

CITY OF SPARKS
CAPITAL IMPROVEMENTS ADVISORY COMMITTEE AGENDA ITEM
MEETING DATE: June 6, 2013

Subject: Review and Possible Approval of the Land Use Assumptions and Capital Improvements plan for City of Sparks Impact Fee Service Area #1.

Petitioner: John A. Martini, P.E., Assistant Community Services Director

Recommendation: Staff recommends that the Planning Commission, acting as the Capital Improvement Advisory Committee, forward a recommendation of approval of the land use assumptions, proposed Capital Improvements Plan and associated fees to the City Council as listed in the staff report.

Financial Impact: There is no direct financial impact on the operation of the City. Funds collected through the impact fee program will be used to provide regional infrastructure in the Service Area.

Business Impact *(per NRS Chapter 237):*

- A Business Impact Statement is attached.
- A Business Impact Statement is not required because
 - this is not a rule;

Background/Analysis/Alternatives

BACKGROUND:

The Voluntary Northern Sparks Sphere of Influence Infrastructure (NSSOI) Financing Fee Program was adopted in 1994 to provide sanitary sewer, storm drainage, public facilities and parks and recreation facilities within the sphere of influence in accordance with the NSSOI plan that was adopted in 1991. The fees were first updated in 1997. The 2002 fee update also converted the program to be compliant with Nevada Revised Statute (NRS) Chapter 278B. As prescribed by NRS 278B.150, the imposition of an impact fee requires the governing body of the local government to establish a Capital Improvements Advisory Committee (CIAC) and allows the governing body to designate the Planning Commission to act as the CIAC. The Sparks City Council designated the Sparks Planning Commission as the CIAC in May of 2001 under Resolution 2729.

NRS 278B requires the CIAC to review the land use assumptions and capital improvements plan associated with Impact Fee Service Area #1 (IFSA#1) every three years and file a report of recommendations to the Sparks City Council.

The City of Sparks retained the Bowling Mamola Group to provide an analysis of the land use assumptions, capital improvements plan, and impact fees associated with IFSA#1. The results

of the analysis performed by the Bowling Mamola Group are documented in a report titled *Impact Fee Service Area Number 1, Capital Improvements plan, Updated Fee Schedule, 2013* and is attached for the CAIC's review.

ANALYSIS:

Land Use Assumptions for Impact Fee Service Area #1

The land use assumptions for Impact Fee Service Area #1 are presented on pages 5 and 6 of the Bowling Mamola report. As can be seen in the report, the full build out development potential within IFSA#1 is 27,517 development units. As of December 30, 2012, 10,522 development units had been permitted leaving 16,995 development units available for future development.

Capital Improvements Plan

The Capital Improvements Plan for the provision of Sanitary Sewer, Flood Control, Parks and Recreation and Fire Station improvements to support the master planned land uses within IFSA#1 are presented on pages 7-19 of the Bowling Mamola report. The report includes an analysis of both existing and future Capital Improvement facilities for each of the infrastructure categories as well as the basis for allocation of costs for each land use type.

Impact Fees

The recommended Impact Fees for the land use assumptions and capital improvements included in IFSA#1 are summarized on page 20 of the Bowling Mamola report.

The following four tables present a summary of the fees over the program's history.

Table 1: Original (1994) Voluntary NSSOI Infrastructure Financing Fees

Land Use Type	Infrastructure Type					
	Sanitary Sewer	Roadway	Flood Control	Parks & Rec.	Public Facilities	Total Fees
Single Family Residence (per dwelling)	\$318	\$973	\$353	\$782	\$113	\$2,529
Multifamily Residence (per dwelling)	\$212	\$624	\$113	\$782	\$113	\$1,844
Business Park (per 1,000 SF of Building)	\$96	\$1,072	\$122			\$1,290
General Commercial (per 1,000 SF of Building)	\$299	\$1,499	\$122			\$1,920
Public Facilities (\$/acre)	\$96	\$166	\$1332			\$1,594
Tourist Commercial/Resort Lodging (per room)	\$166	\$732	\$123			\$1,021

The Regional Road Impact Fee was created in 1996, so that portion of the fee was removed. The fee estimate was also updated at that time to better reflect the regional infrastructure plans for the area. That fee update as adopted in 1997 and is presented in Table 2.

Table 2: 1997 Updated Voluntary NSSOI Infrastructure Financing Fees

Land Use Type	Infrastructure Type				
	Sanitary Sewer	Flood Control	Parks & Rec.	Public Facilities	Total Fees
Single Family Residence (per dwelling)	\$220	\$543	\$628	\$121	\$1,512
Multifamily Residence (per dwelling)	\$166	\$189	\$663	\$121	\$1,139
Business Park or Public Facility (per 1,000 SF of Building)	\$112	\$251	---	\$121	\$484
General or Tourist Commercial (per 1,000 SF of Building)	\$350	\$251	---	\$121	\$722
Resort Lodging (per room)	\$194	---	---	\$121	\$315

Table 3 presents the impact fee table that was adopted in 2002.

Table 3: 2002 Impact Fees

Land Use Type	Infrastructure Type				
	Sanitary Sewer	Flood Control	Parks & Rec.	Fire Station Projects	Total Fees
Single Family Residence (per dwelling)	\$227	\$1,317	\$768	\$224	\$2,536
Multifamily Residence (per dwelling)	\$223	\$521	\$768	\$224	\$1,736
Business Park (per 1,000 SF of Building)	\$74	\$587	---	\$224	\$885
General Commercial (per 1,000 SF of Building)	\$219	\$614	---	\$224	\$1,057
Public Facilities (per 1,000 SF of Building)	\$108	\$501	---	\$224	\$883
Tourist Commercial (per 1,000 SF of Building)	\$229	\$534	---	\$224	\$987
Lodging (per room)	\$84	---	---	\$224	\$308

Table 4 presents the existing impact fees that were adopted in 2005 while Table 5 presents the proposed 2013 Updated impact fees.

Table 4: 2005 Impact Fees

Land Use Type	Infrastructure Type				
	Sanitary Sewer	Flood Control	Parks & Rec.	Fire Station Projects	Total Fees
Single Family Residence (per dwelling)	\$225	\$992	\$691	\$200	\$2,108
Multifamily Residence (per dwelling)	\$230	\$389	\$691	\$200	\$1,510
Business Park (per 1,000 SF of Building)	\$76	\$445	---	\$200	\$721
General Commercial (per 1,000 SF of Building)	\$212	\$461	---	\$200	\$873
Public Facilities (per 1,000 SF of Building)	\$77	\$463	---	\$200	\$740
Tourist Commercial (per 1,000 SF of Building)	\$147	\$432	---	\$200	\$779
Lodging (per room)	\$108	---	---	\$200	\$308

Table 5: Proposed 2013 Updated Impact Fees

Land Use Type	Infrastructure Type				
	Sanitary Sewer	Flood Control	Parks & Rec.	Fire Station Projects	Total Fees
Single Family Residence (per dwelling)	\$239	\$564	\$619	\$286	\$1,708
Multifamily Residence (per dwelling)	\$239	\$198	\$619	\$286	\$1,342
Business Park (per 1,000 SF of Building)	\$75	\$325	---	\$286	\$686
General Commercial (per 1,000 SF of Building)	\$225	\$324	---	\$286	\$835
Public Facilities (per 1,000 SF of Building)	\$74	\$324	---	\$286	\$684
Tourist Commercial (per 1,000 SF of Building)	\$225	\$324	---	\$286	\$835
Lodging (per room)	\$126	---	---	\$286	\$412

The proposed fee increase would result in decreases across the board, except for the development units associated with lodging and tourist commercial land uses, as shown in Table 6.

Table 6: Fee Increase Comparison

Land Use Type	2005 Fee	Proposed Fee	Percent Incr.(Decr.)
Single Family Residence (per dwelling)	\$2,108	\$1,708	(19%)
Multifamily Residence (per dwelling)	\$1,510	\$1,342	(11%)
Business Park (per 1,000 SF of Building)	\$721	\$686	(5%)
General Commercial (per 1,000 SF of Building)	\$873	\$835	(4%)
Public Facilities (per 1,000 SF of Building)	\$740	\$684	(8%)
Tourist Commercial (per 1,000 SF of Building)	\$779	\$835	7%
Lodging (per room)	\$308	\$412	34%

Staff solicited input from the development community through the Development Services Enterprise Fund Advisory Committee (EFAC) at a meeting April 15, 2013. Copies of the capital improvements plan for the impact fee area were mailed all members of EFAC approximately two weeks prior to the meeting. Representatives of Lewis Homes and PLACES Consulting attended the meeting. Feedback was generally positive and expressed surprise in a city fee potentially decreasing. One concern expressed was that it would take the developers longer to use credits if the fees were reduced.

The impact fee update is proposed to go into effect July 1, 2013 based on input received from the EFAC.

ALTERNATIVES:

The Capital Improvements Advisory Committee may refer the matter back to staff to address any issues raised at the meeting that are not addressed to the Committee's satisfaction.

SUGGESTED MOTION:

I move to forward a recommendation of approval of the land use assumptions, capital improvement program, and proposed impact fees associated with Impact Fee Service Area # 1, as attached to the staff report, to the City Council.

Respectfully submitted,

John A. Martini, P.E

Assistant Community Services Director

Attachments: Impact Fee Service Area Number 1 Capital Improvements Plan