



**Syracuse City  
Parks, Trails and Recreation  
Impact Fee Analysis**

ZIONS  PUBLIC FINANCE, INC.

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## Summary of Impact Fee Analysis (IFA)

Syracuse City (“City”) has completed a Parks, Trails and Recreation Impact Fee Facilities Plan which, along with input from the City, forms the basis for this Impact Fee Analysis. The City has determined that there is one service area citywide and that only residential development is considered to create demand for parks, trails and recreation facilities and therefore only residential growth has been considered in the determination of impact fees.

Projections for population growth in the City are as follows:

**TABLE 1: PROJECTED POPULATION GROWTH, 2020-2030**

Year	Population
2020	32,140
2021	33,048
2022	33,981
2023	34,940
2024	35,926
2025	36,940
2026	37,983
2027	39,055
2028	40,157
2029	41,291
2030	42,456

Source: Syracuse City

This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

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

The analysis considers only *system* facilities in the calculation of impact fees. For the City, this has been determined to mean community parks. Neighborhood parks are considered *project* improvements and have not been included in the calculation of impact fees.

Existing service levels are based on the (2020) levels of service in the City for both parks and trails. Existing and proposed service levels are shown in the table below.

**TABLE 2: EXISTING AND PROPOSED SERVICE LEVELS**

	Existing	Proposed (Minimum)	Excess Capacity
Land (acres, with improvements, per 1,000 population) – Impact Fee Eligible	2.33	2.33	0
Land (acres, with improvements, per 1,000 population)	6.26	6.26	0
Investment per Capita	\$1,039.61	\$1,039.61	0

The City intends to at least maintain existing service levels for both parks and trails.

### Impact on System Improvements by Anticipated Development Activity - Utah Code 11-36a-304(1)(b)

The table below shows the declining service levels that would occur in Syracuse, due to population growth, if no new facilities are added. Each of these declining service levels is discussed in more detail in the body of this report.

**TABLE 3: IMPACTS TO SERVICE LEVELS DUE TO NEW DEVELOPMENT IF NO IMPROVEMENTS ARE MADE**

Year	Population	Acres per 1000	Investment per Capita
2020	32,140	2.33	\$1,039.61
2021	33,047	2.27	\$1,011.07
2022	33,980	2.20	\$983.31
2023	34,939	2.14	\$956.32
2024	35,925	2.08	\$930.07
2025	36,939	2.03	\$904.54
2026	37,982	1.97	\$879.70
2027	39,054	1.92	\$855.56
2028	40,156	1.87	\$832.08
2029	41,290	1.81	\$809.23
2030	42,456	1.76	\$787.00

### Relationship of Anticipated Impacts to Anticipated Development Activity - Utah Code 11-36a-304(1)(c)

The demand placed on existing public park, trails and recreation facilities by new development activity is attributable to population growth. Syracuse has a 2020 population of 32,140 persons and as a result of anticipated development activity will grow to a projected 42,456 persons by 2030 – an increase of 10,316 persons. As growth occurs as a result of increased development activity, more parks and trails are needed to maintain existing service levels and to reach proposed service levels.

In order to maintain the existing level of service, the projected new development over the next ten years will require the construction or acquisition of new facilities in the amount of \$10,724,572, as stated in 2020 dollars.

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

#### Costs Reasonably Related to New Development Activity

The cost of new system improvements required to maintain the service levels related to new development activity are based on the costs of system-wide park and trail facilities, and the consultant fees for the preparation of the Impact Fee Facilities Plan and the Impact Fee Analysis.

The total gross fee is \$749.24 per capita. However, the actual fee charged will be based on the average household size of a residential unit.

**TABLE 4: CALCULATION OF GROSS IMPACT FEE**

	Cost per Capita	HH Size	Max Fee	Current Fee
Household Size	\$749.24	3.67	<b>\$2,749.70</b>	\$2,393

### **Manner of Financing - *Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h)***

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An impact fee is a one-time fee that is implemented by a local government on new development to help fund and pay for all or a portion of the costs of public facilities that are needed to serve new development. Additionally, impact fees allow new growth to share in the cost of existing facilities that have excess capacity.

#### **Impact Fee Credits**

The Impact Fees Act requires credits to be paid back 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.

#### **Extraordinary Costs and Time Price Differential**

It is not anticipated that there will be any extraordinary costs in servicing newly-developed park properties.

## Utah Code 11-36a

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*Preparation of Impact Fee Analysis.* Utah Code requires that “each local political subdivision... intending to impose an impact fee shall prepare a written analysis (Impact Fee Analysis or IFA) of each impact fee” (Utah Code 11-36a-303). This IFA follows all legal requirements as outlined below. The City has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Analysis in accordance with legal requirements.

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

- anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;

- anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;

- how anticipated impacts are reasonably related to the anticipated development activity

- the proportionate share of:

  - costs for existing capacity that will be recouped; and

  - costs of impacts on system improvement that are reasonably related to the new development activity; and

  - 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:

- the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;

- the cost of system improvements for each public facility;

- 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;

- 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;

- the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;

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;

extraordinary costs, if any in servicing the newly developed properties; and

the time-price differential inherent in fair comparisons of amounts paid at different times.

**Calculating Impact Fees.** Utah Code 11-36a-305 states that for purposes of calculating an impact fee, a local political subdivision or private entity may include the following:

construction contract price;

cost of acquiring land, improvements, materials, and fixtures;

cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and

for a political subdivision, debt service charges 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 11-36a-306 states that an impact fee 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 11-36a-202 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.

**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. The City has complied with this noticing requirement for the IFA by posting notice.

## Impact Fee Analysis

Utah Code allows cities to include only system-wide parks for the purpose of calculating impact fees. Project-wide parks cannot be used to establish levels of service eligible to be maintained through impact fees. Based on input from the City and the consultants, a system-wide park is defined as a park that serves more than one local development area. System-wide parks in Syracuse include community parks.

This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

# 1 Impact on Consumption of Existing Capacity

*Utah Code 11-36a-304(1)(a): an impact fee analysis shall identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity*

## Demand Placed on Facilities by New Development Activity

### Park Land and Park Improvements

Syracuse City currently has 74.9 systemwide park acres that qualify to be included in the calculation of impact fees. The existing level of service for parks then, for the purpose of calculating impact fees, is 2.33 acres per 1,000 residents, calculated by dividing the 74.9 eligible park acres by the 2020 population of 32,140 residents (which has been divided by 1,000).

The table below summarizes the improvements, along with the costs, that were used to determine an existing standard for park land and improvements. Cost estimates have been provided in consultation with the City.

TABLE 5: SYSTEM PARK LAND AND IMPROVEMENTS

Improvements (Less Jensen)	Total Units	Cost per Unit	Total Cost
Acres	74.9	\$120,000	\$8,988,000
Sod & Irrigation Acres	79.54	\$105,851	\$8,419,373
Asphalt Acres	14.53	\$200,376	\$2,911,463
Large Restroom	5.00	\$250,000	\$1,250,000
Small Restroom	7.00	\$100,000	\$700,000
Large Pavilion	8.00	\$80,000	\$640,000
Small Pavilion	7.00	\$55,000	\$385,000
Picnic Shelter	23.00	\$10,000	\$230,000
Tables	137.00	\$750	\$102,750
Benches	37.25	\$250	\$9,313
Grills	6.00	\$400	\$2,400
Drinking Fountain	14.00	\$1,000	\$14,000
Playground	10.00	\$115,000	\$1,150,000
Walking Path (Miles)	5.65	\$177,408	\$1,002,000
Baseball	6.00	\$20,000	\$120,000

Improvements (Less Jensen)	Total Units	Cost per Unit	Total Cost
Multi-Use Fields	13.00	\$20,000	\$260,000
Field Light	1.00	\$5,000	\$5,000
Trees	1069.00	\$150	\$160,350
Fishing Pond	1.00	\$1,004,657	\$1,004,657
Pond/Water Feature	2.00	\$3,000	\$6,000
Waterfall	3.00	\$5,000	\$15,000
Skateboard Park	1.00	\$250,000	\$250,000
Tennis	2.00	\$60,000	\$120,000
Pickleball Court	8.00	\$33,000	\$264,000
Basketball Court	4.00	\$20,000	\$80,000
Volleyball Court	4.00	\$15,000	\$60,000
Trailhead	3.00	\$150,000	\$450,000
Interactive Water Feature	1.00	\$945,000	\$945,000
Park Maintenance Facility	1.00	\$2,500,000	\$2,500,000
Old Emigrant Trail - Linear Feet	27,931	\$49	\$1,368,619
<b>TOTAL</b>			<b>\$33,412,925</b>

With 74.9 existing park acres, the average cost for land and improvements is \$446,100 per acre. Land costs are estimated at \$120,000 per acre based on consultation with Syracuse City.

Existing park service levels will decline, due to new development activity, from the existing service level of 2.33 acres per 1,000 persons to 1.76 acres per 1,000 residents by 2030 if no improvements are made.

**TABLE 6: PARK LAND AND IMPROVEMENT SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2020-2030**

Year	Population	Acres per 1000	Investment per Capita
2020	32,140	2.33	\$1,039.61
2021	33,047	2.27	\$1,011.07
2022	33,980	2.20	\$983.31
2023	34,939	2.14	\$956.32
2024	35,925	2.08	\$930.07
2025	36,939	2.03	\$904.54
2026	37,982	1.97	\$879.70
2027	39,054	1.92	\$855.56
2028	40,156	1.87	\$832.08
2029	41,290	1.81	\$809.23
2030	42,456	1.76	\$787.00

## 2 Impact on System Improvements by Anticipated Development Activity

*Utah Code 11-36a-304(1)(b): an impact fee analysis shall identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;*

The City will need to acquire additional park lands and trail miles and make park and trail improvements to maintain its existing service levels of improved parks. Impact fees will be used to maintain the existing service levels for parks and trails.

The figures in the following table were calculated by multiplying the existing service levels by the cost for each line item by the projected growth in demand over the next ten years.

Total costs anticipated over the next 10 years to maintain existing service levels given the projected growth in the City, is \$10,724,572.

**TABLE 7: SUMMARY OF NEW FACILITIES NEEDED TO MEET THE DEMANDS OF NEW GROWTH, 2020-2030**

Year	Total Park Acres Needed	Growth in Acres Needed	Additional Cost Required
2020	74.9		
2021	77.0	2.1	\$942,922
2022	79.2	2.2	\$969,952
2023	81.4	2.2	\$996,982
2024	83.7	2.3	\$1,025,051
2025	86.1	2.4	\$1,054,160
2026	88.5	2.4	\$1,084,309
2027	91.0	2.5	\$1,114,457
2028	93.6	2.6	\$1,145,645
2029	96.2	2.6	\$1,178,913
2030	98.9	2.7	\$1,212,180
<b>Growth, 2020-2030</b>	<b>24.0</b>	<b>24.0</b>	<b>\$10,724,572</b>

## 3

## Relationship of Anticipated Impacts to Anticipated Development Activity

*Utah Code 11-36a-304(1)(c): an impact fee analysis shall subject to Subsection (2), demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;*

The demand placed on existing public park facilities by new development activity is attributable to population growth. Syracuse has a 2020 population of 32,140 persons and as a result of anticipated development activity will grow to a projected 42,456 persons by 2030 – an increase of 10,316 persons. As growth occurs, more parks and trails are needed to maintain existing service levels and to reach proposed service levels.

## 4

## Proportionate Share Analysis

*Utah Code 11-36a-304(1)(d)(i)(ii): an impact fee analysis shall estimate the proportionate share of costs for existing capacity that will be recouped; and the costs of impacts on system improvements that are reasonably related to the new development activity;*

### Costs Reasonably Related to New Development Activity

The cost of new system improvements required to maintain the existing level of parks, trails and recreation services related to new development activity is based on the cost of system-wide park and trail facilities, as well as consultant fees for the preparation of the Impact Fee Facilities Plan and the Impact Fee Analysis.

The City will need to acquire an additional 24 acres of land over the next 10 years in order to maintain its existing service level of 2.33 acres per 1,000 persons. At a cost of \$120,000 per acre, including improvements, the cost to the City will be \$10,724,572. The proportionate share per capita, for new development, is \$1,039.61

TABLE 8: PER CAPITA COST TO MAINTAIN LOS FOR PARK LAND AND IMPROVEMENTS

New Construction	
Existing Improvements	\$33,412,924.80
Existing LOS per Capita	\$1,039.61
Improvements Needed, 2020-2030	\$10,724,571.63
Population Growth, 2020-2030	10,316
<b>Cost per Capita, 2020-2030</b>	<b>\$1,039.61</b>

The Impact Fee Facilities Plan and Impact Fee Analysis consultant cost is \$0.39 per capita.

TABLE 9: PER CAPITA CONSULTANT COSTS

Description	Amount
Consultant Costs	\$4,000
Population Growth 2020-2030	10,316
<b>Cost per Capita</b>	<b>\$0.39</b>

A credit must be made for the current impact fee fund balance of \$2,999,484 which can be used to pay for the cost of new projects needed to maintain existing service levels.

**TABLE 10: IMPACT FEE FUND BALANCE CREDIT**

	<b>Amount</b>
Impact Fee Fund Balance	\$2,999,484.00
Population Growth, 2020-2030	10,316
<b>Credit per Capita</b>	<b>(\$290.76)</b>

The total gross Parks, Trails and Recreation Impact Fee is \$749.24 per capita.

**TABLE 11: MAXIMUM ALLOWABLE IMPACT FEE**

	<b>Amount</b>
New Improvements	\$1,039.61
Consultant Fees	\$0.39
Fund Balance	(\$290.76)
<b>TOTAL</b>	<b>\$749.24</b>

The maximum fee per capita is then multiplied by the average household size in order to calculate the maximum impact fee of \$2,749.70 that can be charged.

**TABLE 12: MAXIMUM IMPACT FEE**

	<b>Cost per Capita</b>	<b>HH Size</b>	<b>Max Fee</b>	<b>Current Fee</b>
Household Size	\$749.24	3.67	<b>\$2,749.70</b>	\$2,393

## Impact Fee Credits

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*Utah Code 11-36a-304(1)(e): an impact fee analysis shall, based on the requirements of this chapter, identify how the impact fee was calculated;*

There are no bonds outstanding on parks or trails facilities and therefore no credits need to be made.

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## Manner of Financing

*Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h): an impact fee analysis shall identify, if applicable: other than impact fees, the manner of financing for each public facility such as user charges, special assessments, bonded indebtedness, federal taxes, or federal grants;*

An impact fee is a one-time fee that is implemented by a local government on new development to help fund and pay for all or a portion of the costs of public facilities that are needed to serve new development. These fees are usually implemented to help reduce the economic burden on local jurisdictions that are

trying to deal with growth within the area. As a matter of policy and legislative discretion, a City may choose to have new development pay the full cost of its share of new public facilities if the facilities would not be needed except to service new development. However, local governments may use other sources of revenue to pay for the new facilities required to service new development and use impact fees to recover the cost difference between the total cost and the other sources of revenue. Additionally, impact fees allow new growth to share in the cost of existing facilities that have excess capacity.

At the current time, no other sources of funding other than impact fees have been identified, but to the extent that any are identified and received in the future, then impact fees will be reduced accordingly.

Additional system-wide park land and recreation facility improvements beyond those funded through impact fees that are desired to maintain a higher proposed level of service will be paid for by the community through other revenue sources such as user charges, special assessments, GO bonds, general taxes, etc.

### **Impact Fee Credits**

The Impact Fees Act requires credits to be paid back 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 may also be paid back 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 should be included in the IFFP and must be agreed upon with the City before construction begins.

In the situation that a developer chooses to construct facilities found in the IFFP in lieu of impact fees, the arrangement must be made through the developer and the City.

### **Extraordinary Costs and Time Price Differential**

It is not anticipated that there will be any extraordinary costs in servicing newly developed park properties.

## **Certification**

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Zions Public Finance, Inc. 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.