



Park City
DRAFT Parks, Recreation, Trails and
Open Space Impact Fee Analysis



December 8, 2020

Table of Contents

Table of Contents.....	2
Summary of Impact Fee Analysis (IFA)	3
Impact on Consumption of Existing Capacity - <i>Utah Code 11-36a-304(1)(a)</i>	3
Impact on System Improvements by Anticipated Development Activity - <i>Utah Code 11-36a-304(1)(b)</i>	4
Relationship of Anticipated Impacts to Anticipated Development Activity - <i>Utah Code 11-36a-304(1)(c)</i>	4
Proportionate Share Analysis - <i>Utah Code 11-36a-304(1)(d)(i)(ii)</i>	5
Manner of Financing - <i>Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h)</i>	7
Utah Code 11-36a.....	8
Impact Fee Analysis	10
Impact on Consumption of Existing Capacity	10
Demand Placed on Facilities by New Development Activity	10
Impact on System Improvements by Anticipated Development	13
Activity	13
Relationship of Anticipated Impacts to Anticipated Development.....	13
Activity	13
Proportionate Share Analysis	14
Costs Reasonably Related to New Development Activity.....	14
Impact Fee Credits.....	18
Manner of Financing.....	18
Certification	19

Summary of Impact Fee Analysis (IFA)

Park City (“City”) has determined that there is one service area citywide for parks, recreation and trails, and that there is no excess capacity in any of its parks, recreation or trails facilities but there is excess capacity in its Ice Arena and the PC MARC. Residential growth, as well as nonresidential growth (through employees) are considered to create demand for park facilities.

Projections for population growth in the City are as follows:

TABLE 1: PROJECTED SERVICE POPULATION GROWTH, 2020-2035

Year	Population	Employees	Service Population
2020	8,320	12,461	50,231
2021	8,348	12,687	51,143
2022	8,376	12,918	52,072
2023	8,404	13,152	53,017
2024	8,432	13,391	53,980
2025	8,460	13,634	54,960
2026	8,488	13,882	55,958
2027	8,516	14,134	56,974
2028	8,544	14,390	58,008
2029	8,572	14,652	59,062
2030	8,600	14,917	60,132
2031	8,629	15,188	61,224
2032	8,658	15,464	62,336
2033	8,687	15,745	63,468
2034	8,716	16,030	64,619
2035	8,745	16,321	65,792
Buildout	17,722	26,543	106,995

Source: Park City. Service population includes residents, 2nd home population, visitors and employees

This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

Impact on Consumption of Existing Capacity - Utah Code 11-36a-304(1)(a)

The IFFP considers only *system* facilities in the calculation of impact fees. For the City, this has been determined to mean community and neighborhood parks. Local parks are considered *project* improvements and have not been included in the calculation of impact fees.

Existing service levels are based on the (2020) levels of service in the City for parks, trails, recreation and open space facilities. Existing and proposed service levels are shown in the table below on both a *unit* and *dollar amount* basis.

TABLE 2: EXISTING AND PROPOSED SERVICE LEVELS

Service Levels	Existing	Proposed	Existing	Proposed
Acres per 1000 Service Population/ Amount per Service Population	1.581	1.581	\$508.44	\$508.44
Trail Feet per Service Population/ Amount per Service Population	20.60	20.60	\$151.79	\$151.79
Trail Structures			\$268.40	\$268.40
Ice Arena			\$67.69	\$31.78
PC Marc			\$209.03	\$98.14
Open Space			\$2,096.52	\$2,096.52

Impact on System Improvements by Anticipated Development Activity - Utah Code 11-36a-304(1)(b)

The table below shows the declining service levels that would occur in Park City, due to population growth, if no new facilities are added. Each of these declining service levels is discussed in more detail in the body of this report.

TABLE 3: IMPACTS TO SERVICE LEVELS DUE TO NEW DEVELOPMENT IF NO IMPROVEMENTS ARE MADE

	2020 Service Level – Units	2030 Service Levels – 2030	Investment LOS 2020	Investment LOS 2030
Acres per 1000 Service Population/ Amount per Service Population	1.581	1.321	\$508.44	\$424.72
Trail Feet per Service Population/ Amount per Service Population	20.60	17.21	\$151.79	\$126.79
Trail Structures			\$268.40	\$224.21
Ice Arena			\$67.69	\$56.54
PC Marc			\$209.03	\$174.62
Open Space			\$2,096.52	\$1,751.31

Relationship of Anticipated Impacts to Anticipated Development Activity - Utah Code 11-36a-304(1)(c)

The demand placed on existing public park facilities by new development activity is attributable to population growth. Park City has a 2020 service population of 50,231 and, as a result of anticipated development activity, will grow to a projected 60,132 by 2030 – a service population increase of 9,901 persons. As growth occurs as a result of increased development activity, more parks and trails are needed to maintain existing service levels and to reach proposed service levels. However, there is sufficient capacity in the Ice Arena and PC MARC to serve the community through buildout.

In order to maintain the existing level of service, the projected new development over the next ten years will require the construction of new facilities or the consumption of excess capacity in the amount of \$31,238,953.67.

TABLE 4: NEW FACILITIES NEEDED TO MEET THE DEMANDS OF NEW GROWTH

	New Investment	Cost of Capacity Consumed	TOTAL
Parks	\$5,034,169.71		\$5,034,169.71
Trails	\$1,502,861.06		\$1,502,861.06
Trail Structures*	\$2,657,492.45		\$2,657,492.45
Ice Arena		\$314,634.81	\$314,634.81
PC MARC		\$971,666.34	\$971,666.34
Open Space	\$20,758,129.29		\$20,758,129.29
TOTAL	\$29,952,652.52	\$1,286,301.15	\$31,238,953.67

*Trail structures includes all trailheads, boardwalks and over/underpasses for trails. The "Trails" category includes trail miles only.

Proportionate Share Analysis - Utah Code 11-36a-304(1)(d)(i)(ii)

Costs Reasonably Related to New Development Activity

The cost of new system improvements required to maintain the service levels related to new development activity are based on the costs of system-wide facilities, and the consultant fees for the preparation of the Impact Fee Facilities Plan and the Impact Fee Analysis.

TABLE 5: CALCULATION OF GROSS IMPACT FEE

Summary	
Parks	\$508.44
Trails	\$151.79
Trail Structures	\$268.40
Ice Arena	\$31.78
PC MARC	\$98.14
Open Space	\$2,096.52
Consultant Costs	\$0.81
Fund Balance Credit	(\$243.76)
TOTAL Gross Fee per Service Population	\$2,912.10

Credits must be made for the outstanding bonds that were issued to fund open space. Details regarding the bonds are included in the body of this report. A summary of the bond credits is as follows:

TABLE 6: CREDITS FOR OUTSTANDING BONDS

Year	Total	Service Population	Payment per Service Population	NPV per Service Population
2021	\$6,686,450	51,143	\$130.74	\$1,326.02
2022	\$7,236,550	52,072	\$138.97	\$1,241.69
2023	\$7,571,050	53,017	\$142.80	\$1,146.18
2024	\$7,919,400	53,980	\$146.71	\$1,043.49
2025	\$7,244,600	54,960	\$131.82	\$933.30
2026	\$6,311,700	55,958	\$112.79	\$834.15

Year	Total	Service Population	Payment per Service Population	NPV per Service Population
2027	\$6,610,250	56,974	\$116.02	\$750.55
2028	\$6,905,800	58,008	\$119.05	\$660.80
2029	\$7,213,100	59,062	\$122.13	\$564.88
2030	\$7,211,450	60,132	\$119.93	\$462.52
2031	\$6,985,300	61,224	\$114.09	\$358.78
2032	\$7,232,050	62,336	\$116.02	\$257.25
2033	\$4,830,000	63,468	\$76.10	\$150.23
2034	\$4,977,500	64,619	\$77.03	\$79.39
2035	\$350,000	65,792	\$5.32	\$5.14

This reduces the gross fee to \$1,586.08 per service population.

TABLE 7: MAXIMUM FEE PER SERVICE POPULATION

Description	Amount
Total Gross Fee	\$2,912.10
Credit per Service Population	(\$1,326.02)
TOTAL per Service Population	\$1,586.08

The fee per service population is then multiplied by the average unit size to arrive at the maximum impact fees that can be charged in 2021.

TABLE 8: MAXIMUM IMPACT FEES 2021

	Average Unit Size	Max Fee	Per SF
Single-Family	2.47	\$3,917.62	
Multi-Family	2.78	\$4,409.30	
Lodging	1.07	\$1,697.11	
Per 1000 SF Non-Residential	1.00	\$1,586.08	\$1.59

While the gross fee remains the same over time, the amount credited is reduced each year, resulting in the following impact fees by year:

TABLE 9: MAXIMUM IMPACT FEES BY YEAR

Year	Single-Family	Multi-Family	Lodging	Commercial SF
2021	\$3,917.62	\$4,409.30	\$1,697.11	\$1.59
2022	\$4,125.91	\$4,643.74	\$1,787.34	\$1.67
2023	\$4,361.83	\$4,909.27	\$1,889.54	\$1.77
2024	\$4,615.47	\$5,194.74	\$1,999.41	\$1.87
2025	\$4,887.63	\$5,501.06	\$2,117.31	\$1.98
2026	\$5,132.53	\$5,776.70	\$2,223.40	\$2.08

Manner of Financing - *Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h)*

An impact fee is a one-time fee that is implemented by a local government on new development to help fund and pay for all or a portion of the costs of public facilities that are needed to serve new development. Additionally, impact fees allow new growth to share in the cost of existing facilities that have excess capacity.

Impact Fee Credits

The Impact Fees Act requires credits to be paid back to development for future fees that may be paid to fund system improvements found in the IFFP so that new development is not charged twice.

Extraordinary Costs and Time Price Differential

It is not anticipated that there will be any extraordinary costs in servicing newly-developed park, recreation or trail properties.

Utah Code 11-36a

Preparation of Impact Fee Analysis. Utah Code requires that “each local political subdivision... intending to impose an impact fee shall prepare a written analysis (Impact Fee Analysis or IFA) of each impact fee” (Utah Code 11-36a-303). This IFA follows all legal requirements as outlined below. Park City has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Analysis in accordance with legal requirements.

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis which is required to identify the following:

- anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;

- anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;

- how anticipated impacts are reasonably related to the anticipated development activity

- the proportionate share of:

 - costs for existing capacity that will be recouped; and

 - costs of impacts on system improvement that are reasonably related to the new development activity; and

 - how the impact fee was calculated

Further, in analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:

- 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 for 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 means such 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.

Calculating Impact Fees. Utah Code 11-36a-305 states that for purposes of calculating an impact fee, a local political subdivision or private entity may include the following:

construction contract price;

cost of acquiring land, improvements, materials, and fixtures;

cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and

for a political subdivision, debt service charges if the political subdivision might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the costs of the system improvements.

Additionally, the Code states that each political subdivision or private entity shall base impact fee amounts on realistic estimates and the assumptions underlying those estimates shall be disclosed in the impact fee analysis.

Certification of Impact Fee Analysis. Utah Code 11-36a-306 states that an impact fee analysis shall include a written certification from the person or entity that prepares the impact fee analysis. This certification is included at the conclusion of this analysis.

Impact Fee Enactment. Utah Code 11-36a-202 states that a local political subdivision or private entity wishing to impose impact fees shall pass an impact fee enactment in accordance with Section 11-36a-402. Additionally, an impact fee imposed by an impact fee enactment may not exceed the highest fee justified by the impact fee analysts. An impact fee enactment may not take effect until 90 days after the day on which the impact fee enactment is approved.

Notice of Intent to Prepare Impact Fee Analysis. A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Analysis (Utah Code 11-36a-503(1)). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA by posting notice.

Impact Fee Analysis

Utah Code allows cities to include only system-wide parks for the purpose of calculating impact fees. Project-wide parks and trails cannot be used to establish levels of service eligible to be maintained through impact fees. Based on input from Park City and the consultants, a system-wide park is defined as a park that serves more than one local development area.

This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

1 Impact on Consumption of Existing Capacity

Utah Code 11-36a-304(1)(a): an impact fee analysis shall identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity

Demand Placed on Facilities by New Development Activity

Parks. Existing park service levels will decline, due to new development activity, from the existing service level of \$508.44 to \$424.72 per service population by 2030.

TABLE 10: PARK SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2020-2030

Year	Service Population	Population Growth	Acres per 1000 Service Population if No New Facilities	Total Park Acres Required	Cost Service Levels per Service Population if No New Facilities
2020	50,231		1.581	79.42	\$508.44
2021	51,143	912	1.553	80.86	\$499.37
2022	52,072	928	1.525	82.33	\$490.47
2023	53,017	946	1.498	83.83	\$481.72
2024	53,980	963	1.471	85.35	\$473.13
2025	54,960	980	1.445	86.90	\$464.69
2026	55,958	997	1.419	88.47	\$456.41
2027	56,974	1,016	1.394	90.08	\$448.27
2028	58,008	1,035	1.369	91.72	\$440.27
2029	59,062	1,053	1.345	93.38	\$432.42
2030	60,132	1,071	1.321	95.07	\$424.72

Trails. The existing level of service of \$151.79 will decline to \$126.79 per service population by 2030, if no new improvements are made.

TABLE 11: TRAIL MILES SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2020-2030

Year	Service Population	Service Population Growth	Trail Feet per Resident if No New Facilities	Total Trail Feet Needed	Total Trail Miles Needed	Cost Service Levels per Service Population if No New Facilities
2020	50,231		20.60	1,034,880	196	\$151.79
2021	51,143	912	20.23	1,053,676	200	\$149.08
2022	52,072	928	19.87	1,072,801	203	\$146.42
2023	53,017	946	19.52	1,092,282	207	\$143.81
2024	53,980	963	19.17	1,112,119	211	\$141.24
2025	54,960	980	18.83	1,132,313	214	\$138.72
2026	55,958	997	18.49	1,152,862	218	\$136.25
2027	56,974	1,016	18.16	1,173,796	222	\$133.82
2028	58,008	1,035	17.84	1,195,112	226	\$131.43
2029	59,062	1,053	17.52	1,216,813	230	\$129.09
2030	60,132	1,071	17.21	1,238,869	235	\$126.79

Trail Structures. The existing level of service of \$268.40 will decline to \$224.21 per service population by 2030, if no new improvements are made.

TABLE 12: TRAIL STRUCTURES SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2020-2030

Year	Service Population	Service Population Growth	Cost Service Levels per Service Population If No New Facilities
2020	50,231		\$268.40
2021	51,143	912	\$263.61
2022	52,072	928	\$258.91
2023	53,017	946	\$254.29
2024	53,980	963	\$249.76
2025	54,960	980	\$245.30
2026	55,958	997	\$240.93
2027	56,974	1,016	\$236.64
2028	58,008	1,035	\$232.41
2029	59,062	1,053	\$228.27
2030	60,132	1,071	\$224.21

Ice Arena. The Ice Arena has sufficient capacity to serve new development through buildout. Therefore, the existing service level of \$67.69 will decline to \$31.78 by buildout. This is, therefore, the proposed service level.

TABLE 13: ICE ARENA SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2020-2030

Year	Service Population	Service Population Growth	Cost Service Levels per Service Population if No New Facilities
2020	50,231		\$67.69
2021	51,143	912	\$66.48

Year	Service Population	Service Population Growth	Cost Service Levels per Service Population if No New Facilities
2022	52,072	928	\$65.29
2023	53,017	946	\$64.13
2024	53,980	963	\$62.99
2025	54,960	980	\$61.86
2026	55,958	997	\$60.76
2027	56,974	1,016	\$59.68
2028	58,008	1,035	\$58.61
2029	59,062	1,053	\$57.57
2030	60,132	1,071	\$56.54
Buildout	106,995		\$31.78

PC MARC. The PC MARC has sufficient capacity to serve new development through buildout. Therefore, the existing service level of \$209.03 will decline to \$98.14 by buildout. This is, therefore, the proposed service level.

TABLE 14: PC MARC SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2020-2030

Year	Service Population	Service Population Growth	Cost Service Levels per Service Population if No New Facilities
2020	50,231		\$209.03
2021	51,143	912	\$205.31
2022	52,072	928	\$201.65
2023	53,017	946	\$198.05
2024	53,980	963	\$194.52
2025	54,960	980	\$191.05
2026	55,958	997	\$187.64
2027	56,974	1,016	\$184.30
2028	58,008	1,035	\$181.01
2029	59,062	1,053	\$177.78
2030	60,132	1,071	\$174.62
Buildout	106,995		\$98.14

Open Space. The existing open space level of service of \$2,096.52 will decline to \$1,751.31 by 2030 if no additional open space is acquired.

TABLE 15: OPEN SPACE SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2020-2030

Year	Service Population	Service Population Growth	Cost Service Levels per Service Population if No New Facilities
2020	50,231		\$2,096.52
2021	51,143	912	\$2,059.12
2022	52,072	928	\$2,022.41
2023	53,017	946	\$1,986.34
2024	53,980	963	\$1,950.91
2025	54,960	980	\$1,916.12

Year	Service Population	Service Population Growth	Cost Service Levels per Service Population if No New Facilities
2026	55,958	997	\$1,881.96
2027	56,974	1,016	\$1,848.40
2028	58,008	1,035	\$1,815.43
2029	59,062	1,053	\$1,783.06
2030	60,132	1,071	\$1,751.31

2 Impact on System Improvements by Anticipated Development Activity

Utah Code 11-36a-304(1)(b): an impact fee analysis shall identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;

The City will need to acquire additional parks, trails and open space in order to maintain its existing service levels. Service levels will decline, as a result of service population growth unless new facilities are constructed or acquired. Impact fees will be used to maintain the existing service levels for parks, trails and open space. Impact fees can also be used to buy into the existing, excess capacity of the Ice Arena and PC MARC.

TABLE 16: COST OF FACILITIES DUE TO NEW GROWTH

	New Investment	Cost of Capacity Consumed	TOTAL
Parks	\$5,034,169.71		\$5,034,169.71
Trails	\$1,502,861.06		\$1,502,861.06
Trail Structures*	\$2,657,492.45		\$2,657,492.45
Ice Arena		\$314,634.81	\$314,634.81
PC MARC		\$971,666.34	\$971,666.34
Open Space	\$20,758,129.29		\$20,758,129.29
TOTAL	\$29,952,652.52	\$1,286,301.15	\$31,238,953.67

*Trail structures includes all trailheads, boardwalks and over/underpasses for trails. The "Trails" category includes trail miles only.

3 Relationship of Anticipated Impacts to Anticipated Development Activity

Utah Code 11-36a-304(1)(c): an impact fee analysis shall subject to Subsection (2), demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;

The demand placed on existing public parks, trails and other recreation facilities by new development activity is attributable to growth in the service population. Park City has a 2020 service population of 50,231 and as a result of anticipated development activity will grow to a projected 60,132 by 2030 – an increase of 9,901. As growth occurs as a result of increased development activity, more parks and trails are needed to maintain existing service levels and to reach proposed service levels.

4

Proportionate Share Analysis

Utah Code 11-36a-304(1)(d)(i)(ii): an impact fee analysis shall estimate the proportionate share of costs for existing capacity that will be recouped; and the costs of impacts on system improvements that are reasonably related to the new development activity;

Costs Reasonably Related to New Development Activity

The cost of new system improvements required to maintain the existing level of parks, recreation and trail services related to new development activity is based on the cost of system-wide park and trail facilities, as well as consultant fees for the preparation of the Impact Fee Facilities Plan and the Impact Fee Analysis.

The City will need to acquire an additional 15.65 acres of land over the next 10 years in order to maintain its existing service level of 1.581 acres per 1,000 service population. At a cost of \$321,573 per acre (land and improvements), the cost to the City will be \$5,034,169.71. The cost per service population is \$508.44.

TABLE 17: SERVICE POPULATION COST TO MAINTAIN LOS FOR PARK LAND AND IMPROVEMENTS

Park Land and Improvements	Amount
Increased Acres Needed, 2020-2030	15.65
Cost per Acre	\$321,573.50
Investment Required, 2020-2030	\$5,034,169.71
Service Population Growth, 2020-2030	9,901
Cost per Service Population	\$508.44

The service population cost to maintain the existing level of service for trails is \$151.79.

TABLE 18: COST PER SERVICE POPULATION TO MAINTAIN LOS FOR TRAILS

Trails	Amount
Increased Trail Feet Needed, 2020-2030	203,989
Weighted Average Cost per Trail Foot	\$7.37
Increased Investment Required, 2020-2030	\$1,502,861.06
Service Population Growth, 2020-2030	9,901
Cost per Service Population	\$151.79

The service population cost to maintain the existing level of service for trail structures is \$268.40.

TABLE 19: COST PER SERVICE POPULATION TO MAINTAIN LOS FOR TRAIL STRUCTURES

Trail Structures	Amount
Current LOS per Service Population	\$315.93
Increased Investment in Trail Structures Required	\$2,657,492.45
Growth in Service Population, 2020-2030	9,901
Cost per Service Population	\$268.40

The cost to buy into the existing, excess capacity of the Ice Arena is \$31.78.

TABLE 20: COST PER SERVICE POPULATION FOR PROPOSED LOS FOR ICE ARENA

Facilities - Ice Arena	Amount
PC Portion of Cost	\$3,400,000
Buildout Service Population	106,995
Proposed LOS per Service Population	\$31.78

The cost to buy into the existing, excess capacity of the PC MARC is \$98.14.

TABLE 21: COST PER SERVICE POPULATION FOR PROPOSED SERVICE LEVEL PC MARC

Facilities – PC MARC	Amount
PC MARC Original Cost	\$10,500,000
Buildout Service Population	106,995
Cost per Service Population	\$98.14

The cost to maintain existing service levels for open space is \$2,096.52.

TABLE 22: COST PER SERVICE POPULATION TO MAINTAIN LOS FOR OPEN SPACE

Open Space	Amount
Open Space Improvements	\$105,310,214
2020 Service Population	50,231
Current LOS SF per Service Population	\$2,096.52
Increased Investment Required, 2020-2030	\$20,758,129
Cost per Service Population	\$2,096.52

The Impact Fee Facilities Plan and Impact Fee Analysis consultant cost is \$0.81 per service population.

TABLE 23: COST PER SERVICE POPULATION FOR CONSULTANTS FOR IFFP AND IFA

Consultant Costs	Amount
Consultant Cost	\$8,000
Growth in Service Population, 2020-2030	9,901
Cost per Service Population	\$0.81

Park City currently has a fund balance of \$2,413,554. These funds can be used to offset the construction of new facilities and therefore a credit needs to be made.

TABLE 24: CREDIT PER SERVICE POPULATION FOR FUND BALANCE

Fund Balance Credit	Amount
Fund Balance	\$2,413,554
Service Population Growth, 2020 – 2030	9,901
Credit per Service Population	(\$243.76)

The total gross cost per service population is \$2,912.10.

TABLE 25: SUMMARY OF GROSS COST PER SERVICE POPULATION

Summary	Amount
Parks	\$508.44

Summary	Amount
Trails	\$151.79
Trail Structures	\$268.40
Ice Arena	\$31.78
PC MARC	\$98.14
Open Space	\$2,096.52
Consultant Costs	\$0.81
Fund Balance Credit	(\$243.76)
TOTAL Gross Fee per Service Population	\$2,912.10

Credits must be made for the 7 outstanding bonds that were issued to fund open space in Park City. The amortization schedule of remaining debt payments is as follows:

TABLE 26: BOND PRINCIPAL PAYMENTS FOR OPEN SPACE

Year	GO 2020	GO 2019	GO 2017	Sales 2019	Sales 2017	Sales 2015	Sales 2014B
2021	\$1,385,000	\$2,795,000	\$1,385,000	\$397,500	\$333,450	\$390,500	\$0
2022	\$1,435,000	\$2,945,000	\$1,440,000	\$420,000	\$338,200	\$404,250	\$254,100
2023	\$1,500,000	\$3,090,000	\$1,500,000	\$442,500	\$355,300	\$420,750	\$262,500
2024	\$1,570,000	\$3,245,000	\$1,560,000	\$465,000	\$373,350	\$437,250	\$268,800
2025	\$615,000	\$3,405,000	\$1,625,000	\$480,000	\$391,400	\$451,000	\$277,200
2026	\$240,000	\$2,730,000	\$1,685,000	\$495,000	\$411,350	\$464,750	\$285,600
2027	\$250,000	\$2,870,000	\$1,755,000	\$525,000	\$432,250	\$484,000	\$294,000
2028	\$265,000	\$3,015,000	\$1,825,000	\$547,500	\$453,150	\$497,750	\$302,400
2029	\$275,000	\$3,165,000	\$1,900,000	\$577,500	\$471,200	\$511,500	\$312,900
2030	\$290,000	\$3,320,000	\$1,975,000	\$607,500	\$485,450	\$533,500	\$0
2031	\$305,000	\$3,490,000	\$2,055,000	\$637,500	\$497,800	\$0	\$0
2032	\$320,000	\$3,625,000	\$2,115,000	\$660,000	\$512,050	\$0	\$0
2033	\$330,000	\$3,810,000	\$0	\$690,000	\$0	\$0	\$0
2034	\$340,000	\$3,925,000	\$0	\$712,500	\$0	\$0	\$0
2035	\$350,000	\$0	\$0	\$0	\$0	\$0	\$0

The total debt payments for the 7 outstanding bonds for open space are then divided by the service population each year to calculate a credit per service population. Finally, a net present value (NPV) calculation is made for all of the future debt payments on a per service person basis. This credit must be applied to the gross cost per service population calculated above.

TABLE 27: NET PRESENT VALUE CREDIT FOR FUTURE BOND PAYMENTS

Year	Total Open Space Payments	Service Population	Payment per Service Population	NPV* per Service Population
2021	\$6,686,450	51,143	\$130.74	\$1,326.02
2022	\$7,236,550	52,072	\$138.97	\$1,241.69
2023	\$7,571,050	53,017	\$142.80	\$1,146.18

Year	Total Open Space Payments	Service Population	Payment per Service Population	NPV* per Service Population
2024	\$7,919,400	53,980	\$146.71	\$1,043.49
2025	\$7,244,600	54,960	\$131.82	\$933.30
2026	\$6,311,700	55,958	\$112.79	\$834.15
2027	\$6,610,250	56,974	\$116.02	\$750.55
2028	\$6,905,800	58,008	\$119.05	\$660.80
2029	\$7,213,100	59,062	\$122.13	\$564.88
2030	\$7,211,450	60,132	\$119.93	\$462.52
2031	\$6,985,300	61,224	\$114.09	\$358.78
2032	\$7,232,050	62,336	\$116.02	\$257.25
2033	\$4,830,000	63,468	\$76.10	\$150.23
2034	\$4,977,500	64,619	\$77.03	\$79.39
2035	\$350,000	65,792	\$5.32	\$5.14

*NPV = net present value discounted at a rate of 3 percent.

This reduces the gross fee to \$1,586.08 per service population.

TABLE 28: MAXIMUM FEE PER SERVICE POPULATION

Description	Amount
Total Gross Fee	\$2,912.10
Credit per Service Population	(\$1,326.02)
TOTAL per Service Population	\$1,586.08

The fee per service population is then multiplied by the average unit size to arrive at the maximum impact fees that can be charged in 2021.

TABLE 29: MAXIMUM IMPACT FEES 2021

	Average Household Size	Max Fee	Per SF
Single-Family	2.47	\$3,917.62	
Multi-Family	2.78	\$4,409.30	
Lodging Room	1.07	\$1,697.11	
Per 1000 SF Non-Residential	1.00	\$1,586.08	\$1.59

While the gross fee remains the same over time, the amount credited is reduced each year, resulting in the following impact fees by year:

TABLE 30: MAXIMUM IMPACT FEES BY YEAR

Year	Single-Family	Multi-Family	Lodging Room	Commercial SF
2021	\$3,917.62	\$4,409.30	\$1,697.11	\$1.59
2022	\$4,125.91	\$4,643.74	\$1,787.34	\$1.67
2023	\$4,361.83	\$4,909.27	\$1,889.54	\$1.77
2024	\$4,615.47	\$5,194.74	\$1,999.41	\$1.87
2025	\$4,887.63	\$5,501.06	\$2,117.31	\$1.98
2026	\$5,132.53	\$5,776.70	\$2,223.40	\$2.08

Impact Fee Credits

5

Utah Code 11-36a-304(1)(e): an impact fee analysis shall, based on the requirements of this chapter, identify how the impact fee was calculated;

The City may choose to allow a developer to contribute park, trail or open space improvements in place of impact fees. This decision is at the discretion of the City.

6

Manner of Financing

Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h): an impact fee analysis shall identify, if applicable: other than impact fees, the manner of financing for each public facility such as user charges, special assessments, bonded indebtedness, federal taxes, or federal grants;

An impact fee is a one-time fee that is implemented by a local government on new development to help fund and pay for all or a portion of the costs of public facilities that are needed to serve new development. These fees are usually implemented to help reduce the economic burden on local jurisdictions that are trying to deal with population and commercial growth within the area. As a matter of policy and legislative discretion, a City may choose to have new development pay the full cost of its share of new public facilities if the facilities would not be needed except to service new development. However, local governments may use other sources of revenue to pay for the new facilities required to service new development and use impact fees to recover the cost difference between the total cost and the other sources of revenue. Additionally, impact fees allow new growth to share in the cost of existing facilities that have excess capacity.

At the current time, no other sources of funding other than impact fees have been identified, but to the extent that any are identified and received in the future, then impact fees will be reduced accordingly.

Additional system-wide park land and recreation facility improvements beyond those funded through impact fees that are desired to maintain a higher proposed level of service will be paid for by the community through other revenue sources such as user charges, special assessments, GO bonds, general taxes, etc.

Impact Fee Credits

In the situation that a developer chooses to construct facilities found in the IFFP in lieu of impact fees, the arrangement must be made through the developer and the City.

At the discretion of the City, impact fees may be modified for certain types of development such as low-income housing, memory care units, etc.

Extraordinary Costs and Time Price Differential

The Impact Fees Act requires credits to be paid back to development for future fees that may be paid to fund system improvements found in the IFFP so that new development is not charged twice. Credits may also be paid back to developers who have constructed or directly funded items that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions or improvements required to offset density

or as a condition for development. Any item for which a developer receives credit should be included in the IFFP and must be agreed upon with the City before construction begins.

It is not anticipated that there will be any extraordinary costs in servicing newly developed park, recreation or trail properties. To account for the time-price differential inherent in fair comparisons of amounts paid at different times, actual costs have been used to compute buy-in costs to public facilities with excess capacity and current costs have been used to compute impacts on system improvements required by anticipated development activity to maintain the established level of service for each public facility.

Certification

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

1. includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
 - a. costs of operation and maintenance of public facilities;
 - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
 - 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.