

**ORDINANCE NO. #\_\_\_\_\_**

**AN ORDINANCE AMENDING SPRINGVILLE CITY'S TRANSPORTATION IMPACT FEE ANALYSIS.**

**WHEREAS**, Springville City has legal authority pursuant to Title 11, Chapter 36a of the Utah Code known as the "Impact Fee Act" (hereinafter the "Act") to impose development impact fees as a condition of development approval, which impact fees are used to defray capital infrastructure costs attributable to new development activity; and

**WHEREAS**, Springville City has historically assessed impact fees as a condition of development approval in order to appropriately assign capital infrastructure costs to development in an equitable and proportionate manner; and

**WHEREAS**, on October 16, 2016, the Springville City Council approved Ordinance #26-2016 that adopted and enacted the 2016 Springville Transportation Master Plan ("Master Plan"), Springville City Transportation Impact Fee Analysis ("IFA"), the Transportation Impact Fee, and Springville City Impact Fee Facilities Plan ("IFFP"); and

**WHEREAS**, Springville City recently noticed some adjustments concerning the IFA's ITE Trip Generation methodology that need to be made and have worked with Horrocks Engineering and Zions Public Finance, Inc. to make the needed revisions; and

**WHEREAS**, pursuant to the requirements of Section 11-36a-503, Springville City posted on the Utah Public Notice Website, Springville City's intent to prepare an amendment to the IFA; and

**WHEREAS**, this Ordinance only amends the IFA and the Transportation Impact Fee, and the IFFP and Master Plan shall remain the same as adopted in Ordinance #26-2016; and

**WHEREAS**, pursuant to the requirements of Sections 11-36a-303 and 11-36a-304 of the Act, Zions Public Finance, Inc. has prepared the "Springville City Updated Transportation Impact Fee Analysis," dated November 16, 2017 (the "Updated IFA"), attached as Exhibit C, which Zions Public Finance, Inc. has certified pursuant to the requirements of Section 11-36a-306 of the Act; and

**WHEREAS**, Zions Public Finance, Inc. has also calculated for enactment Transportation Impact Fees as set forth in the Updated IFA and pursuant to Section 11-36a-305 of the Act; and

**WHEREAS**, on December 6, 2017, pursuant to Section 11-36a-504 of the Act, a full copy of the Updated IFA and this Impact Fee Enactment Ordinance, along with an executive summary of the

Updated IFA that was designed to be understood by a lay person, were made available to the public at the Springville City Public Library and posted on the City's Website; and

**WHEREAS**, on December 9, 2017, the Provo Daily Herald published a notice of the date, time, and place of the public hearing to consider the Updated IFA and this Impact Fee Enactment Ordinance; and

**WHEREAS**, on December 19, 2017, the Springville City Council held a public hearing regarding the proposed Updated IFA and this Impact Fee Enactment Ordinance; and

**WHEREAS**, the Springville City Council does now desire to hereby approve and adopt the Updated IFA, and the Transportation Impact Fee pursuant to the requirements of Sections 11-36a-401 through 11-36a-403 of the Act.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of Springville, Utah:

**SECTION 1: Adoption.**

The Updated IFA, attached as Exhibits A, and the Transportation Impact Fees set forth in the Updated IFA are hereby approved, adopted and incorporated herein by reference. Ordinance #26-2016 shall remain in full force and effect as to the Master Plan and IFFP and all other provisions that are not amended by this Ordinance.

**SECTION 2: Service Area.**

The service area established in Updated IFA and for which the Transportation Impact Fees are established and imposed is all of Springville City (the "Service Area"). The Service Area is established based upon sound planning and engineering principles for the City's transportation system services.

**SECTION 3: Level of Service.**

The existing level of service provided by the City's transportation system shall remain the same as it was prior to this Ordinance and is hereby again adopted as the level of service to be provided throughout the City. As stated in the IFFP, the current level of service ("LOS") is LOS D. The "IFFP will not make changes to the existing level of service, and LOS D will be the standard by which future growth will be evaluated." (IFFP, p. 3) The existing and proposed level of service is described on pages 1 through 3 of the IFFP.

**SECTION 4: Impact Fee Analysis and Impact Fee Calculations.**

The Transportation Impact Fee calculation is based on the following:

1. Elements. In calculating the Transportation Impact Fee, the City has included those costs allowed, including debt service, if any, that are found under Section 11-36a-305 of the Act.
2. Proportionate Share Analysis. Included within the Updated IFA and IFFP is a proportionate share analysis as required by Section 11-36a-304 of the Act.
3. Formula. The Transportation Impact Fee is based upon the Act’s required proportionate share analysis in determining the total project costs to maintain the City’s current Transportation system level of service for new development activity that will occur during the next six (6) to ten (10) years. The following schedule of Transportation Impact Fees is found in the Updated IFA and is a schedule of impact fees for each type of development activity that specifies the amount of the impact fee to be imposed for each type of system improvement, and/or the following is the formula the City will use to calculate each impact fee.

Summary of Impact Fees

TABLE 10: SUMMARY OF GROSS IMPACT FEE

Summary of Cost per PM Peak Hour Trip	Amount
Buy-In to Excess Capacity	\$0.00
New Construction	\$1,348.63
Consultant Cost	\$2.55
Fund Balance Credit	\$0.00
<b>Cost per PM Peak Hour Trip</b>	<b>\$1,351.18</b>

The total cost per trip is then applied to the daily PM peak hour trips generated by various land use types. The more trips that are associated with a particular land use or development, the greater its impact on the street system.

The IFFP explains that trips generated need to be divided by two in order to avoid double-counting such as when a person leaves home and goes to work.

“There is a minor discrepancy in the way ITE calculates trips and the way trips or roadway volumes are calculated in the travel demand modeling used in the Springville TMP. This

discrepancy is explained by the model roadway volumes and capacities being calculated using daily traffic volumes rather than trips on the roadway. Essentially this means that a travel demand model "trip" or unit of volume is counted once as a vehicle leaves home, travels on the road network and then arrives at work. This vehicle will only be counted as it travels on the roadway network. The ITE Trip Generation method uses driveway counts as its measure of a trip. Therefore a vehicle making the same journey will be counted once as it leaves home and once again as it arrives at work for a total of two trips. This can be rectified simply by adjusting the ITE Trip Generation rates by one-half."<sup>2</sup>

This adjustment by 50 percent has been made in the calculation of impact fees shown below. More categories, other than the major groupings shown below and recommended to the City, are included in Appendix A.

TABLE 11: SUMMARY OF GROSS IMPACT FEE

Category	Units; Per	ITE Trips	Adjusted Trips	Maximum Fee
130 - Industrial Park	1000 Sq. Feet Gross Floor Area	0.85	0.43	\$574.25
210 - Single-Family Detached Housing	Dwelling Unit	1.00	0.50	\$675.59
220 - Multi-Family / Apartment (Greater than 4 Units)	Dwelling Unit	0.62	0.31	\$418.87
230 - Multi-Family / Condo, Townhouse	Dwelling Unit	0.52	0.26	\$351.31
254 - Assisted Living Center	Bed	0.22	0.11	\$148.63
310 - Hotel	Room	0.60	0.30	\$405.35
560 - Church	1000 Sq. Feet Gross Floor Area	0.55	0.28	\$371.57
710 - General Office Building	1000 Sq. Feet Gross Floor Area	1.49	0.75	\$1,006.63
820 - Shopping Center / Strip Mall	1000 Sq. Feet Gross Leasable Area	3.71	1.22	\$1,654.25

The above impact fee calculations are more fully described in the Updated IFA. Additional ITE categories are found in Appendix A of the IFA and states as follows:

## Appendix A – Sample Table of ITE Categories

The City may choose to combine retail categories in order to avoid large discrepancies between fees for development of different types.

	Category	Units; Per	ITE Trips	Adjusted Trips	Maximum Fee PM Peak Fee
130	Industrial Park 130	1000 Sq. Feet Gross Floor Area	0.85	0.43	\$574.25
140	General Manufacturing	1000 Sq. Feet Gross Floor Area	0.73	0.37	\$493.18
151	Storage Units	1000 Sq. Feet Gross Floor Area	0.26	0.13	\$175.65
152	Warehouse / Distribution Center	1000 Sq. Feet Gross Floor Area	0.12	0.06	\$81.07
210	Single-Family Detached Housing	Dwelling Unit	1.00	0.50	\$675.59
220	Multi-Family / Apartment (Greater than 4 units)	Dwelling Unit	0.62	0.31	\$418.87
230	Multi-Family / Condo. Townhouse	Dwelling Unit	0.52	0.26	\$351.31
240	Mobile Home / RV Park	Occupied Dwelling Unit	0.59	0.30	\$398.60
254	Assisted Living Center	Bed	0.22	0.11	\$148.63
310	Hotel	Room	0.60	0.30	\$405.35
444	Movie Theater < 10 Screens	1000 Sq. Feet Gross Floor Area	3.80	1.90	\$2,567.24
445	Movie Theater > 10 Screens	1000 Sq. Feet Gross Floor Area	4.91	2.46	\$3,317.15
492	Health/Fitness Club	1000 Sq. Feet Gross Floor Area	3.53	1.77	\$2,384.83
520	Elementary School	1000 Sq. Feet Gross Floor Area	1.21	0.61	\$817.46
522	Middle School / Junior High School	1000 Sq. Feet Gross Floor Area	1.19	0.60	\$803.95
530	High School	1000 Sq. Feet Gross Floor Area	0.97	0.49	\$655.32
534	Private School (K-8)	1000 Sq. Feet Gross Floor Area	0.60	0.30	\$405.35
560	Church	1000 Sq. Feet Gross Floor Area	0.55	0.28	\$371.57
565	Day Care Center	1000 Sq. Feet Gross Floor Area	12.34	6.17	\$8,336.78
590	Library	1000 Sq. Feet Gross Floor Area	7.30	3.65	\$4,931.81
610	Hospital	1000 Sq. Feet Gross Floor Area	0.93	0.47	\$628.30
710	General Office Building	1000 Sq. Feet Gross Floor Area	1.49	0.75	\$1,006.63
720	Medical-Dental Office Building	1000 Sq. Feet Gross Floor Area	3.57	1.79	\$2,411.86
770	Business Park	1000 Sq. Feet Gross Floor Area	1.26	0.63	\$851.24
812	Building Material and Lumber Store	1000 Sq. Feet Gross Floor Area	4.49	2.25	\$3,033.40
817	Nursery (Garden Center)	1000 Sq. Feet Gross Floor Area	6.94	3.47	\$4,688.59
820	Shopping Center / Strip Mall	1000 Sq. Feet Gross Leasable Area	3.71	34% 1.22	\$1,654.25
826	Specialty Retail Center	1000 Sq. Feet Gross Leasable Area	2.71	1.36	\$1,830.85

	Category	Units; Per	ITE Trips	Adjusted Trips	Maximum Fee PM Peak Fee
841	Automobile Car Sales	1000 Sq. Feet Gross Floor Area	5.98		\$4,040.03
848	Tire Store	1000 Sq. Feet Gross Floor Area	4.15	28%	\$2,018.66
850	Supermarket	1000 Sq. Feet Gross Floor Area	9.48	36%	\$4,098.94
851	Convenience Store	1000 Sq. Feet Gross Floor Area	52.41	61%	\$13,808.99
912	Bank / Financial Institution	1000 Sq. Feet Gross Floor Area	24.30	47%	\$8,700.92
918	Hair / Nails / Massage / Beauty Salon / Day Spa	1000 Sq. Feet Gross Floor Area	1.45		\$979.61
932	Restaurant, Sit-Down (Low Turnover)	1000 Sq. Feet Gross Floor Area	9.85	44%	\$3,726.55
933	Restaurant, Sit-Down (High Turnover)	1000 Sq. Feet Gross Floor Area	26.15	43%	\$10,070.01
934	Restaurant with Drive Through Window	1000 Sq. Feet Gross Floor Area	32.65	50%	\$11,029.01
942	Auto Care Center	1000 Sq. Feet Gross Leasable Area	3.11		\$2,101.08
944	Gasoline/Service Station	Fueling Position	13.87	42%	\$5,434.85
945	Gasoline/Service Station with Convenience Store	1000 Sq. Feet Gross Floor Area	13.51	56%	\$4,015.98
947	Self Service Car Wash	Wash Stall	5.54		\$3,742.77
948	Automated Car Wash	1000 Sq. Feet Gross Floor Area	14.12		\$9,539.33

The above impact fee amounts do not represent the maximum allowable transportation impact fees in that the City has elected at this time to not include in the IFFP and Updated IFA some transportation costs and projects that are scheduled to be constructed within the next ten years and are attributable to new development. The City is hopeful to have these costs and projects associated with new development funded from other funding sources.

4. Non-standard Impact Fees. The City reserves the right under the Act to assess an adjusted impact fee that more closely matches the true impact that the land use will have upon the Transportation system. This adjustment could result in a different impact fee if evidence suggests a particular user will create a different impact than what is standard for its category.
5. Impact Fee Adjustments.
  - a. The City Council is authorized to adjust the standard fee at the time the fee is charged to:
    - i. respond to:
      1. unusual circumstances in specific cases; or
      2. a request of a prompt and individualized impact fee review for the development activity of the state, a school district, or a charter school and an offset or credit for a public facility for which an impact fee has or will be collected, and
    - ii. ensure that the impact fees are imposed fairly.
  - b. The impact fee may be adjusted for a particular development based on studies or data provided by a developer after review by the City's Impact Fee Administrator and approval by the City Council.
6. Credits and Reimbursements.
  - a. A developer, including a school district or a charter school, shall receive a credit against or proportionate reimbursement of an impact fee from the City if the developer:
    - i. dedicates land for a system improvement,
    - ii. builds and dedicates some or all of a system improvement, or
    - iii. dedicates a public facility that the City and the developer agree will reduce the need for a system improvement.

- b. The City shall require a credit against the impact fee for any dedication of land for, improvement to, or new construction of, any system improvements provided by the developer if the facilities:
  - i. are system improvements, or
  - ii. A. are dedicated to the public, and
    - B. offset the need for an identified system improvement.

**SECTION 5: Assessment.**

The Transportation Impact Fee shall be charged for all new development or whenever a use on a property increases demand on Springville City's transportation system. In the latter instance, the impact fee shall be based on the increased demand on the transportation system. The impact fee shall be charged throughout the Service Area.

**SECTION 6: Expenditure of Impact Fees.**

The City may expend impact fees only for a system improvement identified in the Impact Fee Facilities Plan and for the specific public facility type for which the fee was collected. Impact fees will be expended on a first-in-first-out basis. Impact fees collected pursuant to this Ordinance shall be expended or encumbered for a permissible use within six (6) years of their receipt. The City may hold the fees for longer than six (6) years if it identifies, in writing, an extraordinary and compelling reason why the fees should be held longer than six (6) years and an absolute date by which the fees will be expended.

**SECTION 7: Refunds.**

The City shall refund any impact fee paid by a developer, when:

1. the developer does not proceed with the development activity and has filed a written request for a refund;
2. the fee has not been spent or encumbered; and
3. no impact has resulted.

An impact that would preclude a developer from a refund from the City may include any impact reasonably identified by the City, including but not limited to, the City having sized facilities and/or paid for, installed and/or caused the installation of facilities based, in whole or in part, upon the

developer's planned development activity even though that capacity may, at some future time, be utilized by another development.

**SECTION 8: Impact Fee Challenges.**

A person or entity that has standing to challenge an impact fee may appeal the impact fee pursuant to Title 14, Chapter 5 of the Springville City Code. The procedures and time limitations for challenging an impact fee, including procedures for mediation and/or arbitration, shall be as set forth in Sections 11-36a-702 through 705 of the Act. The applicable remedies for an impact fee challenge shall be limited to those set forth in Section 11-36a-701 of the Act.

**SECTION 9: Accounting of Impact Fees.**

The City shall follow all of the accounting and reporting requirements found in Section 11-36a-601 of the Act.

**SECTION 10: Severability.**

If any portion or provision of this Ordinance shall be declared invalid for any reason, such decision shall not affect the remaining portions of this Ordinance that shall remain in full force and effect. For this purpose, the provisions of this Enactment are declared to be severable.

**SECTION 11: Effective Date.**

This Ordinance will become effective after it is published and in accordance with Utah law.

**SECTION 12: Publication.**

The City Recorder shall cause this ordinance or a short summary hereof to be published in the *Daily Herald*, a newspaper published and of general circulation in the City.

ADOPTED by the City Council of Springville, Utah, this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

SPRINGVILLE CITY

\_\_\_\_\_  
MAYOR WILFORD W. CLYDE

ATTEST:

\_\_\_\_\_  
CITY RECORDER

# Exhibit A



**Springville City**

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**Updated Transportation  
Impact Fees Analysis**

November 16, 2017

## Transportation Impact Fee Analysis

### Summary

This Impact Fee Analysis (IFA) is based on the information provided in the City's Roadway Impact Fee Facilities Plan ("IFFP") dated October 2016 and prepared by Horrocks Engineers.

Projected Growth. The IFFP projects that new development in Springville City is projected to grow by an estimated 3,531 PM peak hour trips<sup>1</sup> between 2016 and 2025 – from 11,396 one-way PM peak hour trips in 2016 to 14,927 trips in 2025. This growth will use up excess capacity on existing roads and will require the expansion of existing roads or development of new roads in order to maintain the existing levels of service.

Service Levels. The IFFP states that the current level of service (LOS) is LOS D and that the "IFFP will not make any changes to the existing level of service, and LOS D will be the standard by which future growth will be evaluated." (IFFP, p. 3)

Service Areas. Springville City ("City") includes one roadway service area as recommended by the City's engineers in the IFFP.

Excess Capacity. Springville City's IFFP does not identify any current excess capacity nor does this analysis charge a buy-in fee for existing excess capacity.

Existing Deficiencies. One road – 400 South between Main Street and 400 East (Project #10) – is currently operating at a deficiency. Therefore, the cost of widening this road cannot all be attributed to new development as impact fees cannot be used to cure existing deficiencies. Therefore, the cost of widening this road was reduced by 22 percent for the calculation of impact fees in order to account for the cost of new construction associated with curing existing deficiencies. (IFFP, p. 15)

Project #24, the traffic signal at 400 South and Main Street is currently operating at a level of service (LOS) E, and is therefore deficient. Because UDOT is responsible for this traffic signal, no costs have been included in the calculation of impact fees.

New Construction. Springville City's IFFP identifies a total of 16 projects necessitated by new development at a total cost of \$103,015,000. However, ten of the projects will be funded solely by UDOT and are therefore not eligible for impact fees. Two of the projects will be funded in conjunction with MAG and costs are therefore shared proportionately with MAG.

Therefore, Springville City is responsible for only \$5,510,000 of the total new construction costs necessitated by new growth. This number is further adjusted to reflect the fact that new development is not responsible for pass-through traffic, for curing existing deficiencies and for the excess capacity remaining in these new projects after 2025. Therefore, the total cost attributable to new development over the next ten years is \$4,762,000.

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<sup>1</sup> A PM peak hour trip is defined as a single or one-directional vehicle movement to or from a site between the hours of 4 p.m. and 6 p.m.

Proportionate Share Analysis. A summary of the proportionate share analysis is as follows:

TABLE 1: PROPORTIONATE SHARE ANALYSIS

Summary of Cost per Trip	Amount per PM Peak Hour Trip
Buy-In to Excess Capacity	\$0.00
New Construction	\$1,348.63
Consultant Cost	\$2.55
Fund Balance Credit	\$0.00
<b>Cost per PM Peak Hour Trip</b>	<b>\$1,351.18</b>

**The maximum fee per PM peak hour trip is \$1,351.18.**

The cost per trip is then applied to standards set by the Institute of Transportation Engineers (ITE) to evaluate the number of PM peak hour trips per development type.

**The City may choose to combine many of the categories listed by ITE (as shown in Appendix A) in order to avoid large differences in fees charged to retail developments of different types.**

**The following table shows groupings commonly used by cities and recommended by the consultants.**

TABLE 2: RECOMMENDED MAXIMUM TRANSPORTATION IMPACT FEES INTO MAJOR GROUPINGS

Category	Units; Per	ITE Trips	Adjusted Trips (including Pass-By Trips)	Maximum Fee
130 - Industrial Park	1000 Sq. Feet Gross Floor Area	0.85	0.43	\$574.25
210 - Single-Family Detached Housing	Dwelling Unit	1.00	0.50	\$675.59
220 - Multi-Family / Apartment (Greater than 4 Units)	Dwelling Unit	0.62	0.31	\$418.87
230 – Multi-Family / Condo, Townhouse	Dwelling Unit	0.52	0.26	\$351.31
254 - Assisted Living Center	Bed	0.22	0.11	\$148.63
310 – Hotel	Room	0.60	0.30	\$405.35
560 – Church	1000 Sq. Feet Gross Floor Area	0.55	0.28	\$371.57
710 - General Office Building	1000 Sq. Feet Gross Floor Area	1.49	0.75	\$1,006.63
820 - Shopping Center / Strip Mall	1000 Sq. Feet Gross Leasable Area	3.71	1.22	\$1,654.25

## Utah Code Legal Requirements

Utah law requires that communities prepare an Impact Fee Analysis (IFA) before enacting an impact fee. Utah law also requires that communities give notice of their intent to prepare and adopt an IFA. This IFA follows all legal requirements as outlined below. The City has retained Zions Public Finance Inc., a wholly-owned subsidiary of ZB, N.A. to prepare this Impact Fee Analysis in accordance with legal requirements.

### Notice of Intent to Prepare Impact Fee Analysis

A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Plan (Utah Code §11-36a-503). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA.

### Preparation of Impact Fee Analysis

Utah Code requires that each local political subdivision, before imposing an impact fee, prepare an impact fee analysis. (Utah Code 11-36a-304).

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis as follows:

- (1) An impact fee analysis shall:
  - (a) identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;
  - (b) identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
  - (c) demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;
  - (d) estimate the proportionate share of:
    - (i) the costs for existing capacity that will be recouped; and
    - (ii) the costs of impacts on system improvements that are reasonably related to the new development activity; and
  - (e) identify how the impact fee was calculated.
- (2) In analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:
  - (a) the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
  - (b) the cost of system improvements for each public facility;

- (c) other than impact fees, the manner of financing for each public facility, such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
- (d) the relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by such means as user charges, special assessments, or payment from the proceeds of general taxes;
- (e) the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
- (f) the extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;
- (g) extraordinary costs, if any, in servicing the newly-developed properties; and
- (h) the time-price differential inherent in fair comparisons of amounts paid at different times.

#### **Certification of Impact Fee Analysis**

Utah Code states that an Impact Fee Analysis shall include a written certification from the person or entity that prepares the Impact Fee Analysis. This certification is included at the conclusion of this analysis.

## Anticipated Impact on or Consumption of Any Existing Capacity of a Public Facility by the Anticipated Development Activity

*Utah Code 11-36a-304(1)(a)*

### Consumption of Existing Capacity

Development activity in Springville is based on both residential and nonresidential growth. Growth projections are then used by the City's engineers as inputs in the MAG Travel Demand Model to forecast trip generation. Growth projections are as follows:

TABLE 3: GROWTH PROJECTIONS

PM Peak Hour Trips	PM Peak Hour Trips
PM Peak Hour Trips 2016	11,396
PM Peak Hour Trips 2025	14,927
PM Peak Hour Trips 2040	20,394
PM Peak Hour Trip Growth 2016-2025	3,531

While the engineers have not identified any excess capacity in the existing City-owned roads, they have identified one road with current deficiencies. Existing roadway deficiencies are shown in Table 2 of the IFFP, p. 5 and are included below. Impact fees cannot be used to mitigate existing deficiencies. The IFFP also identifies an existing traffic signal (project #24) located at 400 South and Main Street as having an existing deficiency. However, this is a UDOT signal and is therefore not eligible to be included in the calculation of impact fees.

TABLE 4: EXISTING DEFICIENCIES

	Location	Existing Capacity	Existing Volume
10	400 S. Widening - Main St. to 400 E.	11,500	15,600

## Identify the Anticipated Impact on System Improvements Required by the Anticipated Development Activity to Maintain the Established Level of Service for Each Public Facility and Demonstrate How the Anticipated Impacts are Reasonably Related to the New Development Activity

*Utah Code 11-36a-304(1)(b)(c)*

Springville City's IFFP identifies a total of 16 projects necessitated by new development at a total cost of \$103,015,000. However, ten of the projects will be funded solely by UDOT and are therefore not eligible for impact fees. The projects identified in the IFFP as necessary to maintain a LOS D and found in Table 3, p. 14 of the IFFP are shown below.

TABLE 5: SPRINGVILLE CITY PORTION OF NEW CONSTRUCTION COSTS

	Location	New Construction Cost	Funding Source	Impact Fee Eligible	Springville City Total
1	400 S. widening - I15 FWY to Spanish Fork Main St.	\$3,095,000	UDOT	0%	\$0
3	1400 N. Widening - I15 FWY to Main St.	\$29,783,000	UDOT	0%	\$0
4	SR-51 Widening - Main St. to Southern Border	\$16,861,000	UDOT	0%	\$0
7	1200 West: 1400 North to Southern Border	\$40,035,000	Springville/MAG	6.77%	\$2,711,000
10	400 S. Widening - Main St. to 400 E.	\$2,768,000	Springville/MAG	6.77%	\$188,000
15	900 S. Extension to SR-51	\$5,188,000	Springville	16%	\$855,000
16	Connection of Mattea Ln. & 750 W.	\$2,097,000	Springville	16%	\$346,000
21	Intersection Improvement - 400 S. & 2060 W.	\$254,000	UDOT	0%	\$0
22	Intersection Improvement - 400 S. & 1200 West	\$254,000	UDOT	0%	\$0
23	Intersection Improvement - 400 S & Wood Springs Dr.	\$254,000	UDOT	0%	\$0
24	Intersection Improvement - 400 S. & Main St.	\$254,000	UDOT	0%	\$0
27	Intersection Improvement - 1400 N. & 1200 West	\$254,000	UDOT	0%	\$0
39	Intersection Improvement - West of 400 S. Interchange	\$254,000	UDOT	0%	\$0
59	Roundabout: Canyon Road and 6200 South	\$705,000	Springville	100%	\$705,000
62	Traffic Signal: Main Street & 900 North	\$254,000	UDOT	0%	\$0
63	Roundabout: 900 South and 800 East	\$705,000	Springville	100%	\$705,000
	<b>TOTAL</b>	<b>\$103,015,000</b>			<b>\$5,510,000</b>

One road has a current deficiency. Therefore, the new construction cost associated with this road must be reduced by the amount of the new construction cost attributable to curing the deficiency. This adjustment has been made in Table 4, p.15 of the IFFP.

TABLE 6: ADJUSTMENT FOR CURING DEFICIENCIES

Project #	Description	Added Capacity	Volume Over Existing Capacity	Impact Fee Reduction %
10	400 S. Widening - Main St. to 400 E.	13,500	4,100	22%

The total cost for which Springville City is responsible needs to be further adjusted to reduce costs for pass-through trips which must be shared by the community as a whole. Finally, there will be excess capacity on many of these roads in 2025; therefore, new development can only be expected to pay for the actual portion of the road needs that it generates and not for the excess capacity. The total roadway cost attributable to Springville City and eligible to be considered for impact fees is \$4,762,000.

TABLE 7: SPRINGVILLE CITY PORTION OF NEW CONSTRUCTION COSTS ADJUSTED FOR CURRENT DEFICIENCIES, PASS-THROUGH TRIPS AND EXCESS CAPACITY REMAINING IN 2025

	Location	Springville City Total	Springville Reduction Percent for Pass Through	Springville Reduction Percent for Excess Capacity	Springville Reduction Percent for Current Deficiency	Impact Fee Eligible Proportion	Impact Fees Eligible Cost
1	400 S. widening - I15 FWY to S.F. Main St.	\$0					\$0
3	1400 N. Widening - I15 FWY to Main St.	\$0					\$0
4	HWY 51 Widening - Main St. to Southern Border	\$0					\$0
7	Mountain Springs Parkway Extension	\$2,711,000	5%	53%	0%	42%	\$2,711,000
10	400 S. Widening - Main St. to 400 E.	\$188,000	1%	46%	22%	31%	\$188,000
15	900 S. Extension to HWY 51	\$855,000	2%	60%	0%	38%	\$325,000
16	Connection of Mattea Ln. & 750 W.	\$346,000	2%	61%	0%	37%	\$128,000
21	Traffic Signal - 400 S. & 2060 W.	\$0					\$0
22	Traffic Signal - 400 S. & Mountain Springs Parkway	\$0					\$0
23	Traffic Signal - 400 S & Wood Springs Dr.	\$0					\$0
24	Traffic Signal - 400 S. & Main St.	\$0					\$0
27	Traffic Signal - 1400 N. & Mountain Springs Parkway	\$0					\$0
28	Traffic Signal - 1600 S. & Mountain Springs Parkway	\$0					\$0

	Location	Springville City Total	Springville Reduction Percent for Pass Through	Springville Reduction Percent for Excess Capacity	Springville Reduction Percent for Current Deficiency	Impact Fee Eligible Proportion	Impact Fees Eligible Cost
39	Traffic Signal - West of 400 S. Interchange	\$0					\$0
59	Roundabout: Canyon Road and 6200 South	\$705,000				100%	\$705,000
63	Roundabout: 900 South and 800 East	\$705,000				100%	\$705,000
	<b>TOTAL</b>	<b>\$5,510,000</b>					<b>\$4,762,000</b>

The total cost of \$4,762,000 attributable to new development between 2016 and 2025 must be shared proportionately between the additional PM peak hour trips projected for that time period. PM peak hour trip demand citywide is projected to grow from 11,396 PM peak hour trips in 2016 to 14,927 PM peak hour trips in 2025 – an increase of 3,531 PM peak hour trips over the 10-year period. While volume on some existing roads may actually decrease, volume will increase on new roads constructed. Therefore, the increased volume and capacity impacts need to be viewed as part of an overall system of roads.

### **Estimate the Proportionate Share of (i) the Costs for Existing Capacity That Will Be Recouped; and (ii) The Costs of Impacts on System Improvements That Are Reasonably Related to the New Development Activity; and Identify How the Impact Fee was Calculated**

*Utah Code 11-36a-304(1)(d)(e)*

The proportionate share analysis calculates the proportionate share of any buy-in costs associated with the excess capacity in the existing system that will be consumed as a result of new development activity, as well as the proportionate share of new construction costs necessitated by new development.

#### **Buy-In Calculation for Excess Capacity**

The IFFP does not identify any City-owned roads with existing excess capacity. Therefore, there is no buy-in calculation for impact fees for proportionate share of existing excess capacity.

#### **New Construction Cost Calculation**

In order to maintain its LOS D, Springville City will need to construct additional facilities, as identified previously. New construction costs are calculated as follows:

TABLE 8: PROPORTIONATE SHARE CALCULATION – NEW CONSTRUCTED COST OF NEW

New Construction	Amount
Cost of New Construction Attributable to Springville	\$4,762,000

<b>New Construction</b>	<b>Amount</b>
Growth from 2016 to 2025 - Reduced for Pass-Through Traffic, Excess Capacity and Current Deficiencies	
PM Peak Hour Trips 2016	11,396
PM Peak Hour Trips 2025	14,927
PM Peak Hour Trip Growth 2016-2040	3,531
<b>Cost per PM Peak Hour Trip Cost</b>	<b>\$1,348.63</b>

### Other Cost Calculations

Utah law allows for the cost of developing the Impact Fee Facility Plan and Impact Fee Analysis to be included in the calculation of impact fees. These costs are then shared proportionately among the additional trips generated between 2015 and 2025.

TABLE 9: PROPORTIONATE SHARE CALCULATION – CONSULTING COSTS

<b>Consulting Costs</b>	<b>Amount</b>
Horrocks - IFFP	\$5,000.00
ZBPF – IFA (est.)	\$4,000.00
PM Peak Hour Trip Growth 2016-2025	3,531
<b>Consultant Cost per PM Peak Hour Trip</b>	<b>\$2.55</b>

Springville City has a \$0 balance in its transportation impact fee fund as of October 5, 2016. Therefore, no credit needs to be made against the impact fee fund balance.

### Summary of Impact Fees

TABLE 10: SUMMARY OF GROSS IMPACT FEE

<b>Summary of Cost per PM Peak Hour Trip</b>	<b>Amount</b>
Buy-In to Excess Capacity	\$0.00
New Construction	\$1,348.63
Consultant Cost	\$2.55
Fund Balance Credit	\$0.00
<b>Cost per PM Peak Hour Trip</b>	<b>\$1,351.18</b>

The total cost per trip is then applied to the daily PM peak hour trips generated by various land use types. The more trips that are associated with a particular land use or development, the greater its impact on the street system.

The IFFP explains that trips generated need to be divided by two in order to avoid double-counting such as when a person leaves home and goes to work.

“There is a minor discrepancy in the way ITE calculates trips and the way trips or roadway volumes are calculated in the travel demand modeling used in the Springville TMP. This discrepancy is explained by the model roadway volumes and capacities being calculated using daily traffic volumes rather than trips on the roadway. Essentially this means that a travel demand model “trip” or unit of volume is counted once as a vehicle leaves home, travels on the road network and then arrives at work. This vehicle will only be counted as it travels on the roadway network. The ITE Trip Generation method uses driveway counts as its measure of a trip. Therefore, a vehicle making the same journey will be counted once as it leaves home and once again as it arrives at work for a total of two trips. This can be rectified simply by adjusting the ITE Trip Generation rates by one-half.”<sup>2</sup>

This adjustment by 50 percent has been made in the calculation of impact fees shown below. More categories, other than the major groupings shown below and recommended to the City, are included in Appendix A.

TABLE 11: SUMMARY OF GROSS IMPACT FEE

Category	Units; Per	ITE Trips	Adjusted Trips	Maximum Fee
130 - Industrial Park	1000 Sq. Feet Gross Floor Area	0.85	0.43	\$574.25
210 - Single-Family Detached Housing	Dwelling Unit	1.00	0.50	\$675.59
220 - Multi-Family / Apartment (Greater than 4 Units)	Dwelling Unit	0.62	0.31	\$418.87
230 – Multi-Family / Condo, Townhouse	Dwelling Unit	0.52	0.26	\$351.31
254 - Assisted Living Center	Bed	0.22	0.11	\$148.63
310 – Hotel	Room	0.60	0.30	\$405.35
560 – Church	1000 Sq. Feet Gross Floor Area	0.55	0.28	\$371.57
710 - General Office Building	1000 Sq. Feet Gross Floor Area	1.49	0.75	\$1,006.63
820 - Shopping Center / Strip Mall	1000 Sq. Feet Gross Leasable Area	3.71	1.22	\$1,654.25

### Calculation of Credits

The City has only one bond issue outstanding that was used for roadway construction. The proceeds of the 2005 special assessment bonds were used to make water, sewer, road, curb and gutter improvements in the west fields. The City pledges income derived from special assessment collections from landowners in the improved areas to repay them. Annual principal and interest payments are expected to approximate the special assessment collections each year;<sup>3</sup> therefore no credits need to be made against the transportation impact fees due to outstanding debt obligations.

The City may choose to credit certain development types, including affordable housing, but these credits are at the discretion of the City. Further, a City may choose to allow a developer to put in a

<sup>2</sup> Horrocks, Springville Impact Fee Facilities Plan, p. 2

<sup>3</sup> Source: Springville City Annual Financial Statement 2015, p. 44.

transportation facility listed in the IFFP and reduce impact fees accordingly. Again, this is at the discretion of the City.

## Certification

Zions Public Finance, Inc. certifies that the attached impact fee analysis:

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;  
or
  - 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. Offsets costs with grants or other alternate sources of payment; and
  
4. Complies in each and every relevant respect with the Impact Fees Act.

## Appendix A – Sample Table of ITE Categories

The City may choose to combine retail categories in order to avoid large discrepancies between fees for development of different types.

	Category	Units; Per	ITE Trips	Adjusted Trips	Maximum Fee PM Peak Fee
130	Industrial Park 130	1000 Sq. Feet Gross Floor Area	0.85	0.43	\$574.25
140	General Manufacturing	1000 Sq. Feet Gross Floor Area	0.73	0.37	\$493.18
151	Storage Units	1000 Sq. Feet Gross Floor Area	0.26	0.13	\$175.65
152	Warehouse / Distribution Center	1000 Sq. Feet Gross Floor Area	0.12	0.06	\$81.07
210	Single-Family Detached Housing	Dwelling Unit	1.00	0.50	\$675.59
220	Multi-Family / Apartment (Greater than 4 units)	Dwelling Unit	0.62	0.31	\$418.87
230	Multi-Family / Condo. Townhouse	Dwelling Unit	0.52	0.26	\$351.31
240	Mobile Home / RV Park	Occupied Dwelling Unit	0.59	0.30	\$398.60
254	Assisted Living Center	Bed	0.22	0.11	\$148.63
310	Hotel	Room	0.60	0.30	\$405.35
444	Movie Theater < 10 Screens	1000 Sq. Feet Gross Floor Area	3.80	1.90	\$2,567.24
445	Movie Theater > 10 Screens	1000 Sq. Feet Gross Floor Area	4.91	2.46	\$3,317.15
492	Health/Fitness Club	1000 Sq. Feet Gross Floor Area	3.53	1.77	\$2,384.83
520	Elementary School	1000 Sq. Feet Gross Floor Area	1.21	0.61	\$817.46
522	Middle School / Junior High School	1000 Sq. Feet Gross Floor Area	1.19	0.60	\$803.95
530	High School	1000 Sq. Feet Gross Floor Area	0.97	0.49	\$655.32
534	Private School (K-8)	1000 Sq. Feet Gross Floor Area	0.60	0.30	\$405.35
560	Church	1000 Sq. Feet Gross Floor Area	0.55	0.28	\$371.57
565	Day Care Center	1000 Sq. Feet Gross Floor Area	12.34	6.17	\$8,336.78
590	Library	1000 Sq. Feet Gross Floor Area	7.30	3.65	\$4,931.81
610	Hospital	1000 Sq. Feet Gross Floor Area	0.93	0.47	\$628.30
710	General Office Building	1000 Sq. Feet Gross Floor Area	1.49	0.75	\$1,006.63
720	Medical-Dental Office Building	1000 Sq. Feet Gross Floor Area	3.57	1.79	\$2,411.86
770	Business Park	1000 Sq. Feet Gross Floor Area	1.26	0.63	\$851.24
812	Building Material and Lumber Store	1000 Sq. Feet Gross Floor Area	4.49	2.25	\$3,033.40
817	Nursery (Garden Center)	1000 Sq. Feet Gross Floor Area	6.94	3.47	\$4,688.59
820	Shopping Center / Strip Mall	1000 Sq. Feet Gross Leasable Area	3.71	34% 1.22	\$1,654.25
826	Specialty Retail Center	1000 Sq. Feet Gross Leasable Area	2.71	1.36	\$1,830.85

	Category	Units; Per	ITE Trips	Adjust ed Trips	Maximum Fee PM Peak Fee
841	Automobile Car Sales	1000 Sq. Feet Gross Floor Area	5.98		2.99 \$4,040.03
848	Tire Store	1000 Sq. Feet Gross Floor Area	4.15	28%	1.49 \$2,018.66
850	Supermarket	1000 Sq. Feet Gross Floor Area	9.48	36%	3.03 \$4,098.94
851	Convenience Store	1000 Sq. Feet Gross Floor Area	52.41	61%	10.22 \$13,808.99
912	Bank / Financial Institution	1000 Sq. Feet Gross Floor Area	24.30	47%	6.44 \$8,700.92
918	Hair / Nails / Massage / Beauty Salon / Day Spa	1000 Sq. Feet Gross Floor Area	1.45		0.73 \$979.61
932	Restaurant, Sit-Down (Low Turnover)	1000 Sq. Feet Gross Floor Area	9.85	44%	2.76 \$3,726.55
933	Restaurant, Sit-Down (High Turnover)	1000 Sq. Feet Gross Floor Area	26.15	43%	7.45 \$10,070.01
934	Restaurant with Drive Through Window	1000 Sq. Feet Gross Floor Area	32.65	50%	8.16 \$11,029.01
942	Auto Care Center	1000 Sq. Feet Gross Leasable Area	3.11		1.56 \$2,101.08
944	Gasoline/Service Station	Fueling Position	13.87	42%	4.02 \$5,434.85
945	Gasoline/Service Station with Convenience Store	1000 Sq. Feet Gross Floor Area	13.51	56%	2.97 \$4,015.98
947	Self Service Car Wash	Wash Stall	5.54		2.77 \$3,742.77
948	Automated Car Wash	1000 Sq. Feet Gross Floor Area	14.12		7.06 \$9,539.33