



Staff Report

To: City Council
From: Jason Welker, Community Planning and Development Director, and Bill Dean, City Planner
Report: August 26, 2025
Hearing: September 3, 2025
Item: Public Hearing regarding amendment to Sandpoint City Code Title 12, Chapter 1 Development Impact Fee Regulations
Applicant: City Initiated

Please Note: The draft code amendment is provided on the City's website at: www.sandpointidaho.gov/currentprojects

1) Introduction and Background

The proposed ordinance amending Sandpoint City Code Title 12 Chapter 1 stems from the recent adoption of the updated 2025 Capital Improvement Plan and Development Impact Fee study prepared by TischlerBise, a consulting firm. The City's ordinance establishes the method by which developers of land pay impact fees identified in the study. This update to the development impact fee ordinance is necessary because the ordinance currently refers to the previous development impact study completed in 2011.

Included in the proposed amendment are:

1. An update to the date (2025) of the development impact fee study.
2. Separating regulations related to fee credits and reimbursements as those sections of the code were combined.

2) Relevant Comprehensive Plan Objectives

The City's 2024 Comprehensive Plan contains objectives and policies that serve to guide any proposed code amendment. Consideration and regulations for the development impact fee ordinance is integral to new development and redevelopment and the Comp Plan provides guidance as follows:

Vision Statement related to Sustainable Development, page 20:

Long-term sustainability of infrastructure and service investments should be ensured and keep pace with growth.

Safety and health with the highest quality public safety and emergency services should be ensured.

Land Use and Growth

Goal 1: Efficient Land Use.

Policy B: Ensure new growth does not disproportionately overburden services or create

excessive long-term maintenance responsibilities for supporting public infrastructure.

Multi-Modal Transportation

Goal 1: Provide a Balanced Approach to Mobility

Policy B: Improve and enhance safety and traffic circulation to preserve an acceptable level of service (LOS) at intersections without jeopardizing pedestrian safety.

Goal 2: Walkable and Bikeable Network

Policy A: Invest in and implement a well-defined pedestrian priority network to guide investment in pedestrian facility improvements

Policy C: Invest in and implement a well-defined bicycle priority network to guide investment in bicycle facility improvements.

Policy D: Improve intersections, crossings, and bus stops for pedestrians and bicyclists, installing crosswalks, signs, and curb ramps to bring them up to public rights-of-way accessibility standards.

Goal 7: Plan for Increase in Demands

Policy C: Continue to thoroughly assess off-site traffic impacts of new development to ensure adequate funding of needed infrastructure

Public Facilities, Services and Utilities

Goal 1: Utilities and Infrastructure:

Policy A: Assure city infrastructure has sufficient capacity to meet the community's long-term needs.

Policy G: Strategically plan for the maintenance, replacement, and expansion of aging utilities and infrastructure

Goal 5: Public Safety

Policy B: Ensure that quality fire protection, rescue, and emergency medical services are provided within Sandpoint

In addition, the Comp Plan Appendix A (Implementation) page 2 refers to two specific implementation efforts related to development impact fees:

- Chapter 8: Public Facilities, services & utilities Infrastructure Funding Develop a 5-year integrated CIP including a 20 year forecast.
- Manage limited downtown parking Explore options for paid parking at City Beach and downtown parking lot

3) Development Impact Fee Study History

2024	City adopts new Comprehensive Plan which includes specific reference to ensuring adequate infrastructure commensurate with new growth.
June 9, 2025	Development Impact Fee Advisory Committee (DIFAC) review of proposed Development Impact Fees
June 25, 2025	City Council review of the 2025 Capital Improvement Plan and Development Impact Fee Study
July 16, 2025	City Council public hearing on the 2025 Capital Improvement Plan and Development Impact Fee Study. CC action to implement the maximum supportable impact fees

August 20, 2025	City Council adopts City Fees
September 3, 2025	City Council Public Hearing on Proposed Ordinance amending Title 12, Chapter 1 Development Impact Fee Regulations

4) Effective Date of City Council Action on the Development Impact Fee Ordinance

The effective date that the new development impact fees would be applicable to new development is October 3, 2025. Sandpoint city code provides the following instructions on when development impact fees are due to the City:

Sandpoint City Code 12-1-3 Collection of Impact Fee:

- A) The new development impact fees shall be paid and collected at the time of issuance of a building permit or a manufactured/mobile home installation permit.
- B) No building permit or other equivalent city approval shall be issued for “development” as herein defined unless the impact fee is paid pursuant to this chapter.

5) City Council Options

- 1) Adopt the ordinance and code amendment as drafted
- 2) Discuss alternate code language and direct staff to return with a revised draft

6) Attachments

- 1. Redline Version of Proposed Amendments to Sandpoint City Code Title 12 Chapter 1