

City of Star Impact Fee Advisory Committee Feedback Summary



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CLEARWATER
— FINANCIAL —

Impact Fee Advisory Committee Feedback Executive Summary

Executive Summary

Clearwater Financial conducted a structured group interview with four of the five appointed members of the City of Star's Impact Fee Advisory Committee. The goal was to assess awareness of current impact fees—especially for parks—and to gather feedback regarding the potential development of new fees and capital improvement plans for police and pathway infrastructure.

The committee, composed of residents and industry professionals—including two active developers, brought diverse perspectives. While most members understood the general intent behind impact fees, familiarity with their specific application in Star varied. There was unified support for impact fees as tools to help growth pay for growth, though concerns were raised about the transparency of how these fees are allocated and their cumulative impact when combined with other development-related costs.

Impact Fee Advisory Committee

Jenna England	Dustin Keyes	Michael Keyes	Tyler Oliver	Jeff Wood
Berkley Building Company	DK Contractors		Business Owner	
Resident	Resident	Resident	Resident	Resident

Key findings include:

- The current impact fee levels are generally in line with peer cities, but total development costs—including impact fees, mitigation fees, and permitting charges—could make Star less competitive.
- Developers highlighted that increased fees could reduce project viability and hinder housing affordability, especially for entry-level and workforce housing.
- Members identified transportation as a top infrastructure need, even though it is outside the scope of current impact fees under consideration.
- Specific infrastructure recommendations include adding decentralized police substations, expanding parks and greenway connectivity, and avoiding overbuilt public safety facilities.
- There was strong support for integrating public-private partnerships and external grant funding to supplement, but not replace, impact fees.
- Recommendations for public engagement include signage with QR codes, enhanced online communications, open houses, and increased transparency about the use of funds.

The committee broadly supports the use of impact fees if applied with fiscal discipline, clear public communication, and a balanced approach that safeguards both infrastructure quality and housing accessibility.

Impact Fee Advisory Committee Feedback Summary

General Awareness and Perceptions

Committee members displayed varying levels of familiarity with general and City of Star-specific impact fee structures. While some were aware of the purpose and use of impact fees for parks, others noted they were still learning about the legal and financial boundaries associated with fee usage. Several expressed support for impact fees as a growth-responsive funding tool, but also raised concerns about transparency, distribution, and cumulative cost impacts—particularly when combined with other local development charges.

Fairness and Market Comparison

Committee members generally agreed that the City's impact fees were comparable to peer cities (e.g., Eagle, Meridian) in isolation. However, strong concern was voiced regarding the combination of impact fees and other charges—such as mitigation fees, permitting costs and other development costs—which may cause Star's total development costs to be higher when comparing neighboring municipalities. These combined were cited as possible barriers to affordability and economic competitiveness. Members also discussed the need for amenities to help bring business interest, local jobs and related housing to the City.

Housing Affordability and Financing

- Two members of the committee are active builders and/or developers. They shared that rising fees directly reduce project viability. Specific points included:
 - A national statistic that for every \$1,000 increase in housing costs, an estimated 1,000 buyers are priced out of the market.
 - Higher total fees (including impact and mitigation) are making it difficult to meet required bank financing thresholds for individual projects. Thresholds were explained to be different for each builder and or project.
 - Developers are pausing or pivoting Star-based projects due to eroding margins and financial feasibility.

There is concern that fee increases indirectly harm broader affordability goals, particularly for workforce housing.

Infrastructure Needs and Funding Preferences

Feedback suggested the greatest long-term infrastructure concern is transportation, though participants acknowledged that roads fall outside the scope of park, pathway, and police impact fees. Committee members did support:

- Substations or decentralized public safety facilities across Star (e.g., Pollard Road, foothills, west Star).

- Modest but functional public safety buildings with basic office and meeting space—not overbuilt or costly.
- Expanding parks and river access, particularly west and east of Star Road.
- Completing key pathway connections (e.g., Pinewood Lakes to downtown; Crystal Springs Bridge to Riverwalk).

There was broad support for public-private partnerships and outside grant funding as supplements to impact fees, not replacements. Several emphasized the need for fiscal restraint in capital design and for engaging builders in early cost planning to ensure projects are scoped and bid reasonably.

Public Engagement Recommendations

Members strongly endorsed the use of:

- Community signage in parks and trailheads with QR codes to project websites.
- Posting updates on popular Facebook groups and the City’s webpage.
- Transparency in defining what impact fees can and cannot fund.
- Open house events and ongoing access to impact fee data by project and department.

Conclusion

The feedback gathered from the City of Star’s Impact Fee Advisory Committee underscores a cautious but constructive stance on impact fees. Committee members agree that impact fees are necessary to meet the demands of a growing community, provided they are implemented with transparency, moderation, and input from development stakeholders.

The dual pressures of infrastructure need and housing affordability require a balanced strategy. Members recommend targeted investments in public safety, parks, and connectivity that reflect community priorities without overextending public resources or pricing out residents and developers.

They also emphasized the importance of early engagement with builders and maintaining clear communication channels with the public.

Ultimately, the committee’s input advocates for a future-forward approach: align fees with realistic, prioritized capital improvement goals; pursue cost-sharing through partnerships; and preserve Star’s economic and community vitality through prudent planning and accountability.