



TO: Fruita City Council and Mayor

FROM: Marc Mancuso, Parks and Recreation Director

DATE: October 18, 2022

AGENDA TEXT: PHROST Impact Fee Study Report Presentation by Consultant

BACKGROUND

The purpose of this special workshop item is to receive a final report and presentation from our contracted consultant Carson Bise, President of TischlerBise.

The City adopted an updated Parks, Health, Recreation, Open Space, and Trails (PHROST) Master Plan in April 2021. The PHROST Master Plan is an update to the City's Parks, Open Space, and Trails Master Plan, originally adopted in 2009.

The PHROST plan recommended the City conduct a study to reevaluate the POST Impact Fee/Dedication.

The reasoning for conducting a study on the POST Impact fee were as follows:

- - Currently the maximum combined parkland and trail impact fee is \$4,405; however, since the previous master plan was implemented in 2009, the City has charged a fee of \$1,860 to date.
 - The development costs are based on average land values in Fruita and data on recent park and trail construction costs in the region for 2009.
 - In the PHROST master plan, completed in 2021, it was identified to meet future capital needs for new or expansions to parks, open space, and trails facilities and services that the City collects POST impact fees to address increased demands that new development has on these facilities and services.
 - The current impact fee has led to a surplus of neighborhood park acreage (4.4 acres per 1000) and to a deficiency in community park acreage (1.72 acres per 1000)
 - To keep pace with costs associated with providing parks, open space, and trail facilities and services
 - To reevaluate which types of parks and improvements are included in the fee.

Proposals were received and interviews conducted for a consultant to perform the POST Impact Fee Study. A contract was awarded to TischlerBise on December 7, 2021. TischlerBise is a fiscal, economic, and planning consulting firm specializing in fiscal/economic impact analysis, impact fees, user fees, market feasibility, infrastructure financing studies, and related revenue strategies. TischlerBise has prepared over 1,000 impact fee studies across the country – more than any other firm. They are

innovators in the field, pioneering approaches for credits, impact fees by size of housing unit, and distance-related/tiered impact fees. More importantly, a TischlerBise impact fee methodology has never been successfully challenged in a court of law.

TischlerBise was hired to complete the following scope of work that provided detailed steps to ensure that the project was completed successfully and met the legal requirements for impact fees, based on the States's enabling legislation (SB15), as well as national case law. The scope of services provided were the following:

- Task 1 project initiation and data acquisition.
- Task 2 prepare land use assumptions and development projects.
- Task 3 determine capital facility needs and service levels.
- Task 4 evaluate different allocation methodologies.
- Task 5 determine the need for "credits" to be applied against capital costs.
- Task 6 conduct funding and cash flow analysis.
- Task 7 prepare the draft and final impact fee report for public presentations.

In early 2022, project initiation and data acquisition and preparation of land use assumptions and development projects were completed. Capital facility needs and service levels were analyzed. Different allocation methodologies and capital facility needs and services levels were analyzed. In May of 2022, preparation of the impact fee report and public outreach was completed.

There were several public outreach meetings held in June and July of 2022, with different stakeholders including, The Home Builders Association, Grand Junction Realtor Association, Parks and Recreation Advisory Board, and Fruita Chamber of Commerce. These meetings were held in person and virtually with the consultant to provide information on the findings as well as gather feedback on the proposal.

The final report and findings will be presented at the October 18th City Council workshop to determine the next steps for the PHROST impact fee. The findings in the report will provide data and information for further discussion on what options are available moving forward with the impact fee changes, while considering the feedback from stakeholders and current economic climate we are facing with affordable housing issues and increasing costs to development. TischlerBise can help answer questions about implementation and strategies to consider in implementing a new fee over time or in the future.