

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF SANDPOINT, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, AMENDING SANDPOINT CERTAIN SECTIONS OF CITY CODE TITLE 12, CHAPTER 1, DEVELOPMENT IMPACT FEE REGULATIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS: In June of 2025 the City of Sandpoint undertook an update to its development impact fees program that was last comprehensively updated in 2011 with the intent to evaluate and update impact fees for (1) parks and recreation, (2) pathways, (3) roads, (4) police, and (5) fire, and

WHEREAS: The purpose of the study was to demonstrate the City's compliance with Idaho Statutes as authorized by the Idaho Legislature, specifically Idaho Code 67-8202(104)), together with requirements for a Capital Improvement Plan consistent with Idaho Code 67-8208, and

WHEREAS: The Development Impact Fee ordinance in Sandpoint is codified in Title 12 of the city code which requires updating to reference the newly adopted development impact fee study together with other clarifying updates related to fee credits and reimbursements, and

WHEREAS: A public hearing on the code amendments to Sandpoint city code title 12 was held at the regularly scheduled meeting of the Sandpoint City Council on September 3, 2025,

NOW THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Sandpoint that:

**ORDINANCE SECTION 1 – AMENDMENT TO CITY CODE TITLE 12, CHAPTER 1, SECTION 1**

Sandpoint City Code Title 12, Chapter 1, Section 1, Title, Purpose and Definitions, is hereby amended as follows:

12-1-1: Title, Purpose and Definitions:

- A. The provisions of this chapter shall be known as the City of Sandpoint Development Impact Fee Ordinance. The purpose of these regulations is to prescribe the procedure whereby developers of land shall pay an impact fee as set forth in this chapter for the purpose of providing the public facilities and system improvements needed to serve future residents and users of such development. It is further the purpose of this chapter to:
  1. Ensure that adequate facilities are available to serve new growth and development;
  2. Promote orderly growth and development by establishing uniform standards by which the city may require that those who benefit from new growth and

ORDINANCE NO. \_\_\_\_\_

development pay a proportionate share of the cost of new public facilities needed to serve new growth and development;

3. Ensure that those who benefit from new growth and development are required to pay no more than their proportionate share of the cost of public facilities needed to serve new growth and development and to prevent duplicate and ad hoc development requirements;
4. Collect and expend development impact fees pursuant to the enabling powers granted by the provision of the Idaho development impact fee act, title 67, chapter 82, Idaho Code;
- ~~5. Provide the legal and procedural basis for the implementation of development impact fees within the area of city impact, as approved by Bonner County; and~~
65. Ensure that any capital improvement funded wholly or in part with impact fee revenue shall first be included in an approved capital improvements plan that lists the capital improvements that may be funded with impact fee revenues as well as the estimated costs and timing for each improvement.

B. As used in this chapter, the following words and terms shall have the following meanings, unless another meaning is plainly intended:

**BEDROOM:** A private room in a dwelling that is larger than one hundred (100) square feet gross floor area, including closet space, meets the building code egress requirements of the international building code, is separable from other rooms by a door or door frame that can be used for a standard door, does not have facilities or furnishings for cooking, eating, or laundering and is not solely a bathroom, a living room, a den/family room, a kitchen, a dining room, a laundry room or a utility room for HVAC equipment.

**BUILDING PERMIT:** the permit required for new construction and additions.

**CAPITAL IMPROVEMENTS:** Improvements with a useful life of twenty (20) years or more, by new construction or other action, which increase the service capacity of a public facility, or service improvement.

**CAPITAL IMPROVEMENTS PLAN:** A plan adopted and amended pursuant to the provisions of the Idaho development impact fee act, Idaho Code section 67-8208, which identifies capital improvements for which development impact fees may be used as a funding source. The capital improvements plan is included as part of the ~~"2011 capital improvement plans and development impact fees" study prepared by TischlerBise, dated September 28, 2011,~~ City's 2025 Capital Improvement Plan and Development Impact Fee Study, along with all footnotes, exhibits, appendices, addenda, and other attachments referenced therein, a copy of which is on file with the city clerk's office, and which is hereinafter referred to as "report" for purposes of this chapter.

**CITY:** The City of Sandpoint, a municipal corporation duly organized pursuant to the laws of the State of Idaho.

**DEVELOPMENT:** Any manmade change to improved or unimproved real property, the use of any principal structure or land, or any other activity that requires issuance of a

ORDINANCE NO. \_\_\_\_\_

building permit, or manufactured/mobile home permit, which creates additional demand and need for public facilities.

**DEVELOPMENT APPROVAL:** Any written duly authorized document from the city that authorizes the commencement of a development.

**DEVELOPMENT IMPACT FEE:** A payment of money imposed as a condition of development approval to pay for a proportionate share of the cost of system improvements needed to serve the development. The proportionate share, including associated capacity demands, is included in the report. This term is also referred to as an impact fee in this chapter. The term does not include the following:

1. A charge or fee to pay the administrative, plan review or inspection cost associated with permits required for development;
2. Connection or hookup charges;
3. Availability charges for drainage, sewer, water, or transportation charges for services provided directly to the development; or
4. Amounts collected from a developer in a transaction in which the city has incurred expenses in constructing capital improvements for the development if the owner or developer has agreed to be financially responsible for the construction or installation of the capital improvements, unless a written agreement is made pursuant to section 67-8209(4), Idaho Code, for credit or reimbursement.

**DEVELOPMENT REQUIREMENT:** A requirement attached to a developmental approval or other governmental action approving or authorizing a particular development project including, but not limited to, a rezoning, subdivision, or a development permit, which requirement compels the payment, dedication or contribution of goods, services, land, or money as a condition of approval.

**EXTRAORDINARY COSTS:** Those costs incurred as a result of an extraordinary impact.

**EXTRAORDINARY IMPACT:** An impact which is reasonably determined by the city to:

1. Result in the need for system improvements, the cost of which will significantly exceed the sum of the development impact fees to be generated from the project or the sum agreed to be paid pursuant to a development agreement as allowed by section 67-8214(2), Idaho Code;
2. Result in the need for system improvements which are not identified in the capital improvements plan;
3. Have an impact which results in a lower than acceptable level of service.

**FEE PAYER:** That person who pays or is required to pay a development impact fee.

**GROSS FLOOR AREA:** the sum of the areas of the several floors of the building or structure, including areas used for human occupancy or required for the conduct of the business or use, as measured from the exterior faces of the walls. It does not include cellars, unenclosed porches, or attics when not used for human occupancy, nor any floor

ORDINANCE NO. \_\_\_\_\_

space in an accessory building, carport, or the main building intended or designed for the parking of motor vehicles in order to meet any city parking requirement nor nonresidential facilities; arcades, porticoes, and similar open areas which are located at or near street level, which are accessible to the general public, and which are not designed or used as sales, display, storage, service, or production areas.

IMPACT FEE: See definition of Development Impact Fee.

LAND USE ASSUMPTIONS: A description of the service area and projections of land uses, densities, intensities, and population in the service area over at least a twenty (20) year period.

LEVEL OF SERVICE: A measure of the relationship between service capacity and service demand for public facilities.

MANUFACTURED HOME: A structure, constructed according to HUD/FHA manufactured home construction and safety standards, transportable in one or more sections, which:

1. In the traveling mode, is eight feet (8') or more in width or is forty (40) body feet or more in length, or
2. When erected on site, is three hundred twenty (320) or more square feet; and
3. Is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities; and
4. Includes the plumbing, heating, air conditioning, and electrical systems contained therein;
5. Except that such term shall include any structure which meets all the requirements of this definition except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the secretary of housing and urban development and complies with the standards established under 42 USC 5401 et seq.

MOBILE HOME: A structure similar to a manufactured home, but built to a mobile home code prior to June 15, 1976, the date of enactment of the federal manufactured housing and safety standards act (HUD code.)

MODULAR BUILDING: Any building or building component, other than a manufactured/mobile home, which is constructed according to standards contained in the applicable building code, as adopted or any amendments thereto, which is of closed construction and is either entirely or substantially prefabricated or assembled at a place other than the building site.

PRESENT VALUE: the total current monetary value of past, present, or future payments, contributions or dedications of goods, services, materials, construction, or money.

PROJECT: A particular development on an identified parcel of land.

PROJECT IMPROVEMENTS: In contrast to system improvements, project improvements are site improvements and facilities that are planned and designed to provide service for

ORDINANCE NO. \_\_\_\_\_

a particular development project and that are necessary for the use and the convenience of the occupants or users of the project.

**PROPORTIONATE SHARE:** That portion of the cost of system improvements determined pursuant to the formula for assessment of impact fees set forth in the report and in the fee resolution adopted by the city council to implement its provisions. The proportionate share of the costs attributable to new development are based upon the plans and formulas made applicable through the report in a manner consistent with requirements of chapter 82, title 67, Idaho Code.

**PUBLIC FACILITIES:** Those types of improvements described in Idaho Code section 50-1703, including, but not limited to, the following:

1. Parks, open space and recreation areas, and related capital improvements; and
2. Public safety facilities.

**RECREATIONAL VEHICLE:** A vehicular type unit primarily designed as temporary quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle.

**SERVICE UNIT:** A standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards for a particular public facility category (i.e., parks, police) of capital improvements.

**SYSTEM IMPROVEMENTS:** In contrast to project improvements, means capital improvements to public facilities which are designed to provide service to a service area including, and without limitation, the type of improvements described in section 50-1703, Idaho Code.

**SYSTEM IMPROVEMENTS COSTS:** Costs incurred for construction or reconstruction of system improvements, including design, acquisition, engineering and other costs attributable thereto, and also including, without limitation, the type of costs described in section 50-1702(h), Idaho Code, to provide additional public facilities needed to service new growth and development. For clarification, system improvement costs do not include:

1. Construction, acquisition or expansion of public facilities other than capital improvements identified in the capital improvements plan;
2. Repair, operation or maintenance of existing or new capital improvements;
3. Upgrading, updating, expanding or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental or regulatory standards;
4. Administrative and operating costs of the city unless such costs are attributable to development of the capital improvements plan, as provided in section 67-8208, Idaho Code; or
5. Principal payments and interest or other finance charges on bonds or other indebtedness except financial obligations issued by or on behalf of the city to finance capital improvements identified in the capital improvements plan.

ORDINANCE NO. \_\_\_\_\_

UNIT(S) OF DEVELOPMENT: A quantifiable increment of development activity measured in terms of dwelling units, or other appropriate measurements contained in the impact fee schedule incorporated in the City's 2025 Capital Improvement Plan and Development Impact Fee Study report.

**ORDINANCE SECTION 2 – AMENDMENT TO CITY CODE TITLE 12, CHAPTER 1, SECTION 9, CREDITS AND REIMBURSEMENT**

Sandpoint City Code Title 12, Chapter 1, Section 9, Credits and Reimbursement, is hereby amended as follows:

12-1-9: Credits and Reimbursement:

- A. In the calculation of development impact fees for a particular project, credit or reimbursement shall be given for the present value of any construction of system improvements or contribution or dedication of land or money required by the city from a developer for system improvements of the public facility category (i.e., parks, police, fire, circulation) for which the development impact fee is being collected. Credit or reimbursement shall not be given for project improvements.
- B. If a developer is required to construct, fund or contribute system improvements in excess of the development project's proportionate share of system improvement costs, the developer shall receive a credit on future impact fees or be reimbursed at the developer's choice for such excess construction, funding or contribution from development impact fees paid by future development which impacts the system improvements constructed, funded or contributed by the developer(s) or fee payer. If a credit for the payment of future impact fees is requested, the credit shall be given only for the public facility category that received system improvements in excess of the development's proportionate share.
- C. If credit is due to the developer pursuant to this section the credit shall be assessed prior to the payment of the fee.
- ~~GD.~~ If credit or reimbursement is due to the developer pursuant to this section, the city shall enter into a written agreement, with the fee payer, negotiated in good faith, prior to the construction, funding, or contribution. The agreement shall provide for the ~~amount of credit or the amount, time and form of reimbursement.~~
- ~~DE.~~ No credits shall be given for the construction of local on site facilities, structures, improvements, or other project improvements required by zoning, subdivision, or other city regulations unless the improvement is identified in the ~~“report”~~City's 2025 Capital Improvement Plan and Development Impact Fee Study as a system improvement.
- ~~EE.~~ Any person requesting such credit or reimbursement shall submit their request in writing on a form provided by the city and present documentation of costs or payments for facilities to the city clerk or his or her duly designated agent prior to issuance of a building permit or manufactured/mobile home installation permit. The determination shall be made no more than forty-five (45) days after complete

ORDINANCE NO. \_\_\_\_\_

documentation is submitted to the city clerk or his or her duly designated agent. Any appeal from such a determination by the city clerk, or his or her duly designated agent, shall be pursuant to section 12-1-11 of this chapter.

**ORDINANCE SECTION 3 – AMENDMENT TO CITY CODE TITLE 12, CHAPTER 1, SECTION 13**

Sandpoint City Code Title 12, Chapter 1, Section 13, Adoption of the Report; Capital Improvement Plan, is hereby amended as follows:

12-1-13: Adoption of the Report; Capital Improvement Plan:

The report, titled "~~2011 Capital Improvement Plans and Development Impact Fees~~" Capital Improvement Plan and Development Impact Fee Study prepared by TischlerBise, dated September 28, 2011 June 2025, along with all footnotes, exhibits, appendices, addenda, and other attachments referenced therein, all of which are, by this reference, incorporated herein as if set forth fully, is hereby adopted as the technical foundation upon which Sandpoint development impact fees are to be based. A description of acceptable levels of service for system improvements is described in the report.

**ORDINANCE SECTION 4 – REPEAL AND SEVERABILITY:**

- A. Any provision of the *Sandpoint City Code* found to be inconsistent with this Ordinance is hereby repealed.
- B. Should any provision of this Ordinance be deemed unlawful or unconstitutional, such finding shall not affect the remaining provisions of this Ordinance.

**ORDINANCE SECTION 5 – PUBLICATION AND EFFECTIVE DATE:**

This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

PASSED AND ADOPTED AS AN ORDINANCE OF THE CITY OF SANDPOINT, IDAHO,  
AT A REGULAR SESSION OF THE SANDPOINT CITY COUNCIL ON \_\_\_\_\_, 2025.

\_\_\_\_\_  
Jeremy Grimm, Mayor

Attest: \_\_\_\_\_  
Melissa Ward, City Clerk