

DEVELOPMENT IMPACT FEES

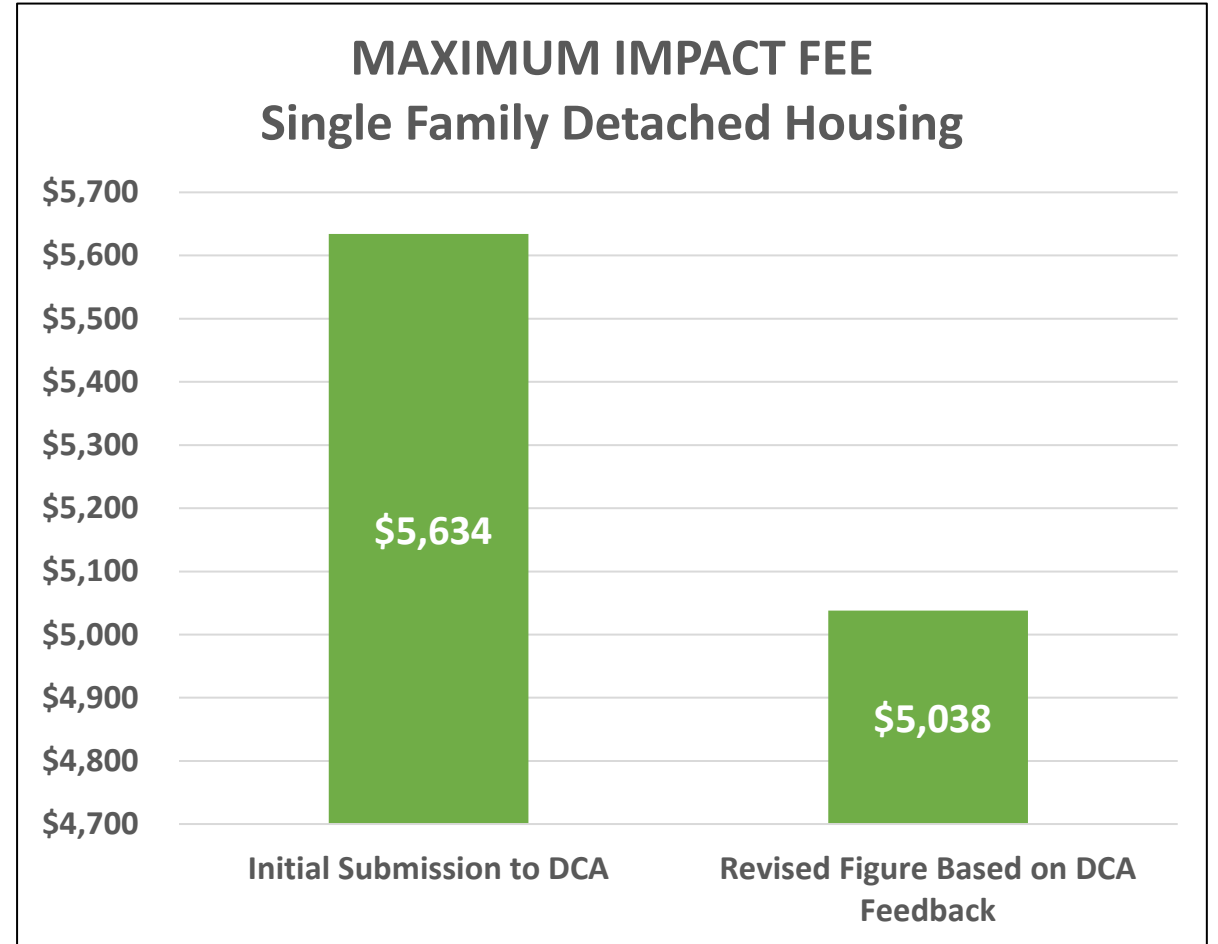
City Council Workshop

February 7, 2023



MAXIMUM IMPACT FEE

- DCA review identified areas which reduced maximum impact fee:
 - Eliminated projects from the Road Improvements Public Facility Category
 - Impact fees can only be used for added capacity to support new growth
 - Maintenance projects cannot be supported
 - Reduced the project total from \$24,913,956 (21.5%)



ITE Code	Land Use	Parks & Recreation Components	Trail System	Fire Protection	Law Enforcement	Road Improvements	Total Fee per Unit*	Unit of Measure
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Residential (200-299)

210	Single-Family Detached Housing	2,874.0647	79.8366	1,055.1640	850.2371	178.9578	5,038.2602	per dwelling
215	Duplex or Townhouse 1-3 stories	2,874.0647	79.8366	1,055.1640	850.2371	136.6380	4,995.9404	per dwelling
221	Mid-Rise Multi-Family 4-10 stories	2,874.0647	79.8366	1,055.1640	850.2371	90.1431	4,949.4455	per dwelling

Industrial (100-199)

110	General Light Industrial		0.0545	0.7207	0.5807	0.0907	1.4466	per square foot
140	Manufacturing		0.0669	0.8845	0.7127	0.0901	1.7542	per square foot
150	Warehousing		0.0120	0.1583	0.1275	0.0325	0.3302	per square foot
154	High-Cube Warehouse, short term		0.0231	0.3054	0.2461	0.0266	0.6012	per square foot
155	High-Cube Warehouse, fulfillment center		0.0231	0.3054	0.2461	0.0343	0.6089	per square foot
156	High-Cube Hub Warehouse		0.0242	0.3196	0.2576	0.0879	0.6893	per square foot
180	Specialty Trade Contractor		0.0957	1.2644	1.0188	0.1864	2.5652	per square foot

Lodging (300-399)

310	Hotel or Conference Motel		19.7037	260.4148	209.8388	151.6302	641.5876	per room
311	All Suites Hotel		32.6886	432.0299	348.1239	83.5010	896.3434	per room
320	Motel		4.7067	62.2056	50.1245	63.5746	180.6114	per room

Recreational (400-499)

445	Movie Theater		0.0501	0.6621	0.5335	1.4820	2.7277	per square foot
480	Amusement Park		0.0786	1.0392	0.8374	1,013.5883	1,015.5436	per acre
491	Racquet/Tennis Club		0.0168	0.2220	0.1789	0.4120	0.8296	per square foot
495	Recreational Community Center		0.0374	0.4943	0.3983	0.5469	1.4769	per square foot

IMPLEMENTATION OPTION # 1

- Adopt a maximum impact fee of \$3,930
 - 22% reduction from Methodology Report figure of \$5,038
 - Reduction in Parks and Recreation public facility category

Land Use	Parks & Recreation Components	Trail System	Fire Protection	Law Enforcement	Road Improvements	Total Impact Fee	For Each
Residential							
Single-Family Detached Housing	\$ 1,769.8490	\$ 76.6431	\$ 1,055.1640	\$ 850.2371	\$ 178.9578	\$ 3,930.8511	dwelling
Duplex or Townhouse 1-3 stories	\$ 1,769.8490	\$ 76.6431	\$ 1,055.1640	\$ 850.2371	\$ 136.6380	\$ 3,888.5312	dwelling
Mid-Rise Multi-Family 4-10 stories	\$ 1,769.8490	\$ 76.6431	\$ 1,055.1640	\$ 850.2371	\$ 90.1431	\$ 3,842.0364	dwelling
Industrial							
General Light Industrial	\$ -	\$ 0.0523	\$ 0.7206	\$ 0.5807	\$ 0.0907	\$ 1.4444	square foot
Manufacturing	\$ -	\$ 0.0642	\$ 0.8844	\$ 0.7127	\$ 0.0901	\$ 1.7515	square foot
Warehousing	\$ -	\$ 0.0114	\$ 0.1582	\$ 0.1275	\$ 0.0324	\$ 0.3297	square foot
High-Cube Warehouse, short term	\$ -	\$ 0.0221	\$ 0.3053	\$ 0.2460	\$ 0.0265	\$ 0.6002	square foot
High-Cube Warehouse, fulfillment center	\$ -	\$ 0.0221	\$ 0.3053	\$ 0.2460	\$ 0.0343	\$ 0.6080	square foot
High-Cube Hub Warehouse	\$ -	\$ 0.0232	\$ 0.3196	\$ 0.2575	\$ 0.0878	\$ 0.6882	square foot
Specialty Trade Contractor	\$ -	\$ 0.0918	\$ 1.2643	\$ 1.0188	\$ 0.1863	\$ 2.5613	square foot
Lodging							
Hotel or Conference Motel	\$ -	\$ 18.9155	\$ 260.4148	\$ 209.8387	\$ 151.6302	\$ 640.7994	room
All Suites Hotel	\$ -	\$ 31.3810	\$ 432.0298	\$ 348.1239	\$ 83.5010	\$ 895.0358	room
Motel	\$ -	\$ 4.5183	\$ 62.2056	\$ 50.1244	\$ 63.5746	\$ 180.4231	room

Percent of Maximum 65.18% 96.0% 100.0% 100.0% 100.0%

PROJECTED REVENUE COMPARISONS FOR REDUCED MAXIMUM IMPACT FEE

Year	Projected Total Number of Housing Units	Number of New Housing Units	Estimated Revenue at the Maximum Fee Amount (\$5,038)	Estimated Revenue at the Reduced Maximum Fee Amount (\$3,930)
2023	70,407	589	\$2,967,382.00	\$2,314,770.00
2024	71,298	891	\$4,488,858.00	\$3,501,630.00
2025	71,898	600	\$3,022,800.00	\$2,358,000.00
2026	72,504	606	\$3,053,028.00	\$2,381,580.00
2027	73,115	611	\$3,078,218.00	\$2,401,230.00
Total Revenue			\$16,610,286.00	\$12,957,210.00
Lost Revenue Based on Reduced Maximum Impact Fee Proposal				\$ 3,653,076.00

AFFORDABLE HOUSING EXEMPTION

- Qualify affordable housing qualify for a 25% exemption from the maximum impact fees
- Subject to available replacement funds from the City
 - All low-income housing tax credit (LIHTC) and similarly financed housing that has long term affordability requirements imposed by the federal, state, or local governments;
 - Housing properties constructed in the Federally Designated Opportunity Zones; and
- Single family or multifamily properties where:
 - Rents are at or below Fair Market Rents (FMRs) for a period of 15 years with deed restrictions; or
 - Sale price of homes are at or below 80% of Federal Housing Administration (FHA) limits for a period of 15 years with deed restrictions.

PHASE IMPLEMENTATION

- Three-year implementation:
 - Year 1: 50% of impact fee of \$1,966
 - Year 2: 75% of impact fee of \$2,948
 - Year 3: 100% of impact fee of \$3,931

- More aggressive implementation:
 - Year 1: 50% of impact fee of \$1,966
 - Year 2: 100% of impact fee of \$3,931



NEXT STEPS

- February 7
 - Planning Commission considers CIE
 - 1st Public Hearing & 1st Reading for the Impact Fee Ordinance
- February 23
 - 2nd Public Hearing & 2nd Reading for the Impact Fee Ordinance
 - CIE Resolution
 - Affordable Housing Resolution
- April 31
 - Finalize Administrative Procedures
- May 1
 - Implement Impact Fee Program



RECOGNITION

- Members of the Development Impact Fee Committee:
 - Monica Mastrianni
 - Tomeca McPherson
 - Melissa Phillips
 - Pat Shay
 - Dwayne Stephens
 - Bryan Wardlaw
 - Tomeca McPherson

