

Park City



Interim Traffic Impact Fee Rate Study and Technical Support

November 2020

Adopted:

Issued:

Prepared By:

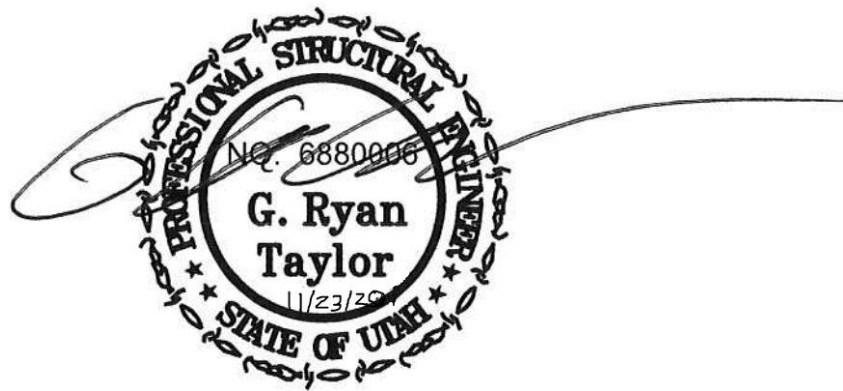


T-O ENGINEERS

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Introduction

This document summarizes the interim traffic impact fee (TIF) rate study prepared for consideration by Park City officials. The interim TIF was developed based on capacity improvements identified in coordination with the Engineering and Planning Departments and traffic forecasts identified from the regional travel demand model maintained by the Utah Transportation Department (UDOT). The TIF was developed to help promote public and private collaboration in the sharing of costs for street and intersection improvements needed to promote safe and adequate multimodal mobilities within the City.

T-O Engineers certifies that the attached impact fee facilities plan:

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.

I. INTERIM TIF IMPROVEMENT LIST

Per Utah Code Title 11 Chapter 36a, TIF improvements must provide for new capacities and demonstrate benefit to land use development. Improvements cannot address current deficiencies such as deteriorating facilities or specifically address pedestrian/bicycle needs unless there is a capacity element benefiting development growth. Transit improvements can be funded by the TIF.

Improvements were identified initially through discussions with the Engineering and Planning Departments and are being incorporated into an updated Transportation Master Plan. As these improvements provide congestion relief, all City developments should benefit from street and intersection projects. The priority capacity improvements of Park City will be addressed with the Park City 6-Year Transportation Improvement Plan, Year 2020 to 2026 (herein referred to as City 6-Year TIP), as identified in coordination with the City Engineering and Planning Departments and as affirmed with Planning Commission in December, 2020.

The TIF improvements list includes infrastructure projects specifically related to roadways. There are TIF eligible elements of these projects that are included in the TIP fee calculations, with some costs that are not eligible for TIF support. These eligible costs result in the provision of mobilities and safety that benefit new land use development. Full or partial funding for ten (10) TIP projects has been included in the TIF project list, which has been summarized and described as follows:

◆ System Wide Bus Stop Improvements

The bus stops will improve capacity by allowing busses to load and unload outside of the traffic lanes and avoid causing backups and associated delays. The overall project will

include 6 major stops and 2 minor stops with bus shelters, bike racks and other amenities to make bus travel more attractive to the traveling public.

The impact fee eligible portion of these projects have been limited to the work needed to create the bulb out to increase the roadway capacity.

Project Total Cost, \$1,700,000

Project Cost Allocation, \$211,418

◆ **SR224 BRT Transit Improvements**

Park City municipal will be responsible for transit intersection improvements, signage, and potential roadway widening to accommodate transit lanes between SR224/Empire and Marsac. Roadway widening will consist of 2-12 ft lanes for approximately 3 miles of roadway. ROW needs to be acquired for this project but is not being included in the impact fee.

The impact fee eligible portion of this project has been limited to the roadway widening and half of the cost for the 2 intersections being improved. Signage and lights are not being included in this impact fee cost.

Project Total Cost, \$10,000,000

Project Cost Allocation, \$6,762,400

◆ **Arts and Culture District Mobility Hub**

The arts and culture district is a multi-year, multi-million dollar amenity to the Park City community. In addition to the facility, a number of sidewalk, trail and roadway improvements are planned to improve access to the new center as well as improve the overall traffic and pedestrian flow through the area. The capacity improving components of the project include the construction of 4 regional transit stops, flexible curb shuttle space, underground transit facilities and amenities, micro transit connector facilities, bike share stations, as well as improved sidewalks and pathways.

The impact fee eligible components has been limited to two bus bulb outs that will be 160 ft in length and incorporate 8-ft and 12-ft sidewalks, as these will directly impact vehicular traffic flow.

Project Total Cost, \$9,000,000

Project Cost Allocation, \$63,053

◆ **Munchkin Complete Street Connection and Improvements**

Munchkin Rd will be extended west to make a connection through to Homestake. The project includes a 15' pathway on the south side of the road along with a 5' sidewalk on the north side, shared bike lane markings, improved high visibility crossing at Munchkin/Bonanza Dr, Utility relocation, roadway connections and landscaping.

The impact fee eligible portion of this project includes the 15-ft pathway, 8-ft sidewalk, and the extended roadway. Utility relocation, lighting, and landscaping are not being included in the impact fee.

Project Total Cost, \$1,266,380

Project Cost Allocation, \$1,061,937

◆ **Woodbine and Homestake Complete Streets Improvements**

Park City wants to reconstruct the Woodbine/SR248 crossing, improve the drainage and utilities at this intersection, and incorporate more signage. To improve capacity, a 5' sidewalk will be constructed on both sides of Woodbine and shared bike lane markings will be painted on the roadway.

Homestake improvements are incorporated into this project as well, and will include utility relocation, improved roadway connections, shared bike lane markings, protected pedestrian crossings, and landscaping. An additional 15' path on the south side of Homestake will be added to the route, and SR224 pedestrian crossing improvements will also be included with this project.

The items that are not impact fee eligible include landscaping, utility relocation, signage, pedestrian crossings, and the Woodbine/SR248 reconstruction.

Project Total Cost, \$2,490,160

Project Cost Allocation, \$1,933,581

◆ **Mobility as a Service Improvement and Curb Side Improvements**

To improve roadway capacity, drop-off and pick-up zones will be constructed with modified curb space and bulb outs. In addition, on-demand, real-time software platforms will be installed that will include any combo of transport methods such as car and bike sharing or taxi and car rentals, and provide consumer travel planning.

The portion of this project that will be included in the impact fee is the drop-off and pick-up zones.

Project Total Cost, \$1,500,000

Project Cost Allocation, \$23,609

◆ **Iron Horse Complete Street Improvements**

Iron Horse street improvements will incorporate enhanced sidewalks and improved pathways. Part of the pathway improvements includes a pathway connection to Rail Trail, improves the Bonanza Dr. intersection, and improves the crossing at Shortline and Iron Horse.

Only 1357-ft of new sidewalk on the south side of Iron Horse and 1200-ft of trail improvements are being included in the impact fee for this project. Majority of this project is improving the existing system and not necessarily adding capacity to the system.

Project Total Cost, \$2,200,000

Project Cost Allocation, \$157,708

◆ **Deer Valley Drive Complete Streets and Resort Transit Access**

Transit access improvements are intended to advance transit only facilities (SR224/Deer Valley Dr) by providing transit priority access to the Deer Valley transit hub. In addition to improving vehicle access to the transit facilities, this project also provides improved sidewalks, pathways, and bike lane connections on Deer Valley Drive.

Park City is still deciding if 3 miles of a new lane will be added, or if striping will be changed as part of this transit access improvement. As such, the impact fee incorporates a single transit center in the cost estimate and not roadway widening or sidewalk improvements.

Project Total Cost, \$6,000,000

Project Cost Allocation, \$383,662

◆ **Park Avenue Complete Street Improvements**

Streets improvements on Park Avenue from Old Town to SR224/Empire will improve capacity by adding 5 bus bulb outs and widened sidewalks. Pedestrian and bike treatments such as side paths, crossing improvements at major intersections, new or widened sidewalks, transit circulation, snow removal, and flex space will be prioritized with this project. An additional consideration with this project is implementing parking management practices, such as removing the west side parking stalls or adding a local residential parking permit program.

Upsizing sidewalks from 5-ft to 8-ft and adding 5 bus bulb outs was included in the impact fee cost estimate. Other pedestrian and street improvements that are incorporated into this project will not necessarily add capacity to the system, but will encourage people to use alternative means of travel.

Project Total Cost, \$2,400,000

Project Cost Allocation, \$126,309

◆ **Old Town Complete Street Improvements**

There are several active transportation improvements planned in the Old Town area of Park City. Several of these transportation improvements include additional neighborhood byway opportunities, wayfinding, pedestrian crossings, and improved bike/pedestrian facilities. Specific projects that will include neighborhood byways are located on Sullivan Rd, 12th St, 11th St, and 5th St.

For the impact fee cost estimate, it was estimated that 6000-ft of 5-ft sidewalks will be added to these areas. Additional improvements to bike and pedestrian facilities were not included in the impact fee.

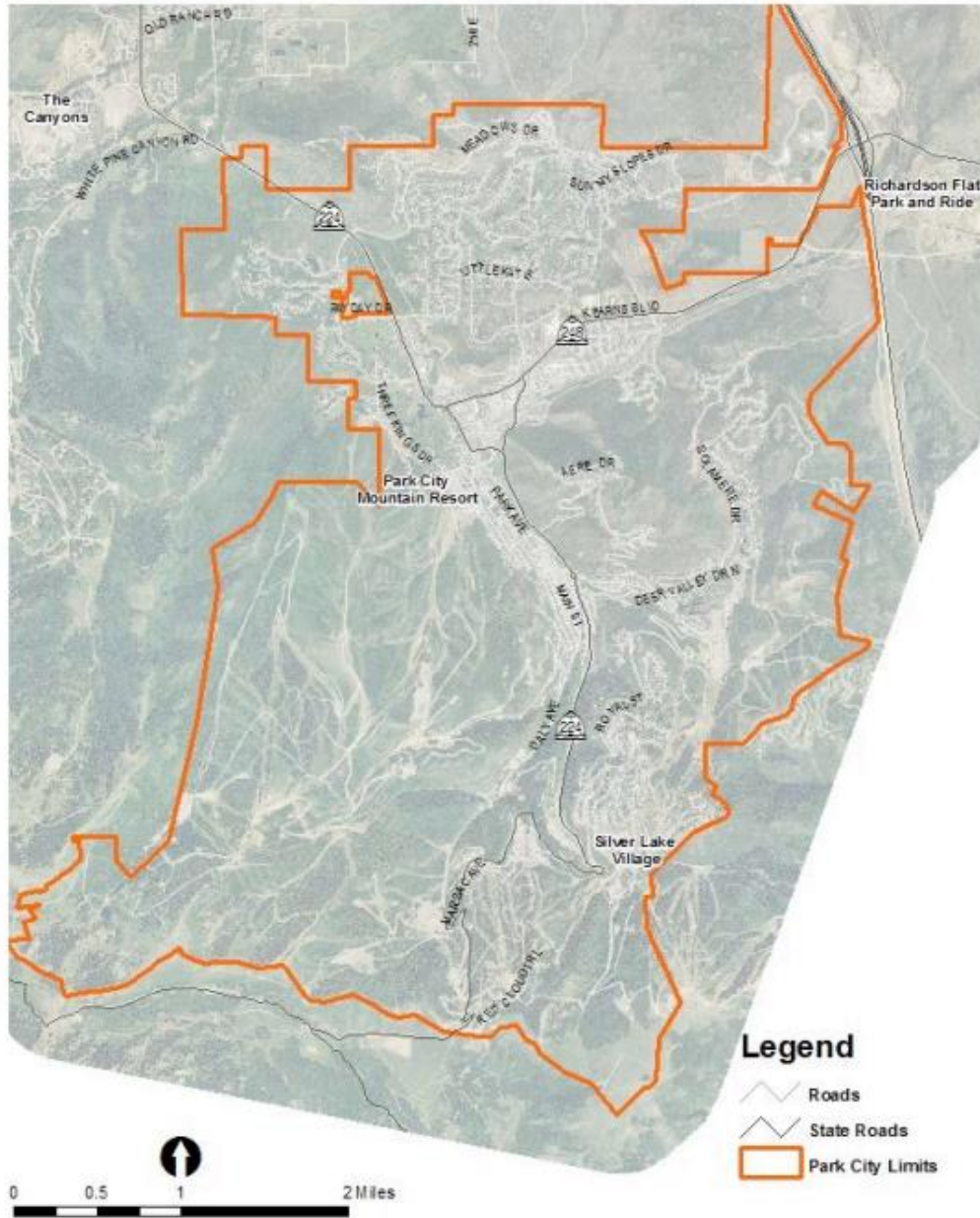
Project Total Cost, \$3,000,000

Project Cost Allocation, \$526,000

No priority has been inferred from the projects listed above. The City will work to advance projects equally and earnestly. The public works director will work with staff to create funding opportunities to advance these projects through financial resources such as the City capital budget, State and Federal grants, and other funding mechanisms, using TIFs to advance certain projects over others as these opportunities arise.

II. SERVICE AREA

Park City has a common arterial network that benefits most travelers of the community and City visitors. Most impact fee capital projects are structured to relieve traffic congestion and improve mobility along this arterial network for pedestrians, bicyclists, and vehicles. New development will benefit from the improved capacities provided along these roadways. As such, the City will have one impact fee service which includes all development within City limits. A map showing City limits has been provided with the boundaries map below.



Park City Municipal Boundaries, 2011 (Source: Park City Traffic & Transportation Master Plan of 2011)

III. COST ESTIMATION

Design and construction cost estimates were obtained for developing the TIF rate. Estimates were based on coordination with the City Engineers office and bids for similar projects. Estimates reflect design and construction, but do not include right-of-way acquisition or environmental remediation.

A summary of the TIF improvements and their associated costs are shown with Table 1. Costs should be updated, as based on complete designs, prior to bidding improvements for construction.

Table 1. TIF Improvement Project List and Cost Estimates

Improvement Project	Total Project Cost	TIF Estimate
System wide bus stop improvements	\$1,700,000	\$211,418
SR224 BRT Transit improvements	\$10,000,000	\$6,762,400
Arts and Culture District Mobility Hub	\$9,000,000	\$63,053
Munchkin Complete Street Connection and Improvements	\$1,266,380	\$1,061,937
Woodbine and Homestake Complete Streets Improvements	\$2,490,160	\$1,933,581
Mobility as a Service Improvements and curb side improvements	\$1,500,000	\$23,609
Iron Horse Complete Street Improvements	\$2,200,000	\$157,708
Deer Valley Drive Complete Streets and Resort Transit Access	\$6,000,000	\$383,662
Park Avenue Complete Street Improvements	\$2,400,000	\$126,309
Old Town Complete Street Improvements	\$3,000,000	\$526,000
Planning Level Construction Cost Estimate Total	\$39,556,540	\$11,249,677
** Right of Way Costs and Environmental Not Included in Estimate		

As shown, in summary there is a total cost estimate of \$11,249,677 associated with described TIF improvements prioritized from the 6-Year TIP.

These TIF improvements are forecast to maintain existing level of service (LOS) for the next 6 years as the community continues to develop. Existing LOS deficiencies will not be addressed with these 10 projects; rather, only elements of new capacity demand have been addressed via the cost estimations shown with Table 10. The 10 projects listed above are directly related to additional development and improving capacity. These assumptions will be addressed in a more detailed TIF study once Master Plan updates have occurred.

IV. LAND USE TRIPS

The base TIF rate was developed based on the trip generation potentials identified from the regional travel demand model maintained by UDOT. The model addresses forecast land use growth through year 2050, as based on socioeconomic projections established from local agencies. A year 2030 travel horizon was available from the UDOT model, with model productions and attractions (approaching and departing trips) extrapolated to year 2026. The travel demand model provided data in terms of daily trip generation potentials.

Park City is comprised of 46 transportation analysis zones (TAZs) in the model. A total of 26,468 trips were forecasts within the short-term (6-year) analysis of the Plan for these TAZs, an allocation of 4,411 trips per year. As described in the following section, this six-year forecast was compared with eligible construction costs to generate the base TIF fee rate for the City.

V. BASE FEE RATE, TIF, AND LAND USE SCHEDULE

Per Utah State codes, land use development is responsible for “proportionately” mitigating the impact of new traffic growth upon City streets; meaning traffic related only to new land uses. Looking at the proposed projects and after discussions with City officials and planners, it was assumed that 40-percent of the capacity improvements would directly mitigate traffic impacts resulting from new development. The remaining 58-percent of capacity improving projects are necessary to restore and maintain the desired level of service throughout the community, and 2-percent of the projects are related to pass through traffic.

This study established TIF rates using 40-percent new development versus 60-percent existing deficiencies funding split; meaning the City would be responsible for 60% of costs in construction.

The City is therefore assessing new land use development with 40-percent of eligible improvement costs identified prior.

The base TIF fee rate is determined by dividing development total construction cost obligation by the number trips generated by associated land uses.

$$\text{- TIF Rate} = \text{Eligible Construction Cost} * \% \text{ Development Participation} / \text{Development Trips}$$

As discussed, highlighted improvements have a construction cost estimate of \$11,249,677. City land use developments are forecast at about 26,468 annual trips throughout the entire City within the next 6-years. A summary of the base TIF rate with a 60-40 City versus development split is shown in **Table 2**.

City Balance	Cost Allocation		Development TIF, Per Daily Trip	
	City	Development	Daily Trip	Cost (\$)/Trip
60% vs.40% Split	\$6,749,806	\$4,499,871	26,468	\$170.01

The base development TIF would be \$170.01 per Daily Trip. In other words, \$170.01 would be assessed per every daily trip generated by forecast land use development.

A typical and convenient administration of TIFs is through a schedule of fees assigned per land use units. For instance, a cost per residential unit, commercial building area, or school/university student. The schedule is most defensible when using rates provided with the Institute of Transportation Engineers, Trip Generation Manual, as it is a consistent approach based on a nationally recognized methodology. Fees are discussed in the IFA prepared by Zions public Finance, INC. in November of 2020.

Note in extraordinary cases, a development may have a substantial impact upon City streets well outside of the daily traffic. As such, these impacts would be vetted through the City Traffic Impact Analysis process and an alternate TIF application may be agreed upon between the developer, owner, or applicant and the City Public Works Director or Engineer to address impacts on TIF capacity projects. An example of this could include, but would not necessarily be limited to, some form of entertainment venue such as sporting or concert events.

VI. ADMINISTRATIVE CREDITS

As stated in the IFA, “the City does not have any outstanding bonds for roadway construction. Therefore, no credits need to be made against the transportation impact fees due to outstanding debt obligations.” The City does however have the authority to credit developments if they so choose.

VI. SUMMARY

The traffic impact fee (TIF) analysis developed for Park City confirms a base TIF fee rate of \$170.01 per daily trip would help offset the capital improvement costs associated with land use development. This fee represents a 60-40 City versus development cost split/share of priority City 6-Year TIP improvements planned by the City. Credits can be allowed administratively by the Public Works Director at their discretion, with no credit surpassing the total assessment of impact fees.