



CITY OF TWIN FALLS
DEVELOPMENT IMPACT FEE ADVISORY COMMITTEE
Thursday, April 26, 2012 – 12:00 p.m. Special Meeting
City Council Chambers
305 3rd Avenue East – Twin Falls, Idaho

MINUTES

DEVELOPMENT IMPACT FEE ADVISORY COMMITTEE MEMBERS:

John Bonnett	Kent Collins Vice- Chairman	Jeff Gooding	Suzanne Hawkins	Tony Hughes Chairman	Brent Jussel	Dusty Tenney	Doug Vollmer	Brad Wills
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CITY COUNCIL LIAISON: Chris Talkington

PRESENT: Bonnett, Collins, Hawkins, Hughes, Jussel, Tenney, Vollmer, Wills, Gooding

ABSENT:

CITY STAFF: Fields, Humble, Rice, Rothweiler, Strickland

LIAISON: Talkington

I. CALL MEETING TO ORDER

Chairman Hughes called the meeting to order at 12:00 pm and confirmed a quorum.

II. CONSIDERATION OF THE MINUTES FROM THE NOVEMBER 1, 2011 MEETING

The minutes from the last meeting are attached and ready for your approval.

MOTION:

Commissioner Bonnett made motion to approve minutes, as presented. Commissioner Taylor seconded the motion.

UNANIMOUSLY APPROVED

III. INTRODUCTION OF NEW COMMITTEE MEMBERS

We are back to full membership on the committee. The Council recently appointed Brad Wills and Suzanne Hawkins to fill the two vacant positions we had. We also have a new Council Liaison, Chris Talkington. We want to welcome these three new Committee members to our meeting. In addition, Brent Jussel was reappointed to his first full term after serving a partial term for his first year on the Committee. Dusty Tenney was reappointed to his second full term and has been with the Committee since the onset. Welcome back.

IV. ELECTION OF COMMITTEE OFFICERS

Tony Hughes has been the Chairman and Kent Collins has been the Vice-Chairman since the beginning. If the Committee wants to make a change, this is the opportunity to do so. Or, the Committee could once again reaffirm the current officers.

MOTION:

Commissioner Collins made motion to have Commissioner Bonnett as Chairman. Commissioner Jussel seconded the motion.

Commissioner Tenney made the motion to have Commissioner Jussel as Vice-Chairman. Commissioner Collins seconded the motion.

UNANIMOUSLY APPROVED

V. DISCUSSION OF THE IMPACT FEE FINANCIAL REPORT

The financial report is attached for your review. It was prepared including fee data through March 31, 2012. In December, the Council approved the Committee's November request to forego the automatic increase that was scheduled for January 1st this year. So, fee amounts have not changed from last year. This report does not yet include payment of the impact fee for Chobani, though the building permit has been issued. The City is contractually obligated to pay the impact fee, but only for a 450,000 square foot facility, or \$304,830. The facility has grown significantly in size since the agreement was signed. We are working on updating the agreement to reflect various changes in the project that have happened since the original agreement was signed. We need to finalize that to determine the amount of impact fee that will be paid by the City. That amount could be as high as \$650,304. The current fee schedule is also attached.

DISCUSSION FOLLOWED:

- Chairman Bonnett reminded the Commission that there is a sunset clause attached to the use of these funds. The Capital Improvement Plan has projects listed, that the money can be used for but the money has to be used within the scheduled timeframe or it has to be given back to the people that paid the fees.
- Community Development Manager Humble explained there is an eight year timeframe for spending the money, it is a first in first out timeline that is tracked but when the money was collected, but the City can request and extension. The intent is to find projects that the money can be spent on rather than give the money back. For example it has been anticipated that there will be the development of a community park, there may not be enough funds to fully develop property into a park however there may be funds to purchase the land, the City will purchase the land. The one that is a concern is the funds being collected for the Fire Department, this is being monitored and when an update to the Comprehensive Plan occurs the Fire Department Capital Improvement Projects will be reviewed. The City is aware of the projects listed in the Comprehensive Plan and even for Fire there are things that the money can be spent on with the upgrades to the 911 Center however all of it may not be able to be spent on this one project.
- Chairman Bonnett asked if the construction of the Chobani facility and the new Glanbia facility if that warrants growth that would require an additional ladder truck.
- City Manager Rothweiler stated that as we add the additional size of these buildings to the inventory the Fire Department has to protect, we have to also remember these building have very sophisticated fire suppression system, that has gone a long way in assisting the Fire Department. The challenge is what is needed and what the City can afford. The City has to maintain its current level of service and can only use the fees towards the portion of the project that is needed because of growth.
- Commissioner Wills asked if you can only spend the money you have or can you use the money from next year or future dollars.

- City Manager Rothweiler explained you can only spend the money you have in the account that is in the category for which it resides; for example streets can't borrow from the police funds. We do not have the authorization to use future revenues to float a bond. The State Legislature has exempted itself from the Constitution and it allows itself to take debts that are not necessarily approved by the people, and any debts that the City wants to incur whether through a revenue bond or general obligation bond requires the vote of the people and the necessary bond process.
- Community Development Manager Humble stated he heard a question that he doesn't have the answer to regarding the ability of the City to purchase an impact fee eligible traffic signal and pay themselves back in the future. The reason he questions this is the City paid for the impact fee study and can pay itself back using the impact fee funds. He will have to research this question and report back.

VI. CONSIDERATION OF A RECOMMENDATION TO INCLUDE IMPACT FEE ELIGIBLE PROJECTS IN THE CITY'S BUDGET

The City has been collecting impact fees since August 1st, 2009. Those fees can only be spent on the projects included in the capital improvement plans contained in the Impact Fee Report. However, in order for the City to actually spend any money on a project, the project has to be included in the City budget. The Committee understood this process and scheduled the April Committee meeting primarily to provide input to City staff regarding the inclusion of impact fee eligible projects in the City's budget. The City Engineer would like to discuss with the Committee the inclusion of a traffic signal in the FY2013 City budget.

City Engineer Fields stated she wanted to talk the Committee about using the Streets Impact Fee Fund on an eligible project. Currently she is applying for some safety money through the Idaho Transportation Department for the intersection of Carriage and Addison due to a fatality associated with that intersection. The City would need to provide matching funds which would be approximately \$100,000.00 which could be covered by the funds in the Impact Fee Account for Traffic Signals. There has also been an opportunity to put signals in at an amount less than the \$400,000.00 rate depending on the intersections needs. These have ranged between \$250-350,000.00 but without doing the actual design she can't guarantee a quote better than the original estimate of \$400,000.00. If the safety money is approved she stated she would be happy to discuss with the Committee whether or not to use the Impact Fee Traffic Signal funds at the Carriage and Addison intersection or at a different location that is also warranted. In summary, the request today is to allow the funds available to build a traffic signal that is on the list, a warrant analysis can be submitted and reviewed if the Committee has identified a specific location for a traffic signal. Her understanding is that in order for her to budget for the signal using the Impact Fee Funds that she would need a recommendation from this Committee.

Chairman Bonnett explained to the new members that when the list of improvement projects was created it took into account that improvements needed, because of growth, can occur anywhere in the City so funds were not assigned to specific locations for specific improvements. The Traffic Signals were put on the list at an approximate cost of \$400,000.00 for 5 signals wherever the City Engineer determines the signals are needed.

Committee Member Hughes pointed out that a traffic signal located at Addison Avenue East and Carriage shows that it is not attributed to growth, which would mean it would have to be funded completely by the City. If this is the case this Committee doesn't have the ability to approve the use of the Impact Fee money for this specific signal.

City Engineer Fields stated this is one of the signals that she is working on currently however it doesn't meet the requirements for the Impact Fee money. She stated she would have to find another signal that was warranted and related to growth to use the Impact Fee money and there are easily 3-4 intersections that come to mind.

Chairman Bonnett asked if there has been enough growth at the Addison Avenue East and Carriage location to show the signal is needed because of growth.

Community Development Director Humble explained that if a signal was warranted prior to Impact Fees being implemented it will never be eligible for funding through the Impact Fee account. It would be appropriate for this committee to make a recommendation to City Council that Impact Fee funds be used for traffic signals.

MOTION:

Committee Member Vollmer made a motion to recommend to the City Council to allow the City Engineer to use the current funds available for a traffic signal that is impact fee eligible. Committee Member Hughes seconded the motion. All members present voted in favor of the motion.

RECOMMENDED TO CITY COUNCIL

VII. DISCUSS STREET CONSTRUCTION COSTS

At their last meeting, the Committee requested to have a discussion at this meeting regarding street construction costs. The Committee wanted to have information presented showing what street construction costs have been since the original impact fee report was prepared in 2008. Staff will bring information to that end and be prepared for a discussion about street construction costs.

City Engineer Fields stated when dollar figures were needed to calculate money needed for arterial roads, there were two projects that she had to reference taking into consideration the type of road, right of way acquisitions, and the amount of road that needed to be replaced or built, the two projects were Washington Street North Phase 1 & 3. These jobs came in at approximately \$1.5 Million per lane mile. Since the original Capital Improvement Project list was created and the City has bid a few more projects:

Falls Avenue West cost approximately \$731,000.00 per lane mile, because they were buying land that was needed only for placing utilities outside of the roadway so they weren't having to purchase people's garages or homes. The outside lanes are the most expensive lanes because that is where the City has to pay for damages to the people that are currently there. When you look at Eastland Drive Idaho Power purchase a large easement that will have to be paid for so that the power lines can be moved.

Eastland Drive between Elizabeth and 4th Avenue, that was reconstruction of existing roadway, with one parcel acquisition to clean up a transition lane and smother for southbound traffic. The project also had to include the cost of moving two power poles. The construction costs for this road cost approximately \$600,000.00 per lane mile.

Eastland Drive between Bowlin Lane and Cheney Drive had a small amount of right of way acquisition from two property owners. The cost of this job came to approximately \$549,000.00 per lane mile. These two acquisitions allowed the City to widen the road at this location. A lane mile consist of one mile of road 12 feet wide.

Eastland Drive between Filer Avenue and Falls Avenue the right of way acquisitions along this stretch of road was substantially different with construction cost coming in at \$900,000.00. If there is heavy commercial the cost is expected to be more then residential which is between \$2-\$5 sq. ft. This project consisted of reconstruction of an existing roadway and plans for widening with a fifth lane, which will eventually occur between File Avenue and Stadium Boulevard, there were two parcel owners that did not choose to sell at this time so until the acquisition is complete the road will remain as it is currently.

City Engineer Fields explained she is not comfortable with reducing the cost per lane mile from \$1.5 million because regardless the cost of the construction has to be covered. This cost was estimated using a federal road project . The other cost to consider on the federal jobs is the Davis Bacon wage requirements which amounts to

approximately and additional 30% so if you remove that it brings the cost estimate to approximately \$1-million per lane mile. She would ask that the lane mile estimate not be any less than \$700-thousand because if she has to purchase someone's parking lot, business or home it greatly increases the cost of doing the work.

Chairman Bonnett stated this cost estimate is justifiable for federal road projects and is possibly more than necessary for local projects but that may or may not be true.

Community Development Director reminded the Committee last January the Council considered the recommendation made by this Committee to include some street funding into the Impact Fee and they chose not to, which means there is still no street funding in the Impact Fees.

Chairman Gooding asked if there are any guidelines available to determine the need for right of way when projects come through for approval.

City Engineer Fields stated the Transportation Plan includes this information and subdivisions of land are reviewed for this, but what ends up taking more design cost and planning is when there is a need for double lefts and additional turn bays that were not expected previously. The challenge is that many of these locations in need are not subdivisions of land but have been developed for a long time.

VIII. NEXT COMMITTEE MEETING

The next tentative meeting date is **Thursday, October 25, 2012.**

IX. OTHER ITEMS OF DISCUSSION

Committee Member Vollmer asked when the Impact Fee account can expect to see the money from the Chobani project.

City Manager Rothweiler explained that the problem is the project is still growing and because this is a design as you build project so it is difficult to know what the final square footage is going to be until the envelope of the building is finished. The original estimate was calculated on the plans for a 450,000 sq. ft. building it is now 960,000 sq. ft. The original \$306,000 was earmarked to come from the general fund expenditures, currently discussions are underway to advocate that additional TIF dollars be used because the size of the building has significantly increased. Currently there is approximately \$800,000 that could be allocated towards these costs.

Community Development Director stated that the funds would be paid in two separate payments, one from the City's general fund and the other from the Urban Renewal Agency, it will not be financed.

X. ADJOURN

Chairman Bonnett adjourned the meeting at 1:10 p.m.

2012 Development Impact Fee Advisory Committee Membership

City Code 2-10-3(A): There shall be (9) voting members of said Committee, to be appointed by the Mayor and confirmed by the City Council. Four (4) or more members shall be active in the business of development, building or real estate.

Name	Related Business	Term	Contact Information
John Bonnett	No	First full term expires 3/2013	Office: 736-9919 johnhbonnett@gmail.com
Brad Wills	Yes – Developer/Builder	First partial term expires 3/2013	bradw@willsinc.com bradwills@cox.net
Tony Hughes Chairman 2008	Yes - Builder	First full term expires 3/2013	tony.stonecreek@gmail.com
Kent Collins Vice-Chairman 2008	Yes - Realtor	Second full term expires 3/2014	kent@prudentialidahohomes.com
Jeff Gooding	Yes - Builder	Second full term expires 3/2014	jgooding@pmt.org
Doug Vollmer	Yes – Developer/Appraiser	Second full term expires 3/2014	doug@areaidaho.com
Dusty Tenney	No	Second full term expires 3/2015	Office: 731-1934 dustytenney@yahoo.com
Brent Jussel	No	First full term expires 3/2015	Office: 732-5730 x3006 bjussel@cableone.net
Suzanne Hawkins	No	First full term expires 3/2015	208-969-0529 suzanne@computerconnectiontf.com
Chris Talkington	Council Liaison	Appointed as Liaison 1/2012	CTalkington@tfid.org

**City of Twin Falls
Summary of Impact Fee Activity**

3/31/2012

	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>11-12</u>	<u>Total</u>
REVENUES:					
Residential Impact Fees-Police	\$ 2,820	\$ 20,924	\$ 16,726	\$ 11,303	\$ 51,773
Non-resid. Impact Fees-Police	\$ -	\$ 1,644	\$ 5,412	\$ 10,700	\$ 17,755
Subtotal-Police	<u>\$ 2,820</u>	<u>\$ 22,567</u>	<u>\$ 22,138</u>	<u>\$ 22,003</u>	<u>\$ 69,528</u>
Residential Impact Fees-Fire	\$ 8,055	\$ 60,063	\$ 47,776	\$ 32,259	\$ 148,153
Non-resid. Impact Fees-Fire	\$ -	\$ 4,602	\$ 15,150	\$ 22,856	\$ 42,608
Subtotal-Fire	<u>\$ 8,055</u>	<u>\$ 64,664</u>	<u>\$ 62,927</u>	<u>\$ 55,115</u>	<u>\$ 190,761</u>
Residential Impact Fees-Streets	\$ 4,065	\$ 30,545	\$ 23,734	\$ 21,707	\$ 80,052
Non-resid. Impact Fees-Streets	\$ -	\$ 21,773	\$ 46,497	\$ 29,947	\$ 98,218
Subtotal-Streets	<u>\$ 4,065</u>	<u>\$ 52,319</u>	<u>\$ 70,231</u>	<u>\$ 51,654</u>	<u>\$ 178,269</u>
Residential Impact Fees-Parks	\$ 9,150	\$ 67,402	\$ 54,270	\$ 35,152	\$ 165,975
Subtotal-Parks	<u>\$ 9,150</u>	<u>\$ 67,402</u>	<u>\$ 54,270</u>	<u>\$ 35,152</u>	<u>\$ 165,975</u>
Interest Income	\$ -	\$ 2,137	\$ 1,846	\$ 1,945	\$ 5,928
	<u>\$ 24,090</u>	<u>\$ 209,089</u>	<u>\$ 211,412</u>	<u>\$ 165,869</u>	<u>\$ 610,461</u>
EXPENDITURES:					
	\$ -	\$ -	\$ -	\$ -	\$ -
DIFFERENCE:					
	<u>\$ 24,090</u>	<u>\$ 209,089</u>	<u>\$ 211,412</u>	<u>\$ 165,869</u>	<u>\$ 610,461</u>

Total Fees	Original Fees	1-Jan-10
Single Family (per dwelling unit)	\$ 1,606	\$ 1,623.67
Multifamily (per dwelling unit)	\$ 1,513	\$ 1,529.64
Retail (per square foot)	\$ 1.68	\$ 1.6985
Office (per square foot)	\$ 0.78	\$ 0.7886
Industrial (per square foot)	\$ 0.67	\$ 0.6774
Institutional (per square foot)	\$ 0.46	\$ 0.4651