

EXHIBIT B



WEST POINT CITY, UTAH

STORM WATER IMPACT FEE ANALYSIS (IFA)

NOTICE

DRAFT

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WEST POINT, UT 84015

PREPARED BY
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IMPACT FEE CERTIFICATION

IFA CERTIFICATION

Lewis Young Robertson & Burningham, Inc. certifies that the Impact Fee Analysis prepared for storm drain services:

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;
 - d. offsets costs with grants or other alternate sources of payment; and,
3. Complies in each and every relevant respect with the Impact Fees Act.

LYRB makes this certification with the following caveats:

1. All recommendations for implementation of the Impact Fee Analysis are followed by City staff and elected officials.
2. If all or a portion of this document is modified or amended, this certification is no longer valid.
3. All information provided to Lewis Young Robertson & Burningham, Inc. 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.

SECTION 1: EXECUTIVE SUMMARY

The purpose of the Storm Drain Impact Fee Analysis (“IFA”) is to fulfill the requirements established in Utah Code Title 11 Chapter 36a, the “Impact Fees Act”, and assist the City of West Point (the “City”) in financing and constructing necessary capital improvements for future growth. This document will address the future storm water infrastructure needed to serve the service area through the next ten years, as well as the appropriate impact fees the City may charge to new growth to maintain the existing level of service (“LOS”). The Storm Drain Capital Facilities Plan (“CFP”) and Impact Fee Facilities Plan (“IFFP”) prepared by Gardner Engineering in 2021, as well as input from the City, provide much of the information utilized in this analysis.

- ☞ **Impact Fee Service Area:** The service area for storm drain impact fees includes all areas within the City, as shown in **FIGURE 3.1**.
- ☞ **Demand Analysis:** The demand units utilized in this analysis are based on undeveloped residential and commercial land. As residential and commercial growth occurs within the City, additional impervious surface will generate additional run-off. The storm drain capital improvements identified in the IFFP are based on maintaining the current level of service.
- ☞ **Level of Service:** Impact fees cannot be used to finance an increase in the level of service to current or future users of capital improvements. The IFFP identifies the future storm drain system improvements that are needed to manage the runoff caused by 10-year and 100-year events. Therefore, the City’s storm drain infrastructure is sized to manage runoff safely and adequately from the storm intensities and durations indicated in the Impact Fee Facilities Plan.
- ☞ **Excess Capacity:** The IFFP in **Section 4** identifies the percentage of existing facilities that the ten-year demand will use is 17.19% with an estimated buy-in component of \$272,187 based upon a total system value of \$5,178,479.
- ☞ **Capital Facilities Analysis:** The total estimated construction year cost for capital projects needed over the next ten years equals \$4,497,641. Approximately \$1,456,915 has been identified as growth-related capital improvements that are impact fee eligible.
- ☞ **Funding of Future Facilities:** This analysis assumes future growth-related facilities will be funded on a pay-as-you-go basis when possible, utilizing impact fee and utility fee revenues to pay for capital facilities.

PROPOSED STORM DRAIN IMPACT FEE

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. **TABLE 1.1** illustrates the appropriate buy-in fee, the fee associated with projects occurring in the next ten years, and other costs related to the storm drain impact fee. The proportionate share analysis determines the proportionate cost assignable to new development based on the proposed capital projects and the acres served by the proposed projects. The proposed impact fee per acre is \$3,674, which represents a 13 percent decrease when compared to the City’s existing fee per acre of \$4,204.

TABLE 1.1: CALCULATION OF IMPACT FEE PER ACRE

STORM DRAIN PROPORTIONATE SHARE ANALYSIS	GROWTH RELATED COSTS	FUTURE DEVELOPED ACRES	COST PER ACRE
Buy-In to Component	\$272,187	452	\$603
Future Storm Drain Projects	\$1,456,915	452	\$3,226
Professional Expense	\$15,000	452	\$33
Impact Interest Earnings Credit	-\$85,000	452	-\$188
Total	\$1,659,102		\$3,674

TABLE 1.2: PROPOSED IMPACT FEE

DEVELOPMENT TYPE	PROPOSED IMPACT FEE PER ACRE	EXISTING IMPACT FEE PER ACRE	% CHANGE
Developed Acre (Residential, Commercial, or Industrial)	\$3,674	\$4,204	-13%

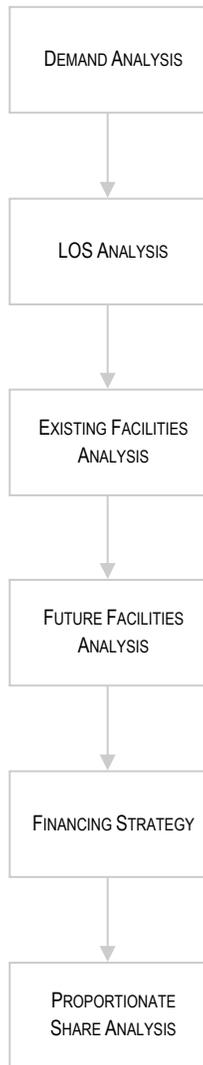
NON-STANDARD STORM DRAIN IMPACT FEES

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 public facilities.¹ This adjustment could result in a different impact fee if the City determines that a particular user may create a different impact than what is standard for its land use.

¹ UC 11-36a-402(1)(c)

SECTION 2: GENERAL IMPACT FEE METHODOLOGY

FIGURE 2.1: IMPACT FEE METHODOLOGY



The purpose of this study is to fulfill the requirements of the Impact Fees Act regarding the establishment of an IFA². The IFFP, completed by Gardner Engineering, is designed to identify the demands placed upon the City’s existing facilities by future development and evaluate how these demands will be met by the City, as well as the future improvements required to maintain the existing LOS. The purpose of the IFA is 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. The following elements are important considerations when completing an IFA.

DEMAND ANALYSIS

The demand analysis serves as the foundation for this analysis. This element focuses on a specific demand unit related to each public service – the existing demand on public facilities and the future demand as a result of new development that will impact system facilities.

LEVEL OF SERVICE ANALYSIS

The demand placed upon existing public facilities by existing development is known as the existing LOS. Through the inventory of existing facilities, combined with the growth assumptions, this analysis identifies the LOS which is provided to a community’s existing development and ensures that future facilities maintain these standards.

EXISTING FACILITY INVENTORY

In order to quantify the demands placed upon existing public facilities by new development activity, the analysis provides an inventory of existing system facilities. 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. Any excess capacity identified within existing facilities can be apportioned to new development.

FUTURE 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 system improvements necessary to 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.

FINANCING STRATEGY

This analysis must also include a consideration of all revenue sources, including impact fees, future debt costs, alternative funding sources and the dedication of system improvements, which may be used to finance system improvements.³ 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.⁴

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 of the costs borne in the past and to be borne in the future (UCA 11-36a-302).

²UC 11-36a-301,302,303,304

³ UC 11-36a-302(2)

⁴ UC 11-36a-302(3)

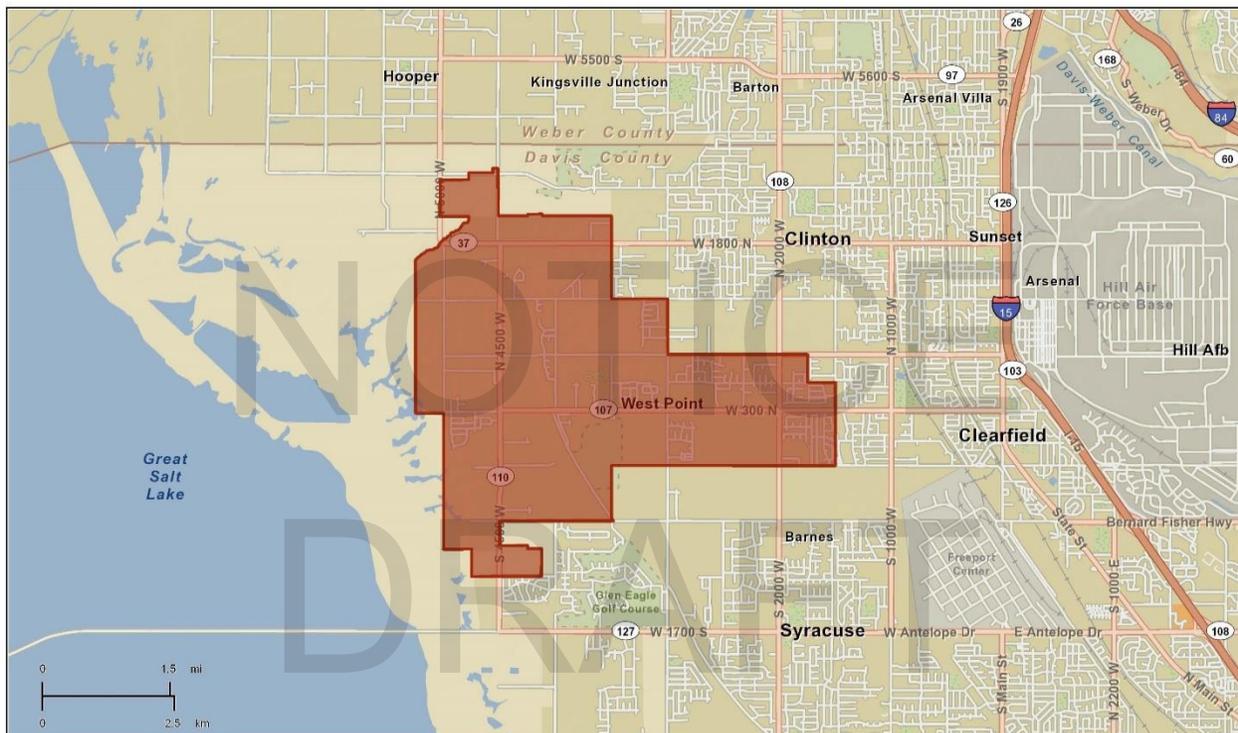
SECTION 3: OVERVIEW OF SERVICE AREA AND DEMAND ANALYSIS

SERVICE AREA

Utah Code requires the impact fee enactment to establish one or more service areas within which impact fees will be imposed.⁵ The service area for storm drain impact fees includes all areas within the City. This document identifies capital projects that will help to maintain the same level of service enjoyed by existing residents into the future.

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

FIGURE 3.1: STORM DRAIN IMPACT FEE SERVICE AREA



DEMAND UNITS

The demand unit used in this analysis is acreage of developed property. As residential and commercial growth occurs within the City, the impervious surface within the City will increase, resulting in additional run-off. West Point City requires that development detain storm water with a maximum release rate of 0.2 cfs/acre.

With this in mind, the storm system has been designed to handle maximum release per acre, which is the same for all development types. The storm drain capital improvements identified in this study are based on maintaining the current level of service as defined in the IFFP. The proposed impact fees are based upon the projected growth in developed acres, which is used to quantify the impact that future users will have upon the City's system.

According to the City's data, there are 1,963 acres currently developed and 2,534 acres yet to be developed. To be conservative, the City has chosen to use a two percent average annual growth rate (AAGR) for future development. TABLE 3.2 and 3.3 illustrate the projected growth in developed acres.

⁵ UC 11-36a-402(a)



TABLE 3.2: ESTIMATE OF IMPERVIOUS AREA BY ACREAGE

LAND USE	ASSOCIATED ZONING CLASSIFICATION	CURRENT DEVELOPED ACREAGE	UNDEVELOPED ACREAGE	EST. UNDEVELOPED SQUARE FOOTAGE
Residential	R-1	530	1,073	46,731,168
Residential	R-2	285	672	29,259,252
Residential	R-3	719	78	3,415,104
Residential	R-4	44	79	3,428,172
Residential	R-5	5	-	-
Agriculture	A-40	1	169	7,348,572
Commercial	N-C	21	15	635,976
Commercial	C-C	76	134	5,845,752
Commercial	R-C		49	2,141,410
Office	P-O	24	-	-
Research/Industrial Park	R/I-P		29	1,246,252
Parks and Public	PUBLIC	256	237	10,332,432
Totals		1,963	2,534	110,384,089

Source: IFFP Table 1, Gardner Engineering

TABLE 3.3: GROWTH IN POPULATION AND ACREAGE

YEAR	POPULATION	DEVELOPED ACRES	YEAR	POPULATION	DEVELOPED ACRES
2020	11,286	1,963	2027	13,091	2,277
2021	11,624	2,022	2028	13,353	2,322
2022	11,857	2,062	2029	13,620	2,369
2023	12,094	2,103	2030	13,892	2,416
2024	12,336	2,145	2031	14,170	2,464
2025	12,582	2,188	2032	14,453	2,514
2026	12,834	2,232		Total IFFP Demand	452

LEVEL OF SERVICE STANDARDS

Impact fees cannot be used to finance an increase in the level of service to current or future users of capital improvements. Therefore, it is important to identify the storm water level of service to ensure that the capacities of projects financed through impact fees do not exceed the established standard. The storm water level of service is summarized in TABLE 3.4. Additional information on LOS can be found in the IFFP.

TABLE 3.4: STORM DRAIN LEVEL OF SERVICE

DESCRIPTION	PERFORMANCE STANDARD
Allowable Runoff	Development within the City is required to detain storm water with a release rate of 0.2 cfs/acre. This release rate is intended to maintain predevelopment runoff rates.
Detention	Volume required to hold the 100 - year design storm with at least 1 ft of freeboard. Release rate per Allowable Runoff.
Storm Drain Conveyance	Pipes shall be designed to carry the minor 10-year storm. The major 100-year storm is planned to be conveyed in detention ponds, pipes, and within road right of ways. Minimum pipe size is 15" RCP with adequate slope to carry necessary flows.

Source: CFP & IFP 2021



SECTION 4: EXISTING FACILITIES INVENTORY

EXCESS CAPACITY

In order to estimate the remaining excess capacity and the appropriate buy-in valuation, the IFFP identifies storm drain collection improvements that were funded by the City with potential excess capacity. The method used to determine excess capacity is based on the existing linear feet (LF) of collection improvements compared to the linear feet of excess capacity within the system. This is then weighted based on the relative value of each pipe category according to diameter (e.g. larger diameter pipes are more expensive and thus are weighted more when determine proportionate excess capacity). Based on this analysis, there is a total of 420,323 weighted LF of pipe, with 72,245 of weighted pipe LF of excess capacity. This represents 17.19 percent of the total system. Based on the City's depreciation schedule, the existing system is valued at \$5,178,479. However, many of these improvements are project improvements. In addition, only infrastructure with a useable lifespan greater than ten years can be counted towards new development. Once project improvements and non-eligible costs are removed, the remaining system improvement value totals \$1,583,599. Based on the calculated excess capacity of 17.19 percent, the buy-in value equals \$272,187, as shown below.

TABLE 4.1: STORM DRAIN EXCESS CAPACITY

PIPE DIAMETER	COST	RATIO	LINEAR FEET (EXISTING)	LF (EXCESS CAPACITY)	WEIGHTED LF (EXISTING)	WEIGHTED LF (EXCESS CAPACITY)
12	\$50.00	1.00	32,956	-	32,956	-
16	\$60.00	1.20	58,724	399	70,469	479
18	\$69.00	1.38	39,553	4,179	54,583	5,767
21	\$72.00	1.44	-	-	-	-
24	\$75.00	1.50	36,990	6,919	55,484	10,379
27	\$80.00	1.60	379	-	607	-
30	\$85.00	1.70	10,778	1,878	18,323	3,193
36	\$90.00	1.80	15,346	5,177	27,622	9,319
42	\$134.00	2.68	4,733	3,612	12,686	9,680
48	\$200.00	4.00	1,776	-	7,104	-
		Weighted LF	279,834	38,816	420,323	72,245
					Weighted Percent of Total Value of Total System	17.19%
					System Improvements	\$1,583,599
					Buy-In Valuation	\$272,187

Source: LYRB, CFP & IFFP Table 4

MANNER OF FINANCING EXISTING PUBLIC FACILITIES

The City has funded existing facilities using several revenue sources including utility rate revenues, general fund revenues (property taxes, sales taxes, etc.), grants, donations, impact fee revenues and debt. Utility rate revenues serve as the primary funding mechanism within enterprise funds. Rates are established to ensure appropriate coverage of all operations and maintenance expenses, as well as debt service and capital project needs, while considering future impact fee revenue collections.

The City anticipates these funding mechanisms will be available for the funding of future facilities. As shown in the next section, the City has determined the portion of future projects that will be funded by impact fees as growth-related, system improvements, as well as alternative funding mechanism related to future facilities.

SECTION 5: CAPITAL FACILITY ANALYSIS

The estimated costs attributed to new growth were analyzed based on existing development versus future development patterns. From this analysis, a portion of future development costs were attributed to new growth and included in this impact fee analysis as shown in **TABLE 5.1**. The costs of capital projects related to curing existing deficiencies cannot be funded through impact fees and were not included in the calculation of impact fees. The table below describes the specific capital improvements necessary to meet the future growth needs anticipated to occur within the City in the next ten-year period. The anticipated ten-year cost of future project construction is \$1,456,914.91. The anticipated cost of impact fee eligible projects is \$1,103,790.15.

TABLE 5.1: ILLUSTRATION OF CAPITAL IMPROVEMENTS RELATED TO GROWTH

#	PROJECT	% IFF ELIGIBLE	COST OF IMPACT FEE ELIGIBLE PROJECTS	INFLATION	CONSTRUCTION YEARS COSTS	IFA CONSTRUCTION YEAR COSTS
1	1300 N (4150 West to 4300 W)	2024	\$22,275.91	2022	\$45,888.36	\$22,944.18
2	1300 N (West of canal to Existing 48' Pipe)	80%	\$58,091.34	2023	\$77,036.37	\$61,629.10
4	4500 West (1000 S to 1100 S)	100%	\$142,492.53	2027	\$170,143.53	\$170,143.53
5	4500 West (210 South to outlet A19)	90%	\$27,894.39	2028	\$38,118.43	\$34,306.58
5	4500 West (250 South to 500 South)	90%	\$109,904.42	2029	\$154,692.92	\$139,223.63
7	4200 West (300 North to 200 South)	100%	\$345,378.66	2032	\$478,084.84	\$478,084.84
8	4000 West (1800 North to outfall)	60%	\$321,385.88	2032	\$741,455.38	\$444,873.23
8	4000 West	70%	\$76,367.03	2032	\$151,014.03	\$105,709.82
Total			\$1,103,790.15			\$1,456,914.91

Source: CFP & IFP 2021

The IFFP details the projects shown above and considered in the calculation of the impact fees. The engineers used capital project and engineering data, planning analysis, and other information to determine the future needs of the service area, as well as the ability of the existing system to serve future development. All future capital project data, including project descriptions and estimated project costs, is included in the Master Plan and IFFP. The accuracy and correctness of this analysis is contingent upon the accuracy of the data and assumptions included therein. Any deviations or changes in the assumptions due to changes in the economy or other relevant information used by the City for this study may cause this plan to be inaccurate and require modifications.

SYSTEM VS. PROJECT IMPROVEMENTS

System improvements are defined as existing and future public facilities that are intended to provide services to service areas within the community at large.⁶ 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.⁷ This analysis only includes the costs of system improvements related to new growth within the proportionate share analysis.

FUNDING OF FUTURE FACILITIES

The IFFP must also include a consideration of all revenue sources, including impact fees and the dedication (donation) of system improvements, which may be used to finance system improvements.⁸ 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.⁹ In considering the funding of future facilities, the City has determined the portion of future projects that will be funded by impact fees as growth-related, system improvements (see Table 5.1, and the IFFP). Utility rate revenues serve as the primary funding mechanism within enterprise funds. Rates are established to ensure appropriate coverage of all operations and maintenance expenses, as well as all non-growth-related debt service and capital project needs.

EQUITY OF IMPACT FEES

Impact fees are intended to recover the costs of capital infrastructure (system improvements) that relate to future growth. The impact fee calculations are structured for impact fees to fund 100 percent 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

⁶ UC 11-36a-102(20)

⁷ UC 11-36a102(13)

⁸ UC 11-36a-302(2)

⁹ UC 11-36a-302(3)



cover the annual growth-related expenses. In those years, growth-related projects may be delayed, or other revenues such as general fund revenues or user rate revenues may be used to make up any annual deficits. Any borrowed funds are to be repaid in their entirety through impact fees.

NECESSITY OF IMPACT FEES

An entity may only impose impact fees on development activity if the entity's plan for financing system improvements establishes that impact fees are necessary to achieve parity between existing and new development. This analysis has identified the improvements to public facilities and the funding mechanisms to complete the suggested improvements. Impact fees are identified as a necessary funding mechanism to help offset the costs of new capital improvements related to new growth. In addition, alternative funding mechanisms are identified to help offset the cost of future capital improvements.

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SECTION 6: STORM DRAIN IMPACT FEE CALCULATION

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 LOS. As a result of new growth, the storm drain system needs expansion to perpetuate the LOS that the City has historically maintained. The Storm Drain Capital Facilities and Impact Fee Facilities Plan, created in April 2021, outline the recommended capital projects that will maintain the established LOS.

PROPOSED STORM DRAIN IMPACT FEE

The IFFP must properly complete the legislative requirements found in the Impact Fee Act if it is to serve as a working document in the calculation of appropriate impact fees. The following paragraph describes the methodology used for calculating impact fees in this analysis.

PLAN BASED (FEE BASED ON DEFINED CAPITAL IMPROVEMENT PLAN)

Impact fees can be calculated using a specific set of costs specified for future development. The improvements are identified in the IFFP 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 identify the existing LOS and determine any excess capacity in existing facilities that could serve new growth.

STORM DRAIN IMPACT FEE CALCULATION

The storm drain impact fees proposed in this analysis will be assessed based on the service area defined in this analysis. TABLE 6.2 below illustrates the appropriate buy-in component, the fee associated with projects occurring in the next ten years, and other applicable costs. The professional expense includes the cost to update the IFFP and IFA and the Impact Interest Earnings Credit is based on an estimate of future interest earnings within the impact fee fund, based on an interest rate of 1.5 percent.¹⁰

TABLE 6.1: ESTIMATED INTEREST EARNINGS FROM IMPACT FEE COLLECTIONS

	DEVELOPED ACRES	NET DEVELOPED ACRES	IMPACT FEE REVENUE	IFA CAPITAL PROJECTS	NET REVENUES	INTEREST EARNINGS
2022	2,062					
2023	2,103	41	\$151,520	(\$22,944)	\$128,576	\$1,929
2024	2,145	42	\$154,550	(\$61,629)	\$221,497	\$3,322
2025	2,188	43	\$157,641	\$0	\$379,139	\$5,687
2026	2,232	44	\$160,794	\$0	\$539,933	\$8,099
2027	2,277	45	\$164,010	\$0	\$703,943	\$10,559
2028	2,322	46	\$167,290	(\$170,144)	\$701,090	\$10,516
2029	2,369	46	\$170,636	(\$34,307)	\$837,419	\$12,561
2030	2,416	47	\$174,049	(\$139,224)	\$872,244	\$13,084
2031	2,464	48	\$177,530	\$0	\$1,049,774	\$15,747
2032	2,514	49	\$181,080	(\$1,028,668)	\$202,187	\$3,033
Total		452	\$1,659,102			\$84,537

TABLE 6.2: CALCULATION IMPACT FEE PER ACRE

STORM DRAIN PROPORTIONATE SHARE ANALYSIS	GROWTH RELATED COSTS	FUTURE DEVELOPED ACRES	COST PER ACRE
Buy-In to Component	\$272,187	452	\$603
Future Storm Drain Projects	\$1,456,915	452	\$3,226
Professional Expense	\$15,000	452	\$33
Impact Interest Earnings Credit	-\$85,000	452	-\$188
Total	\$1,659,102		\$3,674

¹⁰ Based on average Utah Public Treasurer's Investment Fund historic rates from 2016 to 2021.



The cost per acre is then applied as shown below in **TABLE 6.3**. The proposed impact fee per acre is \$3,674, which represents a 13 percent decrease when compared to the City’s existing fee per acre of \$4,204.

TABLE 6.3: IMPACT FEE BY DEVELOPMENT TYPE

DEVELOPMENT TYPE	PROPOSED IMPACT FEE PER ACRE	EXISTING IMPACT FEE PER ACRE	% CHANGE
Developed Acre (Residential, Commercial, or Industrial)	\$3,674	\$4,204	-13%

NON-STANDARD STORM DRAIN IMPACT FEES

The City reserves the right under the Impact Fees Act¹¹ to assess an adjusted fee that more closely matches the true impact that the land use will have upon the City’s storm drain system. This adjustment could result in a different impact fee if evidence suggests a particular user will create a different impact than what is standard for its category.

CONSIDERATION OF ALL REVENUE SOURCES

The Impact Fees Act requires the proportionate share analysis to demonstrate that impact fees paid by new development are the most equitable method of funding growth-related infrastructure. See **SECTION 5** for further discussion regarding the consideration of revenue sources.

EXPENDITURE OF IMPACT FEES

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

PROPOSED CREDITS OWED TO DEVELOPMENT

Credits may be applied to developers who have constructed and donated system facilities to the City that are included in the IFFP in-lieu of impact fees. Credits for system improvements may be available to developers up to, but not exceeding, the amount commensurate with the LOS identified within this IFA. Credits will not be given for the amount by which system improvements exceed the LOS identified within this IFA. 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 system facilities found in the IFFP in-lieu of impact fees, the decision must be made through negotiation with the developer and the City on a case-by-case basis.

GROWTH-DRIVEN EXTRAORDINARY COSTS

The City does not anticipate any extraordinary costs necessary to provide services to future development.

SUMMARY OF TIME PRICE DIFFERENTIAL

The Impact Fees Act allows for the inclusion of a time price differential to ensure that the future value of costs incurred at a later date are accurately calculated to include the costs of construction inflation. A three percent annual construction inflation adjustment is applied to projects completed after 2021 (the base year cost estimate).

¹¹ UC 11-36a-402(1)(c)