



AGENDA REPORT

City Council Meeting

TODAY'S DATE: June 26, 2024

MEETING DATE: July 03, 2024

TO: Mayor and City Council

FROM: Jason Welker, Community Planning & Development Director

SUBJECT: Agreement No. A24-1910-4 with TischlerBise, Inc for updated Development Impact Fee Study

DESCRIPTION/BACKGROUND:

The City of Sandpoint's current Development Impact Fees (DIFs) were established following the last DIF study, which was completed, and its recommended fees adopted, in 2011. DIFs are one-time payments used to construct system improvements needed to accommodate new development. An impact fee represents new growth's fair share of capital facility needs. Sandpoint current collects impact fees for all new development within the City, with different fee schedules applying within the two Urban Renewal Areas (downtown and Northern) and outside of the Urban Renewal areas. Below is the current table of maximum allowable development impact fees for areas of the City outside of the Urban Renewal Areas from the 2011 study.

Figure 2. Summary of Maximum Allowable Development Impact Fees by Land Use: Outside Urban Renewal Areas

		Parks & Recreation	Police	Fire	Transportation: Streets *	Transportation: Pathways	TOTAL Impact Fee	Total Current Fee	Increase (Decrease)
Residential		Per Housing Unit							
	Number of Bedrooms								
Multifamily/Other	All Sizes	\$2,437	\$214	\$550	\$2,872	\$358	\$6,431	\$3,668	\$2,763
Single Family	0-3	\$2,256	\$198	\$509	\$3,138	\$332	\$6,433	\$3,882	\$2,551
Single Family	4+	\$3,378	\$297	\$763	\$4,219	\$497	\$9,154	\$3,882	\$5,272
Single Family	Avg	\$2,510	\$220	\$567	\$3,382	\$369	\$7,048	\$3,882	\$3,166
Nonresidential		Per Square Foot of Floor Area							
820	Commercial / Shpg Ctr Average	n/a	\$0.13	\$0.94	\$7.14	\$0.21	\$8.43	\$2.34	\$6.09
710	Office	n/a	\$0.04	\$0.32	\$2.65	\$0.07	\$3.08	\$0.90	\$2.18
151	Mini-Warehouse	n/a	\$0.01	\$0.07	\$0.60	\$0.02	\$0.70	\$0.52	\$0.18
150	Warehousing	n/a	\$0.01	\$0.10	\$0.85	\$0.02	\$0.99	\$0.57	\$0.42
140	Manufacturing	n/a	\$0.01	\$0.11	\$0.92	\$0.03	\$1.07	\$0.58	\$0.49
110	Light Industrial	n/a	\$0.03	\$0.20	\$1.68	\$0.05	\$1.95	\$0.72	\$1.23

* See other fee schedules for Urban Renewal Areas

Note from the table that all new residential development pays fees based on the type of residential structure being built (multifamily unit vs. single family), while nonresidential development pays on a per square foot basis. Furthermore, residential development pays fees for park and recreation impacts, while

nonresidential development pays proportionally more for streets. The rationale behind these varying allocations for different public services based on type of development is just one part of what will be included in a new DIF study.

A Request for Proposals was released and posted on the City's website on May 17, 2024 with a proposal deadline of June 18, 2024 for a firm to conduct a new Development Impact Fee Study. The City received one proposal and that was from TischlerBise. The proposal scope includes all consulting services for the preparation and delivery of new/updated DIF recommendations. This process will include meeting with City staff, presentations to City Council, and development of a final report. The City has also requested the consultant include in the report a proposal for new development impact fees to support a stormwater system, which is something the City will be required to implement in the future should our population grow beyond 10,000 (expected as early as the 2030 census).

In addition to City staff, the Development Impact Fee Committee will be included in the study's development and public engagement opportunities will be available through presentations to the DIF Committee and to City Council.

The final report with recommendations is due by February 28th, 2025.

The project schedule as presented in the contract is below:

PROJECT SCHEDULE - SANDPOINT DEVELOPMENT IMPACT FEE STUDY			
Tasks	Anticipated Dates	Meetings	Meetings/Deliverables
Task 1: Project Initiation/Data Acquisition	July, 2024	1	Data Request Memorandum
Task 2: Develop Land Use Assumptions and Development Projections	July - August, 2024	1	Technical Memorandum Outlining Recommended Land Use Assumptions
Task 3: Determine Capital Facility Needs and Service Levels	July - November, 2024	2	Memoranda as Appropriate
Task 4: Evaluate Different Allocation Methodologies	November - December, 2024	1	Memoranda as Appropriate
Task 5: Prepare Capital Improvements Program (CIP) Chapter	December, 2024	0	"Storyboard" Presentation on Fee Options
Task 6: Determine Need for and Calculate Credits	January, 2025	0	Draft Capital Improvement Plan
Task 7: Conduct Funding Source and Cash Flow Analysis	January, 2025	0	Memoranda as Appropriate
Task 8: Prepare Draft/Final DIF and CIP Report	January - February, 2025	1	Draft/Final Development Impact Fee and Capital Improvement Program Report
Task 9: Meetings with Development Impact Fee Advisory Committee	January - February, 2025	2	Draft DIF and CIP Report. Presentation materials as appropriate.

STAFF RECOMMENDATION:

Staff recommends City Council approve Agreement A24-1910-4 with TischlerBise, Inc. for an updated Development Impact Fee Study in the amount of \$76,790.

ACTION:

Staff requests City Council approve A24-1910-4 Agreement A24-1910-4 with TischlerBise, Inc. for an updated Development Impact Fee Study in the amount of \$76,790.

WILL THERE BE ANY FINANCIAL IMPACT? Yes HAS THIS ITEM BEEN BUDGETED? Yes

ATTACHMENTS:

Proposed Resolution

Agreement A24-1910-4 Tischler Bise Inc Development Impact Fee Study

2011 Development Impact Fee Study