.99
Police Bldg SF per Call		0.779448	0.779448

Fire. The City currently has 19,591 square feet of building space for fire services. However, only 11,755 square feet are currently used by the Fire Department, thus leaving 7,836 square feet of excess capacity. The City had a total of 1,182 fire calls in 2017, with 1,003 of these calls originating from Saratoga Springs residents.<sup>3</sup> Therefore, approximately 85 percent of the occupied space (1,003 calls divided by 1,182 calls) is attributable to demand created by development in Saratoga Springs (rather than pass-through traffic). This results in existing demand for 9,973 square feet of space by Saratoga Springs' development.

On average, there are 0.0687 calls per residential dwelling unit and 0.000157 calls annually per nonresidential square foot of space.

<sup>2</sup> Total calls for service in Saratoga Springs were 16,037 in 2017. These calls have been reduced to account for the fact that 41 percent of all traffic calls are attributed to pass-through traffic that does not originate in Saratoga Springs. Traffic calls represent 37 percent of all calls for service received by the police department. Therefore, a total of 15.2 percent of all calls (41 percent multiplied by 37 percent) are not attributable to development in Saratoga Springs and cannot be used in the calculation of impact fees.

<sup>3</sup> Total calls for service were reduced to account for the fact that 41 percent of all traffic calls are attributed to pass-through traffic that does not originate in Saratoga Springs. Traffic calls represent 37 percent of all calls for service. It is assumed that the EMS services provided by the fire department to traffic calls should be reduced by the pass-through percentage of traffic.

TABLE 3: EXISTING LEVEL OF SERVICE – FIRE

	Total	Residential	Non-Residential
2017 Fire Calls from Saratoga Springs Development	1,182	471	532
Residential Units/ Nonresidential SF		6,859	3,379,543
Calls per Residential Dwelling Unit or Nonresidential SF		0.0687	0.000157
TOTAL Attributable Fire Bldg SF	11,755	4,687.43	5,285.83
Fire Bldg SF per Call		9.945008	9.945008

With 1,003 fire calls for service in 2017 and 9,973 occupied building square feet, the existing level of service is 9.945 building square feet per call.

The City has two fire vehicles that can be considered in the calculation of impact fees – a 2012 Pierce truck acquired at a cost of \$570,000 and an aerial ladder truck that the City intends to acquire within the next 6 years at a cost of \$1.4 million. The ladder truck is needed to serve the additional height and reach demands of future development.

### 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)*

**Police.** The existing police department currently has no excess capacity. Therefore, new facilities are needed in order to meet growth demands in the City. New residential and non-residential development will need an additional 6,618 square feet of space by 2026 in order to maintain current service levels.<sup>4</sup> This is due to the anticipated growth of 8,491 calls for service.<sup>5</sup> With 0.779 building square feet per call, this results in the need for 6,618 building square feet to serve the demands of residential and non-residential development.

**Fire.** There is currently 7,836 square feet of excess capacity in the existing fire stations. New development in Saratoga Springs will need an estimated 5,701 square feet of space by 2026, while growth in pass-through traffic will create additional demand for fire space. The demand from new development is based on 573 projected fire calls from new growth in Saratoga Springs. The existing level of service is 9.945 fire building square feet per call for service. This will consume 5,701 fire facility square feet.

Excess capacity in the 2012 Pierce Fire Truck will be consumed by 2023. New development will need to buy into the excess capacity of this truck

<sup>4</sup> A total of 7,800 square feet will be needed when pass-thru traffic demand is included in the analysis. The 6,618 square feet needed is solely for residential and non-residential development that takes place within the City boundaries.

<sup>5</sup> Assumes that the same ratio of demand units to residential dwelling units and nonresidential square feet exists in the future: 1.37 calls for service per residential dwelling unit and that there are 0.001254 calls for service per nonresidential square foot. When pass-thru traffic calls are included, the number of calls increases by 10,007 calls between 2017 and 2026.

## Identify How the Growth Demands Will Be Met

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

**Police.** Because there is no excess capacity in the police station, new facilities will need to be constructed. The City has acquired land for a new police building and has entered the design phase of the construction process. Based on the City’s input, the estimated cost of a new police facility is \$375 per building square foot, including land costs. Given the need for 6,618 building square feet by 2026 to serve the increased demands of residential and non-residential development in the City, the City will need to spend an estimated \$2,481,727 to serve the demands of new growth through 2026.

**Fire.** New growth will need to buy into the excess capacity of the existing fire facilities. The actual cost of existing fire facilities is \$2,134,240.

**TABLE 4: FIRE FACILITY COSTS**

<b>Fire Facility</b>	<b>Amount</b>
South Fire Station	\$732,851
Training Facility	\$37,348
North Fire Station	\$1,364,041
<b>TOTAL</b>	<b>\$2,134,240</b>

New growth will also buy into the excess capacity of the Pierce Fire Truck, acquired in 2012 at a cost of \$570,000, with capacity to serve the City through 2023. The City will also need to purchase an aerial ladder truck at an estimated cost of \$1.4 million in the next six years.

## 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*

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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*

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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 and non-residential growth. This growth is projected as follows:

TABLE 5: GROWTH PROJECTIONS, 2017-2026

Year	Population	Residential Units	Nonresidential SF
2017	27,780 <sup>6</sup>	6,859	3,379,543
2018	29,608	7,311	3,551,820
2019	31,384	7,749	3,724,097
2020	33,268	8,214	3,896,374
2021	35,264	8,707	4,068,651
2022	37,379	9,229	4,240,928
2023	39,622	9,783	4,413,205
2024	42,000	10,370	4,585,482
2025	44,519	10,992	4,757,759
2026	47,191	11,652	4,930,036
<b>Growth 2017-2026</b>	<b>19,411</b>	<b>4,793</b>	<b>1,550,493</b>

Source: Utah State Tax Commission; Saratoga Springs

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

**Police:** The increased police calls for service are projected as follows for residential and non-residential development in Saratoga Springs. Additional calls may be received for pass-through traffic, but these demand units are not included in the calculation of impact fees.

TABLE 6: POLICE – PROJECTED GROWTH IN CALLS FOR SERVICE BY DEVELOPMENT IN SARATOGA SPRINGS

Year	Total Police Calls*	Residential Calls	Non-Residential Calls	Residential Units	Non-Residential SF	Calls per Residential Unit	Calls per Nonresidential SF
2017	16,037	9,367	4,239	6,859	3,379,543	1.37	.001254
2018	17,077	9,985	4,455	7,311	3,551,820	1.37	.001254
2019	18,093	10,583	4,671	7,749	3,724,097	1.37	.001254
2020	19,154	11,218	4,887	8,214	3,896,374	1.37	.001254
2021	20,259	11,891	5,103	8,707	4,068,651	1.37	.001254
2022	21,412	12,604	5,319	9,229	4,240,928	1.37	.001254
2023	22,615	13,361	5,535	9,783	4,413,205	1.37	.001254
2024	23,872	14,162	5,751	10,370	4,585,482	1.37	.001254
2025	25,185	15,012	5,968	10,992	4,757,759	1.37	.001254
2026	26,560	15,913	6,184	11,652	4,930,036	1.37	.001254
<b>Growth, 2017-2026</b>	<b>10,007</b>	<b>6,546</b>	<b>1,945</b>	<b>4,793</b>	<b>1,550,493</b>		

\*Includes pass-thru calls that are not shown in this table

<sup>6</sup> Source: Utah State Tax Commission

**Fire:** The increased fire calls for service, originating in Saratoga Springs, are projected as shown in the following table. Additional calls may be received for pass-through traffic, but these calls are not included in the calculation of impact fees.

**TABLE 7: FIRE – PROJECTED GROWTH IN CALLS FOR SERVICE**

Year	Total Fire Calls*	Residential Calls	Nonresidential Calls	Residential Units	Nonresidential SF	Calls per Residential Unit	Calls per Nonresidential SF
2017	1,182	471	532	6,859	3,379,543	0.069	0.000157
2018	1,251	502	559	7,311	3,551,820	0.069	0.000157
2019	1,318	532	586	7,749	3,724,097	0.069	0.000157
2020	1,388	564	613	8,214	3,896,374	0.069	0.000157
2021	1,459	598	640	8,707	4,068,651	0.069	0.000157
2022	1,534	634	667	9,229	4,240,928	0.069	0.000157
2023	1,610	672	694	9,783	4,413,205	0.069	0.000157
2024	1,690	713	721	10,370	4,585,482	0.069	0.000157
2025	1,772	755	748	10,992	4,757,759	0.069	0.000157
2026	1,858	801	775	11,652	4,930,036	0.069	0.000157
<b>Growth 2017-2026</b>	<b>676</b>	<b>329</b>	<b>244</b>	<b>4,793</b>	<b>1,550,493</b>		

\*Includes pass-thru calls that are not shown in this table

### Existing Service Levels

**Police.** The City had 13,606 calls for service, by residents of Saratoga Springs, in 2017.<sup>7</sup> With the rapid growth that the City is experiencing, these demand units (calls for service) will only increase in the future. The City will need additional space to house the increased personnel that will need to be hired in order to provide services for the increased demand. The City has no excess capacity in its existing police facilities and will therefore need to construct new facilities in order to meet the demands of new growth.

There are currently 1.37 calls per residential dwelling unit and 0.001254 calls per nonresidential square foot of space. This results in an existing service level of 0.779 square feet of police facilities for each demand unit.<sup>8</sup>

**TABLE 8: EXISTING LEVEL OF SERVICE - POLICE**

	Total	Residential	Non-Residential
2017 Calls Adjusted for Pass-Thru Traffic Calls	16,037	9,367	4,239
Residential Dwelling Units or Non-		6,859	3,379,543

<sup>7</sup> Total calls for service (16,037) have been reduced to account for the fact that 41 percent of all traffic calls are attributed to pass-through traffic that does not originate in Saratoga Springs. Traffic calls represent 37 percent of all calls for service received by the police department. Therefore, a total of 15.2 percent of all calls (41 percent multiplied by 37 percent) are not attributable to residents of Saratoga Springs and cannot be used in the calculation of impact fees.

<sup>8</sup> Police facilities currently total 12,500 square feet. After discounting for calls originating from pass-through traffic, development in Saratoga Springs accounts for 10,605 square feet of space, calculated by multiplying the 12,500 square feet by the 37 percent of traffic calls and the 41 percent of pass-through traffic and subtracting this amount from the 12,500 square feet of existing space.

	Total	Residential	Non-Residential
Residential SF			
Calls per Residential Dwelling Unit or Nonresidential SF		1.37	0.001254
TOTAL Police Building SF Attributable to Saratoga Springs Development	12,500	7,301.35	3,303.99
Police Building SF per Call		0.779448	0.779448

**Fire.** The City currently has 19,591 square feet of building space for fire services. However, only 11,755 square feet are currently used by the Fire Department, thus leaving 7,836 square feet of excess capacity. The City had a total of 1,182 fire calls in 2017, with 1,003 of these calls originating from Saratoga Springs residents.<sup>9</sup> Therefore, approximately 85 percent of the occupied space (1,003 divided by 1,182) is attributable to demand created by development in Saratoga Springs (rather than pass-through traffic). This results in existing demand for 9,973 square feet of space by Saratoga Springs' development.

There are 0.0687 demand units per residential dwelling unit and 0.000157 demand units per nonresidential square foot of space.

TABLE 9: EXISTING LEVEL OF SERVICE – FIRE

	TOTAL	Residential	Non-Residential
2017 Calls from Saratoga Springs Development	1,182	471	532
Residential Units/ Nonresidential SF		6,859	3,379,543
Fire Calls per Residential Dwelling Unit or Nonresidential SF		0.0687	0.000157
TOTAL Attributable Fire Building SF	11,755	4,687.43	5,285.83
Fire Building SF per Call		9.945008	9.945008

With 1,003 fire calls for service in 2017 and 9,973 occupied building square feet, the existing level of service is 9.945 building square feet per call.

The City has two fire vehicles that can be considered in the calculation of impact fees – a 2012 Pierce truck acquired at a cost of \$570,000 and an aerial ladder truck that the City intends to acquire within the next 6 years at a cost of \$1.4 million. The ladder truck is needed to serve the additional height and reach demands of future development. The existing level of service for the Pierce fire truck is 1,610 calls per truck.

<sup>9</sup> Total calls for service were reduced to account for the fact that 41 percent of all traffic calls are attributed to pass-through traffic that does not originate in Saratoga Springs. Traffic calls represent 37 percent of all calls for service. It is assumed that the EMS services provided by the fire department to traffic calls should be reduced by the pass-through percentage of traffic.

## Proposed Level of Service

Police. Because there is no excess capacity in the police station, new facilities will need to be constructed. The City has acquired land for a new police building and has entered the design phase of the construction process. Based on the City's input, the estimated cost of a new police facility is \$375 per building square foot, including land costs. Given the need for 6,618 building square feet by 2026 to serve the increased demands of residential and non-residential development, the City will need to spend an estimated \$2,481,727 to serve the demands of new growth through 2026.

Fire. New growth will need to buy into the excess capacity of the existing fire facilities. The actual cost of existing fire facilities is \$2,134,240.

TABLE 10: FIRE FACILITY COSTS

Fire Facility	Amount
South Fire Station	\$732,851
Training Facility	\$37,348
North Fire Station	\$1,364,041
<b>TOTAL</b>	<b>\$2,134,240</b>

The proposed level of service is 1,610 fire calls for the Pierce fire truck and 2,233 calls for the ladder truck.

## Excess Capacity

Police. The police building is at full capacity and there is no excess capacity in the existing building.

Fire. At present, only 60 percent of current fire station space is being used. The fire buildings have 19,591 square feet, of which only 11,755 square feet are occupied. Therefore, there are 7,836 square feet of excess capacity in the existing fire stations.

The Pierce truck has excess capacity to serve new development through 2023, or a total of 694 nonresidential calls for service, and a total of 1,610 calls (including residential, nonresidential and pass-thru). The aerial ladder truck has not yet been purchased but will have capacity to serve the City through 2030 – a total of 2,233 fire calls (884 of which are projected to be nonresidential calls).

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

Police. Police facilities will need to expand by 6,618 square feet by 2026 in order to maintain existing service levels for residential and nonresidential development. This reflects a constant ratio of 0.779 building square feet per call. In addition, the City will need 1,182 square feet to serve the demand created by pass-thru calls. However, the cost of the pass-thru growth cannot be included in the calculation of impact fees.

**TABLE 11: FACILITIES NEEDED (POLICE BUILDING SQUARE FEET) TO MAINTAIN EXISTING/PROPOSED POLICE SERVICE LEVELS**

Year	Residential Calls	Non-Residential Calls	Total Police SF Needed - Residential	Total Police SF Needed – Non- Residential	Total Police SF Needed
2017	9,367	4,239	7,301	3,304	10,605
2018	9,985	4,455	7,782	3,472	11,255
2019	10,583	4,671	8,249	3,641	11,890
2020	11,218	4,887	8,744	3,809	12,553
2021	11,891	5,103	9,269	3,978	13,246
2022	12,604	5,319	9,824	4,146	13,970
2023	13,361	5,535	10,414	4,315	14,728
2024	14,162	5,751	11,039	4,483	15,522
2025	15,012	5,968	11,701	4,651	16,352
2026	15,913	6,184	12,403	4,820	17,223
<b>Growth, 2017-2026</b>	<b>6,546</b>	<b>1,945</b>	<b>5,102</b>	<b>1,516</b>	<b>6,618</b>

Fire. Excess capacity in the existing fire stations will be consumed by 2026. After 2026, the City will need to add additional fire station facilities if it is to at least maintain existing service levels. Additional needs reflect a constant ratio of 9.945 square feet per call.

**TABLE 12: FACILITIES NEEDED (FIRE BUILDING SQUARE FEET) TO MAINTAIN EXISTING/PROPOSED FIRE SERVICE LEVELS FROM NEW DEVELOPMENT IN SARATOGA SPRINGS**

Year	Total Fire Calls*	Residential Calls	Nonresidential Calls	Building SF Needed
2017	1,182	471	532	9,973
2018	1,251	502	559	10,552
2019	1,318	532	586	11,120
2020	1,388	564	613	11,708
2021	1,459	598	640	12,314
2022	1,534	634	667	12,940
2023	1,610	672	694	13,588
2024	1,690	713	721	14,259
2025	1,772	755	748	14,953
2026	1,858	801	775	15,674
<b>Growth 2017-2026</b>	<b>676</b>	<b>329</b>	<b>244</b>	<b>5,701</b>

\*Also includes growth in pass-thru calls which are not shown in the table

In addition to the 5,701 fire station square feet required by growth in Saratoga Springs, the City will need another 1,020 fire building square feet by 2026 to serve the needs of the anticipated growth from pass-thru demand on fire facilities.

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

Police. The City will meet the estimated growth demands by constructing additional police station space. It is estimated that the City will need an additional 6,618 square feet of space by 2026 at a cost of \$375 per square foot, for a total cost of \$2,481,727, just to meet the demands from growth and development in Saratoga Springs.

Fire. The City will meet the proposed growth demands by allowing new development to buy into the existing excess capacity of the fire station. The existing station has 7,836 square feet of existing, excess capacity. New development in Saratoga Springs requires 5,701 additional square feet of space by 2026; growth in pass-thru demand for services will require another 1,020 square feet, for a total of 6,721 square feet. Thus, almost all of the excess fire station capacity will be consumed by 2026. New development will therefore need to buy into the cost of the existing, excess capacity of the fire stations. Total actual cost of existing fire station facilities is \$2,134,240.

## 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**

On June 1, 2011 the City issued \$4,000,000 in Sales Tax Revenue Bonds, with interest rates ranging from 3.0 percent to 4.125 percent, and with a maturity date of June 1, 2031. The new money portion of the bond was \$2,975,000. The bonds were issued to cover the costs associated with a public works facility, fire station, a City well and the City Hall building. Based on information provided by the City, the portion of the bond proceeds allocated to fire facilities was \$550,542. No future bonds are anticipated to fund impact fee eligible public safety facilities at this time.

### **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 the City's Master Plan 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**

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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.

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