

SOUTH JORDAN CITY  
CITY COUNCIL STUDY MEETING

May 1, 2018

**Present:** Mayor Dawn Ramsey, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Jason McGuire, Council Member Tamara Zander, CM Gary Whatcott, City Attorney Ryan Loose, ACM Dustin Lewis, Development Services Director Brad Klavano, Associate Director of Public Works Colby Hill, IT Director John Day, City Council Secretary MaryAnn Dean

SPECIAL STUDY MEETING

**A. Invocation:** *Mayor Dawn Ramsey*

Mayor Ramsey welcomed everyone present. She excused Council Member Shelton who will not be present tonight.

Mayor Ramsey offered the invocation.

**B. Discussion Item:** *Park Impact Fees (By Colby Hill and Fred Philpot)*

Associate Director of Public Works, Colby Hill, introduced Mr. Philpot from Lewis Young Robertson and Burningham. Mr. Philpot reviewed a prepared presentation (Attachment A). Mr. Philpot said they took the land dedication agreements with Daybreak into consideration. Staff discussed the agreements for a 200-acre total land dedication, including 80 acres of active parks. The agreements continue to move forward as anticipated.

It was noted that in 2012, the City Council did not include the buy in component of the park impact fees. Mr. Philpot said he believes the reason that the City Council did not include the buy in is because of the economic impact in the community. He noted that South Jordan's household sizes are larger than the state average. He said land costs are also higher in South Jordan versus other communities. The fee will automatically be higher because of that.

Mr. Philpot said Draper recently went through the same process. St. George will be doing it soon. He said the comparison of impact fees in the surrounding communities is not an apple to apples comparison because they do not know what concessions those communities made. Also, every community has a different level of service for parks. Administrative Services Director Kyle said faster growing communities will review park impact fees more regularly. Strategic Services Director Tingey said when this was reviewed in 2012, South Jordan had the highest park impact fee, even without the buy in.

Mr. Philpot said the City Council needs to balance the desired level of service with affordability. Council Member Marlor said he feels that they need to maintain the current expectation regarding parks level of service.

CM Whatcott noted that road fees are going down. Water and storm water fees went down. The park fees are still going up because they have not built all of the parks yet.

It was noted that when the City Council considered this in 2012, they were just coming out of the recession. There was concern about having high impact fees from the development world.

CM Whatcott noted that there are many park and trail projects wanted by the residents. Council Member Harris said he feels it is easier to pay for those projects with park impact fees rather than a tax increase.

Mr. Philpot indicated that he would get the City Council an analysis of park impact fees from other high growth communities. They may have a higher park impact fee. He will also show the total impact fees in the city, including the overall change.

It was noted that it is not likely that they will receive a lot of public comment on this increase. It actually increases the property value for existing residents.

Council Member Harris asked if the prior City Council would have done the buy in, would they have had more money to do park projects? CM Whatcott said yes. He reiterated that this is for capital projects, not operations and maintenance.

Mayor Ramsey said she would like to continue to provide the same level of park service.

CM Whatcott explained that the park impact fees that are collected have to be spent in the service area, but not in the immediate area where the impact fee was collected. He also noted that impact fees aren't allowed to be collected and stored. The maximum those impact fees can be held is 6 years.

**C. Discussion Item:** Home Occupation Business Licensing Ordinance Changes *(By City Commerce Director, Brian Preece)*

City Commerce Director Preece reviewed a prepared presentation reviewing the home occupation business licensing ordinance changes (Attachment B). Mr. Schaefermeyer said they hope that by moving the business license requirement from Title 17 to Title 15, it will make it easier to enforce.

They discussed neighbor notifications. One concern is that neighbors get a false sense that they can stop a business if they object. In reality, a business license can only be denied if they don't comply with the code.

Council Member Harris asked if they still have discretion to notify neighbors of a business that could potentially be a concern? City Attorney Loose said yes, but on the city's dime.

Mayor Ramsey and Council Member McGuire indicated that they were uncomfortable with the elimination of the requirement for a license if there is no neighborhood impact.

Mayor Ramsey asked if there is any liability to the city if they did not require a business license, and there ended up being a concern with the business? City Attorney Loose said no.

Council Member Marlor asked what do they do in cases where someone's employment requires them to obtain a business license? Mr. Preece said that person can request a license, and be charged an administrative fee to process the license. It was noted that a home occupation would need a business license any time they have a customer coming to their home.

Council Member Harris said he likes the proposal. He said they should not have to use taxpayers' dollars to cover administrative expenses. He said they should also not have to notify the residents if they can't change or deny the business.

Council Member Marlor asked if there is an impact to the neighborhood, will the neighbors be sent notifications? Ms. Katwyk, Executive Assistant of City Commerce, said no because if it complies with the Ordinance, it will be approved anyway. If there is a problem after the fact, the city will be notified and code enforcement will follow up.

#### ADJOURNMENT

**Council Member Harris made a motion to adjourn. Council Member Marlor seconded the motion. The vote was 4-0 in favor.**

The May 1, 2018 City Council study meeting adjourned at 6:12 p.m.

**This is a true and correct copy of the May 1, 2018 City Council Study Meeting Minutes, which were approved on May 15, 2018.**

  
**South Jordan City Recorder**

# SOUTH JORDAN UTAH

IFFP AND IFA: PARKS & RECREATION

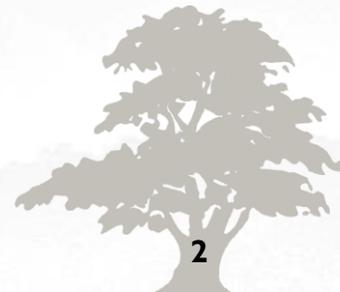
LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.

MAY 2018



# AGENDA

- General IFFP and IFA Methodology
- Service Area Description
- Analysis of Demand
- General LOS Discussion
- Parks and Recreation Impact Fee
- Next Steps



# INTRODUCTION TO IMPACT FEES

- Before imposing an impact fee, each local political subdivision or private entity shall prepare:

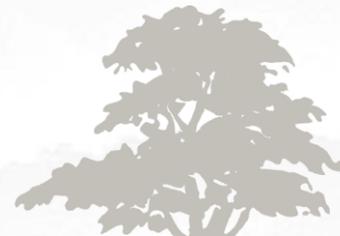


## IMPACT FEE FACILITIES PLAN (IFFP)

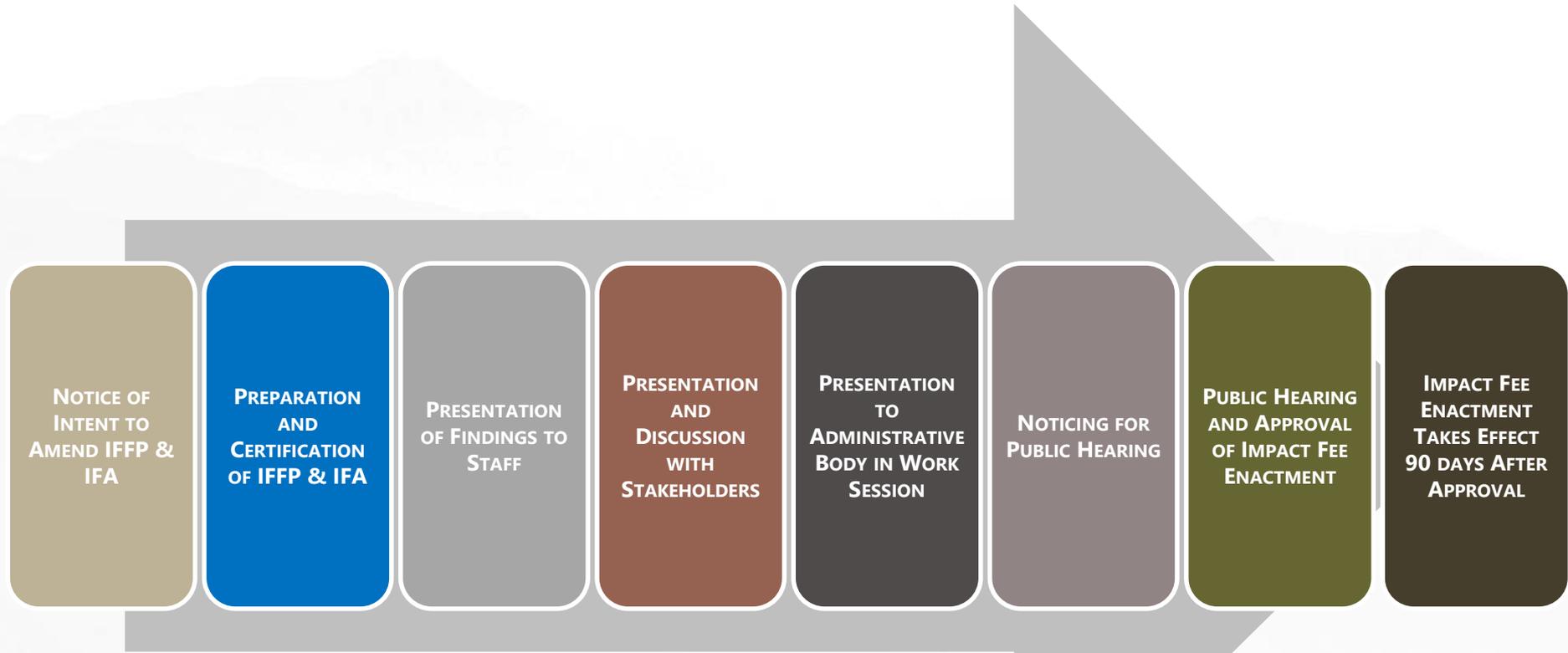
Identifies the demands placed upon the City's existing facilities by future development and evaluates how these demands will be met by the City. Outlines the improvements which are intended to be funded by impact fees.

## IMPACT FEE ANALYSIS (IFA)

Proportionately allocates the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered.

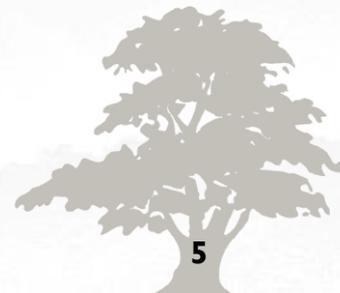


# IMPACT FEE PROCESS



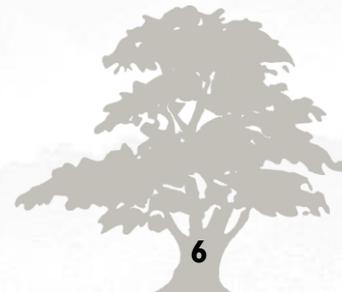
# **CRAFTING A WORKING IFFP**

- 1. Determine Demand**
- 2. Provide Inventory of Existing Facilities**
- 3. Establish Existing and Future Level of Service**
- 4. Identify Existing and Future Capital Facilities Necessary to Serve New Growth**
- 5. Consider All Revenue Resources to Finance System Improvements**



# IMPACT FEE ANALYSIS

1. **Establish IFA Methodology**
2. **Conduct Proportionate Share Analysis**
3. **Identify Funding Mechanisms**
4. **Establish Impact Fee Schedule**



# SERVICE AREA

All areas within the City

## DEMAND ANALYSIS

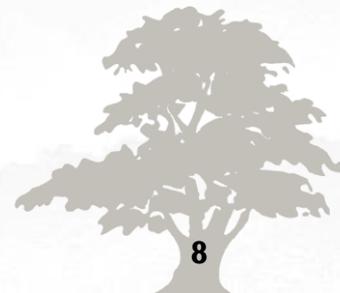
YEAR	SERVICE AREA POPULATION
2017	70,312
2018	73,124
2019	76,049
2020	79,091
2021	82,255
2022	85,545
2023	88,967
2024	92,526
2025	96,227
2026	100,076
2027	104,079
<b>BUILDOUT POP</b>	<b>140,100</b>

- Assumes 4% Annual Growth
- Historic Annual Growth from 2010-2016 is 5.4%



# EXISTING FACILITIES

TYPE OF IMPROVEMENT	TOTAL ACREAGE	LESS DETENTION	LESS GIFTED	FINAL ACRES	CITY OWNED ACRES	ESTIMATED LAND VALUE	2017 EST. IMPROV. VALUE
Developed Active Parks	391.60	0.09	4.00	387.51	79.91	\$15,982,000	\$13,154,500
Developed Passive Parks	238.42	26.84	45.60	165.98	158.70	\$31,740,000	\$25,845,325
Open Space	113.30	-	-	113.30	113.30	\$9,630,500	-
Undeveloped	17.50	2.58	-	14.92	10.62	\$2,124,000	-
<b>Total</b>	<b>760.82</b>	<b>29.51</b>	<b>49.60</b>	<b>681.71</b>	<b>362.53</b>	<b>\$59,476,500</b>	<b>\$38,999,825</b>



# BUY-IN COMPONENT

TYPE OF IMPROVEMENT	FINAL COST	% INCLUDED IN IFA	BUY-IN COMPONENT	BUILD OUT POPULATION SERVED	PER PERSON
Regional Facilities	\$9,450,933	100%	\$9,450,933	140,100	\$67.46
MBA Bond Remaining Interest (Used for Fitness Center, Golf Course and Gale Center)	\$4,685,197	100%	\$4,685,197	140,100	\$33.44
<b>Total Buy-In</b>	<b>\$14,136,130</b>		<b>\$14,136,130</b>		<b>\$100.90</b>



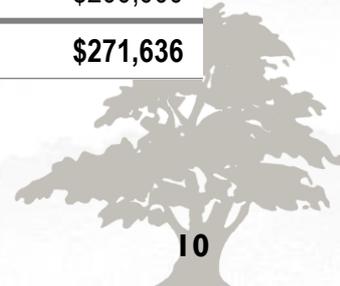
# LEVEL OF SERVICE (LOS)

Park Type	City Owned Acreage	Est. Land Value	Per Capita	Est. Improv. Value	Per Capita	Total Per Capita
Developed Active Parks	79.91	\$15,982,000	\$227	\$13,154,500	\$187	\$414
Developed Passive Parks	158.70	\$31,740,000	\$451	\$25,845,325	\$368	\$819
Open Space	113.30	\$9,630,500	\$137	\$0	\$0	\$137
Undeveloped Land	10.62	\$2,124,000	\$30	\$0	\$0	\$30
<b>Combined</b>	<b>362.53</b>	<b>\$59,476,500</b>	<b>\$846</b>	<b>\$38,999,825</b>	<b>\$555</b>	<b>\$1,401</b>

Excludes Buy-In

TYPE OF IMPROVEMENT	CITY OWNED ACRES	EST. LAND VALUE PER ACRE	EST. IMPROV. VALUE PER ACRE	TOTAL VALUE PER ACRE
Developed Active Parks	79.91	\$200,000	\$164,616	\$364,616
Developed Passive Parks	158.70	\$200,000	\$162,856	\$362,856
Open Space	113.30	\$85,000	\$0	\$85,000
Undeveloped	10.62	\$200,000	\$0	\$200,000
<b>Total</b>	<b>362.53</b>	<b>\$164,060</b>	<b>\$107,577</b>	<b>\$271,636</b>

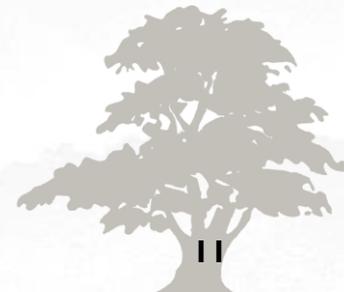
- Recent park improvement projects show improvement costs of \$155K – \$250K



# FUTURE NEEDS

- Based on an Increase of 37,767 Residents, the City will need to invest \$47.2M in future park land and amenities.

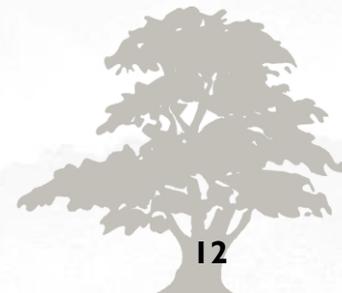
Type of Improvement	Population Increase IFFP Horizon	Level of Investment	Estimated Future Investment
Parks and Recreation	33,767	\$1,401	\$47,292,692



# PARKS & RECREATION

## Estimate of Impact Fee Costs per Person (LOS)

TYPE OF IMPROVEMENT	EXISTING LOS PER 1,000	LAND COST PER ACRE/MILE	IMPROVEMENT VALUE PER ACRE	TOTAL COST PER ACRE	PER 1,000 POPULATION	PER CAPITA
Developed Active Parks	1.14	\$200,000	\$164,616	\$364,616	\$414,389	\$414
Developed Passive Parks	2.26	\$200,000	\$162,856	\$362,856	\$818,997	\$819
Open Space	1.61	\$85,000	-	\$85,000	\$136,968	\$137
Undeveloped	0.15	\$200,000	-	\$200,000	\$30,208	\$30
Buy-In Component						\$101
<b>Estimate of Impact Fee Per Capita</b>						<b>\$1,501</b>
<b>Estimate of Impact Fee Per Capita (No Buy-In)</b>						<b>\$1,401</b>



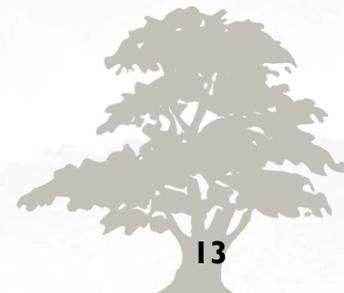
# PARKS & RECREATION

## Proposed Impact Fee (No Buy-In)

IMPACT FEE PER HH	PERSONS PER HH	LOS FEE PER HH	EXISTING FEE PER HH	% CHANGE
AVERAGE	3.29	\$4,608		
SINGLE FAMILY	3.61	\$5,056	\$4,115	23%
MULTI FAMILY	1.76	\$2,465	\$1,974	25%

## Proposed Impact Fee (Buy-In)

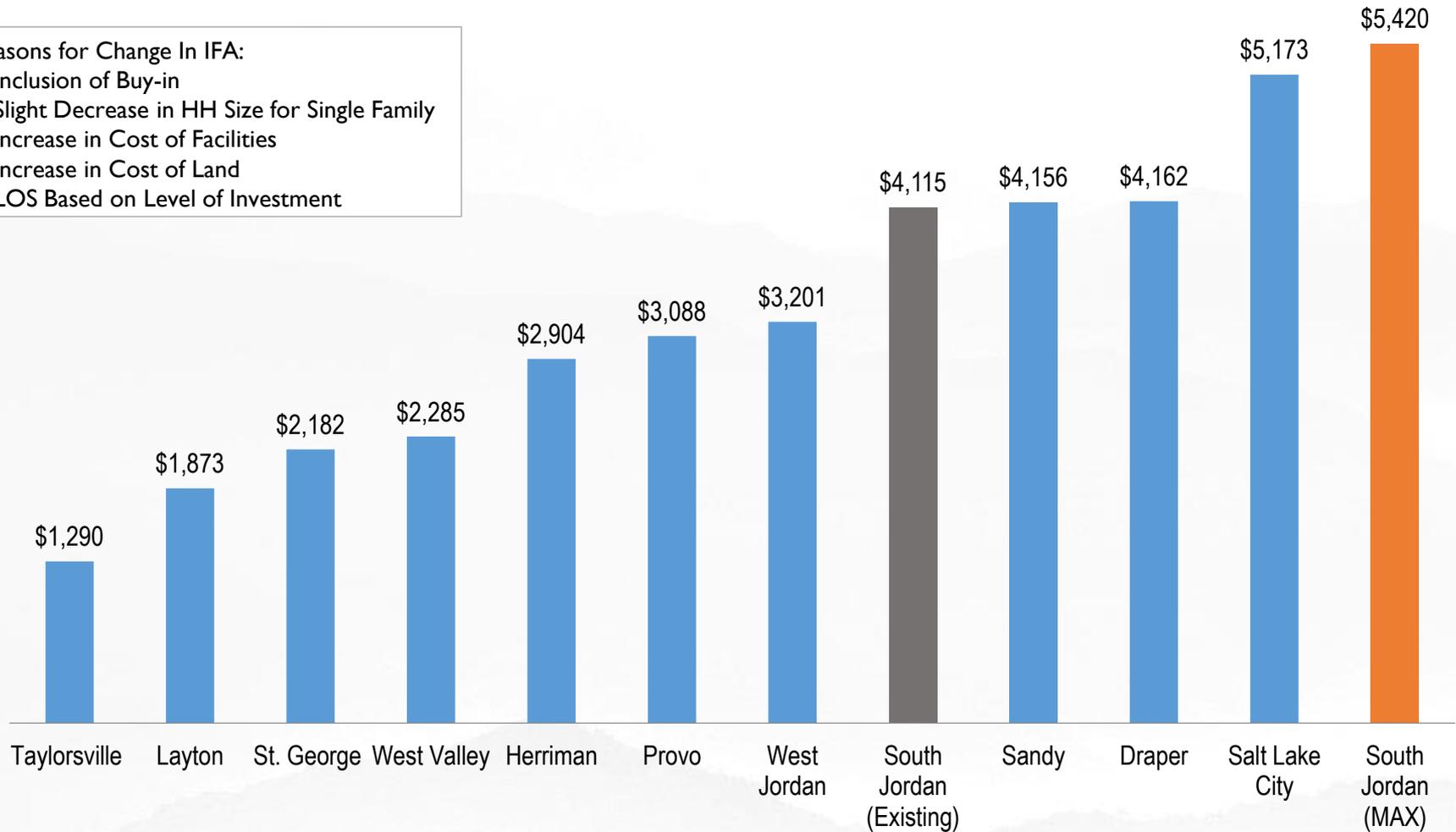
IMPACT FEE PER HH	PERSONS PER HH	LOS FEE PER HH	EXISTING FEE PER HH	% CHANGE
AVERAGE	3.29	\$4,940		
SINGLE FAMILY	3.61	\$5,420	\$4,115	32%
MULTI FAMILY	1.76	\$2,643	\$1,974	34%



# PARKS & RECREATION

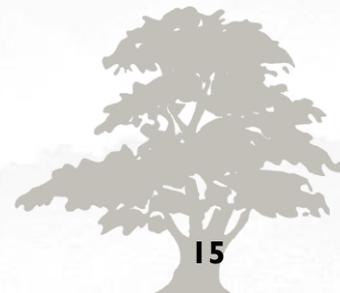
## Reasons for Change In IFA:

1. Inclusion of Buy-in
2. Slight Decrease in HH Size for Single Family
3. Increase in Cost of Facilities
4. Increase in Cost of Land
5. LOS Based on Level of Investment



# NEXT STEPS:

- Finalize IFFP/IFA
- Notice for public hearing
- Publish documents
- Hold public hearing



# HOME OCCUPATION BUSINESS LICENSE CHANGES

2017 GENERAL SESSION – S.B. 81  
LOCAL GOVERNMENT LICENSING AMENDMENTS  
&  
2018 GENERAL SESSION – S.B. 158  
MUNICIPAL BUSINESS LICENSING

# NEW STATE LAWS



## 2017 GENERAL SESSION – S.B. 81 LOCAL GOVERNMENT LICENSING AMENDMENTS

A MUNICIPALITY MAY NOT:

- (7)(B) CHARGE A LICENSE FEE FOR A HOME BASED BUSINESS, UNLESS THE COMBINED OFFSITE IMPACT OF THE HOME BASED BUSINESS AND THE PRIMARY RESIDENTIAL USE MATERIALLY EXCEEDS THE OFFSITE IMPACT OF THE PRIMARY RESIDENTIAL USE ALONE.

## 2018 GENERAL SESSION – S.B. 158 MUNICIPAL BUSINESS LICENSING

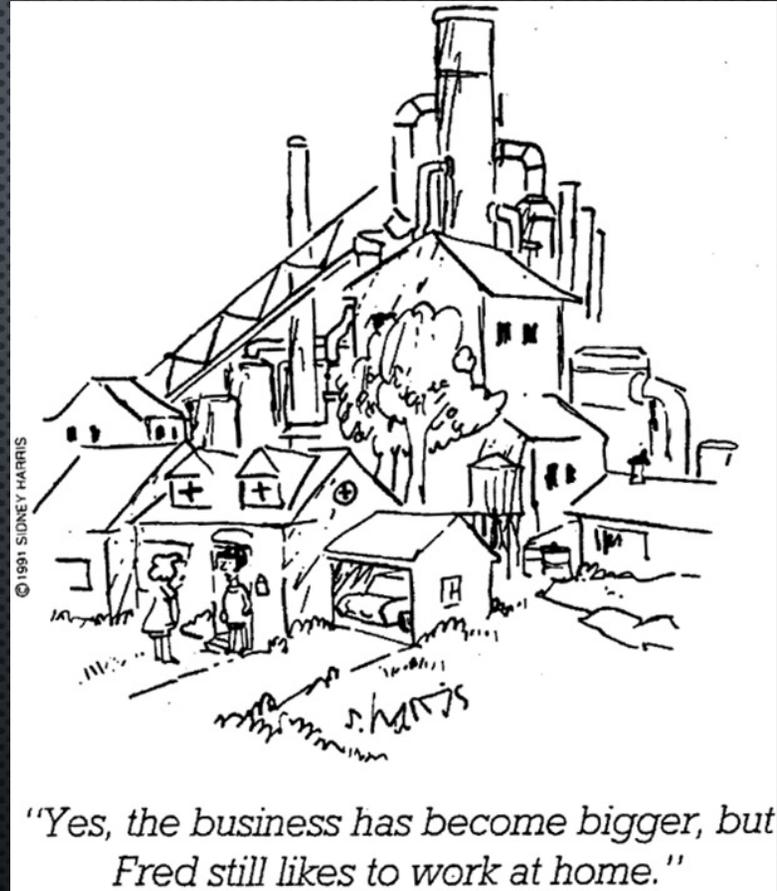
A MUNICIPALITY MAY NOT:

- (7)(B) CHARGE ANY FEE FOR A RESIDENT OF THE MUNICIPALITY TO OPERATE A HOME-BASED BUSINESS, UNLESS THE COMBINED OFFSITE IMPACT OF THE HOME-BASED BUSINESS AND THE PRIMARY RESIDENTIAL USE MATERIALLY EXCEEDS THE OFFSITE IMPACT OF THE PRIMARY RESIDENTIAL USE ALONE.
- (8)(A) A MUNICIPALITY MAY CHARGE AN ADMINISTRATIVE FEE FOR A LICENSE TO A HOME-BASED BUSINESS OWNER WHO IS OTHERWISE EXEMPT UNDER SUBSECTION (7)(B) BUT WHO REQUESTS A LICENSE FROM THE MUNICIPALITY.

## WHAT DOES THIS MEAN FOR SJC?

SOUTH JORDAN CAN NO LONGER CHARGE ANY FEE FOR A HOME OCCUPATION BUSINESS UNLESS THERE IS AN "IMPACT" ON THE NEIGHBORHOOD.

SOUTH JORDAN CAN CHARGE AN ADMINISTRATIVE FEE TO A HOME BASED BUSINESS THAT IS OTHERWISE EXEMPT FROM FEES BUT REQUESTS A LICENSE FROM THE CITY.



# WHAT NEEDS TO BE DONE?

- DEFINE "IMPACT"
  - IN-HOME CHILD OR ADULT CARE BUSINESSES;
  - BUSINESSES THAT HAVE CUSTOMERS/CLIENTS COMING TO THE HOME; AND
  - ANY BUSINESS THAT IS REQUIRED BY ANOTHER GOVERNMENT AGENCY TO OBTAIN A CITY BUSINESS LICENSE.
- CHANGE ORDINANCES TO COMPLY WITH STATE LAWS.
- WHILE WE'RE AT IT...CLEAN UP BUSINESS LICENSE ORDINANCES.
  - NEIGHBORHOOD NOTIFICATIONS
  - CHANGE AGE OF EXEMPTION FROM LICENSE TO 18 (REQUIRED BY S.B. 158)



## OPTIONS:

- DON'T LICENSE HOME BUSINESSES AT ALL.
- LICENSE ALL HOME BUSINESSES BUT DO NOT CHARGE A FEE.
- LICENSE HOME BUSINESSES THAT HAVE AN "IMPACT" ON THE NEIGHBORHOOD AND CHARGE A LICENSE FEE.
- OFFER A BUSINESS LICENSE TO OTHERWISE EXEMPT BUSINESSES AND CHARGE AN ADMINISTRATIVE FEE FOR THE LICENSE.



## RECOMMENDATIONS:

- LICENSE HOME BUSINESSES THAT HAVE AN “IMPACT” ON THE NEIGHBORHOOD AND CHARGE A LICENSE FEE.
- OFFER A BUSINESS LICENSE TO OTHERWISE EXEMPT BUSINESSES AND CHARGE AN ADMINISTRATIVE FEE.
- RE-WRITE HOME OCCUPATION ORDINANCE AND MOVE LICENSE REQUIREMENTS FROM TITLE 17 TO TITLE 5 (LEAVING PLANNING REQUIREMENTS IN TITLE 17).
- NO LONGER REQUIRE NEIGHBOR NOTIFICATIONS

