

HAILEY RESOLUTION 2012- 58

A RESOLUTION OF THE CITY COUNCIL OF HAILEY, IDAHO, APPROVING AND ADOPTING AN UPDATE OF THE HAILEY COMPREHENSIVE PLAN BY AMENDING PART FIVE, CAPITAL IMPROVEMENT PLAN, AS PREVIOUSLY ADOPTED WITH HAILEY RESOLUTION 2010-18.

WHEREAS, Idaho Code 67-6508 requires the planning and zoning commission consider and recommend amendments to a comprehensive plan;

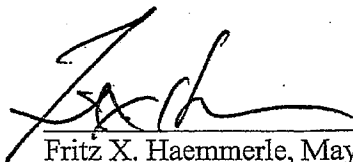
WHEREAS, the Hailey Comprehensive Plan was fully revised and updated by Resolution 2010-18, which incorporated the 2007 TishlerBise Capital Improvement Plan as Part Five; and

WHEREAS, a process to update Hailey Comprehensive Plan Part Five began was held May through August, 2012 with public hearings conducted by the Hailey Development Impact Fee Advisory Committee, the Hailey Planning and Zoning Commission, and the Hailey City Council;

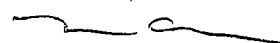
WHEREAS, Idaho Code 67-6509(c) states that no plan shall be effective unless adopted by resolution of the governing board.

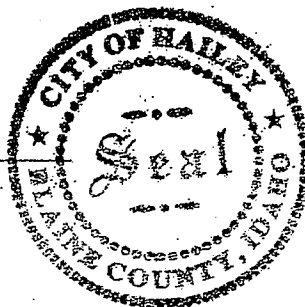
NOW, THEREFORE, BE IT RESOLVED by the City Council and the Mayor of the City of Hailey, in accordance with Idaho Code 67-6508, that the 2010 Hailey Comprehensive Plan Part Five be amended by the addition of the Caplan Development Impact 2012 Update, attached hereto, which is approved and adopted by the Hailey City Council.

PASSED AND ADOPTED BY THE HAILEY CITY COUNCIL AND APPROVED BY THE MAYOR THIS 20th DAY OF AUGUST, 2012.


Fritz X. Haemmerle, Mayor

ATTEST:


Mary Cone, City Clerk



DIF Advisory Committee Findings



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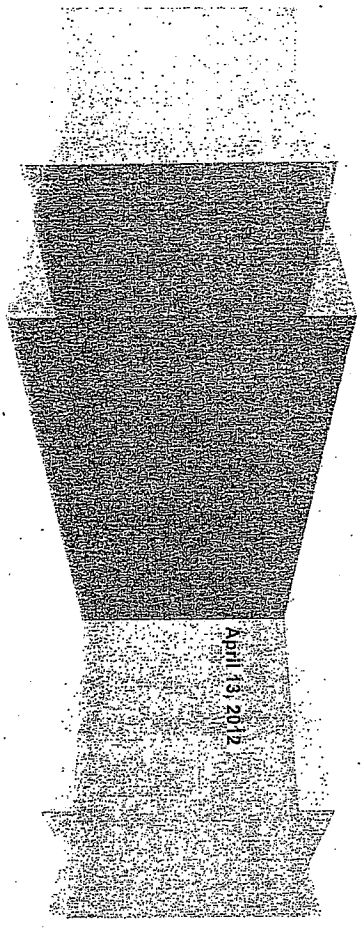
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Development Impact Fee 2012 Update

Prepared by
RICHARD CAPLAN & ASSOCIATES



April 13, 2012

1. Executive Summary and Impact Fee Requirements

A development impact fee is based on the premise that a new development creates a portion of the demand for the public facilities the impact fee will help finance. The use of development impact fees provides some assurance that the City will continue to be able to provide a desirable level and quality of services benefiting both existing and new residents. This study provides the City of Halley with an update to the City of Halley's Development Impact Fee adopted by the Halley City Council in 2007 (Ordinance no. 985).

The update utilizes the same methodology as the "Growth-Related Capital Improvements Plan and Development Impact Fee Study" dated March 23, 2007, and reflects demographic changes that have occurred in the City of Halley since 2007 and incorporates the 2012 Capital Improvement Plan (C.I.P.). This updated C.I.P. considers and incorporates input received from the 2012 Halley Citizen Survey.

Table A ("Summary of 2012 Impact Fee Updated Factors") presents 2012's primary changes from the 2007 Impact Fee Study that resulted in the 2012 recommended impact fee schedule (Table C - "Recommended Development Impact Fee Schedule").

Table A
Summary of 2012 Development Impact Fee Updated Factors

Factor	2007 Impact Fee Study	2012 Impact Fee Update	Source for 2012 Update
Population Growth Rate	4.50% per year	2.50% per year	City of Halley 2010 Comprehensive Plan
Persons per Housing Unit (a)	Detached: 2.55 Attached: 2.55 persons unit	Detached: 2.50 Attached: 2.69 persons unit	2010 U.S. Census
Employment Growth Rate	4.75%, An average of 156 new jobs per year	2.53%, An average of 90 new jobs per year	U.S. Bureau of Economic Affairs data 1999-2009
Tip Generation	TTE Trip Generation Handbook 2003	TTE Trip Generation Handbook 2008	Institute of Transportation Engineers 2008
Capital Improvements Plan	2007 Five Year Halley C.I.P.	2012 C.I.P. through 2032	As revised by City in March April 2012

(a) Detached housing is single family, owner-occupied units and attached housing is all other housing types, multi-family and/or renter-occupied.

Since the 2010 Census, permits for 37 residential units, 13 single family units and 24 multi-family units were issued in 2010 and 2011. Based on the average household size reported

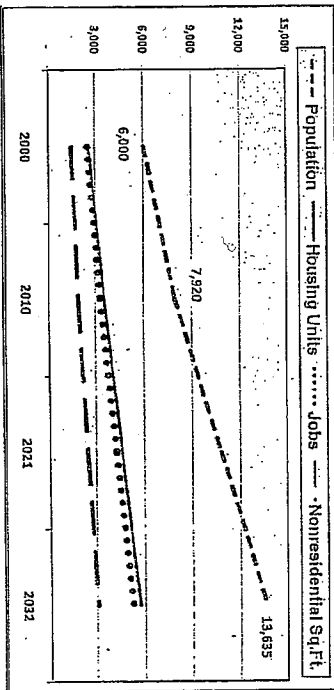
In the 2010 Census, it is estimated that these housing units have resulted in the city's population increasing by 97 residents in the last two years. The primary growth indicators for the impact fee study as presented in Table B are summarized in Graph A. 2010 data was used where data for 2011 published was not available.

Table B
Halley Growth Indicators 2000 - 2032

Growth Indicator	2000	2010	2032	2012 - 2032 Average Annual Increase	2012 Growth Rate
Population	6,000	2010: 7,960 (2011: 8,057)	13,635	280	2.50%
Housing Units	2,257	2010: 3,527 (2011: 3,664)	5,681	97	2.47%
Jobs	2,616	3,264	5,244	90	2.53%
Nonresidential Sq. Feet (in 100's)	1,462	1,896	3,047	52	2.53%
Average Weekday Vehicle Trips	N/A	38,605	64,043	750	2.50%

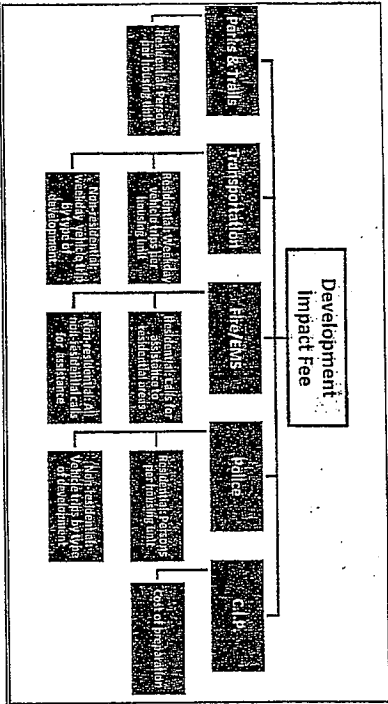
Source: U.S. Census; City of Halley; U.S. Bureau of Economic Analysis; Institute of Traffic Engineers.

Graph A



A summary of the use of these key factors incorporated into the Impact fee calculations is presented in the following Graph B.

Graph B



Note: Adding the cost of preparing and updating the C.I.P. is specifically authorized in the Idaho Code.

The recommended schedule of development impact fees based on the City of Halley 2012 Capital Improvement Plan is presented in Table C. ("Recommended Development Impact Fee Schedule"). The 2012 recommended impact fee schedule is lower than the 2007 fee schedule. This reduction reflects of the number, cost and funding sources of the 2012 C.I.P. projects. For reference purposes, Table C also includes the Impact Fee Schedule adopted by the City of Halley in 2007 (Ordinance 985).

Table C
Recommended Development Impact Fee Schedule

Residential:	2007 2012 Parks	2012 Population	Per housing unit				Proposed 2012
			2012 Police	Fire & EMS	C.I.P. Cost		
Single Family Detached	\$2,684	\$1,063	\$248	\$310	\$69	\$1,810	
All Other Housing Types (per unit)	\$1,410	\$651	\$267	\$334	\$69	\$1,450	
Non-residential:							
Commercial (up to 25,000 SF)	n/a	n/a	\$5.62	\$0.20	\$0.89	\$6.66	
Commercial (25,001-100,000 SF)	\$1,974	\$4.01	\$0.16	\$0.77	\$0.05	\$4.99	
Commercial (100,001+ SF)	\$3,065	\$2.90	\$0.14	\$0.65	\$0.05	\$3.74	
Office (up to 25,000 SF)	\$3,227	\$1.94	\$0.08	\$1.11	\$2.86	\$2.86	
Office (25,001+ SF)	\$4,265	\$1.40	\$0.05	\$1.05	\$0.05	\$2.55	
Medical-Dental Office	\$4,785	\$3.23	\$0.12	\$1.09	\$0.05	\$4.49	
Hospital	\$2,803	\$1.57	\$0.04	\$0.91	\$0.05	\$2.57	
Business Park	\$1,483	\$1.14	\$0.02	\$0.85	\$0.05	\$2.08	
Light Industrial	\$1,166	\$0.62	\$0.02	\$0.81	\$0.05	\$1.50	
Warehouse	\$6,067	\$0.44	\$0.02	\$0.34	\$0.05	\$0.85	
Mfg-Warehouse	\$3,381	\$0.23	\$0.01	\$0.01	\$0.05	\$0.30	
Other Non-residential:							
Lodging (per room)	\$955	n/a	\$529	\$17	\$118	\$654	
Day Care (per student)	\$145	n/a	\$420	\$14	\$43	\$477	
Nursing Home (per bed)	\$327	n/a	\$222	\$7	\$96	\$325	

*Other non-residential will also pay the cost of C.I.P. preparation.

Impact Fee Requirements in Idaho

Idaho requires impact fee expenditures to be tied to cities' Capital Improvement Plans. Idaho Statute 67-5202 authorized municipalities to enact development impact fees to:

- Ensure that adequate public facilities are available to serve new growth and development;
- Promote orderly growth and development by establishing uniform standards by which local governments require that those who benefit from new growth and development pay a proportionate share of the cost of new public facilities needed to serve new growth; and
- Ensure that those who benefit from new growth and development are required to pay no more than their proportionate share of the cost of public facilities needed to serve new growth and to prevent duplicate and ad hoc development requirements.

The State of Idaho requires that the city's capital improvements plan be updated in conformance each time a governmental entity proposes an amendment, modification or adoption of a development impact fee ordinance. The City of Halley updated its Capital Improvement Plan in 2012. Idaho law defines the type of public facilities which can be funded with impact fee revenues. Development impact fees may be levied only for the following types of public improvements and facilities:

- Roads, streets and bridges, including rights-of-way, traffic signals, landscaping and any local components of state or federal highways;
- Storm water collection, retention, detention, treatment and disposal facilities, flood control facilities, and bank and shore protection and enhancement improvements;
- Parks, open space and recreation areas and related capital improvements;
- Public safety facilities, including law enforcement, fire, emergency medical and rescue and street lighting facilities;
- Water supply production, treatment, storage and distribution facilities; and
- Wastewater collection, treatment and disposal facilities.

The State of Idaho statutes do not specifically provide for a development impact fee to support the development of general government infrastructure such as a new city hall, library related needs, etc.

Basis for Update and Changes Influencing the Halley Impact Fee Since 2007

State law requires the City of Halley to revise the city's development impact fee at least once every five years. Important changes since the 2007 impact fee adoption include the following:

1. **City Population and Dwelling Unit Growth** – The U.S. Census data report that the city's population in 2010 was 7,960. Halley issued permits for 37 residential units in 2010 and 2011. Halley has grown by 97 persons since 2010 based on the average number of persons per housing unit as reported in the 2010 U.S. Census.
2. **Comprehensive Plan Changes** – The 2010 Comprehensive Plan population projections require adjustment to the amount of future commercial square footage that Halley will accommodate. This factor influences the development impact fee formula.
3. **Changes in Capital Improvement Plan Projects and Costs** – The adopted list of street, fire/EMS, police and parks and trails capital projects and capital equipment has changed since 2007. Changes in supplemental revenue sources such as grants have also been modified.

The following Table D ("City of Halley Current and Projected Data") presents the basic data for the current and future population, housing units and amount of development to be completed in Halley upon build-out.

The existing and projected population, employment and non-residential growth for the City of Halley represents the proportionate shares that can be allocated to future capital improvement costs.

**Table D
City of Halley Current and Projected Data**

Category	2010 / 2012 Halley	Estimated Halley 2032	Share of 2032 to Date	Outstanding to 2032
Population	8,057 (2012)	13,635	59%	41%
Jobs	3,264 (2010)	5,244	62%	38%
Housing Units	3,574 (2012)	5,861	63%	37%
Non-residential Square Feet (in 000's)	1,898 (2010)	3,047	62%	38%
Service Units (population & jobs)	11,321	18,879	60%	40%

Based on the city's 2012 C.I.P., a total of approximately 28% of the C.I.P. is calculated to be eligible for incorporating into the development impact fee funding formula. (See Table E – "Summary of Capital Improvement Program Cost & Cost Allocation Data.") While it might be argued that these improvements are necessitated only by growth, the State standards limit the ability of the City to levy 100% of the costs on new development. State law specifies that the City must off-set development impact fee costs by the amount of anticipated and/or other dedicated funding the city will receive for such purposes. Other C.I.P. revenues considered in determining impact fee eligible funding allocation include:

- E. Elm SR2S Grant
- E. Myrtle Street Reconstruction SR2S Grant
- River Street HUD/CDBG Grant
- River Street/EPA TOSP Grant
- URA River Street Financing and
- Broadford Road LHTAC Grant.

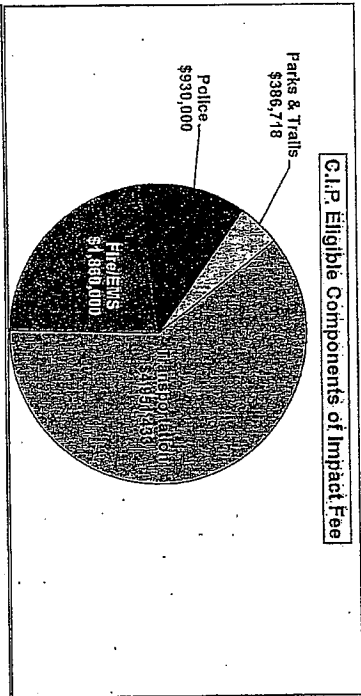
The net 2012 impact fee eligible cost for the City of Halley is estimated at \$8,128,151. (See Table E – "Summary of Capital Improvement Program Cost & Cost Allocation Data.")

A detailed listing of the eligible projects for each service area is presented in the following sections of this update. The development impact fee is calculated using the capital needs of each of the four service areas separately. (See Table C – "Recommended Development

Impact Fee Schedule"). A summary of the eligible project costs are summarized in Table E for each major service area and are also included in detail in the individual service sections.

Table E
Summary of Capital Improvement Program Cost and Cost Allocation

Service Area	TOTAL C.I.P. Projects 2013-2032	Net % of C.I.P. Projects Growth Related Costs	Net Impact Fee Study Update Eligible C.I.P. Costs
Parks and Trails	\$1,696,503	23%	\$386,718
Transportation	\$16,749,950	30%	\$4,951,433
Fire/EMS	\$10,330,850	18%	\$1,860,000
Police	\$2,739,981	34%	\$930,000
TOTAL	\$31,517,284	26%	\$8,128,151



II. Parks and Trails

The parks and trails element of the development impact fee is based on the cost per service unit method specified in Idaho law. For the park impact fee, a service unit is a person. The project's cost components are allocated exclusively to residential development because it has been assumed that park and recreation facilities do not benefit commercial or industrial land users.

The impact fee is derived from the average number of persons per housing unit multiplied by the parks and trails capital cost per person. Only those parks and trails with improvements that have a citywide service area are eligible for impact fee funding.

Table F identifies the parks and trails within Halley that draw residents from the entire city. Parks and trails improvement projects and each project's impact fee eligible costs are presented in the following Table F ("Parks and Trails Capital Improvement Program").

Table F
Parks and Trails Capital Improvement Program

Project	Total Cost (2013-2032)	Growth Related Share	Not Eligible	Net D.I.F. Eligible
Parks Projects:				
Lions Park Restroom	\$69,800	30%	70%	\$17,540
Kaester Park Plaza/Public Art Project	\$53,900	30%	70%	\$16,170
Downtown Plaza Land Acquisition	\$500,000	40%	100%	\$200,000
Downtown Strategy - Plaza	\$275,000	40%	100%	\$110,000
Interpretive Center/Gallery	\$405,878	None	100%	\$0
Multi-use Arena Improvements	\$140,000	None	100%	\$0
Foxmoor Park Restroom	\$62,400	None	100%	\$0
Trails Projects:				
Parks Trail B	\$99,125	30%	70%	\$26,738
Founders Trail	\$62,900	30%	70%	\$16,870
Parks Winter Fox Trail	\$57,500	None	100%	\$0
Total Project Costs:	\$1,696,503			\$386,718
2012 Population				8,057
Total Parks Capital Cost Per Person				\$48

Based on the city's 2012 population of 8,057, the improvement cost per person for parks is \$48 per person. This results in an impact fee of \$120 per detached (single family) unit and \$129 for all other residential units. (See Table G.)

Table G
Parks and Trails Impact Fee Calculations and Fee Schedule

Parks Impact Fee per Housing Unit	Persons per Housing Unit	Fee per Person	Impact Fee
Single Family Detached	2.50	x \$48	\$120 per unit
All Other Housing Types	2.69	x \$48	\$129 per unit

III. Transportation
For transportation infrastructure, a "service unit" is a weekday vehicle trip specified by ITE, Hailey's 2012 C.I.P., contains projects designed to ensure that circulation continues to meet standards as growth occurs.

State law specifies that the City offset development impact fee costs by the amount of dedicated funding it will receive or anticipates for such purposes from State subdivisions, state and federal grants, etc. Table H shows the \$16,749,950 streets and related improvements programmed in the 2012 C.I.P. and the amount eligible for impact fee funding.

Table H
Streets, Traffic and Transportation Capital Improvement Program

Project	Total Cost 2013-2032	Grants/HH Related Shares	Not Eligible	Net D.I.F. Eligible
Snow Storage	\$2,717,000	30%	70%	\$915,100
NE Woodside Streets	\$2,205,000	25%	75%	\$651,250
Reconstruct Woodside Ind Park St.	\$1,548,750	25%	75%	\$387,188
Second Ave Reconstruction	\$1,390,000	40%	60%	\$834,000
Rolling stork (10+ years of life)	\$1,022,000	30%	70%	\$391,800
Woodside Drainage Improvements	\$924,000	None	100%	\$0
5th Avenue Drainage Improvements	\$908,250	25%	75%	\$220,563
E Myrtle St Reconstruction	\$750,000	40%	60%	\$300,000
E Bullion St Reconstruction	\$650,000	40%	60%	\$220,000
Airport Way Reconstruction	\$560,000	40%	60%	\$198,000
W. Bullion St Reconstruction	\$495,000	40%	60%	\$168,000
River St & Cedar St Roundabout	\$420,000	30%	70%	\$120,750
Silver Star Dr & Cedar St Roundabout	\$402,800	30%	70%	\$110,280
2nd & Myrtle Roundabout	\$357,500	30%	70%	\$113,900
4th & Elm Roundabout	\$385,000	30%	70%	\$113,900
4th Ave Reconstruction (Croy-Elm)	\$402,500	40%	60%	\$161,000
Croy Steel - 2nd to Bike Path	\$335,500	40%	60%	\$134,200
E Elm St Reconstruction	\$306,500	40%	60%	\$122,760
Broadford Road	\$25,000	25%	75%	\$6,250
3rd Ave Sidewalks (Elm - Hwy 75)	\$230,000	40%	60%	\$92,000
Croy St. Bike Path to Quigley Rd	\$205,800	40%	60%	\$82,720
Missing Sidewalk Connections	\$100,000	None	100%	\$0
City Shop Cold Storage Building	\$101,200	None	100%	\$0
Install New Drywells	\$80,250	None	100%	\$0
Street Shop Fuel Storage	\$60,500	None	100%	\$0
1st Ave Stand-use path	\$49,500	50%	50%	\$24,750
Potential Crossing Lights	\$32,250	25%	75%	\$8,063
Portable Emergency Generator	\$33,000	None	100%	\$0
Inside Storage for sail	\$30,000	None	100%	\$0
Street Shop Security	\$27,300	None	100%	\$0
TOTAL	\$16,749,950	30%	70%	\$4,951,433

Within the total 20 year capital eligible project costs for streets, traffic and transportation improvements, the total eligible cost attributable to growth is \$4,951,433. Based on the city's projected increase in the average weekday vehicle trips, the improvement cost is \$194 per vehicle trip.

Table I
Transportation Impact Fee Calculations

Category	Base Year 2010	2032	Net Increase	Cost of Eligible Equipment	Average Cost per Vehicle Trip
Average Weekday Vehicle Trips	38,605	25,438	64,043	\$4,951,433	\$194
Total					\$194

Average weekday vehicle trips are calculated based on the Institute of Traffic Engineers trip generation data. Transportation related Impact Fees for non-residential development are based on floor area except for lodging, day care facilities and nursing homes. The result is an impact fee of \$1,063 per detached (single family) unit and \$651 for all other residential units. (See Table J - Transportation Impact Fee Schedule")

Table J
Transportation Impact Fee Schedule

Residential	Weekday Vehicle Trips	Impact Fee
Single Family Detached	9.57	\$1,063 per unit
All Other Housing Types	5.86	\$651 per unit
Non-Residential:		Fee Per Square Feet of Floor Area
Commercial (up to 25,000 SF)	110.32	\$5.52
Commercial (25,001-100,000 SF)	67.91	\$4.01
Commercial (100,001+ SF)	41.80	\$2.90
Office (up to 25,000 SF)	18.35	\$1.64
Office (25,001+ SF)	16.65	\$1.40
Medical/Dental Office	36.13	\$3.23
Hospital	17.57	\$1.57
Business Park	12.76	\$1.14
Light Industrial	6.97	\$0.62
Warehousing	4.96	\$0.44
Mini-Warehouse	2.50	\$0.23
Other Non-Residential:		
Lodging (per room)	5.63	\$529 per room
Day Care (per student)	4.48	\$420 per student
Nursing Home (per bed)	2.37	\$222 per bed

Note: Per ITE trip generation rates, trip adjustment factors are applied to avoid double counting each trip at both the origin and destination points.

IV. Fire and Emergency Medical Services

The fire and EMS element of the development impact fee is based on the number of residents for residential development and the number of jobs for commercial and industrial development.

Proportional share factors were used to allocate capital costs to residential and non-residential development. Proportional share is based on the number of fire and EMS incidents by property use category for 2010 as reported by the Halley Fire Department. There were a total of 389 fire and rescue call responses by the Halley Fire Department in 2010. The Fire Department reported that 205 of those calls, or 53% of the total were for residential development and 184 calls, or 47% of the total was for non-residential assistance.

Table K presents the fire and EMS capital projects and equipment requirements in the 2012 C.I.P., and the net amount eligible to be allocated to the impact fee. The table also allocates the residential and non-residential development impact fee using the proportional share factors allocated to the impact fee. ("Fire/EMS C.I.P. Projects, Equipment and Proportional Share").

The total 20 year net eligible costs for the Fire Department is \$1,860,000. Table K ("Fire & EMS C.I.P. Projects, Equipment and Proportional Share") recommends the cost per demand unit for the fire and EMS elements of the C.I.P.

**Table K
Fire & EMS C.I.P. Projects, Equipment and Proportional Share**

Project/Equipment	Total Cost (2013-2032)	Growth Related Share	Not Eligible	Net Eligible
Fire Station - South	\$3,133,750	25%	75%	\$783,438
Fire Station - North (Building)	\$1,906,250	25%	75%	\$476,562
Fire Station - Land Acquisition	\$1,500,000	25%	75%	\$375,000
Fire - Replace Eng. #1 (with Aerial Ladder)	\$800,000	25%	75%	\$225,000
Fire - Replace Engine #3	\$587,500	None	100%	\$0
Fire - Replace Engine #2	\$562,500	None	100%	\$0
Fire - Replace Engine #4	\$467,500	None	100%	\$0
Fire - Vehicle Engine #3	\$340,000	None	100%	\$0
Fire - SCBA Replacement	\$336,060	None	100%	\$0
Fire - Structural Fire Clothing	\$289,800	None	100%	\$0
Fire - Replace Vehicle #9	\$170,750	None	100%	\$0
Fire - Replace EMS #6	\$110,750	None	100%	\$0
Fire - Replace EMS #5	\$68,750	None	100%	\$0
TOTAL	\$10,330,850	N/A	N/A	\$1,860,000
Residential	53%	\$985,000	7,960	\$124
Non-residential	47%	\$874,200	3,264	\$268

Using the projected number of residential units through 2032, the impact fee is \$124 per residential service unit. The impact fee for non-residential development varies based on the number of employees per 1,000 square feet. For non-residential development, a service unit is a multiplier of \$268 per employee based on the number of employees per 1,000 square feet as published by the Institute of Traffic Engineers 2008 and the Urban Land Institute Development Handbook. (See Table L - "Fire/EMS Impact Fee Schedule").

The following Table L presents the recommended impact fee for Fire/EMS based on the number of persons per housing unit and the number of employees per square foot for commercial and industrial development.

Table L
Fire/EMS Impact Fee Schedule

Residential:	Person's per Unit	Per Person	Impact Fee
Single Family Detached	2.50	x \$124	\$310 per unit
All Other Housing Types	2.09	x \$124	\$334 per unit
Non-Residential: (@ \$258 per employee)	Employees per 1,000 Square Feet		Fee Per Square Feet of Floor Area
Commercial (up to 25,000 SF)	3.33		\$0.89
Commercial (25,001-100,000 SF)	2.86		\$0.77
Commercial (100,001+ SF)	2.60		\$0.65
Office (up to 25,000 SF)	4.15		\$1.11
Office (25,001+ SF)	3.91		\$1.05
Medical-Dental Office	4.05		\$1.09
Hospital	3.38		\$0.91
Business Park	3.16		\$0.85
Light Industrial	3.02		\$0.81
Warehousing	1.28		\$0.34
Multi-Varehouse	0.04		\$0.01
Other Non-Residential:			
Lodging (per room)	0.44		\$118 per room
Day Care (per student)	0.18		\$43 per student
Nursing Home (per bed)	0.36		\$96 per bed

V. Police

Halley police services deal with service demands from the resident and employment populations.

The major capital need for the Halley Police Department is an adequately sized and outfitted police station. The development impact fee for police will be designed to ensure that new development contributes a fair share to the costs of building the new station which will provide adequate services to the community.

Table M
Police Proportionate Share Factors

Residential	Detained Units in 2010	Detained Hours (24)	Person Hours
Population	7,660	x 24 hours	76,384
Residents Not Working	3,266		
Residents Working	4,394		
Residents Working in the City	1,820	x 16 hours	29,120
Residents Working Outside City	2,574	x 16 hours	45,984
Residential Sub-total			153,488
			= 85% of total
Non-Residential			
Jobs Located in the City	3,284		
Residents Working in the City	1,820	x 8 hours	14,560
Non-Resident Workers	1,444	x 8 hours	11,552
Non-Residential Sub-total			26,112
			= 15% of total
TOTAL PERSON HOURS:			179,600

Table N presents the police capital projects and equipment requirements in the C.I.P. and the net amount eligible to be allocated to the impact fee. The table also is used to allocate the residential and non-residential development impact fee using the proportionate share factors as indicated in Table M.

Table N
Police C.I.P. Projects

Project	Total Cost (2013-2032)	Growth Related Share	Not Eligible	Net C.I.P. Eligible
New Police Headquarters	\$1,880,000	60%	60%	\$930,000
Police Vehicles	\$879,961	0%	100%	\$0
TOTAL	\$2,739,961			\$930,000

Table O ("Police Impact Fee Schedule") recommends the supportable impact fee for the police elements of the C.I.P. Fees for the majority of the non-residential development categories are on a per square foot of floor area basis.

The total 20 year capital costs for the Police Department is \$2,739,961. A total of \$930,000 is projected to be subject to the impact fee. Based on the city's projected population and the increase in the average vehicle trips, the impact fee is \$248 per detached (single family) unit and \$267 for all other residential units. (See Table O - Police Impact Fee Schedule.)

Table O
Police Impact Fee Schedule

Residential	Persons per Unit	Fee Per Person	Impact Fee
Single Family Detached	2.50	\$99.31	\$248 per unit
All Other Housing Types	2.69	\$99.31	\$267 per unit
Non-Residential:	Trips per Demand Unit	Fee Per Trip	Fee Per Square Feet of Floor Area
Commercial (up to 25,000 SF)	110.32	\$9.25	\$0.20
Commercial (25,001-100,000 SF)	76.10	\$6.25	\$0.16
Commercial (100,001+ SF)	53.92	\$6.25	\$0.14
Office (up to 25,000 SF)	18.35	\$9.25	\$0.06
Office (25,001+ SF)	16.65	\$9.25	\$0.05
Medical-Dental Office	36.13	\$9.25	\$0.12
Hospital	11.81	\$9.25	\$0.04
Business Park	12.76	\$9.25	\$0.04
Light Industrial	6.97	\$9.25	\$0.02
Warehousing	4.96	\$9.25	\$0.02
Mfg./Warehouse	2.50	\$9.25	\$0.01
Other Non-Residential:			
Lodging (per room)	5.63	\$9.25	\$17 per room
Day Care (per student)	4.48	\$9.25	\$14 per student
Nursing Home (per bed)	2.37	\$9.25	\$7 per bed

VI. C.I.P. Implementation and Administration

The Idaho Development Impact Fee Act requires the impact fees to be periodically evaluated and updated to reflect recent data. This requirement recognizes that the cost of impact fee eligible improvements, equipment and land influence the C.I.P. and therefore the basis for calculating the development impact fees.

Adding the cost of preparing and updating the C.I.P. is specifically authorized in the Idaho Code. This update is the first update of the impact fee since adoption in 2007. Therefore, a five year cost period was used since the city has used a five year time frame for updating the Development Impact Fee.

Based on the average proportionate share of the type of development determined in this study, the cost is \$69 per housing unit and \$0.05 per square foot of non-residential development. (See Table P.)

**Table P
C.I.P. Cost Allocation per Development Unit**

C.I.P. Cost Component	Cost
Consultant Study	\$17,500
City Staff Time (@ 2% for 2 persons per year for 5 years)	\$30,000
Total Cost:	\$47,500

Proportionate Share by Type	Residential	Non-Residential
Parks	100%	0%
Transportation	44%	66%
Police	85%	15%
Fire & EMS	53%	47%
Combined Average:	70%	30%
C.I.P. Cost Allocation:	\$33,250	\$14,250
Projected Development Units (5 yrs.)	485 housing units (@ 87 units per year)	260,000 Square Feet (@ 52,000 sf per year)
C.I.P. Cost Impact Fee	\$69 per housing unit	\$0.05 per square foot

Appendix

2007 Development Impact Fee Schedule (Adopted Ordinance 985) and Proposed 2012

Use	2007 Fee Schedule					2007 Total	Proposed 2012 Total Fee
	Parks (million)	Transportation	Police	Fire & EMS	C.I.P. Cost		
Residential:							
Single Family Detached	\$934	\$900	\$365	\$350	\$177	\$2,098	\$1,810
All Other Housing Types (per unit)	\$782	\$553	\$305	\$293	\$177	\$2,010	\$1,450
Nonresidential:							
Commercial (up to 25,000 SF)	\$4.94	\$0.31	\$1.33	\$0.06	\$0.06	\$6.64	\$6.66
Commercial (25,001 - 100,000 SF)	\$3.58	\$0.23	\$1.00	\$0.06	\$0.06	\$4.97	\$4.99
Commercial (100,001+ SF)	\$2.80	\$0.16	\$0.80	\$0.06	\$0.06	\$3.92	\$3.74
Office (up to 25,000 SF)	\$1.46	\$0.09	\$1.06	\$0.06	\$0.06	\$3.27	\$2.86
Office (25,001+ SF)	\$1.25	\$0.08	\$1.59	\$0.06	\$0.06	\$2.95	\$2.55
Medical-Dental Office	\$2.89	\$0.16	\$1.02	\$0.06	\$0.06	\$4.75	\$4.49
Hospital	\$1.40	\$0.09	\$1.35	\$0.06	\$0.06	\$2.80	\$2.57
Business Park	\$1.02	\$0.05	\$1.29	\$0.06	\$0.06	\$2.40	\$2.08
Light Industrial	\$0.55	\$0.03	\$0.92	\$0.06	\$0.06	\$1.60	\$1.50
Warehousing	\$0.39	\$0.02	\$0.51	\$0.06	\$0.06	\$0.98	\$0.85
Multi-Warehouse	\$1.20	\$0.01	\$0.01	\$0.06	\$0.06	\$1.28	\$0.30
Other Non-residential:							
Lodging (per room)	\$450	\$29	\$178	*	*	\$655	\$654
Day Care (per student)	\$358	\$23	\$ 64	*	*	\$445	\$477
Nursing Home (per bed)	\$189	\$12	\$144	*	*	\$345	\$325

* Other nonresidential will also pay the cost of C.I.P. preparation and administration at the rate of \$0.06 per square foot of floor area.

AGENDA ITEM SUMMARY

DATE: 08-20-2012 DEPARTMENT: Administration DEPT. HEAD SIGNATURE: HD

SUBJECT: Capital Improvement Plan 5-Year Update - proposed Caplan Study Fees

AUTHORITY: ID Code 67-6508 67-6509 IAR City Ordinance/Code

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

On August 6, the Hailey City Council considered and took public hearing on the recommendations made by the DIF Advisory Committee and the Hailey Planning and Zoning Commission regarding the 5-year update to Hailey's Capital Improvement Plan. The matter was continued to August 20 for further discussion and decision related to the following key element:

Rich Caplan's study proposed certain fees. The recommendation from DIF and P&Z was to average those fees across seven commercial categories. The Hailey City Attorney recommended against that approach, stating that it would create a fee structure that is not defensible under the law, in that it would not be tied to impacts created by each specific type of development.

Former Consultant Carson Blase sent an unsolicited email (attached) after reading about this in the newspaper, giving advice similar to the advice of the City Attorney.

Rich Caplan's advice was solicited, and is attached.

We recommend that the council adopt the study as initially prepared by Caplan, and incorporate it into Hailey's Comprehensive Plan. It is attached, and the fees can be found on Page 5.

The next step in this process would be to amend the Development Impact Fee Ordinance, to adopt the Caplan Study Fees with certain exceptions, such as exempting Day Care Businesses from the development impact fee prescribed in the study.

Identify of Services Unit Factor	2010	Percent of Total
Population	7,960	
Jobs	3,284	
Population & Jobs	11,234	
Residential Units	3,527	
Single Family detached units	2,176	61.7% of units
All Other types of units	1,351	38.3% of units
Residential Avg. Day Vehicle Trips	17,444	43.9% of total
Non-Residential		
Non-Residential Floor Area (in 000's)	1,896	
Non-Residential Avg. Day Vehicle Trips	22,305	56.1% of total
Total Average Day Vehicle Trips	39,749	100%

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (if applicable)	Beneficial Committee
<input type="checkbox"/> City Administrator	<input type="checkbox"/> Streets
<input type="checkbox"/> City Attorney	<input type="checkbox"/> Treasurer
<input type="checkbox"/> City Clerk	
<input type="checkbox"/> Building	
<input type="checkbox"/> Engineer	
<input type="checkbox"/> Fire Dept.	
<input type="checkbox"/> Library	
<input type="checkbox"/> Mayor	
<input type="checkbox"/> Planning	
<input type="checkbox"/> Police	
<input type="checkbox"/> Public Works, Parks	
<input type="checkbox"/> P & Z Commission	

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

The Hailey City Council should accept the recommendation of the Hailey DIF Advisory Committee and the Hailey Planning and Zoning Commission to adopt the 2012 Caplan Update as an addition to Part Five of the Hailey Comprehensive Plan, but deny the recommendation to average the fees. Action to amend the Comprehensive Plan would result in approval of the attached Resolution with the Caplan 2012 Update attached as initially drafted.

ACTION OF THE CITY COUNCIL:

Date: _____

City Clerk _____

FOLLOW-UP: