



Syracuse City

Public Safety Impact Fee Analysis

ZIONS BANK  PUBLIC FINANCE

July 2014

Contents

Introduction to Impact Fee Analysis	1
Summary of Impact Fee Analysis	1
Fire	1
Police.....	3
Summary of Gross Fee	4
Utah Code Legal Requirements	5
Notice of Intent to Prepare Impact Fee Analysis.....	5
Preparation of Impact Fee Analysis	5
Calculating Impact Fees.....	6
Certification of Impact Fee Analysis.....	6
Impact Fee Enactment.....	6
Impact Fee Analysis	7
Impact on Consumption of Existing Capacity – Utah Code 11-36a-304(1)(a).....	7
Impact on System Improvements – Utah Code 11-36a-304(1)(b).....	10
Relation of Anticipated Development Activity to Impacts on Existing Capacity and System Improvements - Utah Code 11-36a-304(1)(c)	10
Proportionate Share Analysis - Utah Code 11-36a-304(1)(d).....	10
Fee Adjustment for Financing Structures - Utah Code 11-36a-304(2)(d)(e)(f).....	13
Certification.....	19
Notice of Intent	20

Introduction to Impact Fee Analysis

Impact fees are one-time charges to new development designed to offset the proportional impact of new development on capital costs incurred by municipalities, counties and local districts to provide necessary public services. Impact fees must be accounted for in separate capital facility accounts and expenditures are limited to the specific public service for which they were assessed. The Utah Impact Fee Act allows impact fees for public safety facilities to be collected for buildings constructed or leased to house police, fire, or other public safety entities or a fire suppression vehicle costing in excess of \$500,000.

Demand for public safety (fire and police) services and facilities are attributable to residential and non-residential development. Impact fees have therefore been calculated based on both residential and non-residential growth.

For the purpose of the calculation of impact fees, one service area has been defined for fire and one service area for police.

For ease of presentation, numbers presented in the IFFP have been rounded from the spreadsheet calculations. Therefore, numbers shown herein may have small rounding differences.

This analysis is compliant with all requirements of the Utah Code Impact Fee Analysis requirements.

Summary of Impact Fee Analysis

Fire

Syracuse City provides fire protection services to a small portion of the unincorporated County, as well as to Syracuse City itself. Impact fees can only be charged for the demand placed on capital facilities from new development occurring within Syracuse City. Impact fees can be charged to residential and nonresidential development for the fire station building, but can only be charged to nonresidential development for the two fire vehicles that have a cost exceeding \$500,000 each. The analysis shows that there is sufficient excess capacity in the existing building to serve the needs of new development and therefore no new capital facilities have been planned.

The gross fee for fire services has been allocated between residential and commercial development based on calls for service. **Throughout the report, the term “units” means residential dwelling units when referring to residential development, and building square feet when referring to nonresidential development.**

The calculation of the impact fee includes a buy-in to excess capacity of the existing building and fire vehicles only. No new fire buildings or qualifying fire vehicles are planned within the next ten years.

Table 1: Fire Proportionate Share Analysis

	Residential	Non-Residential	TOTAL Syracuse	Total Unincorporated County
Call Allocation				
Projected Calls	1,071.2	106.6	1,177.8	223.6
Building Square Feet (SF)	17,205	1,712	18,917	3,591
Percent of Total Building	76.4%	7.6%	84.0%	16.0%
Building Cost Allocation				
Cost Allocation - Building	\$4,551,193	\$452,816	\$5,004,009	\$949,991
Capacity Units	10,637	3,757,497	NA	NA
Gross Fee for Building	\$427.87	\$0.12		
Fire Truck Cost Allocation				
Cost Allocation Fire Trucks	\$0	\$89,908		
Capacity Units	NA	3,757,497		
Gross Fee for Fire Trucks	\$0	\$0.02		
Interest Cost Allocation				
Cost Allocation for Interest	\$696,175	\$69,265		
Capacity Units	10,637	3,757,497		
Gross Fee for Interest	\$65.45	\$0.02		
Consultant Costs				
Cost Allocation for Consultants	\$4,548	\$452		
Capacity Units	3,696	1,924,164		
Gross Fee for Consultant Costs	\$1.23	\$0.00		
Fund Balance Allocation				
Cost Allocation for Fund Balance	\$90,950.94	\$9,049.06		
Capacity Units	3,696	1,924,164		
Gross Credit for Fund Balance	(\$24.61)	(\$0.00)		
GROSS FEE PER UNIT	\$469.95	\$0.16	NA	NA

The fees for the fire vehicles were allocated based on the percentage of calls generated by commercial development only. Residential development accounts for 91 percent of the total capacity calls projected in Syracuse (1,071 of the 1,178 total calls), while nonresidential development accounts for nine percent (107 of the 1,178 total calls). Therefore, only nine percent of the \$993,558 fire vehicle cost (amount attributable to Syracuse City) is eligible for reimbursement through impact fees - \$89,908. This amount is divided by the total capacity of 3,757,497 nonresidential building square feet to arrive at a cost of \$0.02 per building square foot for fire vehicles.

Table 2: Fire Vehicle Proportionate Share Analysis

Fire Vehicles	Amount
Fire Equipment Actual Cost	\$1,182,181
Percent Usage by Syracuse City	84.0%
Cost Attributable to Syracuse City	\$993,558
Percent Residential Usage in Syracuse	91.0%
Residential Cost of Truck	\$903,650
Non-Residential Cost of Truck - Syracuse City - Proposed Service Level	\$89,908
Capacity Non-Residential Development	3,757,497.45
Proposed Level of Service per Non-Residential SF	\$0.02

Police

The police building serves Syracuse City only. Police costs are calculated based on a buy-in to excess capacity in the existing police building. The total cost of the building was \$1,651,286. There are currently 8,174 square feet of excess capacity. Based on a fair share allocation between residential and commercial, we have calculated a fee of \$93.70 for residential and \$0.22 for nonresidential development.

Table 3: Police Proportionate Share Analysis

	Residential	Non-Residential	TOTAL
<i>Demand Analysis - Calls</i>			
Projected Calls - Capacity	12,329	9,627	21,955
Percent of Total Calls by Type	56%	44%	100%
Existing Calls	8,045	4,697	12,742
Existing Calls as % of Total Capacity	65%	49%	58%
Building SF Allocation	10,938.07	8,540.93	19,479.00
Building Cost Allocation	\$927,249	\$724,037	\$1,651,286
Interest Cost Allocation	\$224,294	\$175,139	\$399,433.49
Total Building Cost Allocation	\$1,151,543	\$899,176	\$2,050,720
<i>Excess Capacity Analysis</i>			
Capacity Units	10,637	3,757,497	
Existing Units	6,941	1,833,334	
Growth in Units	3,696	1,924,164	
Excess Capacity - Building SF	3,800.44	4,374	8,174
Excess Capacity Building Cost Allocation	\$400,104.83	\$460,456.08	\$860,560.92
<i>Fee Calculation</i>			
Gross Fee - Building	\$108.26	\$0.24	
Fund Balance Allocation	\$56,153.12	\$43,846.88	
Capacity Units - Fund Balance	3,696	1,924,164	
Fund Balance Credit per Unit	(\$15.19)	(\$0.02)	
Consulting Cost	\$2,325	\$2,675	
Consulting Fee per Unit	\$0.63	\$0.00	
GROSS FEE	\$93.70	\$0.22	

Summary of Gross Fee

Table 4: Summary of Gross Public Safety Fee (Before Credits)

	Residential per Dwelling Unit	Non-Residential per Building SF
Fire Station	\$493.32	\$0.14
Fire Vehicles	NA	\$0.02
Fund Balance	(\$24.61)	(\$0.00)
Consulting	\$1.23	\$0.00
Subtotal Fire Gross Fee	\$469.95	\$0.16
Police Station	\$108.26	\$0.24
Fund Balance	(\$15.19)	(\$0.02)
Consulting	\$0.63	\$0.00
Subtotal Police Gross Fee	\$93.70	\$0.22
TOTAL	\$563.64	\$0.38

Credits against the gross fee must be calculated in order to avoid double payments given the outstanding debt for the fire and police stations. The City issued a Lease Revenue Bond, Series 2008, for \$5,954,000 that was used to fund the Fire Station. This bond was refunded in 2012 for \$5,572,000. When appropriate credits are calculated, the fees to be paid are shown in the two right hand columns in Table 5, shaded in gray. While the gross fee of \$563.64 remains constant each year, the yearly credits decline as the outstanding bond is paid off and fewer bond years remain. The amount to be paid each year reflects the gross fee less the credits. The residential fire fees due are shown in column B and increase each year as the credits decline; the residential police fee is shown in column D and the total residential impact fee for public safety is shown in column F. Nonresidential fees to be paid are shown in columns C, E and G.

Table 5: Summary of Gross Public Safety Fee (With Credits)

A	B	C	D	E	F	G
Year	Fire - Residential	Fire - Nonresidential	Police - Residential	Police - Nonresidential	Residential Total	Nonresidential Total
2015	\$124.69	\$0.06	\$17.11	\$0.05	\$141.80	\$0.11
2016	\$144.89	\$0.07	\$21.59	\$0.06	\$166.47	\$0.12
2017	\$165.68	\$0.07	\$26.25	\$0.07	\$191.92	\$0.14
2018	\$187.07	\$0.08	\$31.04	\$0.08	\$218.12	\$0.16
2019	\$209.20	\$0.08	\$35.92	\$0.09	\$245.12	\$0.17
2020	\$231.94	\$0.09	\$40.97	\$0.10	\$272.92	\$0.19
2021	\$255.37	\$0.10	\$46.18	\$0.11	\$301.55	\$0.21
2022	\$279.51	\$0.10	\$51.54	\$0.12	\$331.04	\$0.23
2023	\$304.36	\$0.11	\$57.06	\$0.14	\$361.42	\$0.25
2024	\$329.97	\$0.12	\$62.74	\$0.15	\$392.71	\$0.27
2025	\$356.33	\$0.13	\$68.57	\$0.16	\$424.91	\$0.29
2026	\$383.49	\$0.13	\$74.58	\$0.17	\$458.07	\$0.31
2027	\$411.46	\$0.14	\$80.76	\$0.19	\$492.22	\$0.33
2028	\$440.27	\$0.15	\$87.13	\$0.20	\$527.40	\$0.35
2029+	\$469.95	\$0.16	\$93.70	\$0.22	\$563.64	\$0.38

Utah Code Legal Requirements

Utah law requires that communities¹ prepare an Impact Fee Analysis (IFA) based on the information presented in the Impact Fee Facilities Plan (IFFP) before enacting an impact fee. Utah law also requires that communities give notice of their intent to prepare and adopt an IFA. This IFA follows all legal requirements as outlined below. The City of Syracuse has retained Zions Bank Public Finance (ZBPF) to prepare this Impact Fee Analysis in accordance with legal requirements.

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. Syracuse City has complied with this noticing requirement for the IFA by posting notice on February 1, 2013. A copy of the notice is included in Appendix A.

Preparation of Impact Fee Analysis

Utah Code requires that “each local political subdivision... intending to impose an impact fee shall prepare a written analysis of each impact fee” (Utah Code 11-36a-303).

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

- (a) Anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;
- (b) Anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
- (c) How anticipated impacts are reasonably related to the anticipated development activity;
- (d) Estimate the proportionate share of:
 - (i) Costs for existing capacity that will be recouped; and
 - (ii) Costs of impacts on system improvement that are reasonably related to the new development activity; and
- (e) 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:

- (a) The cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
- (b) The cost of system improvements for each public facility;
- (c) 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;

¹ Local political subdivisions with populations of less than 5,000 as of the last federal census need not prepare an impact fee facilities plan, but their impact fees must be based on a reasonable plan. This provision does not apply to the City of Syracuse with a population of approximately 25,507 as of 2012 and which must prepare an impact fee facilities plan [Utah Code 11-36a-301(3)(a)].

- (d) 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;
- (e) The relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
- (f) 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;
- (g) Extraordinary costs, if any in servicing the newly developed properties; and
- (h) The time-price differential inherent in fair comparisons of amounts paid at different times.

Calculating Impact Fees

Utah Code states that for purposes of calculating an impact fee, a local political subdivision or private entity may include the following:

- (a) Construction contract price;
- (b) Cost of acquiring land, improvements, materials, and fixtures;
- (c) Cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and
- (d) Debt service charges for a political subdivision, 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 states that an impact 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 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.

Impact Fee Analysis

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

Fire. Projected growth in Syracuse will have an impact on existing capacity in the fire station building, as well as on the two fire vehicles purchased by the City. The fire facilities are used to provide services outside of Syracuse City boundaries in the unincorporated county. While the unincorporated area currently includes only 22 residential units, land use plans project future development of 2,176 residential units and 155,928 square feet of commercial space. Impact fees cannot be charged to development that takes place outside of City boundaries.

Table 6: Fire Service Area Demand Analysis

Combined	Existing Developed		Future Development	
	Syracuse Developed	Unincorporated Area	Syracuse City Total Capacity Units	Annex Area Total Capacity Units
Residential Units	6,780	22	10,637	2,176
Commercial SF	1,833,334	0	3,757,497	155,928

The Fire Station has a total of 22,508 square feet, 20,888 of which serve *existing residential* demand in Syracuse City and 1,554 of which serve *existing non-residential* demand in the City, for a total of 22,442 square feet (over 99 percent) used for Syracuse City. The existing level of service is therefore 3.01 square feet per household and 0.85 square feet of fire station space for every 1,000 square feet of non-residential development (or 0.00085 per square foot).²

Table 7: Existing Fire Level of Service

Development Type	Calls	% of Total	Calls per Unit	Units	Fire Station SF* Allocation	LOS* - Fire Station SF per Unit
Residential	699	92.8%	0.10070595	6,941	20,887.90	3.01
Non-Residential	52	6.9%	0.000028	1,833,334	1,553.89	0.00085
TOTAL	751	100%			22,441.79	

SF = square feet; LOS = level of service

However, at capacity, a larger percentage of the Fire Station will be needed to serve the needs of the unincorporated County, given the growth projections for the unincorporated County. Based on the same ratio of calls per residential and nonresidential unit as occurs at the present time, future demand will be as shown in the table below. At capacity, 18,917 square feet of the building will be used for Syracuse City; 17,205 square feet will be required from residential development and 1,712 square feet will be required by nonresidential development. The remaining 3,591 square feet of fire station space will be used to provide services to the unincorporated county.

² As of 2014, there are 6,941 households in Syracuse and 1,833,334 nonresidential square feet.

Table 8: Proposed Fire Level of Service

	Calls	% of Total	Units	Fire Station SF Allocation	LOS – Fire Station SF per Unit
Residential	1,071	76.44%	10,637	17,204.95	1.62
Non-Residential	107	7.61%	3,757,497	1,711.79	0.00046
TOTAL	1,178	84.04%		18,916.73	

The demand placed on existing fire facilities by new development activity is attributable to both residential and nonresidential growth. Based on the most recent Census, Syracuse City had a 2010 population of approximately 24,331, with the population reaching 26,112 in 2014 (6,941 households). At capacity, the City is projected to have a population of approximately 40,016 residents (10,637 households), assuming current City boundaries. Non-residential growth is expected to increase from 1,833,334 square feet to 3,757,497 square feet. The following table shows how new development will use existing, excess capacity over the next ten years. By the year 2023 there is still excess capacity in both the fire station and fire vehicles. Therefore, no new facilities are planned.

Table 9: Demand Placed on Existing Fire Station

Year	Household Projections	Non-Residential Units	Residential Allocated SF of Fire Station Space	Non-Residential Allocated SF of Fire Station Space	Residential Excess Capacity – Fire Station SF	Nonresidential Excess Capacity – Fire Station SF
2013	6,780	1,790,809	17,205	1,712	6,238	896
2014	6,941	1,833,334	17,205	1,712	5,978	877
2015	7,102	1,875,859	17,205	1,712	5,717	857
2016	7,262	1,918,120	17,205	1,712	5,459	838
2017	7,423	1,960,645	17,205	1,712	5,198	819
2018	7,584	2,003,170	17,205	1,712	4,938	799
2019	7,745	2,045,695	17,205	1,712	4,677	780
2020	7,906	2,088,220	17,205	1,712	4,417	760
2021	8,067	2,130,746	17,205	1,712	4,157	741
2022	8,227	2,173,007	17,205	1,712	3,898	722
2023	8,388	2,215,532	17,205	1,712	3,637	702

For the fire vehicles, the proposed level of service is the allocable cost of \$89,908³ (based on the proposed usage of the vehicles at capacity) divided by the 3,757,497 nonresidential square feet to arrive at an investment of \$0.02 per commercial square foot. Only nonresidential development can be charged impact fees for fire vehicles. No new fire vehicles are planned during the next ten years; therefore, new development will buy into the excess capacity of the existing fire vehicles.

Police. The Police Station has a total of 19,479 square feet. Using current call ratios, the City has 1.15905 calls per residential unit and 0.028 calls per 1,000 square feet of nonresidential space.

³ Calculated by multiplying the total vehicle cost of \$1,182,181 by the percent usage (84.0%) by Syracuse City at capacity and then by the percent non-residential use of the truck (9.0%).

Table 10: Existing Police Level of Service

Development Type	Calls	% of Total	Calls per Unit	Units	Police Station SF Allocation	LOS – Police Station SF per Unit
Residential	8,045	63%	1.159054891	6,941	12,298.58	1.77
Non-Residential	4,697	37%	0.002561999	1,833,334	7,180	0.00392
TOTAL	12,742	100%			19,479.00	

Projecting these same call ratios in the future results in 10,938 square feet of the building space attributable to residential demand and 8,541 square feet attributable to nonresidential demand.

Table 11: Proposed Police Level of Service

Development Type	Calls	% of Total	Capacity Units	Police Station SF Allocation	Police Station SF per Unit - LOS
Residential	12,329	0.561	10,637	10,938.07	1.03
Non-Residential	9,627	0.438	3,757,497	8,540.93	0.00227
TOTAL	21,955			19,479.00	

The following table shows how new development will use existing, excess police station capacity over the next ten years. By the year 2023 there is still excess capacity; therefore, no new facilities are planned. The excess capacity is calculated by multiplying the number of residential units or nonresidential square feet by their respective proposed service levels and then subtracting from the existing space. Total excess capacity in the current police facility is 8,174 square feet as of 2014.

Table 12: Demand Placed on Existing Police Station

Year	Households	Non-Residential Units	Residential Allocated SF – Police Station	Non-Residential Allocated SF – Police Station	Residential Excess Capacity SF – Police Station	Nonresidential Excess Capacity SF – Police Station	Total Excess Capacity SF – Police Station
2013	6,780	1,790,809	10,938	8,541	3,966	4,470	8,436
2014	6,941	1,833,334	10,938	8,541	3,800	4,374	8,174
2015	7,102	1,875,859	10,938	8,541	3,635	4,277	7,912
2016	7,262	1,918,120	10,938	8,541	3,470	4,181	7,651
2017	7,423	1,960,645	10,938	8,541	3,305	4,084	7,389
2018	7,584	2,003,170	10,938	8,541	3,139	3,988	7,127
2019	7,745	2,045,695	10,938	8,541	2,974	3,891	6,865
2020	7,906	2,088,220	10,938	8,541	2,808	3,794	6,602
2021	8,067	2,130,746	10,938	8,541	2,643	3,698	6,340
2022	8,227	2,173,007	10,938	8,541	2,478	3,602	6,080
2023	8,388	2,215,532	10,938	8,541	2,312	3,505	5,817

Impact on System Improvements – Utah Code 11-36a-304(1)(b)

Fire. Development activity will use some of the existing, excess capacity in the fire station and fire vehicles, as shown in the previous section. No new facilities will need to be constructed or purchased before 2023. Therefore, new development will only be required to buy into the excess capacity of existing improvements.

Police. The existing police station is also projected to serve the capacity needs of Syracuse City. However, changes in security procedures, level of calls, etc., in the future could change anticipated capital facility needs. Therefore, for the present time, the police station is viewed as having excess capacity to serve the needs of the community at capacity and certainly through 2023, the timeframe of this impact fee analysis. Therefore, new development will only be required to buy into the excess capacity of the existing police station.

Relation of Anticipated Development Activity to Impacts on Existing Capacity and System Improvements - Utah Code 11-36a-304(1)(c)

Cost of Existing Public Facilities

Fire. The current Syracuse Fire Station was built in 2008/2009 for a total cost of \$5,954,000. Additionally, the Syracuse Fire Department currently has two fire trucks that are impact fee eligible – a Pierce Fire Truck VI and a Pierce Ladder Truck.⁴ The total cost of these two fire suppression vehicles is \$1,182,181. No new fire capital facilities are anticipated to be needed before 2023. Therefore, new development will only be required to buy into the excess capacity of existing improvements.

Police. The current Syracuse Police Station was built in 2006/2007 for a total cost of \$1,651,286. No new police station capital facilities are anticipated to be needed before 2023. Therefore, new development will only be required to buy into the excess capacity of existing police improvements.

Manner of Financing

Fire. The City issued a Lease Revenue Bond, Series 2008, for \$5,954,000 that was used to fund the Fire Station.

Police. The City issued a Municipal Building Authority Lease Revenue Bond in 2006 in the amount of \$9,350,000 for the purpose of building a city hall, a public works addition and remodeling the police station. Outstanding costs for the remodeling of the police portion of this bond must be credited against the gross impact fee.

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

Fire. Fire station costs are based on new development buying in to the excess capacity of the existing fire station. Costs have been allocated using a three-step procedure. First, square footage was allocated between Syracuse and the surrounding unincorporated area based on the ratio of projected call volumes. Second, the actual cost of \$5,954,000 was apportioned among the City (residential and non-residential) and unincorporated County based on the same ratios. This results

⁴ Utah Code 11-36a-102

in an allocation of \$4,551,193 to residential development in Syracuse and \$452,816 for nonresidential development in the City. Finally, the residential cost was divided by the 10,637 capacity units to arrive at a gross fee of \$427.87 per residential unit and the nonresidential cost of \$452,816 was divided by the 3,757,497 nonresidential capacity units to arrive at a cost of \$0.12 per square foot.

Table 13: Fire Station Proportionate Share Analysis

	Residential	Non-Residential	TOTAL Syracuse	Total Unincorporated County	TOTAL
Call Volume – Capacity	1,071.2	106.6	1,177.8	223.6	1,401.4
Building Square Feet	17,205	1,712	18,917	3,591	22,508
Percent of Total Building	76.4%	7.6%	84.0%	16.0%	100.0%
Cost Allocation – Building	\$4,551,193	\$452,816	\$5,004,009	\$949,991	\$5,954,000
Capacity Units	10,637	3,757,497	NA	NA	NA
Gross Fee per Unit	\$427.87	\$0.12	NA	NA	NA

The total cost of the two public safety facility fire suppression vehicles is \$1,182,181. Based on the call volumes discussed above, Syracuse City will account for 84.0 percent of the total use of the fire trucks, or \$993,558.

Utah Code states that "...a political subdivision or private entity may not impose an impact fee on residential components of development to pay for a public safety facility that is a fire suppression vehicle."⁵ Therefore, this analysis includes only the portion of existing capacity for the fire suppression vehicles that can be recouped by non-residential development.

Residential development accounts for 91 percent of the total calls projected in Syracuse (1,071 of the 1,178 total calls), while nonresidential development accounts for nine percent (107 of the 1,178 total calls). Therefore, only nine percent of the \$993,558 cost is eligible for reimbursement through impact fees - \$89,908. This amount is divided by the total capacity of 3,757,497.45 nonresidential building square feet to arrive at a cost of \$0.02 per building square foot for fire vehicles.

Table 14: Fire Vehicle Proportionate Share Analysis

Fire Vehicles	Amount
Fire Equipment Actual Cost	\$1,182,181
Percent Usage by Syracuse City	84.0%
Cost Attributable to Syracuse City	\$993,558
Percent Residential Usage in Syracuse City	91.0%
Residential Portion Cost of Truck	\$903,650
Non-Residential Cost of Truck - Syracuse City - Proposed Service Level	\$89,908
Capacity Non-Residential Development in Syracuse City	3,757,497.45
Proposed Level of Service Cost per Non-Residential SF	\$0.02

⁵ Utah Code 11-36a-202(2)(i)(ii)

The building and fire vehicle costs are then combined with small charges for interest to be paid on the bond (later credited for outstanding debt), consulting fees and the impact fee fund balance.

Table 15: Fire Proportionate Share Analysis

	Residential	Non-Residential	TOTAL Syracuse	Total Unincorporated County
Call Allocation				
Projected Calls	1,071.2	106.6	1,177.8	223.6
Building Square Feet	17,205	1,712	18,917	3,591
Percent of Total Building	76.4%	7.6%	84.0%	16.0%
Building Cost Allocation				
Cost Allocation - Building	\$4,551,193	\$452,816	\$5,004,009	\$949,991
Capacity Units	10,637	3,757,497	NA	NA
Gross Fee for Building	\$427.87	\$0.12		
Fire Truck Cost Allocation				
Cost Allocation Fire Trucks	\$0	\$89,908		
Capacity Units	NA	3,757,497		
Gross Fee for Fire Trucks	\$0	\$0.02		
Interest Cost Allocation				
Cost Allocation for Interest	\$696,175	\$69,265		
Capacity Units	10,637	3,757,497		
Gross Fee for Interest	\$65.45	\$0.02		
Consultant Costs				
Cost Allocation for Consultants	\$4,548	\$452		
Capacity Units	3,696	1,924,164		
Gross Fee for Consultant Costs	\$1.23	\$0.00		
Fund Balance Allocation				
Cost Allocation for Fund Balance	\$90,950.94	\$9,049.06		
Capacity Units	3,696	1,924,164		
Gross Credit for Fund Balance	(\$24.61)	(\$0.00)		
GROSS FEE PER UNIT	\$469.95	\$0.16	NA	NA

Police. Police costs are calculated based on a buy-in to excess capacity in the existing police building. The total cost of the building was \$1,651,286. There are currently 8,174 square feet of excess capacity. Based on a fair share allocation between residential and commercial, based on calls for service, residential development will account for \$400,104.83 of the buy-in costs; nonresidential development will account for \$460,456.08 of the buy-in costs. This results in a fee of \$93.70 for residential development and \$0.22 for nonresidential development.

Table 16: Police Proportionate Share Analysis

	Residential	Nonresidential	TOTAL
<i>Demand Analysis - Calls</i>			
Projected Calls - Capacity	12,329	9,627	21,955
Percent of Total Calls by Type	56%	44%	100%
Existing Calls	8,045	4,697	12,742
Existing Calls as % of Total Capacity	65%	49%	58%
Building SF Allocation	10,938.07	8,540.93	19,479.00
Building Cost Allocation	\$927,249	\$724,037	\$1,651,286
Interest Cost Allocation	\$224,294	\$175,139	\$399,433.49
Total Building Cost Allocation	\$1,151,543	\$899,176	\$2,050,720
<i>Excess Capacity Analysis</i>			
Capacity Units	10,637	3,757,497	
Existing Units	6,941	1,833,334	
Growth in Units	3,696	1,924,164	
Excess Capacity - Building SF	3,800.44	4,374	8,174
Excess Capacity Building Cost Allocation	\$400,104.83	\$460,456.08	\$860,560.92
<i>Fee Calculation</i>			
Gross Fee - Building	\$108.26	\$0.24	
Fund Balance Allocation	\$56,153.12	\$43,846.88	
Capacity Units - Fund Balance	3,696	1,924,164	
Fund Balance Credit per Unit	(\$15.19)	(\$0.02)	
Consulting Cost	\$2,325	\$2,675	
Consulting Fee per Unit	\$0.63	\$0.00	
GROSS FEE	\$93.70	\$0.22	

Fee Adjustment for Financing Structures - Utah Code 11-36a-304(2)(d)(e)(f)

The Impact Fees Act requires credits to be given 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 against the gross fee must be calculated in order to incorporate the outstanding debt for the fire and police stations. The City issued a Lease Revenue Bond, Series 2008, for \$5,954,000 that was used to fund the Fire Station. This bond was refunded in 2012 for \$5,572,000. Credits against the bond have been calculated using several steps of calculations. The first step, shown in Table 17 below, takes the annual bond payments and figures an average bond payment cost per call.

Table 17: Fire - Average Bond Payment Cost per Call

Year	Households	Nonresi- dential Units	Residential Calls	Nonresi- dential Calls	Bond Payments	Payment Cost Allocated per Call
2015	7,102	1,875,859	715.21	53	\$443,495	\$577
2016	7,262	1,918,120	731.33	54	\$443,302	\$564
2017	7,423	1,960,645	747.54	56	\$443,076	\$552
2018	7,584	2,003,170	763.75	57	\$444,289	\$541
2019	7,745	2,045,695	779.97	58	\$443,729	\$530
2020	7,906	2,088,220	796.18	59	\$443,729	\$519
2021	8,067	2,130,746	812.39	60	\$443,729	\$508
2022	8,227	2,173,007	828.51	62	\$443,729	\$498
2023	8,388	2,215,532	844.72	63	\$443,729	\$489
2024	8,549	2,258,057	860.94	64	\$443,650	\$480
2025	8,710	2,300,582	877.15	65	\$443,650	\$471
2026	8,871	2,343,107	893.36	66	\$443,650	\$462
2027	9,031	2,385,368	909.48	68	\$443,650	\$454
2028	9,192	2,427,893	925.69	69	\$443,650	\$446

The second step then takes the average cost per call and calculates the average residential and nonresidential payment (based on the average calls per residential unit and nonresidential square foot). Then, this number is adjusted to reflect only the Syracuse portion of the payment.

Table 18: Fire - Average Bond Payment Cost per Call – Syracuse Portion of Payment Only

Year	Payment Cost per Call	Average Residential Payment	Average Nonresidential Payment	Average Residential Payment - Syracuse Portion of Fire Station Only	Average Non- Residential Payment - Syracuse Portion of Fire Station Only
2015	\$577	\$58.12	\$0.02	\$48.85	\$0.01
2016	\$564	\$56.82	\$0.02	\$47.75	\$0.01
2017	\$552	\$55.56	\$0.02	\$46.69	\$0.01
2018	\$541	\$54.53	\$0.02	\$45.83	\$0.01
2019	\$530	\$53.33	\$0.02	\$44.82	\$0.01
2020	\$519	\$52.24	\$0.01	\$43.90	\$0.01
2021	\$508	\$51.20	\$0.01	\$43.03	\$0.01
2022	\$498	\$50.20	\$0.01	\$42.19	\$0.01
2023	\$489	\$49.24	\$0.01	\$41.38	\$0.01
2024	\$480	\$48.30	\$0.01	\$40.59	\$0.01
2025	\$471	\$47.41	\$0.01	\$39.84	\$0.01
2026	\$462	\$46.55	\$0.01	\$39.12	\$0.01
2027	\$454	\$45.72	\$0.01	\$38.43	\$0.01
2028	\$446	\$44.92	\$0.01	\$37.76	\$0.01

The next step calculates the percentage of the bond payment attributable to the portion of the fire station that is currently required for the proposed level of service (and not the portion of the bond payment applied to the excess capacity part of the station). This step is necessary because future development will pay impact fees to cover the excess capacity portion of the fire station. When the bond is retired, new development will still be buying in to the excess capacity of the existing building and impact fees, at that time, will be used to repay the General Fund for the purchase of the Fire Station Building. That is why credits are necessary for a portion of the bond payments only.

Table 19: Fire - Average Bond Payment Cost per Call – Syracuse Portion of Payment Only

Year	SF Used in Fire Station - Syracuse Portion Only	% of Total Used - Existing	% of Total Capacity - Future	Amount of Credit - Residential - Annual	NPV* Amount of Credit by Year - Residential	Residential Impact Fee to be Paid
2015	11,487	61%	39%	\$29.66	\$345.25	\$124.69
2016	11,746	62%	38%	\$29.65	\$325.06	\$144.89
2017	12,007	63%	37%	\$29.64	\$304.27	\$165.68
2018	12,267	65%	35%	\$29.72	\$282.87	\$187.07
2019	12,528	66%	34%	\$29.68	\$260.75	\$209.20
2020	12,788	68%	32%	\$29.68	\$238.00	\$231.94
2021	13,048	69%	31%	\$29.68	\$214.57	\$255.37
2022	13,307	70%	30%	\$29.68	\$190.44	\$279.51
2023	13,568	72%	28%	\$29.68	\$165.58	\$304.36
2024	13,828	73%	27%	\$29.67	\$139.98	\$329.97
2025	14,088	74%	26%	\$29.67	\$113.61	\$356.33
2026	14,349	76%	24%	\$29.67	\$86.46	\$383.49
2027	14,608	77%	23%	\$29.67	\$58.48	\$411.46
2028	14,868	79%	21%	\$29.67	\$29.67	\$440.27
2029+						\$469.95

*NPV = net present value

Police credits are calculated in a similar manner; first, the bond payment is allocated as an average bond payment cost per call.

Table 20: Police - Average Bond Payment Cost per Call

Police Credits	Total Bond Payments	Amount for Police Station	Households	Non-Residential Units	Residential Calls	Non Residential Calls	Payment Cost Allocated per Call
2015	\$705,266	\$124,556	7,102	1,875,859	8,232	4,806	\$9.55
2016	\$710,766	\$125,527	7,262	1,918,120	8,417	4,914	\$9.42
2017	\$710,016	\$125,395	7,423	1,960,645	8,604	5,023	\$9.20
2018	\$703,704	\$124,280	7,584	2,003,170	8,790	5,132	\$8.93
2019	\$706,579	\$124,788	7,745	2,045,695	8,977	5,241	\$8.78
2020	\$706,579	\$124,788	7,906	2,088,220	9,163	5,350	\$8.60

Police Credits	Total Bond Payments	Amount for Police Station	Households	Non-Residential Units	Residential Calls	Non Residential Calls	Payment Cost Allocated per Call
2021	\$706,579	\$124,788	8,067	2,130,746	9,350	5,459	\$8.43
2022	\$706,579	\$124,788	8,227	2,173,007	9,536	5,567	\$8.26
2023	\$706,579	\$124,788	8,388	2,215,532	9,722	5,676	\$8.10
2024	\$703,770	\$124,292	8,549	2,258,057	9,909	5,785	\$7.92
2025	\$703,770	\$124,292	8,710	2,300,582	10,095	5,894	\$7.77
2026	\$703,770	\$124,292	8,871	2,343,107	10,282	6,003	\$7.63
2027	\$703,770	\$124,292	9,031	2,385,368	10,467	6,111	\$7.50
2028	\$703,770	\$124,292	9,192	2,427,893	10,654	6,220	\$7.37

The residential impact fee for police is then calculated based off of the average cost per call.

Table 21: Police – Residential Credits and Impact Fee by Year

Year	Payment Cost Allocated per Call	Average Residential Payment	SF Required in Police Station for Proposed Standard	% of Total Capacity Used	Amount of Credit	NPV Amount of Credit by Year	Residential Impact Fee
2015	\$9.55	\$11.07	11,567	59%	\$6.58	\$76.58	\$17.11
2016	\$9.42	\$10.91	11,828	61%	\$6.63	\$72.11	\$21.59
2017	\$9.20	\$10.67	12,090	62%	\$6.62	\$67.45	\$26.25
2018	\$8.93	\$10.35	12,352	63%	\$6.56	\$62.65	\$31.04
2019	\$8.78	\$10.17	12,614	65%	\$6.59	\$57.77	\$35.92
2020	\$8.60	\$9.97	12,877	66%	\$6.59	\$52.72	\$40.97
2021	\$8.43	\$9.77	13,139	67%	\$6.59	\$47.52	\$46.18
2022	\$8.26	\$9.58	13,399	69%	\$6.59	\$42.16	\$51.54
2023	\$8.10	\$9.39	13,662	70%	\$6.59	\$36.64	\$57.06
2024	\$7.92	\$9.18	13,924	71%	\$6.56	\$30.95	\$62.74
2025	\$7.77	\$9.01	14,186	73%	\$6.56	\$25.12	\$68.57
2026	\$7.63	\$8.85	14,448	74%	\$6.56	\$19.12	\$74.58
2027	\$7.50	\$8.69	14,709	76%	\$6.56	\$12.93	\$80.76
2028	\$7.37	\$8.54	14,971	77%	\$6.56	\$6.56	\$87.13
2029+							\$93.70

The nonresidential impact fee is also based off of the average cost per call.

Table 22: Police – Nonresidential Credits and Impact Fees by Year

Year	Payment Cost Allocated per Call	Average Non-Residential Payment	SF Required in Police Station for Proposed Standard	% of Total Capacity Used	Amount of Credit	NPV Amount of Credit by Year	Non-Residential Impact Fee
2015	\$9.55	\$0.02	11,567	59%	\$0.01	\$0.17	\$0.05
2016	\$9.42	\$0.02	11,828	61%	\$0.01	\$0.16	\$0.06
2017	\$9.20	\$0.02	12,090	62%	\$0.01	\$0.15	\$0.07
2018	\$8.93	\$0.02	12,352	63%	\$0.01	\$0.14	\$0.08
2019	\$8.78	\$0.02	12,614	65%	\$0.01	\$0.13	\$0.09
2020	\$8.60	\$0.02	12,877	66%	\$0.01	\$0.12	\$0.10
2021	\$8.43	\$0.02	13,139	67%	\$0.01	\$0.11	\$0.11
2022	\$8.26	\$0.02	13,399	69%	\$0.01	\$0.09	\$0.12
2023	\$8.10	\$0.02	13,662	70%	\$0.01	\$0.08	\$0.14
2024	\$7.92	\$0.02	13,924	71%	\$0.01	\$0.07	\$0.15
2025	\$7.77	\$0.02	14,186	73%	\$0.01	\$0.06	\$0.16
2026	\$7.63	\$0.02	14,448	74%	\$0.01	\$0.04	\$0.18
2027	\$7.50	\$0.02	14,709	76%	\$0.01	\$0.03	\$0.19
2028	\$7.37	\$0.02	14,971	77%	\$0.01	\$0.01	\$0.20
2029+							\$0.22

Total public safety impact fees, along with the appropriate credits, are summarized below.

Table 23: Summary of Gross Public Safety Fee (With Credits)

Year	Fire - Residential	Fire - Nonresidential	Police - Residential	Police - Nonresidential	Residential Total	Nonresidential Total
2015	\$124.69	\$0.06	\$17.11	\$0.05	\$141.80	\$0.11
2016	\$144.89	\$0.07	\$21.59	\$0.06	\$166.47	\$0.12
2017	\$165.68	\$0.07	\$26.25	\$0.07	\$191.92	\$0.14
2018	\$187.07	\$0.08	\$31.04	\$0.08	\$218.12	\$0.16
2019	\$209.20	\$0.08	\$35.92	\$0.09	\$245.12	\$0.17
2020	\$231.94	\$0.09	\$40.97	\$0.10	\$272.92	\$0.19
2021	\$255.37	\$0.10	\$46.18	\$0.11	\$301.55	\$0.21
2022	\$279.51	\$0.10	\$51.54	\$0.12	\$331.04	\$0.23
2023	\$304.36	\$0.11	\$57.06	\$0.14	\$361.42	\$0.25
2024	\$329.97	\$0.12	\$62.74	\$0.15	\$392.71	\$0.27
2025	\$356.33	\$0.13	\$68.57	\$0.16	\$424.91	\$0.29
2026	\$383.49	\$0.13	\$74.58	\$0.17	\$458.07	\$0.31
2027	\$411.46	\$0.14	\$80.76	\$0.19	\$492.22	\$0.33
2028	\$440.27	\$0.15	\$87.13	\$0.20	\$527.40	\$0.35
2029+	\$469.95	\$0.16	\$93.70	\$0.22	\$563.64	\$0.38

Credits may also be given 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 must be included in the IFFP and must be agreed upon with the City before construction begins. There are currently no new public safety facilities included in the Syracuse City Public Safety IFFP.

The standard impact fee can also be decreased to respond to unusual circumstances in specific cases in order to ensure that impact fees are imposed fairly. In certain cases, a developer may submit studies and data that clearly show a need for adjustment.

At the discretion of the City, impact fees may be modified for low-income housing, although alternate sources of funding fire service excess capacity must be identified.

Certification

Zions Bank Public Finance 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.

Notice of Intent

Entity: Syracuse City

Public Body: City Council

Subject: Fees

Notice Title: Public Notice of Intent

Notice Type: Notice

Notice Date & Time: Feb 1, 2013
5:00 PM

Description/Agenda:

NOTICE OF INTENT TO PREPARE OR AMEND AN IMPACT FEE FACILITIES PLAN AND AN IMPACT FEE WRITTEN ANALYSIS

Syracuse City, a municipality of the State of Utah, located in Davis County, Utah intends to commence the preparation of an independent and comprehensive Impact Fee Facilities Plan and Written Impact Fee Analysis for culinary water, secondary water, storm drains, public safety, transportation and parks. This notice is pursuant to the provisions of 11-36a-501. Pursuant to the requirements of Utah Code Ann 11-36a-501 and 11-36a-50, notice is hereby provided of the intent of Syracuse City to create or amend an Impact Fee Facilities Plan and Impact Fee Written Analysis. The service area for the prepared IFFP and IFA includes the entire city limits of Syracuse City.

Notice of Special Accommodations: call Steve Marshall at 801-614-9621 for questions.