



Acceptance of the FY 19-20 Impact and Capacity Fee Reports

Town Council Meeting

January 20, 2021

Purpose of Presentation

- Summarize the FY 19-20 Impact and Capacity Fee Activity
- Recommendation to Approve Resolution 1393-21 Accepting the FY 19-20 Impact Fee Report and Capacity Fee Report



Background

- Impact and Capacity Fees are One-Time Fees Paid by New Development to Mitigate the Cost of New Infrastructure Installed to Maintain the Adopted Service Levels
 - Impact Fees (6): Police, Fire, Transportation, Parks, Library, and Town Facilities
 - Capacity Fees (2): Water and Wastewater
 - Service Areas are Larger than the Town Boundary



Background (continued)

- Fee Amounts

- State Law Provides Guidance RE. Fee Calculations
- Effective Date of Last Fee Update
 - Impact Fees: February 10, 2020
 - Capacity Fees: July 1, 2019
- Example: Single-Family House Fee
 - Can be one of three amounts based upon when first permit in subdivision was paid
 - \$10,635
 - \$12,077
 - \$12,648



Background (concluded)

- Reporting

- Impact Fees: Annual Report Required by State Law
- Capacity Fees: Annual Report Required by Town Council Financial Policy
- Town Council Acceptance of Both Reports: Required per Town Council Financial Policy to Improve Communication to the Public and the Development Community



FY 19-20 Activity

*****Very High Activity Levels*****

Impact Fees:	
Single-Family Residential Units	1,735
Multi-Family Units	50
Non-Residential Square Feet	~250K
Capacity Fees:	
Water Fees Assessed	1,807
Wastewater Fees Assessed	1,549



FY 19-20 Financial Summary

***Important Observations:
Fees Collected do not Align with Expenses
Ending Balances will Fluctuate***

	Beginning Balance	+ Fees / Interest	+ Bond Proceeds	- Expenses (Project Costs and Debt Payments)	Ending Balance
1. Parks	\$7.2M	\$6.5M		\$0.7M	\$13.0M
2. Town Facilities	\$2.6	\$0.7		\$0.3	\$3.0
3. Transportation	\$1.2	\$2.9	\$12.1M	\$8.0	\$8.2
4. Library	\$1.2	\$0.9		\$0.2	\$1.9
5. Police	\$0.3	\$0.5		\$0.4	\$0.4
6. Fire	\$2.1	\$1.2	\$12.2	\$2.0	\$13.5
7. Water	\$2.5	\$4.9		\$10.4	(\$3.0)
8. Wastewater	(\$7.7)	\$4.6		\$12.0	(\$15.1)
Totals		<u>\$22.2</u>		<u>\$34.0</u>	

Related Action Items

1. Address Cash Flow Deficits in Water and Wastewater Prior to End Of the Current Fiscal Year
 - Expand Existing Pay-As-You Approach in Water and Wastewater to Include Debt
2. Report Enhancements
 - Add Original Projections to Show Variances
 - Add Information to Better Contextualize Impact and Capacity Fees as a Percent of Total Spent on Projects



Recommended Motion

Approve Resolution 1393-21 Accepting the
FY 19-20 Annual Impact Fee and Capacity Fee
Reports

