



## **Saratoga Springs**

# **Parks, Recreation, Trails and Open Space Impact Fee Facilities Plan**

ZIONS  PUBLIC FINANCE, INC.

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## Summary

### Background

Saratoga Springs (“City”) has completed a Parks, Recreation, Open Space and Trails Master Plan. The Master Plan, along with updated input from the City, forms the basis for this Impact Fee Facilities Plan (IFFP) for Parks, Trails and Recreation.

The City has determined that there is one service area citywide and that there is excess capacity in two facilities – the Marina and Patriot Park. All other parks, trails and recreation facilities are considered to be at full capacity in 2018. Only residential development is considered to create demand for parks, trails and recreation facilities and therefore only residential growth has been considered in the determination of impact fees.

Projections for population growth in Saratoga Springs are as follows:

TABLE 1: PROJECTED POPULATION GROWTH, 2018-2028

Year	Population
2018	28,984
2019	30,894
2020	32,930
2021	35,100
2022	37,413
2023	39,878
2024	42,506
2025	45,307
2026	48,293
2027	51,475
2028	54,867

Source: Utah Governor’s Office of Management and Budget; Saratoga Springs

### Identify the Existing and Proposed Levels of Service and Excess Capacity

*Utah Code 11-36a-302(1)(a)(i)(ii)(iii)*

The IFFP considers only *system* facilities in the calculation of impact fees. For the City, this has been determined to mean community and regional parks and trail systems. Local parks and trails are considered *project* improvements and have not been included in the calculation of impact fees.

Existing service levels are based on the (2018) levels of service in the City for both parks and trails.<sup>1</sup> Existing and proposed service levels are shown in the table below.

<sup>1</sup> The IFFP shows different service level than the Master Plan. This difference occurs for two reasons: 1) the IFFP cannot include project improvements (i.e., local parks), which are included in the level of service in the Master Plan; and 2) the IFFP establishes the service level based on the 2018 population, whereas the Parks, Recreation, Trails, and Open Space Master Plan establishes the level of service based on 2011 population which is when it was prepared by Landmark Design Inc. and subsequently adopted by the City on November 15, 2011.

TABLE 2: EXISTING AND PROPOSED SERVICE LEVELS

	UNITS		
	Existing	Proposed	Excess Capacity
Marinas (population capacity per marina)	28,984	85,970	56,986
Regional Fields Complex - Patriot Park (acres per 1,000 persons)	1.04	0.52	0.51
Park Land and Improvements (acres, with improvements, per 1,000 persons)	2.29	2.29	0.00
Trail Miles - Rural (trail miles per 1,000 persons)	0.20	0.20	0.00
Trail Miles - Urban (trail miles per 1,000 persons)	0.16	0.16	0.00
Trail Miles - Wilderness (trail miles per 1,000 persons)	0.02	0.02	0.00

The City intends to at least maintain service levels for both parks and trails. Only two facilities currently have excess capacity – the Marina and Patriot Park. Other parks and trails development in the City is one overall recreation system designed to meet the needs and desires of its residents for physical and leisure activities.

### Identify Demands Placed Upon Existing Public Facilities by New Development Activity at the Proposed Level of Service

*Utah Code 11-36a-302(1)(a)(iv)*

The table below shows the declining service levels that would occur in Saratoga Springs, due to population growth, if no new facilities are added. Each of these declining service levels is discussed in more detail in the body of this report.

TABLE 3: IMPACTS TO SERVICE LEVELS DUE TO NEW DEVELOPMENT IF NO IMPROVEMENTS ARE MADE

	Units (Acres/Miles per 1,000 Population 2018)	Units (Acres/Miles per 1,000 Population 2028)
Park Land and Improvements (acres per 1,000 population)	2.29	1.21
Trail Miles - Rural (trail miles per 1,000 population)	0.20	0.10
Trail Miles - Urban (trail miles per 1,000 population)	0.16	0.08
Trail Miles - Wilderness (trail miles per 1,000 population)	0.02	0.01

### Identify How the Growth Demands Will Be Met

*Utah Code 11-36a-302(1)(a)(v)*

New development will buy into the excess capacity in the Marina and Patriot Park. In order to maintain the existing level of service at the other parks, recreation and trail facilities, the projected new development over the next ten years will require the construction or acquisition of new facilities in the amount of \$12,972,942, as stated in 2018 dollars.

**TABLE 4: NEW FACILITIES NEEDED TO MEET THE DEMANDS OF NEW GROWTH, 2018-2028**

<b>Description</b>	<b>Amount</b>
Park Land and Improvements	\$11,517,016
Trails – Rural	\$537,521
Trails – Urban	\$895,773
Trails – Wilderness	\$22,632
<b>TOTAL</b>	<b>\$12,972,942</b>

### Consideration of Revenue Sources to Finance Impacts on System Improvements

#### *Utah Code 11-36a-302(2)*

This Impact Fee Facilities Plan includes a thorough discussion of all potential revenues sources for parks, recreation, and trails improvements. These revenue sources include grants, bonds, interfund loans, transfers from the General Fund, impact fees and anticipated or accepted dedications of system improvements.

### Utah Code Legal Requirements

Utah law requires that communities prepare an Impact Fee Facilities Plan (IFFP) before preparing an Impact Fee Analysis (IFA) and enacting an impact fee. Utah law also requires that communities give notice of their intent to prepare and adopt an IFFP. This IFFP follows all legal requirements as outlined below. The City has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Facilities Plan in accordance with legal requirements.

#### *Notice of Intent to Prepare Impact Fee Facilities Plan*

A local political subdivision must provide written notice of its intent to prepare an IFFP before preparing the Plan (Utah Code §11-36a-501). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFFP by posting notice.

#### *Preparation of Impact Fee Facilities Plan*

Utah Code requires that each local political subdivision, before imposing an impact fee, prepare an impact fee facilities plan. (Utah Code 11-36a-301).

Section 11-36a-302(a) of the Utah Code outlines the requirements of an impact fee facilities plan which is required to identify the following:

- (i) identify the existing level of service
- (ii) establish a proposed level of service
- (iii) identify any excess capacity to accommodate future growth at the proposed level of service
- (iv) identify demands placed upon existing facilities by new development activity at the proposed level of service; and
- (v) identify the means by which the political subdivision or private entity will meet those growth demands.

Further, the proposed level of service may:

- (i) exceed the existing level of service if, independent of the use of impact fees, the political subdivision or private entity provides, implements, and maintains the means to increase the existing level of service for existing demand within six years of the date on which new growth is charged for the proposed level of service; or
- (ii) establish a new public facility if, independent of the use of impact fees, the political subdivision or private entity provides, implements, and maintains the means to increase the existing level of service for existing demand within six years of the date on which new growth is charged for the proposed level of service.

In preparing an impact fee facilities plan, each local political subdivision shall generally consider all revenue sources to finance the impacts on system improvements, including:

- (a) grants
- (b) bonds
- (c) interfund loans
- (d) transfers from the General Fund
- (e) impact fees; and
- (f) anticipated or accepted dedications of system improvements.

#### *Certification of Impact Fee Facilities Plan*

Utah Code states that an impact fee facilities plan shall include a written certification from the person or entity that prepares the impact fee facilities plan. This certification is included at the conclusion of this analysis.

## Existing Service Levels, Proposed Service Levels and Excess Capacity

*Utah Code 11-36a-302(1)(a)(i)(ii)(iii)*

### Growth in Demand

Impacts on recreation-related facilities will come from residential development only. Residential growth is projected as follows:

**TABLE 5: PROJECTED POPULATION GROWTH, 2018-2028**

Year	Population	Population Growth
2018	28,984	
2019	30,894	1,910
2020	32,930	2,036
2021	35,100	2,170
2022	37,413	2,313
2023	39,878	2,465
2024	42,506	2,628
2025	45,307	2,801
2026	48,293	2,986
2027	51,475	3,182
2028	54,867	3,392
<b>TOTAL</b>		<b>25,883</b>

Year	Population	Population Growth
<i>Source: Utah Governor's Office of Management and Budget; Saratoga Springs</i>		

Population projections are for 25,883 new residents between 2018 and 2028.

### Existing Service Levels

#### Marina

The Marina is a unique facility in Saratoga Springs. The City anticipates one additional marina in the future and feels that each marina will serve 50 percent of the population. Therefore, each Marina will have the capacity to serve 85,970 persons. Because the anticipated population by 2028 will only reach 54,867 persons, new development can buy into the excess capacity of the existing Marina. With an actual cost of \$1,762,531.52 for marina improvements, the cost is \$20.50 per capita.<sup>2</sup>

#### Patriot Park

Patriot Park is a regional fields complex for which the City bonded for phase I acquisition and construction in 2017. The funds will be used to improve 30 acres and serve 57,313 residents, or a service level of 0.52 acres of regional fields complex per 1,000 persons.

#### Improved Park Land Area (excluding regional fields complex)

Existing system parks are shown in the Table below:

TABLE 6: SYSTEM PARKS

Park	Acres
Harvest Hills Park	13.34
Neptune Park	10.9
Sunrise Meadows Park	5.16
Reid and Ursula Wayman Park	1.2
Inlet Park	18.8
Shay Park	11
Talus B	6.1
<b>TOTAL</b>	<b>66.5</b>

The existing level of service for park area then, for the purpose of calculating impact fees, is 2.29 acres per 1,000 residents, calculated by dividing the 66.5 eligible park acres by the 2018 population of 28,984.

#### Park and Trails Improvements

The table below summarizes the current type and level of investment in system park and trails improvements to determine an existing standard for system parks and trails improvements per acre – excluding the regional fields complex.

TABLE 7: EXISTING SYSTEM PARK IMPROVEMENTS (EXCLUDING PATRIOT PARK)

	Number	Cost per Unit	Total Cost
Pavilion (large)	7	\$90,000	\$630,000
Picnic Tables	67	\$1,600	\$107,200

<sup>2</sup> Calculated by dividing the actual cost of \$1,762,531.52 by the capacity population of 85,970 persons.



	Number	Cost per Unit	Total Cost
Benches	33	\$400	\$13,200
Playground/Swings	7	\$80,000	\$560,000
Lighting	89	\$3,105	\$276,345
Backstop	6	\$10,000	\$60,000
Drinking Fountain	6	\$12,000	\$72,000
Restroom	4	\$90,000	\$360,000
Basketball Court	4	\$32,900	\$131,600
Walking Paths - Concrete (lf)*	13,752	\$40	\$553,518
Walking Paths - Asphalt (lf)*	4,181	\$36	\$150,516
Walking Paths - Dirt Paths (lf)*	662	\$9	\$5,759
Park Mowed Acres	54	\$117,612	\$2,926,738
Parking Stalls	369	\$1,050	\$387,450
<b>TOTAL</b>			<b>\$6,234,327</b>

\*Walking paths are found within the parks and are considered a park amenity. They are separate and distinct amenities from the City's trail system.

With 66.5 existing park acres, the average cost of improvements is \$93,749.28 per acre.

In order to maintain the existing service level, the City will need to acquire 59.39 additional acres of park land over the next 10 years. The estimated cost of purchasing park land is \$155,000 per acre.<sup>3</sup>

### Trails – Rural

The City currently has 5.7 rural trail miles. This results in an existing service level of 0.20 rural trail miles per 1,000 persons, calculated by dividing the 5.7 rural trail miles by the 2018 population, which has been divided by 1,000.

### Trails – Urban

The City currently has 4.6 urban trail miles. This results in an existing service level of 0.16 urban trail miles per 1,000 persons, calculated by dividing the 4.6 urban trail miles by the 2018 population, which has been divided by 1,000.

### Trails – Wilderness

The City currently has 0.60 wilderness trail miles. This results in an existing service level of 0.02 wilderness trail miles per 1,000 persons, calculated by dividing the 0.60 urban trail miles by the 2018 population, which has been divided by 1,000.

## Proposed Service Levels

### Marina

<sup>3</sup> 21 acres of park property will be dedicated to the City pursuant to The Villages at Saratoga Springs (Fox Hollow) Second Master Development agreement (Utah County Recorder Entry # 59718:2013); therefore, only 38.39 acres will need to be purchased.

The existing Marina has capacity to serve 85,970 persons. Because the anticipated population by 2028 will only reach 54,867 persons, new development would need to buy into the excess capacity of the Marina on a per capita basis.

### **Patriot Park**

Patriot Park, a large-scale regional fields complex the first phase of which the City bonded for construction in 2017, will serve 57,313 persons.

### **Improved Parks and Trails (other than Patriot Park)**

According to the Parks, Recreation and Trails Master Plan, the City has determined that parks (other than the regional fields complex associated with Patriot Park) are currently at capacity. The City desires to maintain existing service levels in the future, as new development occurs.

Based on community input as part of the *Parks, Recreation, Trails and Open Space Master Plan*, November 2011, p. 4-3, City residents want more trails and better trail connections. However, impact fees will only be considered based on existing service levels, not on increased service levels.

### **Identify Excess Capacity**

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The City has identified excess capacity in two facilities – the Marina and Patriot Park.

#### **Marina**

The existing Marina has capacity to serve 85,970 persons. The Marina has existing excess capacity to serve an additional 56,986 persons. Because the anticipated population by 2028 will only reach 54,867 persons, new development will buy into the excess capacity of the existing Marina and no new facilities are needed.

#### **Patriot Park**

The first phase of Patriot Park is anticipated to serve 57,313 persons and will accommodate anticipated growth in the IFFP period, with a per capita buy in. Both existing and new development will be responsible for payment of Patriot Park which is being paid for through the recently-issued bond for this purpose. In order to avoid double payment by new development, impact fee credits will be made to recognize the bond payments by new development.

## **Identify Demands Placed on Existing Public Facilities by New Development Activity at Proposed Level of Service and How Those Demands Will Be Met**

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*Utah Code 11-36a-302(1)(a)(iv)(v)*

### **Demand Placed on Facilities by New Development Activity**

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#### **Marina**

The Marina has excess capacity to accommodate new development activity in the proposed IFFP period, with excess capacity of 31,103 additional residents at the end of the IFFP period.

#### **Patriot Park**

Currently, there is excess capacity in Patriot Park that may be purchased, on a per capita basis, by new residential development.

### Park Land and Park Improvements

Existing park service levels would decline, due to new development activity, from the existing service level of 2.29 acres per 1,000 persons to 1.21 acres per 1,000 residents if no improvements are made.

**Table 8: Park Land and Improvement Service Level Impacts from New Development Activity, 2018-2028**

Year	Population	Population Growth	Land Acres per 1000 Persons if No New Facilities
2018	28,984		2.29
2019	30,894	1,910	2.15
2020	32,930	2,036	2.02
2021	35,100	2,170	1.89
2022	37,413	2,313	1.78
2023	39,878	2,465	1.67
2024	42,506	2,628	1.56
2025	45,307	2,801	1.47
2026	48,293	2,986	1.38
2027	51,475	3,182	1.29
2028	54,867	3,392	1.21

### Rural Trail Miles

The existing level of service of 0.20 rural trail miles per 1,000 persons would decline to 0.10 rural trail miles per 1,000 persons, if no new improvements are made.

**Table 9: Rural Trail Miles Service Level Impacts from New Development Activity, 2018-2028**

Year	Population	Population Growth	Rural Trail Miles per 1000 Persons if No New Facilities
2018	28,984		0.20
2019	30,894	1,910	0.18
2020	32,930	2,036	0.17
2021	35,100	2,170	0.16
2022	37,413	2,313	0.15
2023	39,878	2,465	0.14
2024	42,506	2,628	0.13
2025	45,307	2,801	0.13
2026	48,293	2,986	0.12
2027	51,475	3,182	0.11
2028	54,867	3,392	0.10
<b>TOTAL</b>		<b>25,883</b>	

### Urban Trail Miles

The existing level of service of 0.16 urban trail miles per 1,000 persons would decline to 0.08 urban trail miles per 1,000 persons by 2028 if no new improvements are made.

**Table 10: Urban Trail Miles Service Level Impacts from New Development Activity, 2018-2028**

Year	Population	Population Growth	Urban Trail Miles per 1000 Persons if No New Facilities
2018	28,984		0.16
2019	30,894	1,910	0.15
2020	32,930	2,036	0.14
2021	35,100	2,170	0.13
2022	37,413	2,313	0.12
2023	39,878	2,465	0.12
2024	42,506	2,628	0.11
2025	45,307	2,801	0.10
2026	48,293	2,986	0.10
2027	51,475	3,182	0.09
2028	54,867	3,392	0.08
<b>TOTAL</b>		<b>25,883</b>	

**Wilderness Trail Miles**

The existing level of service of 0.02 wilderness trail miles per 1,000 persons would decline to 0.01 trail miles per 1,000 persons, if no new improvements are made.

**Table 11: Wilderness Trail Miles Service Level Impacts from New Development Activity, 2018-2028**

Year	Population	Population Growth	Wilderness Trail Miles per 1000 Persons if No New Facilities
2018	28,984		0.02
2019	30,894	1,910	0.02
2020	32,930	2,036	0.02
2021	35,100	2,170	0.02
2022	37,413	2,313	0.02
2023	39,878	2,465	0.02
2024	42,506	2,628	0.01
2025	45,307	2,801	0.01
2026	48,293	2,986	0.01
2027	51,475	3,182	0.01
2028	54,867	3,392	0.01
<b>TOTAL</b>		<b>25,883</b>	

**Identify the Means by Which the Political Subdivision Will Meet the Growth Demands**

Excluding the Marina and Patriot Park, the City will need to acquire additional park lands and trail miles and make park and trail improvements to maintain its existing service levels of improved parks (excluding Patriot Park). Impact fees will be used to maintain the existing service levels for parks and trails.

The figures in the following table were calculated by multiplying the existing service levels by the cost for each line item by the projected growth in demand over the next ten years.

**Table 12: Cost of New Construction Due to New Growth, 2018-2028**

<b>Description</b>	<b>Amount</b>
Park Land and Improvements	\$11,517,016
Trails – Rural	\$537,521
Trails – Urban	\$895,773
Trails – Wilderness	\$22,632
<b>TOTAL</b>	<b>\$12,972,942</b>

## Consideration of All Revenue Sources

*Utah Code 11-36a-302(2)*

### Grants

The City anticipates that future trail land will be acquired through easements and grants, as it has in the past, and has therefore not included any cost for trail land in the calculation of impact fees. The City is unaware of any potential grant sources for future parks, recreation and trails development. However, should it be the recipient of any such grants, it will then look at the potential to reduce impact fees.

While the City has been gifted some park property in the past, it has no future indication of any gifts that will be received by the City. Further, the City has conservatively excluded any gifted properties, or properties acquired through grant funds, from establishing its level of service used in the calculation of impact fees.

### Bonds

The City has one outstanding bond for parks, recreation, open space and trail facilities. The impact fees will need to ensure that appropriate credits are made in order avoid double-payment by new development. While the City could issue bonds in the future in order to fund parks, recreation or trail facilities, no bonds are currently being contemplated and therefore no costs associated with bond issuance have been included in the calculation of impact fees.

### Transfer from General Fund

To the extent that the City is able to generate net revenues in its General Fund, it may choose to transfer all or a portion of the net revenues to the City's capital fund. It is most likely that, if net revenues should be generated, they will be used to reach the Proposed Service Levels recommended in the City's Master Plan and not to offset the demands generated by new development, which is anticipated to be offset with impact fees.

### Impact Fees

Because of the growth anticipated to occur in the City, impact fees are a viable means of allowing new development to pay for the impacts that it places on the existing system. This IFFP is developed in accordance with legal guidelines so that an Impact Fee Analysis for Parks, Recreation, and Trails may be prepared and the City may charge impact fees for Parks, Recreation, and Trails.

### Anticipated or Accepted Dedications of System Improvements

Any item that a developer funds must be included in the IFFP if a credit against impact fees is to be issued and must be agreed upon with the City before construction of the improvements.

## Certification

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Zions Bank Public Finance certifies that the attached impact fee facilities plan:

1. Includes only the costs of public facilities that are:
  - a. allowed under the Impact Fees Act; and
  - b. actually incurred; or
  - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
  
2. Does not include:
  - a. costs of operation and maintenance of public facilities;
  - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
  - c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement;
  
3. Complies in each and every relevant respect with the Impact Fees Act.