

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 5 for further discussion regarding the consideration of revenue sources.

EXPENDITURE OF IMPACT FEES

Legislation requires that impact fees should be spent or encumbered within six years after each impact fee is paid. Impact fees collected in the next five to six years should be spent or encumbered on only those projects outlined in the IFFP as growth related costs to maintain the LOS or to reimburse existing development for excess capacity used.

PROPOSED CREDITS OWED TO DEVELOPMENT

Development may receive a credit for the construction and/or donation of system improvements to the City that are included in the IFFP. Credits for system improvements may be available to developers up to, but not exceeding, the amount commensurate with the LOS identified within this Impact Fee Analysis. Credits will not be given for the amount by which system improvements exceed the LOS identified within this Impact Fee Analysis. This situation does not apply to developer exactions or system 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

This analysis identifies the known impact fee eligible costs related to growth. The City does not anticipate any other extraordinary costs necessary to provide services to future development.

SUMMARY OF TIME PRICE DIFFERENTIAL

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 cost of construction inflation. A two percent annual construction inflation adjustment is applied to projects completed after 2019 (the base year cost estimate).

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