

# City of Flagstaff Development Fees

Presentation of Land Use Assumptions and  
Infrastructure Improvement Plans

January 7, 2014

# Development Fees a.k.a Impact Fees

- An **impact fee** is a fee that is imposed by a local government on a new or proposed development project to pay for all or a portion of the costs of providing public services to the new development.
- The City of Flagstaff collects public safety impact fees to assist in purchasing capital items that are a result of growth.

# History

- Flagstaff adopted Police and Fire (Public Safety) impact fees in 2008
- 2011 State Legislation - SB1525 »
- Amend existing programs by January 1, 2012 » fee reduction
- Adopt new program by August 1, 2014
- Update fees every 5 years
- Limits Infrastructure Improvements Plan to a maximum of 10 years

# Path Forward

- January 7, 2014 **public hearing** on Land Use Assumptions (LU) & Infrastructure Improvement Plan (IIP)
  - 30 days for consensus buildings and changes to LU & IIP
- February 18, 2014 **City Council adopts** LU & IIP
- March 1, 2014 provide notice of public hearing on development fees and publish materials on website
  - 30 days for consensus building
- April 1, 2014 **public hearing** on development fees
  - 30 days for consensus building and changes to development fees
- May 6, 2014 and May 13, 2014 **City Council** adopts development fees
  - 75 day mandatory wait period
- August 1, 2014 fees become effective

# Draft Report - City of Flagstaff Public Safety Development Fees, Infrastructure Improvement Plan, and Land Use Assumptions

- Provided to City Council and published on the website includes proposed fees. (Nov. 7, 2013)
- Public hearing to review the Land Use Assumptions and the Infrastructure Improvement Plans (Jan. 7, 2014)
- Revise report based on public input and any other additional information needed to complete the study
- Proposed fees include residential fee based on number of bedrooms

# Overview of Adoption Process

## Round 1

- Land Use Assumptions
- Infrastructure Improvement Plans

## Round 2

### Development Fees

- Modify based on Round 1 input/decisions
  - Revenue projections
  - Required offsets

Effective by August 1, 2014

# Land Use Assumptions Development Projections

## 3 Step Process

- Historic Data – 2010 U.S. Census
  - Population, housing, employment
- Historic Data – City of Flagstaff
  - Building Permits » 2013 Base Year
- 2030 Regional Plan – 2030 projections for population, housing, employment and land use
- TischlerBise – exponential growth formula to calculate between 2013-2030

# Land Use Assumptions Development Projections

- Uses high population growth scenario (1.06%)  
(low growth – 0.79%)
- High growth: consistent with 2030 Regional Plan
- Converts job projections to nonresidential floor area
- Demand Indicators – Population and Nonresidential Vehicle Trips

# Summary of Development Projections 2013 - 2033

- 3,734 Housing Units over 20 years
- Average of 187 housing units per year
  
- 3,198,000 SF of Nonresidential development  
(commercial, office, industrial...) over 20  
years
- Average of 160,000 SF per year

Source: Figure C42 (page 52)

# Summary of Population 2013- 2033

- Year round population increase of 17,094 over 20 years
- 67,024 to 84,118 year round population
- Average annual increase: 855
  
- Peak population increase of 15,728 over 20 years
- 74,941 to 90,669 peak population
- Average annual increase: 786

Source: Figure C51 (page 59)

# 2007/2012 Land Use Comparison

Year	<b>2007</b>	<b>Base 2013</b>	<b>1 2014</b>	<b>2 2015</b>	<b>3 2016</b>	<b>4 2017</b>	<b>5 2018</b>	<b>20 2033</b>	<b>Cumulative Increase 2013-2023</b>
<b>PEAK POPULATION</b>									
2007 Land Use Assumptions	66,738	75,842	77,484	79,164	80,882	82,640	84,438		<b>18,226</b>
2013 Land Use Assumptions		74,941	76,932	77,577	78,229	78,890	79,559	90,669	<b>8,085</b>
<b>HOUSING UNITS</b>									
2007 Land Use Assumptions	25,009	28,665	29,325	29,999	30,689	31,395	32,117		<b>7,319</b>
2013 Land Use Assumptions		27,157	27,333	27,510	27,688	27,867	28,047	30,891	<b>1,808</b>
<b>JOBS</b>									
2007 Land Use Assumptions	38,306	43,407	44,327	45,268	46,230	47,215	48,222		<b>10,211</b>
2013 Land Use Assumptions		38,139	38,492	38,848	39,207	39,569	39,935	45,849	<b>3,677</b>
<b>Nonres Floor Area (1,000 SF)</b>									
2007 Land Use Assumptions	14,176	15,722	16,001	16,286	16,578	16,876	17,182		<b>3,095</b>
2013 Land Use Assumptions		15,595	15,742	15,890	16,038	16,188	16,339	18,793	<b>1,524</b>

# Development Fee Methods and Cost Components

Type of Necessary Public Services	Methodology		
	Cost Recovery (Past)	Incremental Expansion (Present)	Plan Based (Future)
<b>Fire</b>	<ul style="list-style-type: none"> <li>• Facilities</li> <li>• Apparatus</li> <li>• Equipment</li> <li>• Communications Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Vehicles</li> <li>• Communications Equipment</li> </ul>	Not Applicable
<b>Police</b>	<ul style="list-style-type: none"> <li>• Communications Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Facilities</li> <li>• Vehicles</li> <li>• Communications Equipment</li> </ul>	Not Applicable

# Police and Fire Impact Fees Collected/Spent to Date

	Fire	Police
Collected 2009-2013	\$353,658	\$200,668
Spent:		
FY2011 – Rescue Vehicle	(41,000)	0
FY2013 – Type 6 Wildland	<u>(126,800)</u>	<u>0</u>
Balance at 6/30/2013	\$185,858	\$200,668

# Summary of Ten-Year Plan for Infrastructure Needed to Maintain Current LOS

## Fire Department

### Cost Recovery

- Fire Station relocation bond
- Public Safety Communication bond

### Incremental Expansion

- Apparatus (Rescue, Engine, Quint)
- Equipment (new personnel)
- Communications (additional staff and units)

# Flagstaff Police Department

- FPD seeks to maintain our high level of service with increased development
- With growth FPD will need more resources
  - Facility space
  - Communications Equipment/Infrastructure
  - Vehicles

# Summary of Ten-Year Plan for Infrastructure Needed to Maintain Current LOS

## Police Department

### Incremental Expansion

- Facility Expansion
  - 10 years = additional 4,734 Sq. Ft.
  - Cost estimate \$1,131,444
- Police Vehicles
  - 10 years = eight vehicles
  - One vehicle needed for every three officers
  - Cost estimate \$271,374
- Communications equipment
  - \$25,191

# Summary of Ten-Year Plan for Infrastructure Needed to Maintain Current LOS

## Police Department

### Cost Recovery

- Pay down Communications Infrastructure bond
- Emergency Operations Center

# Flagstaff Adoption Schedule

- November 7, 2013 provide notice of public hearing on LU and IIP and publish draft on municipal website
  - 60 days for consensus building
- December 10, 2013 **Elected Officials Work Session** on Land Use Assumptions (LU) Infrastructure Improvements Plan (IIP)
- January 7, 2014 **public hearing** on LU & IIP
  - 30 days for consensus buildings and changes to LU & IIP
- February 18, 2014 **City Council adopts** LU & IIP,
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# Questions?

