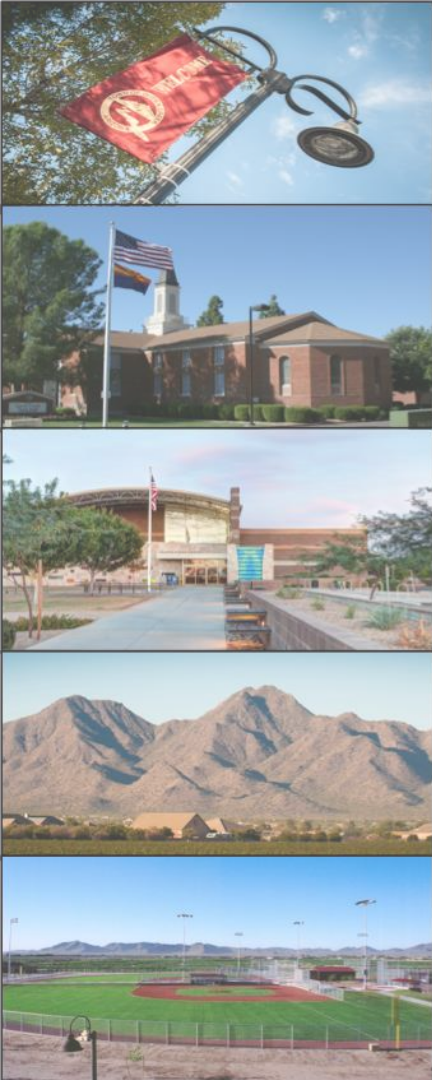




UPDATING THE TOWN'S IMPACT AND CAPACITY FEES: OUR APPROACH AND CALENDAR

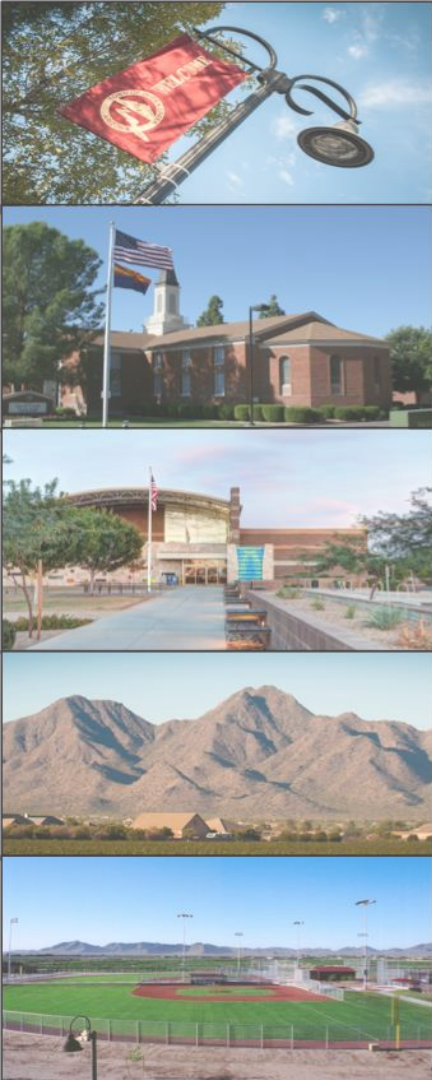
Town Council Meeting

October 4, 2017



COUNCIL DIRECTION

- Update the Town's Impact and Capacity Fees All Together with a September 2018 Effective Date
- Queen Creek Has Eight Fees
 - Six Impact Fees (Public Safety, Fire, Transportation, Parks, Library, and Facilities)
 - Two Capacity Fees (Water and Wastewater)



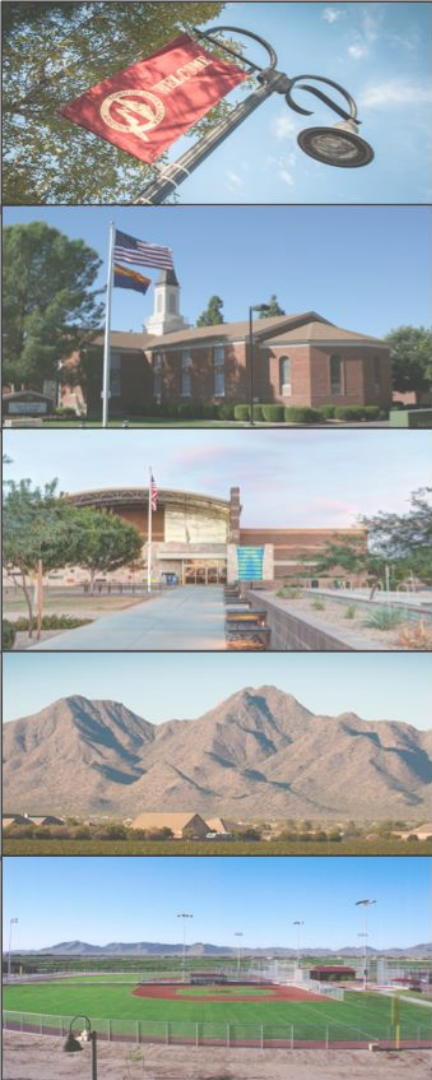
COUNCIL DIRECTION

(CONTINUED)

- Continue to Use the Focus Group and Expand its Membership to Include Representatives from the Town's Committees and Commissions
 - Planning and Zoning Commission
 - Transportation Advisory Committee
 - Economic Development Commission
 - Parks and Recreation Advisory Committee

ROLES AND RESPONSIBILITIES

- Focus Group Objective
 - Provide an Opportunity for Stakeholders and Representatives of the Public (via Town Committee Representatives) the Opportunity for Feedback, Questions, and Comments



ROLES AND RESPONSIBILITIES

(CONTINUED)

- **Focus Group** (concluded)
 - 7 Meetings Concluding in March 2018
 - Review Land Use Assumptions
 - Growth Projections
 - Review Individual Fee Reports
 - Level of Service
 - Project List
 - “Maximum Supportable Fee”



ROLES AND RESPONSIBILITIES (CONTINUED)

- Provide Updates to the Town's Committees and Commissions
 - TAC: Transportation Fee
 - PRAC: Parks Fee
 - P&Z: Land Use Assumptions & All Fees
 - EDC: All Fees



ROLES AND RESPONSIBILITIES (CONTINUED)

- Town Council
 - Review and Accept Land Use Assumptions
 - Growth Projections
 - Review and Accept Individual Fee Reports Through April 2018
 - Level of Service
 - Project List
 - “Maximum Supportable Fee”



ROLES AND RESPONSIBILITIES (CONTINUED)

- **Town Council** (concluded)
 - Decisions to Set Fees All at the Same Time Begins in April 2018
 - Determine Use of \$6.5M Placeholder
 - Transportation Funding Plan
 - Parks Funding Plan
 - Issue Bonds



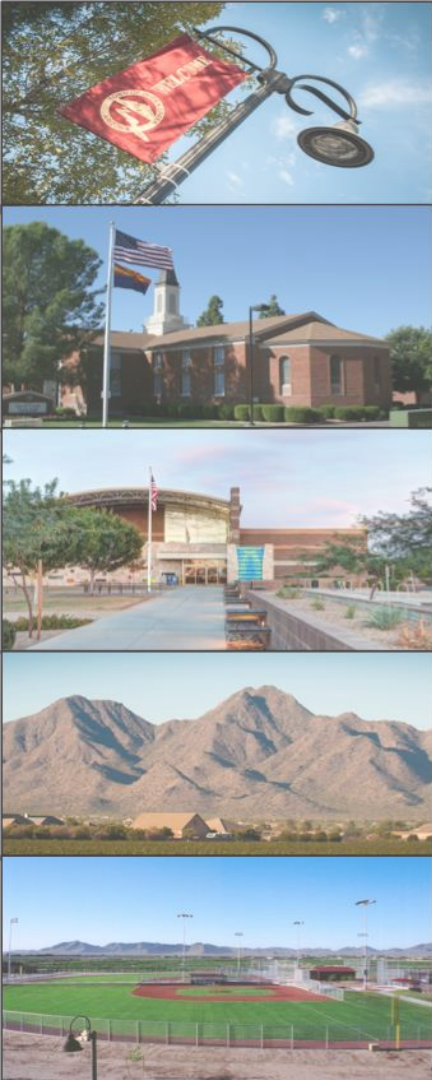
ROLES AND RESPONSIBILITIES (CONCLUDED)

- Communications Plan
 - Website Created for Focus Group
 - www.QueenCreek.org/ImpactFeeFocusGroup
 - Hold a Public Forum Before the Town Council's Final Decision to Set Fees



PROPOSED CALENDAR

Fee	Focus Group Meeting	Town Council Meeting
1.Library	October 30	
2.Public Facilities	October 30	
3.Fire	November 20	
4.Police	November 20	December 6 (First 4 Fees)
5.Transportation	November 20	December 20
6.Parks and Recreation	Jan 23 and Feb 15	February 21
7.Wastewater	Feb 15 and March 6	
8.Water	Feb 15 and March 6	March 21 (Last 2 Fees)



PROPOSED CALENDAR

(CONCLUDED)

- Focus Group
 - Final Meeting: March 29th
- Town Council
 - IIP/LUA Approved: April 4th
 - Water / Wastewater Capacity Fee Ordinance: May 16th
 - Impact Fee Ordinance: June 20th
 - Effective Date: September 3rd

ADDITIONAL INFORMATION

1. Net Financial Impact Study

- Determine Net Amount Received from New Population and Commercial Development
 - Statutory Requirement
 - Impact Fee Offset

2. Economic Reports

- Impact / Capacity Fee Study
- QC Economy Study



ADDITIONAL INFORMATION (CONTINUED)

3. All-In Cost Comparison

- Building / Permit Fees
- Impact / Capacity Fees
- Sales Tax



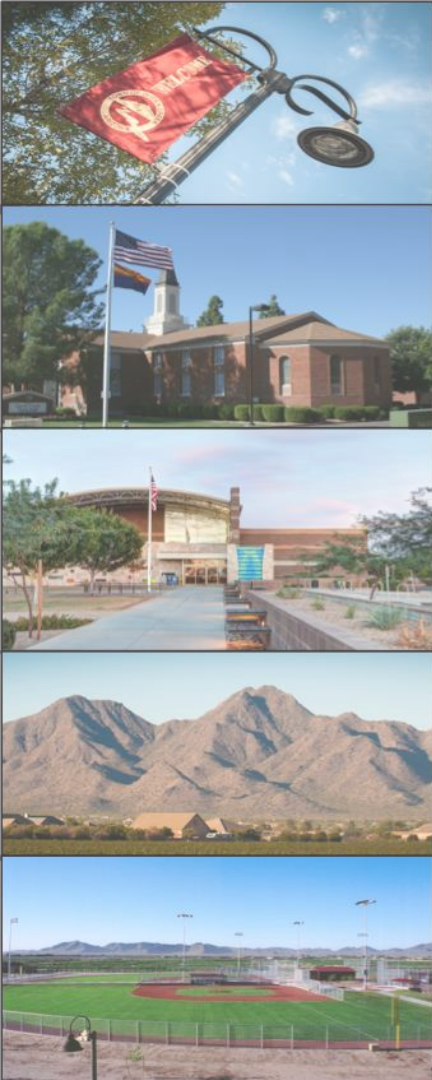
ADDITIONAL INFORMATION (CONTINUED)

4. Comparative Entities

- Chandler
- Gilbert
- Mesa (Eastmark and Cadence)
- Pinal County

5. Evaluate Possible Parks Land Sale





ADDITIONAL INFORMATION (CONCLUDED)

6. Water and Wastewater Rate Policy Issues

- Possible Water Return On Investment Policy to Reduce the Public Safety Subsidy from the General Fund
- Water Replenishment Funding Strategy

UPCOMING BOND ISSUE

Background

- The Town Has Been Building the Needed Infrastructure While Concurrently Developing Financing Plans
- \$63M Reimbursement Resolution Approved in June 2016
 - Transportation, Two Fire Stations, and the Public Safety Facility



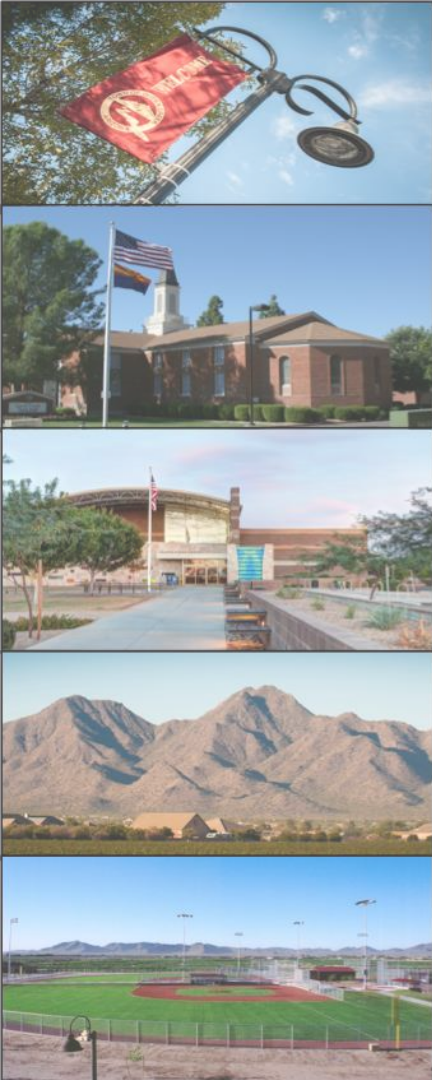
UPCOMING BOND ISSUE

(CONTINUED)

Background (continued)

- \$75M Bond Issue Included in FY 2017-18 Adopted Budget
 - For Transportation, Fire, & Public Safety
 - \$4.2M Annual Payment (Estimate)
 - 3.75% Interest Rate (Estimate)





UPCOMING BOND ISSUE

(CONTINUED)

Background (continued)

- \$12.3M Interfund Loans Approved by Town Council as of June 30, 2017
 - Transportation: \$3.3M
 - Fire and Public Safety: \$9M



UPCOMING BOND ISSUE

(CONTINUED)

Background (continued)

- Resources to Fund Interfund Loans Will Not Exist at June 30, 2018
 - \$25M Expected to Spent on Transportation Projects in Current Fiscal Year

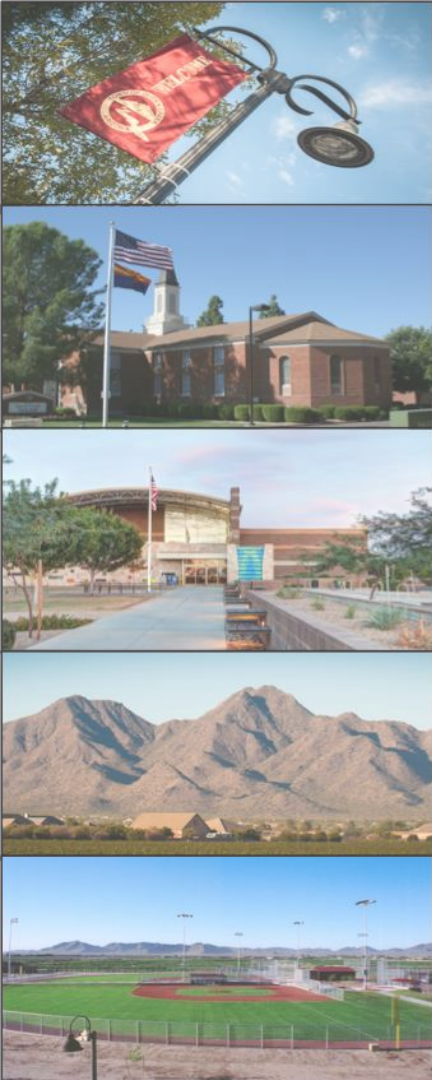


UPCOMING BOND ISSUE

(CONCLUDED)

Background (concluded)

- \$90M Expected in Transportation Projects over the Next 6 Years
 - Funding Sources:
 - Dedicated Construction Sales Tax
 - Impact Fees
 - Bond Issue (\$6.5M Placeholder)



BOND ISSUE CALENDAR

November 1

- Determine Purpose and Amount
- Determine Structure
- Update Debt Management Policy

December 6

- Adopt Bond Resolution

Late January /
Early February

- Bond Sale (Market Timing Critical)

FOCUS GROUP MEETING #1

Presentations

- Impact Fees 101
- Overview of Town's Existing Program
- Approach and Calendar to Update Fees



FOCUS GROUP MEETING

#1 (CONCLUDED)

Takeaways

- Information Requests
 - Annual Revenue Amounts
 - Prior Years' Permit Activity
- Approach
 - Town Council Reporters
 - One Development Community and One Town Committee Member Representative





Questions and Comments