ORDINANCE NO. 2012-03

AN ORDINANCE ADOPTING AN AMENDED AND UPDATED PARKS AND RECREATION IMPACT FEE FACILITIES PLAN AND IMPACT FEE ANALYSIS; ADOPTING AN AMENDED AND UPDATED IMPACT FEE FOR PARKS AND RECREATION; ESTABLISHING CERTAIN POLICIES RELATED TO IMPACT FEES FOR PARKS AND RECREATIONAL FACILITIES; ESTABLISHINIG SERVICE AREAS; AND/OR OTHER RELATED MATTERS

WHEREAS, South Jordan City (the "City") is a political subdivision of the State of Utah, authorized and organized under the provisions of Utah law; and

WHEREAS, the City has legal authority, pursuant to Title 11, Chapter 36a Utah Code Annotated, as amended ("Impact Fees Act" or "Act"), to impose Impact Fees as a condition of development approval, which Impact Fees are used to defray capital infrastructure costs for system improvements attributable to growth activity; and

WHEREAS, the City has historically assessed Impact Fees as a condition precedent to development approval in order to assign capital infrastructure costs to development in an equitable and proportionate manner; and

WHEREAS, the City has traditionally provided a high level of service in its parks, including, recreation facilities, trails and open space, which has been a factor in the City's growth, and high property values due to the unique aesthetics which City residents enjoy; and

WHEREAS,in the exercise of its legislative discretion the City Council desires to take a conservative approach in preparing the Impact Fee Facilities Plan ("IFFP") and Impact Fee Analysis ("IFA") and in the assessment of an impact fee which may be less than might otherwise be justified by the IFA and IFFP in order to promote economic development, expand the tax base, allow for more job creation, and respond to current economic realities; and

WHEREAS, the City properly noticed its intent to prepare the IFFP and IFA on August 25, 2011; and

WHEREAS, the City has completed a Park and Recreation IFFP and IFA which meets the requirements of State Law and City Ordinance; and

WHEREAS, the City and consultants retained by the City have reviewed and evaluated the land within the City boundaries and have determined there shall be one City-wide Service Area for Parks and Recreation at present. The Service Area includes all land within South Jordan City's boundaries except for Kennecott Master Subdivision. The Service Area supported by impact fees includes all land served by South Jordan City for parks and recreation impact fee services as described in the attached City of South Jordan Parks and Recreation IFFP and IFA; and

WHEREAS, the Parks and Recreation IFFP and IFA incorporate a new philosophy no longer assessing park and recreation impact fees to commercial developments as the location of City parks were within and near commercial areas whereas parks are now planned for residential areas; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL (the "Council") OF SOUTH JORDAN CITY, UTAH AS THE FOLLOWS:

SECTION 1 PURPOSE

This Impact Fee Ordinance establishes the City's Park, Recreation, Trails and Open Space Impact Fee policies and procedures and repeals certain provisions of prior ordinances related to Park, Recreation, Trails and Open Space Impact Fees and conforms to the requirements of the Utah Impact Fees Act (§11-36a). This Ordinance repeals any prior ordinances related to Park, Recreation, Trails and Open Space Impact Fees and establishes Impact Fees for Park, Recreation, Trails and Open Space facilities within the Service Area, provides a schedule of Impact Fees for differing types of land-use development, and sets forth direction for challenging, modifying and appealing Impact Fees.

SECTION 2 DEFINITIONS

Words and phrases that are defined in the Act shall have the same definition in this Impact Fee Ordinance. The following words and phrases shall have the following meanings:

1. "Impact Fee Facilities Plan" means the plan required by Section 11-36a-301 of the Act. In Section 11-36a-301 (3)(a) there is an exception for cities of 5,000 or less in population, based on the latest census. South Jordan City does meet the population requirement as of the last Census and an Impact Fee Facilities Plan has been prepared in accordance with the Impact Fees Act, and is to be adopted by passage of this Ordinance.

2. "Development Activity" means any construction or expansion of building, structure or use, any change in use of building or structure, or any change in the use of land located within the Service Area that creates additional demand and need for Public Facilities related to Park, Recreation, Trails and Open Space.

3. "Development Approval" means any written authorization from the City that authorizes the commencement of Development Activity. Typically, development approval would be in the form of a building permit issued by the City's building department.

4. "City" means a local political subdivision of the State of Utah and is referred to herein as South Jordan City.

5. "Impact Fee" means a payment of money imposed upon Development Activity as a condition of development approval. "Impact Fee" includes development Impact Fees, but is not a tax, a special assessment, a hook-up fee, a building permit fee, a fee for project improvements, or other reasonable permit or application fees.

6. "Project Improvements" includes but is not limited to site improvements and facilities that are planned and designed to provide service for development resulting from a Development Activity and are necessary solely for the use and convenience of the occupants or users of said Development Activity. "Project Improvements" do not include "System Improvements" as defined below.

7. "Proportionate Share" of the cost of public facility improvements means an amount that is roughly proportionate and reasonably related to the service demands and needs of a Development Activity.

8. "Public Facilities" includes but is not limited to, for purposes of this Ordinance, Park, Recreation, Trails and Open Space facilities of the City for the Service Areas.

9. "Service Area" refers to a geographic area designated by the City based on sound planning and engineering principles in which a defined set of the City's Public Facilities provides service. For purposes of this Ordinance, there will only be a City-Wide Service Area including all land within the City boundaries except for the Kennecott Master Subdivision as described in this Ordinance and in the attached IFFP and IFA.

10. "System Improvements" refer both to existing Public Facilities designed to provide services within the Service Areas and to future Public Facilities identified in the Parks and Recreation, IFFP adopted by the City that are intended to provide service to the Service Area. "System Improvements" do not include "Project Improvements" as defined above.

SECTION 3 WRITTEN IMPACT FEE ANALYSIS

1. Executive Summary. A summary of the findings of the Written Impact Fee Analysis that is designed to be understood by a lay person is included in the attached Parks and Recreation, IFFP and IFA and demonstrates the need for Impact Fees to be assessed on Development Activity. The Executive Summary has been available for public inspection at least ten (10) days prior to the adoption of this Ordinance.

2. Written Impact Fee Analysis. The City has commissioned the Parks and Recreation, IFFP and IFA for the Park, Recreation, Trails and Open Space Impact Fees that identifies the impacts upon the City and the facilities required by Development Activity, demonstrates how those impacts on System Improvements are reasonably related to Development Activity, estimates the proportionate share of the costs of impacts on System Improvements that are reasonably related to the Development Activity and identifies how the Impact Fees are calculated. A copy of the Parks and Recreation, IFFP and IFA has been available for public inspection at least ten (10) days prior to the adoption of this Ordinance.

3. Proportionate Share Analysis. The City has prepared a Proportionate Share Analysis which analyzes whether or not the proportionate share of the costs of future Public Facilities is reasonably related to new Development Activity. The Proportionate Share Analysis identifies the costs of existing Public Facilities, the manner of financing existing Public Facilities, the relative extent to which new development will contribute to the cost of existing facilities and the extent to which new development is entitled to a credit for payment towards the costs of new facilities from general taxation or other means apart from user charges in other parts of the City. A copy of the Proportionate Share Analysis is included in the Written Park, Recreation, Trails and Open Space Impact Fee Analysis and has been available for public inspection at least ten (10) days prior to the adoption of this Ordinance.

SECTION 4 IMPACT FEE CALCULATIONS

1. Ordinance Enacting Impact Fees. The City Council will, by this Ordinance, approve Impact Fees in accordance with the Parks and Recreation, IFFP and IFA.

   a. Elements. In calculating the Impact Fee, the City has included the construction costs, land acquisition costs, costs of improvements, fees for planning, surveying, and engineering services provided for and directly related to the construction of System Improvements, and outstanding or future debt service charges if the City might use Impact Fees as a revenue stream to pay principal and interest on bonds or other obligations to finance the cost of System Improvements.

   b. Notice and Hearing. In conjunction with the approval of this, the City held a public hearing on March 20, 2012, and made a copy of the Ordinance available to the public in the South Jordan City Library, at least ten (10) days before the date of the hearing, all in conformity with the requirements of Utah Code Annotated11-36a-502 (1). After the public hearing, the Council adopted this Impact Fee Ordinance as presented herein.

   c. Contents of the Ordinance. The Ordinance adopting or modifying an Impact Fee contains such detail and elements as deemed appropriate by the Council, including a designation of the Service Area within which the Impact Fees are to be calculated and imposed. The City-Wide service area will be the only service area included in this analysis, with a map defining their boundaries included in the Parks and Recreation, IFFP and IFA The Ordinance includes (i) a schedule of Impact Fees to be imposed for Park, Recreation, Trails and Open Space and (ii) the formula to be used by the City in calculating the Impact Fee.

   d. Adjustments. The standard Impact Fee may be adjusted at the time the fee is charged due to inflation and/or in response to unusual circumstances or to fairly allocate costs associated with impacts created by a Development Activity or project. The standard Impact Fee may also be adjusted to ensure that Impact Fees are imposed fairly for affordable housing projects, in accordance with the local government's affordable housing policy, and other development activities with broad public purposes. The Impact Fee assessed to a particular development may also be adjusted should the developer supply sufficient written information and/or data to the City showing a discrepancy between the fee being assessed and the actual impact on the system.

   e. Previously Incurred Costs. To the extent that new growth and development will be served by previously constructed improvements, the City's Impact Fees may include public facility costs and outstanding bond costs related to the Park, Recreation, Trails and Open Space improvements previously incurred by the City. These costs may include all projects included in the Capital Facilities Plan which are under construction or completed but have not been utilized to their capacity, as evidenced by outstanding debt obligations. Any future debt obligations determined to be necessitated by

growth activity may also be included to offset the costs of future capital projects.

2. Developer Credits. A developer may be allowed a credit against Impact Fees for any dedication or improvement to land or new construction of System Improvements provided by the developer provided that it is (i) identified in the City's Impact Fee Facilities Plan and (ii) required by the City as a condition of approving the Development Activity. Otherwise, no credit may be given.

3. Impact Fees Accounting. The City will establish a separate interest-bearing ledger account for the Impact Fees collected pursuant to this Ordinance and will conform to the accounting requirements provided in the Impact Fees Act. All interest earned on the collection of Park, Recreation, Trails and Open Space Impact Fees shall accrue to the benefit of the segregated account. Impact Fees collected prior to the effective date of this Ordinance need not meet the requirements of this section.

   a. Reporting. At the end of each fiscal year, the City shall prepare a report pursuant to Utah Code Ann. 11-36a-601.

   b. Impact Fee Expenditures. The City may expend Impact Fees pursuant to Utah Code Ann. 11-36a-602 including but not limited to expenditures covered by the Impact Fees Policy only for System Improvements that are (i) Public Facilities identified in the City's Impact Fee Facilities Plans and (ii) of the specific public facility type for which the fee was collected. Impact Fees will be expended on a First-In First-Out ("FIFO") basis.

   c. Time of Expenditure. Impact Fees collected pursuant to the requirements of this Impact Fees Ordinance are to be expended, dedicated or encumbered for a permissible use within six years of the receipt of those funds by the City, unless the City Council directs otherwise. For purposes of this calculation, the first funds received shall be deemed to be the first funds expended.

   d. Extension of Time. The City may hold previously dedicated or unencumbered fees for longer than six years if it identifies in writing, before the expiration of the six year period, (i) an extraordinary and compelling reason why the fees should be held longer than six years and (ii) an absolute date by which the fees will be expended.

4. Refunds. The City shall refund any Impact Fees paid by a developer plus interest actually earned when (i) the developer does not proceed with the Development Activity and files a written request for a refund; (ii) the fees have not been spent or encumbered; and (iii) 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.

5. Other Impact Fees. To the extent allowed by law, the City Council may negotiate or otherwise impose Impact Fees and other fees different from those currently charged.

Those charges may, at the discretion of the City Council, include but not be limited to reductions or increases in Impact Fees, all or part of which may be reimbursed to the developer who installed improvements that service the land to be connected with the City's system.

6. Additional Fees and Costs. The Impact Fees authorized hereby are separate from and in addition to user fees and other charges lawfully imposed by the City and other fees and costs that may not be included as itemized component parts of the Impact Fee Schedule. In charging any such fees as a condition of development approval, the City recognizes that the fees must be a reasonable charge for the service provided.

7. Fees Effective at Time of Payment. Unless the City is otherwise bound by a contractual requirement, the Impact Fee shall be determined from the fee schedule in effect at the time of payment in accordance with the provisions of Section 6 below.

8. Imposition of Additional Fee or Refund After Development Activity. Should any developer undertake Development Activities such that the ultimate density or other impact of the Development Activity is not revealed to the City, either through inadvertence, neglect, a change in plans, or any other cause whatsoever, and/or the Impact Fee is not initially charged against all units or the total density within the development, the City shall be entitled to recover the total Impact Fee pursuant the IFFP and IFA from the developer or other appropriate person covering the density for which an Impact Fee was not previously paid.

SECTION 5 IMPACT FEE FACILITIES PLAN

1. Impact Fee Facilities Plan. The City has developed a Parks and Recreation IFFP for the City's Park, Recreation, Trails and Open Space system. The Parks and Recreation IFFP has been prepared based on reasonable growth assumptions for the Service Area, and analyzes the general demand characteristics of current and future users of each system. Furthermore, the IFFP identifies the impact on System Improvements created by Development Activity and estimates the proportionate share of the costs of impacts on System Improvements that are reasonably related to new Development Activity.

SECTION 6 IMPACT FEE SCHEDULE AND FORMULA

1. Fee Adoption. The City hereby adopts as the Impact fee for Parks and Recreation the recommended level of investment fee per household found in the South Jordan Parks and Recreation IFFP & IFA and detailed below.

RECOMMENDED PARK IMPACT FEE SCHEDULE

IMPACT FEE PER HH	FEE PER HH
Single Family	$4,115
Multi Family	$1,974

2 Maximum Supportable Impact Fees. The fee schedules included in the Parks and Recreation IFFP and IFA indicates the maximum Impact Fees which the City may impose on development within the defined Service Area and are based upon general demand characteristics and potential demand that can be created by each class of user. The City reserves the right under the Impact Fees Act (Utah Code 11-36a-

402(1)(c,)) to assess an adjusted fee to respond to unusual circumstances to ensure that fees are equitably assessed. The City may also decrease the Impact Fee if the developer can provide documentation that the proposed impact will be less than what could be expected given the type of user (Utah Code 11-36a-402(1)(d)).

SECTION 7 ***FEE EXCEPTIONS AND ADJUSTMENTS***

1. Waiver for "Public Purpose". The City Council may, on a project by project basis, authorize exceptions or adjustments to the Impact Fees due from development for those projects the Council determines to be of such benefit to the community as a whole to justify the exception or adjustment. Such projects may include facilities being funded by tax-supported agencies, affordable housing projects, or facilities of a temporary nature. The City Council may elect to waive or adjust Impact Fees in consideration of economic benefits to be received from the developer's activity.

    a. Procedures. Applications for exceptions are to be filed with the City at the time the applicant first requests the extension of service to the applicant's development or property.

SECTION 8 ***APPEAL PROCEDURE***

1. Any person or entity that has paid an Impact Fee pursuant to this Ordinance may challenge the Impact Fee by filing:

    a. An appeal to the City pursuant to South Jordan Municipal Code §16.32.090. If no decision is issued pursuant to South Jordan Municipal Code §16.32.090 within 30 days of a timely filed appeal the appeal will be deemed denied.

    b. A request for arbitration as provided in Utah Code Ann. § 11-36a-705 as amended; or

    c. An action in district court.

SECTION 9 ***MISCELLANEOUS***

1. Severability. If any section, subsection, paragraph, clause or phrase of this Impact Fee Policy shall be declared invalid for any reason, such decision shall not affect the remaining portions of this Impact Fee Policy, which shall remain in full force and effect, and for this purpose, the provisions of this Impact Fee Ordinance are declared to be severable.

2. Interpretation. This Impact Fee Ordinance has been divided into sections, subsections, paragraphs and clauses for convenience only and the interpretation of this Impact Fee Ordinance shall not be affected by such division or by any heading contained herein.

3. Effective Date. Except as otherwise specifically provided herein, this Impact Fee Ordinance shall not repeal, modify or affect any Impact Fee of the City in existence as of the effective date of this Ordinance, other than those expressly referenced in Section 1 above. All Impact Fees established, including amendments and

modifications to previously existing Impact Fees, after the effective date of this Ordinance shall comply with the requirements of this Impact Fee Ordinance.

PASSED AND ADOPTED BY THE CITY COUNCIL OF SOUTH JORDAN CITY, STATE OF UTAH, ON THIS 17 DAY OF April, 2012 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Mark Seethaler		X		
Larry Short	X			
Chuck Newton	X			
Brian C. Butters	X			
Steve Barnes		X		

City of South Jordan CORPORATE Seal State of Utah

Approved as to content: _____
City Manager

Legal Review: _____
Assistant City Attorney

Mayor: _____
Scott Osborne

ATTEST: _____
City Recorder

CITY OF SOUTH JORDAN

PARKS AND RECREATION IFFP & IFA

FEBRUARY 2012
1600 WEST TOWNE CENTER DRIVE
SOUTH JORDAN, UT 84095

PREPARED BY
LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.

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SECTION I: EXECUTIVE SUMMARY

The purpose of the Parks & Recreation Impact Fee Facilities Plan ("IFFP"), with supporting Impact Fee Analysis ("IFA"), is to fulfill the requirements established in Utah Code Title 11 Chapter 36a, the "Impact Fees Act", and help South Jordan City (the "City") plan necessary capital improvements for future growth. This document will address the future parks & recreation infrastructure needed to serve the City through the next six to ten years, as well as the appropriate impact fees the City may charge to new growth to maintain the level of service ("LOS").

SERVICE AREA AND TIME FRAME OF ANALYSIS

The parks and recreation service area is defined as all areas within the City, excluding the Kennecott Master Subdivision (Daybreak), as shown in Section II. This IFFP identifies capital projects that will help to maintain the same level of service enjoyed by existing residents into the future.

TABLE 1.1: FUTURE DEMAND PROJECTIONS

Year	Service Area Population	% Added Annually
2011	42,785	
2012	43,427	1.50%
2013	44,078	1.50%
2014	44,739	1.50%
2015	45,410	1.50%
2016	46,092	1.50%
2017	46,783	1.50%

DEMAND ANALYSIS

The demand units used in this analysis is population. The City's 2011 population is estimated at approximately 52,234. The existing service area demand utilized in this analysis is 42,785, which excludes the Kennecott Master Subdivision (Daybreak) population of 9,450.

The future population in the service area is used to determine the additional parks & recreational needs. Based on conservative growth estimates, the service area should reach a population of approximately 46,783 residents by 2017. This is based on recent trends in building patterns which slowed in 2008-2010. As a result of new growth, the City will need to construct additional parks and recreation facilities to maintain the existing level of service.

IMPACT FEE METHODOLOGY

The methodology utilized in this analysis is based on the increase, or **growth**, in residential demand. The growth driven method utilizes the existing level of service and perpetuates that level of service into the future. Impact fees are then calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development provides sufficient investment to maintain the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (i.e. park facilities).

The LOS can be calculated using two methodologies: 1) The ***Level of Service Approach*** which is the total park acreage and amenities per 1,000 population; or, 2) The ***Level of Investment Approach*** which is a blended level of service that includes park acres per 1,000 and a level of investment per acre for improvements.

LOS APPROACH

The LOS Approach utilizes the calculated level of service for each facility type, including improvements, and requires new development to construct the same type of amenities as well as provide the same park acreage per 1,000 residents. This approach uses current construction and land costs.

LEVEL OF INVESTMENT (LOI) APPROACH

Alternatively, the City may wish to consider a level of investment approach. This approach is based on the existing park acres per 1,000 persons and the value of existing improvements per acre using the original book value of each improvement (instead of the actual cost to build each amenity in the future). While this approach ultimately ***reduces*** the impact fee, it allows the City the flexibility to meet the changing needs of new residents, as new development will construct facilities based on the original investment costs and not construction inflated dollars.

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PARK IMPACT FEES

The park impact fees proposed in this analysis will be assessed within the service area as defined in this analysis. Utilizing the estimated land cost per acre by park type, the cost per acre to provide the same level of improvements, and the buy-in component per capita, the total fee per capita is $1,573.

TABLE 1.2: ESTIMATE OF IMPACT FEE COSTS PER PERSON (LOS)

TYPE OF IMPROVEMENT	EXISTING LOS PER 1,000	LAND COST PER ACRE/MILE	COST OF IMPROVEMENTS	TOTAL COST PER ACRE	PER 1,000 POPULATION	PER CAPITA
Developed Active Parks	1.96	$175,000	$97,944	$272,944	$536,320	$536
Developed Passive Parks	2.05	$175,000	$111,610	$286,610	$588,761	$589
Open Space	1.14	$85,000	$0	$85,000	$97,069	$97
Undeveloped	0.58	$85,000	$0	$85,000	$49,389	$49
Buy-In Component						$302
					Estimate of Impact Fee Per Capita	**$1,573**

The Cost per 1,000 Population is calculated by multiplying the Proposed LOS per 1,000 by the total cost per acre.

Employing the level of investment (LOI) approach, the per capita investment is slightly lower at $1,423. This is based on the City's financial records which show a value of $24,434,833 in general improvements. The analysis removes the value of special use areas (which will be treated as a buy-in component), leaving a total value of $11,618,502 in improvements. This value is then divided by the total developed park acres (171.96 developed active and passive acres) to get a value per acre of $67,565. While this ***reduces*** the impact fee, it allows the City the flexibility to meet the needs of changing demographics.

TABLE 1.3: ESTIMATE OF IMPACT FEE COST PER PERSON (LOI)

TYPE OF IMPROVEMENT	EXISTING LOS PER 1,000	LAND COST PER ACRE/MILE	CURRENT INVESTMENT PER ACRE	TOTAL COST PER ACRE	PER 1,000 POPULATION	PER CAPITA
Developed Active Parks	1.96	$175,000	$67,565	$242,565	$476,626	$477
Developed Passive Parks	2.05	$175,000	$67,565	$242,565	$498,283	$498
Open Space	1.14	$85,000	$0	$85,000	$97,069	$97
Undeveloped	0.58	$85,000	$0	$85,000	$49,389	$49
Buy-In Component						$302
					Estimate of Impact Fee Per Capita	**$1,423**

Based on the per capita fee, the proposed impact fee per household is illustrated in Table 1.4 (utilizing the LOS Approach and the LOI Approach). See **Appendix A** for the calculation of household (HH) size.

TABLE 1.4: MAXIMUM PARK IMPACT FEE SCHEDULE

IMPACT FEE PER HH	PERSONS PER HH	LOS FEE PER HH	LOI FEE PER HH	EXISTING FEE PER HH
Average	3.52	$5,537	$5,009	
Single Family	3.67	$5,773	$5,222	$4,346
Multi Family	1.76	$2,769	$2,504	$2,850

NON-STANDARD PARK IMPACT FEES

The proposed fees are based upon population growth and average household size data as calculated from available Census data. The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon park facilities.[1] This adjustment could result in a higher or lower impact fee if the City determines that a particular user may create a different impact than what is standard for its land use.

[1] 11-36a-402(1)(c)

EXPENIDTURE OF IMPACT FEES

Legislation requires that impact fees should be spent or encumbered with six years after each impact fee is paid. Impact fees collected in the next five to six years should be spent only on those projects outlined in the CIP to maintain the LOS.

COMPARISON OF 2002 IFA

The impact fee per household has changed since the 2002 Study was completed. This is a result of several factors as outlined below.

- 2002 Population: 29,437 (2011 = 43,644) with HH size at 4.406 persons.
- 2002 Study LOS:
  - Combined LOS = 8.654 acres per 1,000.
  - 4.903 acres per 1,000 for owned active/passive parkland for acquisition.
  - 3.717 acres per 1,000 for improved active/passive parkland for development.
  - 3.751 acres per 1,000 for owned opens pace for acquisition.
- 2002 Land Cost:
  - $2.00 per sq.ft. active/passive parkland or $87,120 per acre and $50,000 per acre for open space.
- 2002 Improvement Cost:
  - $100,000 per Acre.
- 2002 Study: No Buy-in component contemplated.
- 2002 Study: No recreation facilities or bond costs included.

Reasons for Increase from 2002 - 2011:

- Change in Land Values (See Figure 1.1).
- Inclusion of a buy-in component (primarily driven by the Fitness Center and interest expenses).
- Slight change in cost of improvements.

FIGURE 1.1: ILLUSTRATION OF CHANGE IN AVERAGE COST PER ACRE

RECOMMENDATIONS

The impact fee analysis presented herein represents the maximum allowable impact fee. However, several considerations should be made in determining the appropriate fee for new development. These include economic hardship, the changes in the analysis assumption over time (whether perceived or realized) and the general policies of the City to promote growth. Based on these factors, several communities look for ways to

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collect a justifiable fee while ensuring the fee is not overly burdensome on development. As a result, the City may wish to consider the following when establishing their impact fee policy:

- The impact fee presented here is the maximum allowable and represents a justified fee.
- Should the City wish to adopt a lower fee than illustrated, the removal of the buy-in component from the fee will still provide the same level of service with regards to park acreage and improvements because the buy-in related improvements have already been funded.
- The City may, by resolution, chose to include an annual inflation rate on projects or an annual inflation in the impact fee to account for the increase in capital costs over time.

Based on these factors, the analysis considers the removal of the buy-in component of the impact fee. This results in a reduced fee as show below.

TABLE 1.5: RECOMMENDED PARK IMPACT FEE SCHEDULE (NO BUY-IN)

IMPACT FEE PER HH	PERSONS PER HH	LOS FEE PER HH	LOI FEE PER HH	EXISTING FEE PER HH
Average	3.52	$4,476	$3,947	
Single Family	3.67	$4,667	$4,115	$4,346
Multi Family	1.76	$2,238	$1,974	$2,850

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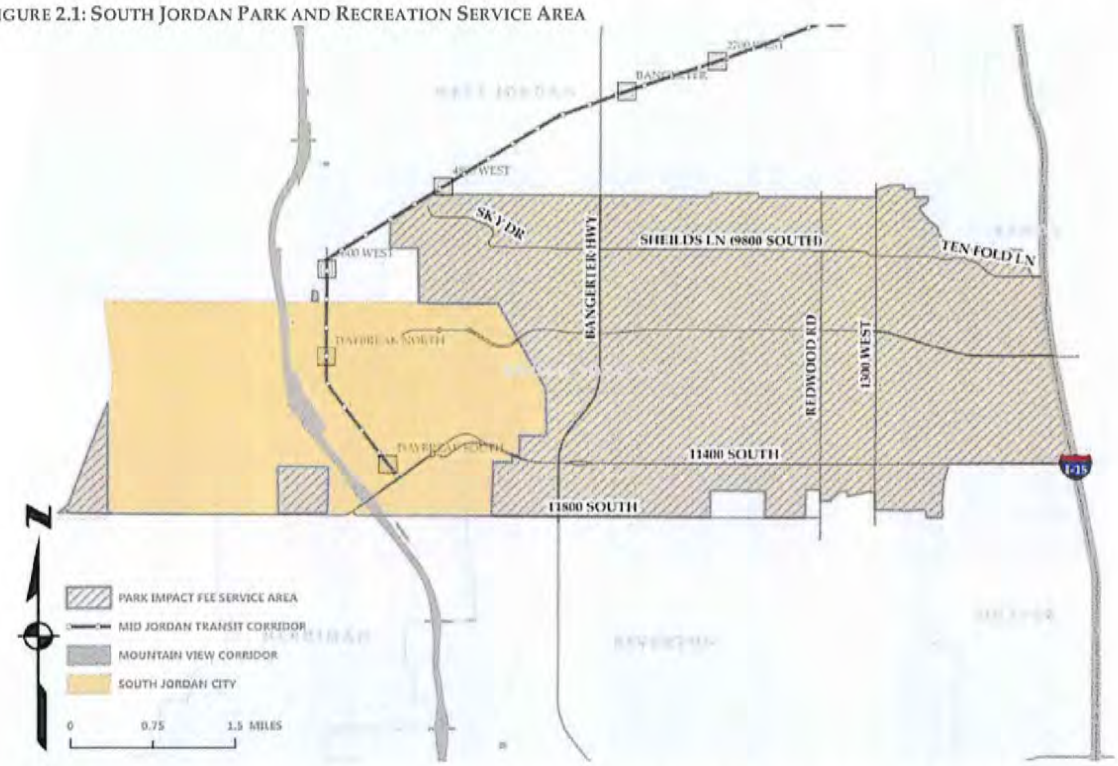
SECTION II: OVERVIEW OF SOUTH JORDAN CITY AND SERVICE AREA

South Jordan City is a vibrant hub of residential, commercial and mixed use development, with the potential to attract substantial growth and development into the future. Strategically located at the crossroads of major infrastructure improvements, including the Mountain View Corridor and the Mid-Jordan TRAX line on the West and I-15 (the major transportation route through Utah) on the East, the City is well-situated to attract both residential and commercial growth that will occur in the southern portion of the Salt Lake Valley. As a result of continued growth, the City will need to expand its existing services to continue to provide the level of service enjoyed within the community.

SERVICE AREA

Utah Code requires the impact fee enactment to establish one or more service areas within which impact fees will be imposed.[2] This service area includes all areas within the City, excluding the Kennecott Master Subdivision (Daybreak), as shown in figure below. Daybreak is excluded from this analysis due existing development agreements which require the developer of this area to construct park facilities that will maintain the existing level of service.[3] This document identifies capital projects that will help to maintain the same level of service enjoyed by existing residents into the future.

FIGURE 2.1: SOUTH JORDAN PARK AND RECREATION SERVICE AREA



It is anticipated that the growth projected over the next six to ten years will impact the City's existing services. Parks and recreation facilities will need to be expanded in order to maintain the existing level of service. The IFFP, in conjunction with the impact fee analysis, is designed to accurately assess the true impact of a particular user upon the City's infrastructure.

[2] 11-36a-402(a)

[3] Agreement Regarding Daybreak Development – Amending the Master Development Agreement for the Kennecott Master Subdivision #1 Project and Amending the P-C Zone Plan Land Use Table. Dated 9 July 2007.

SECTION III: DEMAND ANALYSIS

The purpose of this document is to establish a level of service ("LOS") based on the facilities and amenities provided to development within the service area. The LOS for parks, recreation and trails is based only on the City's residential population in the service area. The level of service consists of two components – the land value (or the cost to purchase the land) and the improvement value of each type of park improvement. The City has some storm water detention land on City park land. This land has been excluded from the calculation of the level of service, so as to avoid any double counting of costs (recovering the cost of this land through both the storm water and parks impact fees).

DEMAND UNITS

The demand units used in this analysis is population. The population projections are based on several sources including Census data, building permits, and planning projections provided by the City. According to these projections, the City's current population is approximately 52,234. The existing service area demand utilized in this analysis is 42,785, which excludes the Kennecott Master Subdivision (Daybreak) population of 9,450.

TABLE 3.1: ILLUSTRATION OF EXISTING DEMAND ASSUMPTIONS

	2010	2011
Existing Population	**50,418**	**52,234**
Buildout Population	**112,231**	**112,231**
Daybreak Population	**9,121**	**9,450**
Service Area	**41,297**	**42,785**
Average household size	3.52	3.52
Average family size	3.82	3.82
Average HH Size: Single Family	3.67	3.67
Average HH Size: Multifamily	1.76	1.76

Source: 2008-2010 Census ACS Data, 2010 Census, South Jordan City, LYRB. 2011 Population as of Oct. 1 2011.

FUTURE DEMAND

The future population in the service area is used to determine the additional parks & recreational needs to serve the additional population. The level of service standards for each of these types of improvements has been calculated, and a blended level of service determined for the future population, giving the City flexibility to provide to the future population the types of improvements that are desired by the residents. The City will update the parks, recreation, open space, and trails projections, the IFFP, and the impact fees, as land use planning changes.

TABLE 3.2: FUTURE DEMAND PROJECTIONS

Year	Service Area Population	% Added Annually
2011	42,785	
2012	43,427	1.50%
2013	44,078	1.50%
2014	44,739	1.50%
2015	45,410	1.50%
2016	46,092	1.50%
2017	46,783	1.50%

Based on conservative growth estimates, the service area should reach a population of approximately 46,783 residents by 2017. As a result of this growth, the City will need to construct additional parks and recreation facilities to maintain the existing level of service.

SECTION IV: EXISTING FACILTIES INVENTORY

The City's existing parks inventory is shown in Table 4.1 and 4.2. The improvement costs for parks, recreation, open space and trails are based on the existing improvements to each type of facility and are calculated on a per acre basis for parks and open space, and on a cost per resident for recreation facilities. The cost of land varies for each park type and is based on recent comparable land sales in the area provided to LYRB by City Staff.

The City owned acreage and estimated improvement value illustrated below will be the basis for the LOS analysis discussed in Section V.

TABLE 4.1: ACREAGE OF EXISTING PARKS, TRAILS, AND OPEN SPACES

PARK TYPE	TOTAL ACREAGE	LESS DETENTION	LESS GIFTED	FINAL ACRES	CITY OWNED ACRES	ESTIMATED LAND VALUE	2011 EST. IMPROV. VALUE
Developed Active Parks	88.16	0.09	4	84.07	**84.07**	$14,712,250	$8,234,180
Developed Passive Parks	165.6	28.76	45.6	91.24	**87.89**	$15,380,750	$9,809,402
Open Space	48.86	-	-	48.86	48.86	$4,153,100	-
Undeveloped Land[1]	27.44	2.58	-	24.86	**24.86**	$2,113,100	-
Total	**330.06**	**31.43**	**49.60**	**249.03**	**245.68**	**$36,359,200**	**$18,043,582**

1. While there are some improvements on undeveloped land, they are minor. To accurately reflect the service category as "undeveloped" this value will not be included in the LOS analysis. Source: South Jordan City, LYRB

Existing parks include a variety of services including: baseball fields, basketball courts, outdoor lighting, pavilion and picnic spaces, restrooms, skate parks, tennis courts and other amenities.

TABLE 4.2: EXISTING PARK FACILITY IMPROVEMENTS

	TOTAL AMENITIES	MEASUREMENT
Improved Turf	120.62	Acres
Multi-Purpose Field (Soccer/Football)	16.90	Acres
Field Lighting	9.00	Each
Concession/Store/Tower Building	2.00	Each
Parking	490,333	Sq. Ft.
Pavilion - large	11.00	Each
Pavilion - small	36.00	Each
Restrooms/ Buildings	13.00	Each
Playground Equipment Small	7.00	Each
Playground Equipment Large	12.00	Each
BaseBall/Softball Field	10.00	Each
Trailhead	10,000	Sq. ft
Basketball Court	4.00	Each
Volleyball Court	6.00	Each
Tennis Court	9.00	Each
Drinking Fountain	6.00	Each
Skate Park	1.00	Each
Benches/Picnic Tables	195.00	Each
Trails & Loop Walk	34,895.00	Linear Ft.

In addition to the park acreage and amenities mentioned above, the City also supports several recreation facilities that are utilized by existing residents. The facilities will serve the service area through ***buildout*** and will be treated as a buy-in component. Generally, these facilities are unique and are designed to serve both existing and new development. As a result, new development will pay a proportionate share of the existing facilities,

rather than purchasing new facilities. In addition, a buy-in will not reduce the LOS, but provide a repayment source for costs already incurred.

TABLE 4.3: EXISTING RECREATION FACILITIES (BUY-IN COMPONENT)

BUY-IN DETERMINATION	FUNDING MECHANISM	FINAL COST	% INCLUDED IN IFA	BUY-IN COMPONENT	BUILD OUT POPULATION SERVED	PER PERSON
Aunt Mame's Place	Sales Tax Bond (Outstanding)	$545,790	100%	$545,790	50,000	$10.92
Gale Center	MBA Bonds (Outstanding)	$1,437,200	100%	$1,437,200	50,000	$28.74
Main Street Park and The Plaza at Town Center	RDA Funds	$176,504	0%	$0	50,000	$0.00
South Jordan Community Center	CDBG Funds (Paid in Full)	$1,859,357	0%	$0	50,000	$0.00
South Jordan Fitness Center	MBA Bonds (Outstanding)	$8,797,480	100%	$8,797,480	50,000	$175.95
MBA Bond Remaining Interest (Used for Fitness Center, Golf Course and Gale Center)	NA	$4,299,925	100%	$4,299,925	50,000	$86.00
Total Buy-In						$301.61

Source: South Jordan City, LYRB

City Staff discussed land values throughout the City with a land appraiser who works closely with the City. It should be noted that current costs are used strictly to determine the actual cost, in today's dollars, of duplicating the current level of service for future development in the City, and does not reflect the value of the existing improvements within the City. The assumptions utilized for estimation of land values are shown below.

TABLE 4.4: LAND VALUE ASSUMPTIONS

ASSUMPTIONS	
2011 Population	42,785
Land Cost (Developed Active Park)	$175,000
Land Cost (Developed Passive Park)	$175,000
Land Cost (Open Space)	$85,000
Land Cost (Undeveloped)	$85,000

LYRB also compared recent land sales within South Jordan. Of the nine properties listed by the Wasatch Front Multiple List Service (MLS), the median price was $135,000 with an average price per acre of $351,000. Of the land purchases made by South Jordan City, the average price per acre was $241,301. This represents land sales from 1997 through 2011. For details regarding the land comparisons, see **Appendix B**.

TABLE 4.5: COMPARABLE OF RECENT LAND SALES

SOURCE	PROPERTY COUNT:	LOW:	HIGH:	MEDIAN PRICE (PER ACRE)	AVERAGE PRICE (PER ACRE)
South Jordan City	32	$15,979	$2,515,000	$191,039	$241,301
Wasatch Front MLS	9	$59,550	$1,352,442	$135,000	$351,321

Source: Report generated automatically by the Wasatch Front Regional MLS on 12/13/2011 at 11:13 am
Search Criteria: Sold Land Listings, State is Utah, County is Salt Lake, City is South Jordan, and Price Per Unit is Acre.

SECTION V: LEVEL OF SERVICE ANALYSIS

LEVEL OF SERVICE STANDARDS

The City will define its level of service for parks & recreation as follows:

- The City will maintain its existing level of service standards of 5.74 park acres per 1,000 residents.

While the Master Plan shows some improvements the City intends to complete over time, the costs used in this analysis will be calculated in current dollars and are based on the existing parks, recreation facilities, open space, and trails in the City. The average improvement cost estimates include the cost of acquiring, developing, and improving parks, recreational facilities, open space, and trails. It is assumed that the City will maintain, at a minimum, the current set LOS standard.

The LOS can be calculated using two methodologies: 1) The ***Level of Service Approach*** which is the total park acreage and amenities per 1,000 population; or, 2) The ***Level of Investment Approach*** which is a blended level of service that includes park acres per 1,000 and a level of investment per acre.

The City's parks classification system is summarized in the following paragraphs.

PARKS CATEGORY DEFINITIONS

OPEN SPACE

Open space or 'natural areas' are primarily defined as land which exists in a relatively undeveloped state with inherent ecological, biological, and environmental attributes retained in a natural character. These spaces commonly exist to provide important ecological functional values and critical wildlife habitat. Natural areas, whether in a pristine or compromised condition, are highly valued for their ecological importance, natural landscapes, scenic vistas, wildlife habitat, floodplain and wetland functions and human pleasure[4]. Within South Jordan open space or 'natural areas' are located primarily within its rivers and creeks corridors.

DEVELOPED – PASSIVE PARK SPACE

"Developed Passive Park": The *developed passive park* designation indicates that the park area has received some improvements and the park area is planned to be used for more leisurely, or passive, uses. Examples of passive improvements would include walkways or paths, picnic facilities, ponds or river-bed improvements, significant tree plantings, amphitheaters, small climbing structures and swings, numerous benches, drinking fountains, or teaching classrooms and possibly youth camp ground. Improvements for group activities such as pavilions, volleyball, basketball, tennis, softball and open field activities are also included for impromptu group use, but not at the status of scheduled leagues or the like. In short, a passive park is designed for individuals, families, or groups to enjoy for the day.[5]

DEVELOPED – ACTIVE PARK SPACE

"Developed Active Park": The *developed active park* designation indicates that the park area as received some improvements and the park area is planned to use for me intense sport related purposes. An active park space has been or will be improved with facilities that allow the park to be scheduled for youth and adult sport leagues such as softball, baseball, football, soccer tennis and basketball. Other improvements would generally include lighted sport fields, concession booths, restrooms, spectator bleachers and other costly improvements traditionally associated with uses contemplated in active parks. [6]

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[4] Jordan River Corridor Open Space and Habitat Conservation Master Plan (2011)

[5] Agreement Regarding Daybreak Development: Amending the Master Development Agreement For the Kennecott master Subdivision #1 Project and Amending the P-C Zone Plan Land Use Table (July 9, 2007)

[6] Agreement Regarding Daybreak Development: Amending the Master Development Agreement For the Kennecott master Subdivision #1 Project and Amending the P-C Zone Plan Land Use Table (July 9, 2007)

UNDEVELOPED PARK SPACE

"Undeveloped Park Space": The *undeveloped park* designation indicates that the park area has been acquired for either passive or active park space; but, has not been formally planned, designed or received any park related improvements. In short, the undeveloped park property exists in a relatively undeveloped state.

SPECIAL-USE AREAS

Special use areas are public recreation areas or land occupied by a specialized facility. The recreational facilities are typically year-round, enclosed facilities that provide a broad range of activities for a variety of ages, and include uses from sports uses (basketball, volleyball, etc) to more educational uses. While some of these facilities have been excluded from the level of service, the City considers these facilities a benefit to its residents and the community in general.

PARK FACILITIES LOS

The LOS can be calculated using two methodologies: 1) The ***Level of Service Approach*** which is the total park acreage and amenities per 1,000 population; or, 2) The ***Level of Investment Approach*** which is a blended level of service that includes park acres per 1,000 and a level of investment per acre.

LOS APPROACH

Table 5.1 below shows the LOS for park land in the defined service area, broken down by type of park. As mentioned previously, the land purchased as storm water detention and the land used for special use areas is excluded from the calculations of level of services for the purposes of this analysis.

TABLE 5.1: EXISTING PARK ACREAGE LEVEL OF SERVICE

TYPE OF IMPROVEMENT	UNIT OF MEASURE	CURRENT LOS PER 1,000	LAND COST PER ACRE	2011 IMPROVEMENT COST PER ACRE
Combined Parks	Acres	5.74	$130,000	$73,443
Developed Active Parks	Acres	1.96	$175,000	$97,944
Developed Passive Parks	Acres	2.05	$175,000	$111,610
Open Space	Acres	1.14	$85,000	-
Undeveloped	Acres	0.58	$85,000	-

Land costs are estimated conservatively using recent comparable land sales in the area provided to LYRB by City Staff. City Staff discussed land values throughout the City with a land appraiser who works closely with the City.

TABLE 5.2: EXISTING AMENITIES LOS

	PER	TOTAL AMENITIES	AMENITIES PER 1,000 PERSONS	NEW IMPROVEMENTS (IFFP HORIZON) TO MAINTAIN LOS
Improved Turf	Acre	120.62	2.82	11.27
Multi-Purpose Field (Soccer/Football)	Acre	16.90	0.39	1.56
Field Lighting	Each	9.00	0.21	0.84
Concession/Store/Tower Building	Each	2.00	0.05	0.20
Parking	Sq. Ft.	490,333.00	11,460.39	45,818.30
Pavilion - large	Each	11.00	0.26	1.04
Pavilion - small	Each	36.00	0.84	3.36
Restrooms/ Buildings	Each	13.00	0.30	1.20
Playground Equipment Small	Each	7.00	0.16	0.64
Playground Equipment Large	Each	12.00	0.28	1.12
Baseball/Softball Field	Each	10.00	0.23	0.92
Trailhead	Sq. ft	10,000.00	233.73	934.45
Basketball Court	Each	4.00	0.09	0.36
Volleyball Court	Each	6.00	0.14	0.56

	PER	TOTAL AMENITIES	AMENITIES PER 1,000 PERSONS	NEW IMPROVEMENTS (IFFP HORIZON) TO MAINTAIN LOS
Tennis Court	Each	9.00	0.21	0.84
Drinking Fountain	Each	6.00	0.14	0.56
Skate Park	Each	1.00	0.02	0.08
Benches/Picnic Tables	Each	195.00	4.56	18.23
Trails & Loop Walk	Linear Ft.	34,895.00	815.59	3,260.70

LEVEL OF INVESTMENT (LOI) APPROACH

Alternatively, the City may wish to consider a level of investment approach. This is based on the existing park acres per 1,000 persons and the value of existing improvements per acre using the original book value of each improvement (instead of the actual cost to build each amenity in the future). While this ***reduces*** the impact fee, it allows the City the flexibility to meet the needs of changing demographics.

Table 5.2 below shows the LOI for park amenities in the defined service area, broken down by type of park. This is based on the City financial records which show a value of $24,434,833 in general improvements. The analysis then removes the value of special use areas (which will be treated as a buy-in component), leaving a total value of $11,618,502 in existing improvements. This value is then divided by the total developed park acres (171.96 developed active and passive acres) to get a value per acre of $67,565.

TABLE 5.3: LOI APPROACH

	ACRES PER 1,000	LAND COST PER ACRE	LOS IMPROVEMENT COST PER ACRE	LOI PER ACRE
Total Parks LOS	5.74	$130,000	$73,443	$67,565
Developed Active Parks	1.96	$175,000	$97,944	$67,565
Developed Passive Parks	2.05	$175,000	$111,610	$67,565
Open Space	1.14	$85,000	-	-
Undeveloped	0.58	$85,000	-	-

SECTION VI: CAPITAL FACILITY ANALYSIS

Future planning for park land is an ongoing process, based on the changes in population and community preference. The City will purchase and improve parks and recreational facilities to maintain the level of service defined in this document. The City plans to expand the trails system throughout the City and develop parks & recreational facilities. The Master Plan makes recommendations for future improvements throughout the City, and a summary of the City's desired improvements is found below, which includes projects that will enhance the existing parks and add to the existing inventory, while maintaining the current level of service through build-out. Actual future improvements will be determined as development occurs, and the opportunity to acquire and improve park land arises.

Based on the expected changes in population over the planning horizon, the City will need to acquire and develop an additional 22.96 acres of parkland. This assumes the City will grow by 3,998 persons through 2017.

TABLE 6.1: ILLUSTRATION OF NEW PARK ACRES NEEDED TO MAINTAIN LOS

TYPE OF IMPROVEMENT	UNIT OF MEASURE	CURRENT LOS PER 1,000	POPULATION INCREASE IFFP HORIZON	NEW PARK ACRES NEEDED
Developed Active Parks	Acres	1.96	3,998	7.86
Developed Passive Parks	Acres	2.05	3,998	8.21
Open Space	Acres	1.14	3,998	4.57
Undeveloped	Acres	0.58	3,998	2.32
		5.74		22.96

The table below illustrates the City's Capital Improvement Plan through 2017 which will be used to maintain the existing level of service through land acquisition, park development and improvements. The CIP below also identifies project that will enhance the existing level of service. Impact fees will only be assessed the proportionate fee to maintain the existing level of service.

TABLE 6.2: ILLUSTRATION OF SOUTH JORDAN PARKS AND RECREATION CAPITAL IMPROVEMENT PLAN

FISCAL YEAR	PROJECT	DESCRIPTION	ESTIMATED COST
11-12	Aunt Mame's - landscaping	Park & grounds landscape and amenity improvements	$400,000
11-12	Mystic Springs Nature Area	Improve area to developed nature center per plan developed. Improvements to include general landscaping, nature center (TBD), and educational trail system	$200,000
11-12	Bingham Creek Trail Development	Construct trail connection from Glenmoore to 10200 South Compact gravel to repair trail, Develop northern trail section & Park	$575,000
11-12	Central Control	Monitors irrigation of all City parks	$150,000
11-12	Jordan Ridge Park - Detention Basin	Repair basin to improve drainage	$25,000
12-13	Aunt Mame's Restoration Project	Remodel Home Interior	$500,000
12-13	JVWCD aqueduct trail development	Design and construct trail	$75,000
12-13	Midas Creek Park	Complete park improvements by connecting trail, landscape to creek improvements, add pavilion, benches, trees and other softscape.	$150,000
12-13	Ivory Crossing Park Development - phase II	Complete improvement to park, pavilion, and additional amenities as determined.	$150,000
12-13	Riverheights Park Development	Develop Park and Amenities	$450,000

Fiscal Year	Project	Description	Estimated Cost
12-13	City Park System w/Daybreak	Per KLC. Agreement	TBD
13-14	Park Signs Master Plan	Park signage improvements.	$25,000
13-14	Oquirrh Shadows West Park Development	Install playground and pavilion	$150,000
13-14	Glenmoore Park & Trailhead Amenities - Phase 2	Upgraded restrooms and concession stand. Minor improvements to ballfield. Improve trail connection to Bingham trail connection (West)	$125,000
13-14	Jordan River Trail - South	Land Acquisition to Riverton	$150,000
13-14	Skye Park Improvements	Replace playground equipment & play surface	$130,000
13-14	Jordan River Trail - South	Trail Construction	$150,000
13-14	Canal Trail (South Jordan Canal)	Acquire easements and develop trail network	$75,000
13-14	Welby Jacob / Trail Improvements	Develop trail along canal	$75,000
13-14	Cemetery Landscaping and Improvements	Complete landscape, West side of cemetery	$2,000,000
13-14	City Park entrance from 2200 W.	Acquire, design and landscape canal and entrance from 2200 W.	$50,000
13-14	Entry Park Feature	Develop entry feature (per plan)	$10,000
13-14	City Park/SL County Equestrian Complex	Develop Complex	TBD
13-14	Historic Trail Development	Develop Trail/Park	TBD
14-15	Stonehaven Park Improvements	Install new pavilion (replace existing pavilion), add custom features and/or public art	$75,000
14-15	Ampitheater upgrades	Develop and design upgrades for amphitheater	$50,000
14-15	Canal Trail (Utah Lake Distributing)	Acquire easements and develop trail network	$75,000
14-15	Canal Trail (Salt Lake Canal)	Acquire easements and develop trail network	$75,000
14-15	Merit Medical / Open Space Development	Develop open space (irrigation & landscape)	$150,000
14-15	10600 S. Enhancements - Gateway Park	Entry feature, landscaping, design enhancements	$30,000
15-16	Indoor Tennis	Build four courts and permanent structure.	$2,000,000
15-16	Oquirrh Openspace	Parking, turf, playground, restrooms, canal development, arboretum	$3,000,000
15-16	Peterson park development	Design and construct park. Estimated cost includes any proceeds from land sales (appox. $350,000). Development driven	$750,000
15-16	Oquirrh Development	Develop trail system behind Albertsons	$75,000

Fiscal Year	Project	Description	Estimated Cost
15-16	9800 S & Bangerter Improvements	Landscape 2 corners area	$50,000
16-17	Park Property Acquisition (5-10 acres)	Acquire property for park development	$2,000,000
16-17	Heritage Park - Phase 2	Develop band half shell, and artistic features (under construction)	$350,000
16-17	Park Property Acquisition (5 acres)	Acquire property for park development	$1,400,000
16-17	Park Property Acquisition (5-10 acres)	Acquire property for park development	$2,000,000
16-17	Park Property Acquisition (5 acres)	Acquire property for park development	$1,400,000
16-17	City Park Development	Develop Master plan, central roadway, parking, lighting, year round pavilion	TBD
16-17	City Park Ballfields - Phase 2	Add additional fields, restrooms, snack bar, parking lot, playground, basketball courts , indoor pavilion	$750,000

Lewis Young Robertson & Burningham, Inc. Salt Lake City, Utah 84101 Office 801.596.0700 Fax 801.596.2800

SECTION VII: SYSTEM VS. PROJECT IMPROVEMENTS

System improvements are defined as existing public facilities designed to provide services to service areas within the community at large and future public facilities that are intended to provide services to service areas within the community at large.[7] Project improvements are improvements and facilities that are planned and designed to provide service for a specific development (resulting from a development activity) and considered necessary for the use and convenience of the occupants or users of that development.[8] The Impact Fee Analysis may only include the costs of impacts on system improvements related to new growth within the proportionate share analysis.

Only park facilities that serve the entire community are included in the level of service. The following park facility types are considered system improvements, as defined in Section V:

- Open Space;
- Developed – Passive Park Space;
- Developed – Active Park Space;
- Undeveloped Park Space; and,
- Special-Use Areas.

[7] 11-36a-102(20)
[8] 11-36a102(13)

SECTION VIII: CONSIDERATION OF ALL REVENUE SOURCES

The IFFP must also include a consideration of all revenue sources, including impact fees and the dedication of system improvements, which may be used to finance system improvements.[9] In conjunction with this revenue analysis, there must be a determination that impact fees are necessary to achieve an equitable allocation of the costs of the new facilities between the new and existing users.[10]

The City does not anticipate any donations from new development for future system-wide capital improvements related to park facilities, nor does the City foresee receiving revenues from other entities (i.e. grants, federal or state funds, other contributions, etc.) to fund new facilities.

HISTORIC FUNDING OF FACILITIES

GENERAL FUND REVENUES

The City's existing parks & recreation infrastructure has been funded through general fund revenues and grants and donations. General fund revenues include a mix of property taxes, sales taxes, federal and state grants, and any other available general fund revenues.

GRANT FUNDING

The City received some grants monies and donations to fund parks & recreation facilities. All grant monies and donations received are excluded in the impact fee calculations.

FUNDING OF FUTURE FACILITIES

PROPERTY TAX REVENUES

Property tax revenues are not specifically identified in this analysis as a funding source for capital projects, but inter-fund loans can be made from the general fund which will ultimately include some property tax revenues. Inter-fund loans will be repaid once sufficient impact fee revenues have been collected.

GRANTS AND DONATIONS

Grants and donations are not currently contemplated in this IFFP. However, the impact fees will be adjusted if grants become available to reflect the grant monies received. A donor will be entitled to a reimbursement for the value of the improvements funded through impact fees if donations are made by new development.

IMPACT FEE REVENUES

Impact fees have become an ideal mechanism for funding growth-related infrastructure. Impact fees are charged to ensure that new growth pays its proportionate share of the costs for the development of public infrastructure. Impact fee revenues can also be attributed to the future expansion of public infrastructure if the revenues are used to maintain an existing level of service. Increases to an existing level of service cannot be funded with impact fee revenues. Analysis is required to accurately assess the true impact of a particular user upon the City infrastructure and to prevent existing users from subsidizing new growth.

DEBT FINANCING

In the event the City has not amassed sufficient impact fees to pay for the construction of time sensitive or urgent capital projects needed to accommodate new growth, the City must look to revenue sources other than impact fees for funding. The Impact Fees Act allows for the costs related to the financing of future capital projects to be legally included in the impact fee. This allows the City to finance and quickly construct infrastructure for new development and reimburse itself later from impact fee revenues for the costs of issuing debt.

[9] 11-36a-302(2)
[10] 11-36a-302(3)

EQUITY OF IMPACT FEES

Impact fees are intended to recover the costs of capital infrastructure that relate to future growth. The impact fee calculations are structured for impact fees to fund 100% of the growth-related facilities identified in the proportionate share analysis as presented in the impact fee analysis. Even so, there may be years that impact fee revenues cannot cover the annual growth-related expenses. In those years, other revenues such as general fund revenues will be used to make up any annual deficits. Any borrowed funds are to be repaid in their entirety through impact fees.

The calculation of impact fees relies upon the information contained in this analysis. The timing of construction for development-related park, recreation, open space, and trail facilities will depend on the rate of development and the availability of funding. For purposes of this analysis, a specific construction schedule is not required. The construction of park facilities can lag behind development without impeding continued development activity. We have assumed that construction of needed park facilities will proceed on a pay-as-you-go basis. Impact fees are calculated based on many variables centered on proportionality and level of service.

SECTION IX: PARKS AND RECREATION IMPACT FEE CALCULATION

DEMAND ANALYSIS

The demand units used in this analysis is population. The City's current population is approximately 52,234. The existing service area demand for the utilized in this analysis is 42,785, which excludes the Kennecott Master Subdivision (Daybreak) population of 9,450.

The future population in the service area is used to determine the additional parks & recreational needs to serve the additional population. The level of service standards for each of these types of improvements has been calculated, and a blended level of service determined for the future population, giving the City flexibility to provide to the future population the types of improvements that are desired by the residents. The City will update the parks, recreation, open space, and trails projections, the IFFP, and the impact fees, as land use planning changes.

Based on conservative growth estimates, the service area should reach a population of approximately 49,132 residents by 2017. As a result of this growth, the City will need to construct additional parks and recreation facilities to maintain the existing level of service.

EXISTING FACILITIES INVENTORY: PARKS & RECREATION

The City owned acreage and estimated improvement value is illustrated below. Existing parks include a variety of services including: baseball fields, basketball courts, outdoor lighting, pavilion and picnic spaces, restrooms, skate parks, tennis courts and other amenities, as shown in Section IV.

TABLE 9.1: ACREAGE OF EXISTING PARKS, TRAILS, AND OPEN SPACES

PARK TYPE	TOTAL ACREAGE	LESS DETENTION	LESS GIFTED	FINAL ACRES	CITY OWNED ACRES	ESTIMATED LAND VALUE	2011 EST. IMPROV. VALUE
Developed Active Parks	88.16	0.09	4	84.07	**84.07**	$14,712,250	$8,234,180
Developed Passive Parks	165.6	28.76	45.6	91.24	**87.89**	$15,380,750	$9,809,402
Open Space	48.86	-	-	48.86	48.86	$4,153,100	-
Undeveloped Land[1]	27.44	2.58	-	24.86	**24.86**	$2,113,100	-
Total	**330.06**	**31.43**	**49.60**	**249.03**	**245.68**	**$36,359,200**	**$18,043,582**

1. While there are some improvements on undeveloped land, they are minor. To accurately reflect the service category as "undeveloped" this value will not be included in the LOS analysis. Source: South Jordan City, LYRB

In addition to the park acreage and amenities mentioned above, the City also supports several recreation facilities that are utilized by existing residents. The facilities will serve the service area through buildout and will be treated as a buy-in component.

TABLE 9.2: EXISTING RECREATION FACILITIES (BUY-IN COMPONENT)

BUY-IN DETERMINATION	FUNDING MECHANISM	FINAL COST	% INCLUDED IN IFA	BUY-IN COMPONENT	BUILD OUT POP. SERVED	PER PERSON
Aunt Mame's Place	Sales Tax Bond (Outstanding)	$545,790	100%	$545,790	50,000	$10.92
Gale Center	MBA Bonds (Outstanding)	$1,437,200	100%	$1,437,200	50,000	$28.74
Main Street Park and The Plaza at Town Center	RDA Funds	$176,504	0%	$0	50,000	$0.00
South Jordan Community Center	CDBG Funds (Paid in Full)	$1,859,357	0%	$0	50,000	$0.00
South Jordan Fitness Center	MBA Bonds (Outstanding)	$8,797,480	100%	$8,797,480	50,000	$175.95

BUY-IN DETERMINATION	FUNDING MECHANISM	FINAL COST	% INCLUDED IN IFA	BUY-IN COMPONENT	BUILD OUT POP. SERVED	PER PERSON
MBA Bond Remaining Interest (Used for Fitness Center, Golf Course and Gale Center)	NA	$4,299,925	100%	$4,299,925	50,000	$86.00
Total Buy-In						$301.61
Source: South Jordan City, LYRB						

MANNER OF FINANCING EXISTING INFRASTRUCTURE

South Jordan has funded its existing capital infrastructure through a combination of different revenue sources, including general fund revenues, property taxes, and grant monies. This analysis has removed all funding that has come from federal grants and donations from non-resident citizens to ensure that none of those infrastructure items are included in the level of service. Therefore, the City's existing "level of service" standards have been funded by the City's existing residents. Funding the future improvements through impact fees places a similar burden upon future users as that which has been placed upon existing users through impact fees, property taxes, user fees, and other revenue sources.

LEVEL OF SERVICE ANALYSIS: PARKS & RECREATION

Table 9.3 shows the LOS for park land as defined in Section V.

TABLE 9.3: EXISTING PARK ACREAGE LEVEL OF SERVICE

TYPE OF IMPROVEMENT	UNIT OF MEASURE	CURRENT LOS PER 1,000	LAND COST PER ACRE	LOS IMPROVEMENT COST PER ACRE
Combined Parks	Acres	5.74	$130,000	$73,443
Developed Active Parks	Acres	1.96	$175,000	$97,944
Developed Passive Parks	Acres	2.05	$175,000	$111,610
Open Space	Acres	1.14	$85,000	-
Undeveloped	Acres	0.58	$85,000	-

Table 9.4 shows the LOI for park amenities in the defined service area, broken down by type of park. This is based on the City financial records which show a value of $24,434,833 in general improvements, less the value of special use areas (which will be treated as a buy-in component), for a total of $11,618,502 in existing improvements. This value is then divided by the total developed park acres (171.96 developed active and passive acres) to get a value per acre of $67,565.

TABLE 9.4: LEVEL OF INVESTMENT APPROACH

	ACRES PER 1,000	LAND COST PER ACRE	2011 IMPROVEMENT COST PER ACRE	LOI PER ACRE
Total Parks LOS	5.74	$130,000	$73,443	$67,565
Developed Active Parks	1.96	$175,000	$97,944	$67,565
Developed Passive Parks	2.05	$175,000	$111,610	$67,565
Open Space	1.14	$85,000	-	-
Undeveloped	0.58	$85,000	-	-

The City will define its level of service for parks & recreation as follows:

- The City will maintain its existing level of service standards of 5.74 park acres per 1,000 residents.

FUTURE CAPITAL FACILITIES

Based on the expected changes in population over the planning horizon, the City will need to acquire and develop an additional 22.96 acres of parkland. This assumes the City will grow by 3,998 persons through 2017.

TABLE 9.5: ILLUSTRATION OF NEW PARK ACRES NEEDED TO MAINTAIN LOS

TYPE OF IMPROVEMENT	UNIT OF MEASURE	CURRENT LOS PER 1,000	POPULATION INCREASE IFFP HORIZON	NEW PARK ACRES NEEDED
Developed Active Parks	Acres	1.96	3,998	7.86
Developed Passive Parks	Acres	2.05	3,998	8.21
Open Space	Acres	1.14	3,998	4.57
Undeveloped	Acres	0.58	3,998	2.32
		5.74		22.96

Section VI illustrates the City's Capital Improvement Plan through 2017 which will be used to maintain the existing level of service through land acquisition, park development and improvements. The CIP also identifies project that will enhance the existing level of service. Impact fees will only be assessed the proportionate fee to maintain the existing level of service.

CALCULATION OF IMPACT FEES

The calculation of impact fees relies upon the information contained in this analysis. Impact fees are calculated based on many variables centered on proportionality and level of service. The following paragraphs briefly discuss the methodology for calculating impact fees.

IFFP METHODOLOGY - EXPANSION BASED

The methodology utilized in this analysis is based on the increase in residential demand. The growth driven method utilizes the existing level of service and perpetuates that level of service into the future. Impact fees are then calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development contributes the same level of investment as existing development while maintaining the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (i.e. park facilities).

PARK IMPACT FEE CALCULATION

The park impact fees proposed in this analysis will be assessed within all areas of the City. Utilizing the estimated land cost per acre by park type, the cost per acre to provide the same level of improvements, and the buy-in component per capita, the total fee per capita is $1,573.

TABLE 9.6: ESTIMATE OF IMPACT FEE COSTS PER PERSON (LOS)

TYPE OF IMPROVEMENT	PROPOSED LOS PER 1,000	LAND COST PER ACRE/MILE	COST OF IMPROVEMENTS	TOTAL COST PER ACRE	PER 1,000 POPULATION	PER CAPITA
Developed Active Parks	1.96	$175,000	$97,944	$272,944	$536,320	$536
Developed Passive Parks	2.05	$175,000	$111,610	$286,610	$588,761	$589
Open Space	1.14	$85,000	$0	$85,000	$97,069	$97
Undeveloped	0.58	$85,000	$0	$85,000	$49,389	$49
Buy-In Component						$302
					Estimate of Impact Fee Per Capita	**$1,573**

The Cost per 1,000 Population is calculated by multiplying the Proposed LOS per 1,000 by the total cost per acre.

Employing the level of investment approach, the per capita investment is slightly lower at $1,423. This is based on an improvement value per acre of $67,565, which is based on the original construction cost per acre. While this ***reduces*** the impact fee, it allows the City the flexibility to meet the needs of changing demographics.

Lewis Young Robertson & Burningham, Inc. Salt Lake City, Utah 84101 Office 801.596.0700 Fax 801.596.2800

TABLE 9.7: ESTIMATE OF IMPACT FEE COST PER PERSON (LOI)

TYPE OF IMPROVEMENT	PROPOSED LOS PER 1,000	LAND COST PER ACRE/MILE	CURRENT INVESTMENT PER ACRE	TOTAL COST PER ACRE	PER 1,000 POPULATION	PER CAPITA
Developed Active Parks	1.96	$175,000	$67,565	$242,565	$476,626	$477
Developed Passive Parks	2.05	$175,000	$67,565	$242,565	$498,283	$498
Open Space	1.14	$85,000	$0	$85,000	$97,069	$97
Undeveloped	0.58	$85,000	$0	$85,000	$49,389	$49
Buy-In Component						$302
					Estimate of Impact Fee Per Capita	**$1,423**

Based on the per capita fee, the proposed impact fee per household is illustrated in Table 9.8 (utilizing the LOS Approach and the LOI Approach).

TABLE 9.8: MAXIMUM PARK IMPACT FEE SCHEDULE

IMPACT FEE PER HH	PERSONS PER HH	LOS FEE PER HH	LOI FEE PER HH	EXISTING FEE PER HH
Average	3.52	$5,537	$5,009	
Single Family	3.67	$5,773	$5,222	$4,346
Multi Family (Including Mobile Homes)	1.76	$2,769	$2,504	$2,850

RECOMMENDATIONS

The impact fee analysis presented herein represents the maximum allowable impact fee. However, several considerations should be made in determining the appropriate fee for new development. These include economic hardship, the changes in the analysis assumption over time (whether perceived or realized) and the general policies of the City to promote growth. Based on these factors, several communities look for ways to collect a justifiable fee while ensuring the fee is not overly burdensome on development. As a result, the City may wish to consider the following when establishing their impact fee policy:

- The impact fee presented here is the maximum allowable and represents a justified fee.
- Should the City wish to adopt a lower fee than illustrated, the removal of the buy-in component from the fee will still provide the same level of service with regards to park acreage and improvements.
- The City may, by resolution, chose to include an annual inflation rate on projects or an annual inflation in the impact fee to account for the increase in capital costs over time.

Based on these factors, the analysis considers the removal of the buy-in component of the impact fee. This results in a reduced fee as show below.

TABLE 9.9: RECOMMENDED PARK IMPACT FEE SCHEDULE (NO BUY-IN)

IMPACT FEE PER HH	PERSONS PER HH	LOS FEE PER HH	LOI FEE PER HH	EXISTING FEE PER HH
Average	3.52	$4,476	$3,947	
Single Family	3.67	$4,667	$4,115	$4,346
Multi Family (Including Mobile Homes)	1.76	$2,238	$1,974	$2,850

NON-STANDARD PARK IMPACT FEES

The proposed fees are based upon population growth. The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon park facilities.[11] This adjustment could result in a lower impact fee if the City determines that a particular user may create a different impact than what is standard for its land use.

[11] 11-36a-402(1)(c)

EXPENIDTURE OF IMPACT FEES

Legislation requires that impact fees should be spent or encumbered with six years after each impact fee is paid. Impact fees collected in the next five to six years should be spent only on those projects outlined in the CIP to maintain the LOS.

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 VIII for further discussion regarding the consideration of revenue sources.

PROPOSED CREDITS OWED TO DEVELOPMENT

The Impact Fees Act requires that credits be paid back to development for future fees that will pay for growth-driven projects included in the Impact Fee Facilities Plan that would otherwise be paid for through user fees. Credits may also be paid to developers who have constructed and donated facilities to that City that are included in the IFFP in-lieu of impact fees. This situation does not apply to developer exactions or 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.

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 costs of construction inflation. While an inflation component may be included in the impact fee analysis to reflect the future cost of facilities, it is not considered in the cost estimates in this study. **The City may, by resolution, choose to include an annual inflation rate on projects or an annual inflation in the impact fee to account for the increase in capital costs over time.**

COMPARISON OF 2002 IFA

As illustrated in Table 9.8 and 9.9, the impact fee per household has changed from the 2002 Study. This is a result of several factors as outlined below.

- 2002 Population: 29,437 (2011 = 43,644) with HH size was 4.406 persons.
- 2002 Study LOS:
  - Combined LOS = 8.654 acres per 1,0000.
  - 4.903 acres per 1,000 for owned active/passive parkland for acquisition.
  - 3.717 acres per 1,000 for improved active/passive parkland for development.
  - 3.751 acres per 1,000 for owned opens pace for acquisition.
- 2002 Land Cost:
  - $2.00 per sq.ft. active/passive parkland or $87,120 per acre and $50,000 per acre for open space.
- 2002 Improvement Cost:
  - $100,000 per Acre.
- 2002 Study: No Buy-in component was contemplated in the analysis.
- 2002 Study: No recreation facilities or bond costs were included in the analysis.

Reasons for Increase from 2002 - 2011:

- Change in Land Values.
- Inclusion of a buy-in component (primarily driven by the Fitness Center and interest expenses).
- Slight change in cost of improvements.

SECTION X: OVERVIEW OF THE IMPACT FEE PROCESS

The purpose of this study is to fulfill the requirements of the Impact Fees act regarding the establishment of an IFFP and IFA. The IFFP is to identify the demands placed upon the City's existing parks & recreation facilities by future development and evaluate how these demands will be met by the City. The IFFP is also intended to outline the improvements which may be funded through impact fees. The IFA is designed to proportionately allocate the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered. Each component must consider the historic level of service provided to existing development and ensure that impact fees are not used to raise that level of service.

PARKS & RECREATION CAPITAL FACILITIES

As defined in the Impact Fees Act, parks and recreation impact fees may only recover the costs of parks, recreation facilities, open space, and trails that have a life expectancy of ten or more years and are owned or operated by or on behalf of the local political subdivision or private entity that is assessing the impact fee.

ELEMENTS WITHIN THE IMPACT FEE FACILITIES PLAN

According to the Impact Fees Act, local political subdivisions with populations or serving populations of more than 5,000 as of the last federal census must prepare an IFFP in order to assess impact fees. South Jordan City had a population greater than 5,000 as of the 2010 Federal Census, thus requiring an IFFP to be completed. As stipulated in UC 11-36a-302, the IFFP must identify the following elements before impact fees can be imposed:

- Demands placed upon existing public facilities by new development activity; and
- The proposed means by which the local political subdivision will meet those demands.

Though not specifically stated, certain considerations should be made within the IFFP to properly complete the legislative requirements found above and to ensure the IFFP serves as a working document in the calculation of appropriate impact fees. These include projecting demand, providing an inventory of existing facilities, conducting a level of service analysis, identifying existing and future capital facilities necessary to serve new growth and identify system improvement vs. project improvements. The IFFP must also include a consideration of all revenue sources, including impact fees and the dedication of system improvements, which may be used to finance system improvements.

DEMAND ANALYSIS

The demand analysis serves as the foundation for the IFFP. This element focuses on a specific demand unit related to each public service. The demand analysis identifies the existing demand on public facilities and the future demand as a result of new development that will impact public facilities. The demand analysis also provides projected annual growth in demand units over the planning horizon of the IFFP. The unit of measurement to determine the demand generated from new development varies depending on which public facility is discussed. For example, the demand on public safety improvements may be measured in terms of calls received, and the demand on parks & recreation facilities may be measured in terms of existing and future population projections.

EXISTING FACILITY INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, the Impact Fee Facilities Plan provides an inventory of the City's existing facilities. To the extent possible, the inventory valuation should consist of the following information:

- Original construction cost of each existing capital facility;
- Estimated date of completion of each future facility;
- Estimated useful life of each facility; and,
- Remaining useful life of each existing facility.

The inventory of existing facilities is important to properly determine the excess capacity of existing facilities and the utilization of excess capacity by new development.

LEVEL OF SERVICE ANALYSIS

The demand placed upon existing public facilities by existing development is known as the existing "Level of Service" ("LOS"). This is a key element within the Impact Fee Analysis, and should be supported within the IFFP. Through the inventory of existing facilities, combined with the growth assumptions, the IFFP identifies the level of service which is provided to a community's existing residents and ensures that future facilities maintain these standards. In addition, the IFFP illustrates excess capacity within existing facilities and the utilization of excess capacity by new development. Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities.

The IFFP should be drafted to establish a clear nexus between estimated future demand and the proposed capital facilities required to be constructed or acquired to meet the future demand. When appropriate, the IFFP should also establish service areas that will influence the list of future capital projects. The establishment of service areas helps ensure future capital projects are tied to any unique characteristics within the local political subdivision.

CAPITAL FACILITIES ANALYSIS

The demand analysis, existing facility inventory and LOS analysis allow for the development of a list of capital projects necessary to serve new growth and to maintain the existing system. This list includes any excess capacity of existing facilities as well as future projects necessary to cure deficiencies and maintain the level of service. Any demand generated from new development that overburdens the existing system beyond the existing capacity justifies the construction of new facilities. The IFFP identifies the new capital facilities necessary to provide the same level of service to new development. The IFFP may also classify projects needed to cure deficiencies or raise the level of service, but these projects must be identified and excluded from the Impact Fee Analysis as they are not impact fee eligible costs.

A critical element of this step in the IFFP is establishing the relationship between the demand generated from new development and the proposed means by which the local political subdivision will meet those demands. In order to do this, the IFFP should clearly identify the future projects necessary to serve new growth and, where appropriate, the capacity of those projects based on the specific base unit of measurement. In some cases this direct correlation between the proposed project and the demand it will serve is not feasibly isolated, and thus is not required (e.g. system wide distribution projects that serve a buildout scenario).

IDENTIFY SYSTEM IMPROVEMENT VS. PROJECT IMPROVEMENTS

The determination of necessary future capital projects should also include a distinction between system improvements and project improvements. System improvements are defined as existing public facilities designed to provide services to service areas within the community at large and future public facilities that are intended to provide services to service areas within the community at large.[12] Project improvements are improvements and facilities that are planned and designed to provide service for a specific development (resulting from a development activity) and considered necessary for the use and convenience of the occupants or users of that development.[13] The Impact Fee Analysis may only include the costs of impacts on system improvements related to new growth within the proportionate share analysis.

CONSIDERATION OF ALL REVENUE SOURCES

The IFFP must also include a consideration of all revenue sources, including impact fees and the dedication of system improvements, which may be used to finance system improvements.[14] In conjunction with this revenue analysis, there must be a determination that impact fees are necessary to achieve an equitable allocation of the

[12] 11-36a-102(20)
[13] 11-36a102(13)
[14] 11-36a-302(2)

costs of the new facilities between the new and existing users.[15]

IFFP PLANNING HORIZON

The IFFP is not governed by a specific legislative planning horizon. However, other requirements related to the expenditure of impact fees within a six-year window and the certification of the IFFP as a document supporting these expenditure requirements suggests that the IFFP should focus on immediate, short-term and long-term scenarios when forecasting future capital project needs. The "immediate" planning horizon addresses whether any existing deficiencies exist (there are no deficiencies identified in the South Jordan service area) and the capital projects needed in the near term based on growth occurring in the next 1-5 years. The "short-term" planning horizon addresses the growth projections and capital needs within the next 6-10 years. By focusing on immediate and short-term planning horizons, the IFFP establishes a rational nexus between future demand and the future projects necessary to serve that demand. In addition to the immediate and short-term planning horizons, the IFFP can provide a broader planning horizon beyond the next 10 years. This ensures the IFFP captures future projects that will serve new growth but may not be needed in the near term due to existing growth projections. Should growth rates increase, the IFFP contains the necessary information to ensure proper capital facility planning and to address the needs of the community or entity. This document includes growth estimates through 2017.

IFFP NOTICING AND ADOPTION REQUIREMENTS

The Impact Fees Act requires that a local political subdivision must publish a notice of intent to prepare an IFFP as qualified in UC 11-36a-501. If a local political subdivision prepares an independent IFFP rather than including an IFFP element in the general plan, the political body must provide notice of its intent (at least 10 days before the public hearing) and comply with the noticing requirements found in UC 11-36a-502, hold a public hearing, and adopt the IFFP.

CALCULATION OF IMPACT FEES

The IFFP must properly complete the legislative requirements found in the Impact Fee Act if it is to serves as a working document in the calculation of appropriate impact fees. The calculation of impact fees relies upon the information contained in this analysis. Impact fees are then calculated based on many variables centered on proportionality share and level of service. The following paragraphs briefly discuss the methodologies for calculating impact fees.

PLAN BASED (FEE BASED ON DEFINED CIP)

Impact fees can be calculated using a specific set of costs specified for future development. The improvements are identified in the IFFP, CFP or CIP as growth related projects. The total project costs are divided by the total demand units the projects are designed to serve. Under this methodology, it is important to indentify the existing level of service and determine any excess capacity in existing facilities that could serve new growth.

EXPANSION BASED (FEE BASED ON INCREMENTAL GROWTH)

The growth driven method utilizes the existing level of service and perpetuates that level of service into the future. The impact fees are calculated to provide sufficient funds for the entity to expand or provide additional facilities, as growth occurs within the community. Under this methodology, impact fees are calculated to ensure new development contributes the same level of investment as existing development while maintaining the current LOS standards in the community. This approach is often used for public facilities that are not governed by specific capacity limitations and do not need to be built before development occurs (i.e. park facilities).

ALLOCATION OF EXCESS CAPACITY

It is important to note that each methodology should also consider the allocation of existing excess capacity to new development that may be used to offset the need for future projects. This excess capacity will serve as a buy-in component and can be recovered through impact fees by dividing the facility original construction cost by

[15] 11-36a-302(3)

ultimate number of demand units served by the facility.

ELEMENTS WITHIN THE IMPACT FEE ANALYSIS

WRITTEN IMPACT FEE ANALYSIS – (11-36A-303)

The Impact Fees Act requires that a written impact fee analysis be prepared to clearly detail the calculation of the impact fees and explain all assumptions and key issues regarding the impact fee calculations, including a proportionate share analysis.

PROPORTIONATE SHARE ANALYSIS

The written impact fee analysis is required under the Impact Fees Act and must identify the impacts placed on the facilities by development activity and how these impacts are reasonably related to the new development. The written impact fee analysis must include a proportionate share analysis, clearly detailing each cost component and the methodology used to calculate each impact fee. A local political subdivision or private entity may only impose impact fees on development activities when its plan for financing system improvements establishes that impact fees are necessary to achieve an equitable allocation to the costs borne in the past and to be borne in the future (UCA 11-36a-302(3)). Specifically, an impact fee must:[16]

1. identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;
2. identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
3. demonstrate how those anticipated impacts are reasonably related to the anticipated development activity;
4. estimate the proportionate share of:
    a. the costs for existing capacity that will be recouped; and
    b. the costs of impacts on system improvements that are reasonably related to the new development activity; and
5. identify how the impact fee was calculated.

The Impact Fees Act requires that the written analysis include a proportionate share analysis which is intended to equitably divide the cost of proposed capital facilities between future and existing users relative to the benefit each group will receive from the improvement.

In analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the impact fee analysis should identify **if applicable:**[17]

- the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
- the cost of system improvements for each public facility;
- other than impact fees, the manner of financing each public facility, such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
- 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;
- the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
- 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;
- extraordinary costs, if any, in servicing the newly developed properties; and
- the time-price differential inherent in fair comparisons of amounts paid at different times.

[16] 11-36a-304
[17] 11-36a-304(2)

IMPACT FEE ENACTMENT – (11-36A-402)

Impact fees must be enacted by ordinance following a 10-day noticing period and a public hearing. During the 10-day noticing period the City must have copies of the analysis and the proposed impact fee ordinance available for public inspection at the City Hall and any libraries within the service area(s). A public hearing must be held following the 10-day noticing period to receive comment from the public and discussion among the City Council.

In order for the City to impose any impact fee, it must adopt an ordinance governing impact fees. This ordinance must include the following elements enumerated in Utah State Impact Fees Act:

- A provision establishing one or more service areas;
- 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; or the formula that the local political subdivision or private entity, as the case may be, will use to calculate each impact fee;
- A provision authorizing the City to adjust the standard impact fee at the time the fee is charged to respond to unusual circumstances in specific cases; or a request for a prompt and individualized impact fee review for the development activity of the state or a school district or charter school; and an offset or credit for a public facility for which an impact fee has been or will be collected; and ensure that the impact fees are imposed fairly; and
- A provision governing calculation of the amount of the impact fee to be imposed on a particular development that permits adjustment of the amount of the fee based upon studies and data submitted by the developer.
- A reasonable notice of the public hearing must be published in a local newspaper at least 10 days before the actual hearing. A copy of the proposed Impact Fee Ordinance, the Written Impact Fee Analysis, Executive Summary, and Capital Facilities Plan Summary must be made available to the public during the 10 day noticing period for public review and inspection. Copies of these four items must be posted in designated public places which include each public library within the jurisdiction of the City and at the City offices. Following the 10 day noticing period, a public hearing may be held, at which point the City Council may adopt, amend and adopt, or reject entirely the impact fee ordinance and proposed fee schedule. Following the adoption, Utah Code Section 10-3-711 requires that a summary of the ordinance be published in order for the ordinance to become effective.

GENERAL ADMINISTRATION OF IMPACT FEES

ACCOUNTING FOR IMPACT FEES – (11-36a-601)

The Impact Fees Act requires any entity imposing impact fees to establish an interest-bearing ledger account for each type of public facility for which an impact fee is collected. Any interest earned in each account must remain in that account. At the end of each fiscal year, the City must prepare a report for each fund or account showing the source and amount of all monies collected, earned, and received by each account, and all expenditures made from each account.

EXPENDITURE OF IMPACT FEES – (11-36a-602)

The City may only expend impact fees for growth-related system improvements. All funds collected must be spent or encumbered within six years of collection, or the City must provide an extraordinary or compelling reason why the fees must be held longer, or provide an ultimate date by which the impact fees collected will be expended.

The impact fee analysis should demonstrate the need for the City to collect and retain impact fees beyond the six years in order to more closely connect to the timing of capital improvements. The collection and expenditure of impact fees will be handled on a "First-In-First-Out" basis which reduces the chances of exceeding the six-year limitation. The payment of annual bond debt service related to growth-driven improvements also ensures that the six-year timeframe is not exceeded.

REFUND OF IMPACT FEES – (11-36a-603)

The City is required to refund any impact fees collected plus interest earned if 1) a developer who has paid impact fees does not proceed with the development activity and has filed a written request for a refund, 2) the fees have not been spent or encumbered within the six year period, or 3) the new development which has paid impact fees has not created an impact upon the system.

CHALLENGING IMPACT FEES – (11-36a-701)

A person or entity challenging the impact fee may file a written request for information including the written analysis, Capital Facilities Plan, ordinance and other information related to the fee calculation from the City imposing the fee. Complete information regarding this procedure may be found in Utah Code 11-36a Part 7.

NON-STANDARD IMPACT FEE CALCULATIONS – (11-36a-402(1)(c))

The Impact Fees Act requires that the enacting ordinance include a provision for the calculation of the impact fees for non-standard demands. The impact fee-payer must demonstrate that the projected development creates a non-standard demand. This demonstration must be made through reasonable and thorough analysis, engineering documentation, etc.

APPENDIX A: CALCULATION OF HOUSEHOLD SIZE

TABLE A.1: HOUSING OCCUPANCY FIGURES

HOUSING OCCUPANCY		
Total housing units	13,239	
Occupied housing units	12,878	
Vacant housing units	361	
UNITS IN STRUCTURE	**TOTAL UNITS**	**ADJUSTED FOR 97.3% OCCUPANCY**
Total housing units	13,239	12,882
1-unit, detached	11,249	10,945
1-unit, attached	965	939
2 units	67	65
3 or 4 units	121	118
5 to 9 units	90	88
10 to 19 units	274	267
20 or more units	456	444
Mobile home	17	17
Boat, RV, van, etc.	-	-
Single Family Units		**11,884**
Multi-Family Units		**997**

Source: US Census American Community Survey (ACS) 2008-2010, Table DP04

The average household (HH) size statistics were calculated using the 2008-2010 American Community Survey Census Data and adjusted for the changes in average household size shown in the 2010 Census data. A total of 11,884 single family units were identified (based on 1-unit detached and attached), with 997 multi-family units.

TABLE A.2: TOTAL POPULATION IN OCCUPIED HOUSING UNITS

TOTAL POPULATION IN OCCUPIED HOUSING UNITS	
Total:	48,577
Owner occupied:	42,354
1, detached or attached	42,235
2 or more	102
Mobile home, boat, RV, van, etc.	17
Renter occupied:	6,223
1, detached or attached	4,460
2 or more	1,763
Mobile home, boat, RV, van, etc.	-
Single Family Population	**46,695**
Multi-Family Population	**1,882**

Source: US Census ACS 2008-2010, Table C25033

Using the estimated population and occupancy data, the average household size is calculated below. However, based on the recent 2010 Census data, South Jordan's average household size appears to be decreasing. The 2008-2010 ACS data showed an average household size of 3.77, whereas the 2010 Census data showed an average household size of 3.52, a seven percent decrease. To accurately reflect the estimated household for single family and multi-family units, the ACS data was adjusted downward by seven percent.

TABLE A.3: ILLUSTRATION OF HOUSEHOLD SIZE ESTIMATES

ESTIMATED AVERAGE HH SIZE (2008-2010 ACS)	2008-2010 ACS	2010 ADJUSTED HH SIZE
Average HH Size	3.77	3.52
Single Family	3.93	3.67
Multi-Family (Including Mobile Homes)	1.89	1.76

Calculated by dividing estimated population by number of housing units

Lewis Young Robertson & Burningham, Inc. Salt Lake City, Utah 84101 Office 801.596.0700 Fax 801.596.2800

APPENDIX B: REVIEW OF LAND VALUES

Table B.1: Illustration of Recent Land Sales (South Jordan City)

Parcel #	Acre	Value	$/acre	Date	Highest and Best Use
27-23-227-018	5.8900	$207,000	$35,144	03/07/97	vacant, residential
	7.6700	$1,350,000	$176,010	04/06/99	Office Site / Commercial
	9.4900	$520,000	$54,795	11/09/99	Residential Property
27-22-201-008	1.8200	$360,000	$197,802	05/05/00	Professional Office development
27-15-229-008	0.4000	$105,000	$262,500	08/25/00	Office Site / Commercial
27-08-451-004	1.0780	$260,000	$241,187	01/10/01	Residential
	3.0900	$155,000	$50,162	02/23/01	Residential Property
27-22-126-002	1.0000	$60,000	$60,000	09/29/01	Agriculture
27-15-202-002	2.0400	$575,000	$281,863	05/22/02	Commercial, retail or office development
	1.1458	$390,000	$340,388	04/02/03	Retail Commercial
	0.7104	$245,000	$344,854	04/02/03	Retail Commercial
27-15-401-008	1.1164	$405,000	$362,776	04/02/03	Retail Commercial
27-11-226-119	40.0000	$1,640,000	$41,000	05/14/03	Residential Property
27-14-180-002	0.8590	$450,000	$523,865	09/27/06	Commercial, retail or office development
27-14-104-001	2.3490	$600,000	$255,428	11/27/06	Park property
27-11-481-001	13.6480	$2,515,000	$184,276	11/29/06	multi-family residential
27-14-277-009	2.8780	$73,500	$25,539	12/27/06	Public
27-15-401-054	0.2100	$85,000	$404,762	01/08/07	Commercial, retail or office development
27-17-153-001	1.8000	$570,000	$316,667	01/10/07	Commercial, retail or office development
27-11-179-018	0.4740	$21,012	$44,329	01/18/07	Jordan River Trail
27-11-179-019	0.3940	$17,680	$44,873	01/18/07	Jordan River Trail
27-11-251-001	0.5670	$37,325	$65,829	01/18/07	Jordan River Trail
27-11-126-011	0.3400	$22,612	$66,506	01/18/07	Jordan River Trail
27-11-126-010	0.2230	$15,979	$71,655	01/18/07	Jordan River Trail
27-11-126-002	0.5800	$54,220	$93,482	01/18/07	Jordan River Trail
27-15-376-011	0.5500	$350,000	$636,364	03/07/07	Park property
27-22-251-014	0.3100	$305,000	$983,871	02/07/08	Residential
	0.6300	$225,000	$357,143	07/03/08	Residential Property / Open Space
27-22-251-013	1.0100	$395,000	$391,089	12/29/08	Residential
27-23-152-008	0.2600	$34,000	$130,769	06/18/10	Commercial, retail or office development
27-14-103-016	2.4100	$1,310,000	$543,568	07/14/10	multi-family residential
27-21-157-006	1.6930	$225,400	$133,136	06/14/11	Residential Property

LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.
AN INDEPENDENT MUNICIPAL FINANCIAL ADVISORY
AND CONSULTING FIRM

Certification for Park Impact Fee Facilities Plans and Impact Fee Analysis Prepared February 2012

IFFP Certification

LYRB certifies that the attached impact fee facilities plans prepared for Parks & Recreation facilities:

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; and,
3. complies in each and every relevant respect with the Impact Fees Act.

IFA Certification

LYRB certifies that the attached impact fee analysis prepared for Parks & Recreation facilities:

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. offsets costs with grants or other alternate sources of payment; and,
4. complies in each and every relevant respect with the Impact Fees Act.

LYRB makes this certification with the following caveats:

1. All of the recommendations for implementations of the IFFP made in the IFFP documents or in the Impact Fee Analysis documents are followed by City Staff and elected officials.
2. If all or a portion of the IFFP or Impact Fee Analysis are modified or amended, this certification is no longer valid.
3. All information provided to LYRB is assumed to be correct, complete, and accurate. This includes information provided by the City as well as outside sources.

Lewis Young Robertson & Burningham, Inc.

LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.

GATEWAY PLAZA BUILDING
41 NORTH RIO GRANDE, SUITE 101
SALT LAKE CITY, UTAH 84101
TELEPHONE 801.596.0700
TOLL FREE 800.581.1100
FAX 801.596.2800
WWW.LEWISYOUNG.COM

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Notice of Intent to Enact
Impact Fee and
Hold a Public Hearing

The South Jordan City Council will consider Ordinance 2012-03, an ordinance adopting an amended and updated parks and recreation impact fee facilities plan and impact fee analysis; adopting an amended and updated impact fee for parks and recreation; establishing certain policies related to impact fees for park and recreational facilities; establishing service areas; and/or other related matters.
The public hearing regarding this proposal will be held before the South Jordan City Council at their regularly scheduled meeting Tuesday, March 20, 2012 at 6:00 pm., at the South Jordan City Office, located at 1600 W Towne Center Drive, South Jordan Utah. All interested parties are invited to attend. Please check the City Council agendas at City Hall or at the City's website, www.sjc.utah.gov.
Should you desire further information the ordinance and its associated Impact Fee Facility Plan and Impact Fee Analysis are located at the City's website (www.sjc.utah.gov), City Hall and South Jordan Library or you may contact Don Tingey, Community Services Director at (801) 254-3742 during regular business hours.
South Jordan City
Published: March 7, 2012
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