

DATE ISSUED: June 19, 2002

REPORT NO. 02-148

ATTENTION: Land Use and Housing Committee
Agenda of June 26, 2002

SUBJECT: Skyline/Paradise Hills Public Facilities Financing Plan

REFERENCE: "Skyline/Paradise Hills Public Facilities Financing Plan - Fiscal Year 2003"

SUMMARY

Issue - Should the Council: 1) approve a Public Facilities Financing Plan for FY 2003 for the Skyline/Paradise Hills community; 2) rescind the existing Development Impact Fees; and 3) approve the establishment of new development fees for all property within the Skyline/Paradise Hills Community?

Manager's Recommendation - Approve the Skyline/Paradise Hills Public Facilities Financing Plan - May 2002, rescind the existing Development Impact Fees and establish new Development Impact Fees for the Skyline/Paradise Hills community.

Planning Committee's Recommendations - The Skyline/Paradise Hills Planning Committee vote was unanimous in support of the Financing Plan.

Environmental Impact - None.

Fiscal Impact - Adoption of this financing plan will continue to provide a partial funding source for the required public facilities.

BACKGROUND

Development Impact Fees (DIF) were established in 1987 by the City Council to mitigate the impact of new development in urbanized communities. Fees were based on the facility needs of each community. This plan updates the original facilities needs list for the Skyline/Paradise Hills Community that was adopted in 1987.

DISCUSSION

Public Facilities Financing Plan

The draft Skyline/Paradise Hills Public Facilities Financing Plan describes the public facilities that will be needed for the Skyline/Paradise Hills community as it develops according to the Community Plan. Since Skyline/Paradise Hills is an urbanized community, many of the community facilities and infrastructure are already in place. A majority of the remaining needed facilities are in the categories of transportation, library, park and fire improvements.

The proposed fees reflect the current costs of the facilities identified in the Skyline/Paradise Hills Community Plan and are necessary to maintain existing levels of service in the community. A summary of the proposed impact fees for Skyline/Paradise Hills are as follows:

Residential Units

Transportation	\$861	....	per unit
Library	840	.....	per unit
Park	.....	3701	....per unit
Fire	.....	230	.....per unit
TOTAL FEES	\$5632	....	per unit

Commercial and Industrial

Transportation	\$123	....	per trip
Fire	.....	\$230	....per 1,000 square feet

The total impact fee for residential development will increase from \$970 to \$5,632 per dwelling unit, primarily due to the adjusted needs for library and park and recreation facilities. The estimated cost for transportation facilities has increased from \$12,660,000 to \$19,201,681, resulting in a fee increase from \$540 to \$861 per trip. This increase is a result of updated cost estimates and expanded scope of some transportation projects. The library fee increased from \$0 to \$840, based on an estimate of \$17,300,000 to build two new facilities. The estimated cost for park facilities increased from \$8,100,000 to \$76,263,492, resulting in a fee increase from \$360 to \$3,701. This increase is a more accurate reflection of acreage requirements to meet population based park needs within the community. The estimated cost for fire facilities increased from \$3,202,000 to \$4,804,827, resulting in a fee increase from \$70 to \$230.

Projected costs for all projects are \$118,164,000. Eligible projects in the amount of \$117,570,000 will serve as the basis for the development impact fees, which will be collected at the time building permits are issued. Since these costs are for projects which will benefit both the existing community and future development, costs will be shared and new development is expected to provide its pro-rata share for DIF eligible projects. Those portions of project costs not funded by new development through impact fees will need to be identified by future City Council actions in conjunction with the adoption of Annual Capital Improvements Program Budgets.

ALTERNATIVE

Do not approve the proposed Financing Plan and Development Impact Fee Schedule. This is not recommended because the new fees will ensure that new development continues to contribute its fair share for facilities identified in the Community Plan. In the absence of these fees, alternative funding sources would have to be identified to fund new development’s share of the identified facilities.

Respectfully submitted,

S. Gail Goldberg, AICP

Approved: P. Lamont Ewell

Planning DirectorAssistant City Manager

.....

GOLDBERG/CMG/VLB

Attachment: 1. Draft Skyline/Paradise Hills Facilities Financing Plan - May 2002

Note: Due to the size of the attachment, only a limited distribution was made. A copy is available for review in the office of the City Clerk.