FARMINGTON, UTAH

ORDINANCE NO. 2023- 38

AN ORDINANCE ADOPTING POLICE IMPACT FEE ANALYSIS AND POLICE IMPACT FEES ON DEVELOPMENT ACTIVITIES WITHIN FARMINGTON CITY, UTAH

WHEREAS, the City Council previously enacted Title 5, Chapter 11 of the Farmington City Municipal Code establishing and adopting various impact fees on development activities within the City; and

WHEREAS, the City Council has by Resolution now approved and adopted a Police Impact Fee Facilities Plan relating to police needs and infrastructure of the City and desires to adopt a police impact fee analysis and revised police impact fees accordingly; and

WHEREAS, the City Council has reviewed the existing police impact fees as well as the police Impact Fee Facilities Plan, together with an updated analysis as required by law and desires, based on the foregoing to adopt the updated police impact fee analysis and amended impact fees as provided herein;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF FARMINGTON CITY, STATE OF UTAH, AS FOLLOWS:

Section 1. Impact Fee Analysis Adoption. The City Council of Farmington City hereby approves and adopts that certain Impact Fee Analysis prepared by Zions Bank Public Finance, dated June, 2023 and attached hereto as Exhibit A and incorporated herein by reference.

Section 2. Severability Clause. If any section, part, or provision of this Ordinance is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Ordinance, and all sections, parts, and provisions of this Ordinance shall be severable.

Section 3. Effective Date. This Ordinance shall become effective on the ninetieth (90th) day following the date of approval by the City Council.

PASSED AND ADOPTED BY THE CITY COUNCIL OF FARMINGTON CITY, STATE OF UTAH, ON THIS 20th DAY OF JUNE, 2023.

FARMINGTON CITY SEAL INCORPORATED NOV 21, 1892 Davis County, Utah

FARMINGTON CITY

Brett Anderson, Mayor

ATTEST:

DeAnn Carlile

DeAnn Carlile, Recorder

Exhibit A
Farmington City



Public Safety Impact Fee Analysis

FarmingtonUTAH

Prepared by Zions Public Finance, Inc.
June 2023

IMPACT FEE ANALYSIS
FARMINGTON CITY

Executive Summary

Background

The Impact Fee Analysis (IFA) was prepared to meet the requirements of Utah Code §11-36a. Public safety includes both police (law enforcement) and fire capital facilities. Impact fees are a one-time fee charged to new development to help offset the capital costs associated with new growth in a community. Farmington has determined that there is one city-wide service area for police and fire protection services in the City. Therefore, all development in the City will be charged the same public safety impact fee regardless of where the new development takes place.

Impacts to public safety from residential and non-residential growth are manifest in increased calls for service for police and fire services. The increased demand results in the need for more public safety facilities.

New Development and Growth

Projected growth is shown in the following table:

TABLE 1: GROWTH PROJECTIONS

Year	Single-Family Units	Multi-Family Units	Non-Residential SF
2022	6,037	1,419	5,331,904
2023	6,127	1,449	5,579,945
2024	6,339	1,699	5,616,716
2025	6,640	1,948	5,653,488
2026	6,852	2,327	5,972,368
2027	7,063	2,707	6,291,248
2028	7,275	3,086	6,610,129
2029	7,381	3,490	6,924,116
2030	7,487	3,893	7,238,103
2031	7,594	4,297	7,552,091
2032	7,700	4,700	7,866,078

Source: Farmington City

Police. The police department projects 23,348 calls by 2032 – an increase of 8,360 calls over the number of calls received in 2022 (14,988).

Fire. The fire department projects 2,320 calls by 2032 – an increase of 834 over the number of calls received in 2022 (1,486).

Impact on Consumption of Existing Capacity - *Utah Code 11-36a-304(1)(a)*

Police. There were a total of 14,988 police calls for service in 2022 and 12,609 square feet of police facility space. This results in a service level of 0.84 square feet of building space per call. The City has planned for a new joint fire and police facility to serve rising demand for services. Plans are for a 17,000 square-foot facility of which 3,891 square feet will be allocated to police, as well as expansion of 2,400 square feet of space at the existing police station. This is in addition to existing police facilities of 12,609 square feet.

Fire. There were a total of 1,486 fire/EMS calls for service in 2022 and 16,529 square feet of fire facility space. This results in a service level of 11.12 square feet of building space per call. The City currently has no excess capacity in its existing fire facilities and therefore has planned for a new joint fire and police facility to serve the rising demand for services. Plans are for a 17,000 square-foot facility of which 13,109 square feet will be allocated to the fire department. This is in addition to existing fire facilities of 16,529 square feet.

Impact on System Improvements by Anticipated Development Activity - *Utah Code 11-36a-304(1)(b)*

Police. With a current service level of 0.84 building square feet per call, and anticipated growth of 8,360 calls by 2032, the City will need an additional 7,033 square feet of space by 2032 just to maintain existing service levels. Service levels will decline to 0.81 square feet per call by 2032 because insufficient new space is planned for that would maintain existing service levels. Impact fees are calculated based on the proposed service level of 0.81 square feet per call.

Fire. With a current service level of 11.12 building square feet per call, and anticipated growth of 834 calls by 2032, the City will need an additional 9,281 square feet of space by 2032 just to maintain existing service levels.

Proportionate Share Analysis - *Utah Code 11-36a-304(1)(d)*

Police. The cost per call for police is $632.67 as shown below.

TABLE 2: POLICE COST PER CALL CALCULATION

Description	Amount
Buy-In Cost	$11.75
New Construction	$620.20
Consultant Cost	$0.72
Total Cost per Call	**$632.67**

The cost per call is then applied to the number of calls per unit to calculate a maximum police impact fee.

TABLE 3: MAXIMUM POLICE IMPACT FEE

	Cost per Call	Calls per Unit	Maximum Impact Fee
Single-Family Residential	$632.67	1.22083	$772.38
Multi-Family Residential	$632.67	1.01586	$642.70

	Cost per Call	Calls per Unit	Maximum Impact Fee
Non-Residential - per SF	$632.67	0.13572	$1.02

Fire. The cost per call for fire is $9,177.70 and is based on maintaining the existing service level of 11.12 building square feet per call.

TABLE 4: FIRE COST PER CALL

Description	Amount
New Construction	$9,170.51
Consultant Cost	$7.19
Fund Balance	$0.00
Total Cost per Call	**$9,177.70**

The cost per call is then applied to the number of calls per unit in order to calculate maximum impact fees. In addition, non-residential development has been charged a proportionate share of the fire vehicle costs for the Pierce ladder truck purchased in 2015 and a new ladder truck and engine planned within the timeframe of this analysis.

TABLE 5: MAXIMUM FIRE IMPACT FEES

	Cost per Call	Calls per Unit	Vehicle	TOTAL
Single-Family Residential	$9,177.70	0.09975	NA	$915.48
Multi-Family Residential	$9,177.70	0.09807	NA	$900.06
Non-Residential - per SF	$9,177.70	0.13572	$968.31	$1.38

Maximum police and fire impact fees are summarized in the table below:

TABLE 6: MAXIMUM PUBLIC SAFETY FEES

	Police	Fire
Single-Family Residential	$772.38	$915.48
Multi-Family Residential	$642.70	$900.06
Non-Residential per SF	$1.02	$1.38

Utah Code Legal Requirements

Preparation of Impact Fee Analysis. Utah Code requires that "each local political subdivision... intending to impose an impact fee shall prepare a written analysis (Impact Fee Analysis or IFA) of each impact fee" (Utah Code 11-36a-303). This IFA follows all legal requirements as outlined below. Farmington has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Analysis in accordance with legal requirements.

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis which is required to identify the following:

> anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;
>
> anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
>
> how anticipated impacts are reasonably related to the anticipated development activity
>
> the proportionate share of:
>
> costs for existing capacity that will be recouped; and
>
> costs of impacts on system improvement that are reasonably related to the new development activity; and
>
> how the impact fee was calculated.

Further, in analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:

> the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
>
> the cost of system improvements for each public facility;
>
> other than impact fees, the manner of financing for each public facility such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
>
> the relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by means such as user charges, special assessments, or payment from the proceeds of general taxes;
>
> the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
>
> the extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;
>
> extraordinary costs, if any, in servicing the newly developed properties; and
>
> the time-price differential inherent in fair comparisons of amounts paid at different times.

Calculating Impact Fees. Utah Code 11-36a-305 states that for purposes of calculating an impact fee, a local political subdivision or private entity may include the following:

construction contract price;

cost of acquiring land, improvements, materials, and fixtures;

cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and

for a political subdivision, debt service charges if the political subdivision might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the costs of the system improvements.

Additionally, the Code states that each political subdivision or private entity shall base impact fee amounts on realistic estimates and the assumptions underlying those estimates shall be disclosed in the impact fee analysis.

Certification of Impact Fee Analysis. Utah Code 11-36a-306 states that an impact fee analysis shall include a written certification from the person or entity that prepares the impact fee analysis. This certification is included at the conclusion of this analysis.

Impact Fee Enactment. Utah Code 11-36a-202 states that a local political subdivision or private entity wishing to impose impact fees shall pass an impact fee enactment in accordance with Section 11-36a-402. Additionally, an impact fee imposed by an impact fee enactment may not exceed the highest fee justified by the impact fee analysts. An impact fee enactment may not take effect until 90 days after the day on which the impact fee enactment is approved.

Notice of Intent to Prepare Impact Fee Analysis. A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Analysis (Utah Code 11-36a-503(1)). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA by posting notice.

Impact Fee Analysis

Utah Code allows cities to include public safety buildings, as well as fire vehicles with a cost of $500,000 or more, in the calculation of impact fees. Fire vehicle costs can only be charged to nonresidential development. This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

Impact on Consumption of Existing Capacity – *Utah Code 11-36a-304((1)(a)*

Demand Placed on Facilities by New Development Activity

Impacts on public safety facilities will come from both residential and non-residential growth. This growth is projected as follows:

TABLE 7: GROWTH PROJECTIONS, 2022-2032

Year	Single-Family Units	Multi-Family Units	Non-Residential SF
2022	6,037	1,419	5,331,904
2023	6,127	1,449	5,579,945
2024	6,339	1,699	5,616,716
2025	6,640	1,948	5,653,488
2026	6,852	2,327	5,972,368
2027	7,063	2,707	6,291,248
2028	7,275	3,086	6,610,129
2029	7,381	3,490	6,924,116
2030	7,487	3,893	7,238,103
2031	7,594	4,297	7,552,091
2032	7,700	4,700	7,866,078

Source: Farmington City

Residential and nonresidential growth will create increased demand for public safety services as demonstrated by the increased calls for service that are projected to occur.

Police. The increased police calls for service are projected as follows for residential and non-residential development in Farmington. Additional calls are shown for pass-through traffic and Agency assists, but these demand units are not included in the calculation of impact fees.

TABLE 8: POLICE – PROJECTED GROWTH IN POLICE CALLS FOR SERVICE

Year	Single-Family Calls	Multi-Family Calls	Non-Residential Calls	Pass-Thru Traffic	Agency Assists	Total Calls
2022	7,370	1,441	5,435	444	297	14,988
2023	7,480	1,472	5,688	456	305	15,402
2024	7,738	1,725	5,725	474	317	15,979
2025	8,106	1,979	5,763	494	330	16,673
2026	8,365	2,364	6,088	524	351	17,692
2027	8,623	2,750	6,413	555	371	18,711
2028	8,882	3,135	6,738	585	391	19,730
2029	9,011	3,545	7,058	612	409	20,635
2030	9,141	3,955	7,378	638	427	21,539
2031	9,270	4,365	7,698	665	445	22,444
2032	9,400	4,775	8,018	692	463	23,348

Fire: Both residential and nonresidential growth will create the need for more fire facilities. This increased demand is evident through the increased fire calls for service. The increased fire/EMS calls for service are projected as shown in the following table. The pass-thru traffic calls are not included in the calculation of impact fees.

TABLE 9: FIRE – PROJECTED GROWTH IN FIRE CALLS FOR SERVICE

Year	Single-Family Residential Calls	Multi-Family Residential Calls	Non-Residential Calls	Pass-Thru Traffic Calls	TOTAL CALLS
2022	602	139	724	21	1,486
2023	611	142	757	22	1,532
2024	632	167	762	22	1,584

Year	Single-Family Residential Calls	Multi-Family Residential Calls	Non-Residential Calls	Pass-Thru Traffic Calls	TOTAL CALLS
2025	653	191	767	23	1,635
2026	674	228	811	25	1,738
2027	696	265	854	26	1,841
2028	717	303	897	27	1,944
2029	727	342	940	29	2,038
2030	738	382	982	30	2,132
2031	748	421	1,025	31	2,226
2032	759	461	1,068	33	2,320

Police. New development will require 7,033 additional square feet of police building space by 2032 to maintain current service levels of 0.84 square feet of building space per call.

TABLE 10: FACILITIES NEEDED (POLICE BUILDING SQUARE FEET) TO MAINTAIN EXISTING POLICE SERVICE LEVELS

Year	Total Calls	Bldg SF Needed
2022	14,988	12,609
2023	15,402	12,957
2024	15,979	13,443
2025	16,673	14,026
2026	17,692	14,884
2027	18,711	15,741
2028	19,730	16,599
2029	20,635	17,359
2030	21,539	18,120
2031	22,444	18,881
2032	23,348	19,642
Growth, 2022-2032	**8,360**	**7,033**

Fire. New development will require 9,281 additional square feet of fire building space by 2032 in order to maintain current service levels of 11.12 square feet of building space per call.

TABLE 11: FACILITIES NEEDED (FIRE BUILDING SQUARE FEET) TO MAINTAIN EXISTING AND PROPOSED FIRE SERVICE LEVELS

Year	Total Calls	Building SF Needed
2022	1,486	16,529
2023	1,532	17,043
2024	1,584	17,614
2025	1,635	18,184
2026	1,738	19,330
2027	1,841	20,477
2028	1,944	21,623
2029	2,038	22,670
2030	2,132	23,717
2031	2,226	24,764
2032	2,320	25,810
Growth, 2022-2032	**834**	**9,281**

Identify the Means by Which the Political Subdivision or Private Entity Will Meet Those Growth Demands – *Utah Code 11-36a-304((1)(b)*

Police. The police department projects 23,348 calls by 2032 – an increase of 8,360 calls over the number of calls received in 2022 (14,988). In order to maintain existing service levels of 0.84 square feet per call, the police department will need an additional 7,033 square feet of space by 2032. Because only 6,291 square feet of police space are planned by 2032, police service levels will decline to 0.81 building square feet per call, calculated by taking the total square footage of the existing building (12,609 sf) and the portion of the new building attributable to police (3,891 sf), plus expansion space (2,400 sf), and dividing by total calls in 2032 (23,348 calls).

At a proposed service level of 0.81 square feet per call, new development will account for 6,767 square feet of building space in 2032.[1] This is based on projected growth of 8,360 calls which represent 35.8 percent of all calls (23,348 calls) in 2032. With total building space of 18,900 sf in 2032, 35.8 percent of total space is 6,767 square feet.

This demand will be met with 3,891 square feet of space at the new police station, 2,400 square foot of existing station expansion and new development will also need to buy-in to 476 square feet of space in the existing facility.

The new joint police and fire facility will have 17,000 square feet at a cost of $15 million. The police department also plans for an expansion of its existing police station by 2,400 square feet at a cost of $2,117,647. The police department will occupy 3,891 square feet of this space of the new police facility and will be responsible for $3,433,235 of the costs.

Fire. The City is planning to construct a new joint police and fire facility with 17,000 square feet at a cost of $15 million. The fire department will occupy 13,109 square feet of this space and will be responsible for $11,566,765 of total costs.

Relationship of Anticipated Impacts to Anticipated Development Activity – *Utah Code 11-36a-304((1)(c)*

Additional public safety facilities are needed due to new development and growth. One way of measuring the increased demand for services is through the number of calls for service. As calls for service increase, public safety departments are forced to expand and need more space to house their activities.

Proportionate Share Analysis – *Utah Code 11-36a-304((1)(d)*

The proportionate share analysis for police and fire includes the following steps:

1) Project increased population and nonresidential growth

[1] Calculated by multiplying the projected growth in calls from 2022-2032 (8,360 calls) by the proposed service level of 0.81 square feet per call.

2) Project increased calls for service, keeping the ratio of calls for service for residential units and nonresidential square feet constant with existing ratios
3) Project the need for increased building floor space
4) Calculate the cost per call by dividing the cost of the public safety building square feet needed by the growth in calls
5) Allocate the cost per call to residential and nonresidential units based on the number of calls per residential unit and nonresidential square feet, respectively

Police. New development is responsible for a small amount of buy-in to existing excess capacity costs as well as new construction costs.

TABLE 12: POLICE BUY-IN TO EXISTING EXCESS CAPACITY

Description	Amount
Existing Building SF	12,609
Growth in SF, 2022-2032	6,767
SF in New Facilities	6,291
Remaining Buy-In sf of Existing Excess Capacity	476
Percent of Existing Building	3.8%
Actual Cost of Existing Building	$2,600,000
Cost to New Development	$98,235
Growth in Calls, 2022-2032	8,360
Cost per Call	**$11.75**

New development is responsible for 3,891 square feet of the new 17,000 square foot joint police and fire facility as well as 2,400 square feet of expansion space.

TABLE 13: POLICE – PROPORTIONATE SHARE ANALYSIS OF NEW CONSTRUCTION COSTS

Description	Amount
Growth in Calls, 2022-2032	8,360
Existing SF per Call	0.84
SF of New Building for Police	3,891
Police Building Expansion sf	2,400
Proposed Service Level 2032	0.81
SF Required at Proposed Service Level, 2022-2032	6,767
New Construction SF, 2022-2032	6,291
Total Building Cost - Police Portion	$3,433,235
Allocation to New Development, 2022-2032	$3,433,235
Expansion Cost - 2400 sf	$2,117,647
Less: Police Fund Balance Available for New Building	($365,915)
Cost Remaining	$5,184,967
New Construction Cost per Call	**$620.20**

In addition, consultant costs have been added to total costs. The total cost per police call is $632.67.

TABLE 14: POLICE – POLICE COST PER CALL

SUMMARY	
Buy-In Cost	$11.75
New Construction	$620.20
Consultant Cost	$0.72
Total Cost per Call	**$632.67**

The cost per call is then multiplied by the number of calls per residential unit or per non-residential square foot to arrive at the total cost per residential and non-residential units.

TABLE 15: POLICE MAXIMUM IMPACT FEE PER RESIDENTIAL UNIT AND NONRESIDENTIAL SQUARE FOOT

	Cost per Call	Calls per Unit	Maximum Impact Fee
Single-Family Residential	$632.67	1.22083	$772.38
Multi-Family Residential	$632.67	1.01586	$642.70
Non-Residential - per SF	$632.67	0.13572	$1.02

Fire. New development is responsible for 13,109 square feet of the new 17,000 square foot joint police and fire facility. The police department is therefore responsible for 77 percent ($11,566,764.71) of total costs.

TABLE 16: FIRE FACILITY COSTS PER CALL FOR NEW CONSTRUCTION

Future LOS	
Growth in Calls, 2022-2032	834
SF Required per Call	11.12
Growth in SF Required, 2022-2032	9,281
Fire Dept SF in New Facility	13,109
Fire Dept Cost Allocation of New Facility	$11,566,764.71
Cost to New Growth, 2022-2032	$8,189,510.51
Less: Fund Balance Available	($537,400.00)
Remaining Amount to New Growth, 2022-2032	$7,652,110.51
Cost per Call	**$9,170.51**

In addition, consultant costs have been added to arrive at a total cost of $9,177.70 per fire call.

TABLE 17: FIRE FACILITY COSTS PER CALL

SUMMARY	
New Construction	$9,170.51
Consultant Cost	$7.19
Fund Balance	$0.00
Total Cost per Call	**$9,177.70**

Further, vehicle costs have been added to total nonresidential costs per call. The vehicle cost per call for the existing 2015 Pierce ladder truck is $375.48. Credits for future payments on the outstanding fire vehicle lease are shown in Tables 18, 19 and 20 and have been made so that new development is not overcharged for qualifying fire vehicles.

TABLE 18: EXISTING FIRE VEHICLE COST PER CALL

Description	Amount
2015 Pierce Ladder Truck Cost	$1,200,000
Residual Value	$960,000
Useful Life - Calls for Service 2035	2,451
Cost per Call	$391.74
Less Outstanding Debt Credit	($16.25)
Cost per Nonresidential Call	**$375.48**

Three years of lease payments are remaining on the Pierce truck; however, a fund balance can be used to make the 2023 payment and a portion of the 2024 payment.

TABLE 19: FIRE VEHICLE LEASE PAYMENTS

Fire Vehicles	Lease Payments	Fire Eqpt Fund Balance - Beginning	Fire Eqpt Fund Balance - Ending	Additional Payment Required
2023	$56,896.00	$113,798.00	$56,902.00	$0.00
2024	$57,074.00	$56,902.00	$0.00	($172.00)
2025	$28,488.00	$0.00	$0.00	($28,488.00)

TABLE 20: FIRE VEHICLE LEASE PAYMENT CREDIT CALCULATION

Year	Lease Payments	Calls	Cost per Call	NPV*	Average
2024	($172.00)	1,584	$0.11	$15.91	**$16.25**
2025	($28,488.00)	1,635	$17.43	$16.60	

*NPV = net present value discounted at 5 percent

Impact fees are also calculated for non-residential development for the City's planned acquisition of a ladder truck in 2026 and an engine in 2025. These vehicles are needed to serve the increased demand created by new growth.

TABLE 21: NEW FIRE VEHICLE PROPORTIONATE SHARE CALCULATION

	Year	Cost	Useful Life	Calls at Capacity	Residual Value	Cost per Call
Ladder truck	2026	$1,350,000	2046	2,636	$1,080,000	$409.77
Engine	2025	$600,000	2045	2,622	$480,000	$183.06

TABLE 22: SUMMARY OF VEHICLE COSTS PER CALL

Summary of Vehicle Costs	
2015 Pierce Ladder Truck	$375.48
2026 Ladder Truck	$409.77
2025 Engine	$183.06
TOTAL Cost per Call	**$968.31**

The costs per call calculated above are then multiplied by the calls per unit to arrive at maximum fire impact fees of $915.48 per single-family residential unit; $900.06 per multi-family unit and $1.38 per nonresidential square foot.

TABLE 23: MAXIMUM FIRE IMPACT FEE

	Cost per Call	Calls per Unit	Vehicle	TOTAL
Single-Family Residential	$9,177.70	0.09975	NA	$915.48
Multi-Family Residential	$9,177.70	0.09807	NA	$900.06
Non-Residential - per SF	$9,177.70	0.13572	$968.31	$1.38

Summary of Police and Fire Costs

Maximum police and fire impact fees are summarized in the table below:

TABLE 24: MAXIMUM PUBLIC SAFETY FEES - POLICE AND FIRE

	Police	Fire
Single-Family Residential	$772.38	$915.48
Multi-Family Residential	$642.70	$900.06
Non-Residential per SF	$1.02	$1.38

Certification

Zions Public Finance, Inc. certifies that the attached impact fee analysis:

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;

3. offsets costs with grants or other alternate sources of payment; and

4. complies in each and every relevant respect with the Impact Fees Act.

FARMINGTON CITY



PUBLIC SAFETY IMPACT FEE FACILITIES PLAN

Farmington UTAH

Prepared by Zions Public Finance, Inc.
June 2023

IMPACT FEE FACILITIES PLAN
FARMINGTON CITY

Executive Summary

Background

This Impact Fee Facilities Plan (IFFP) was prepared to meet the requirements of Utah Code §11-36a. Public safety includes both police (law enforcement) and fire/emergency services capital facilities. Impact fees are a one-time fee charged to new development to help offset the capital costs associated with new growth in a community. Farmington City ("City") has determined that there is one city-wide service area for police and fire protection services.

New Development and Growth

Residential and non-residential growth creates the demand for new public safety capital facilities. Projected growth is shown in the following table:

TABLE 1: GROWTH PROJECTIONS, 2022-2032

Year	Single-Family Units	Multi-Family Units	Non-Residential SF
2022	6,037	1,419	5,331,904
2023	6,127	1,449	5,579,945
2024	6,339	1,699	5,616,716
2025	6,640	1,948	5,653,488
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2030	7,487	3,893	7,238,103
2031	7,594	4,297	7,552,091
2032	7,700	4,700	7,866,078

Source: Farmington City

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 public safety buildings, as well as fire vehicles that have been acquired previously or will be acquired within the next six years at a cost of $500,000 or more.

Existing service levels for both police and fire are based on the current capital facilities (i.e., building square feet) as measured per demand unit. Demand units increase with development which generates more calls for service and, therefore, the need for more public safety building space.

Police. The City had 14,988 calls for service in 2022. Of these calls, 297 were for Agency assists, and an estimated 10 percent of the traffic calls (4,442 total traffic calls) were for pass-through traffic. Pass-thru calls and agency assists have not been included in the calculation of impact fees.

With the growth that the City is experiencing, these calls for service will only increase in the future. Therefore, the City has planned for a new joint fire and police facility to serve the rising demand for services. Plans are for a 17,000 square-foot facility of which 3,891 square feet will be allocated to the police, as well as for expansion of 2,400 sf to the current station. This is in addition to existing police facilities of 12,609 square feet.

During 2022, the City averaged 1.22 police calls per single-family unit, 1.02 calls per multi-family unit and 1.02 calls per 1,000 square feet of non-residential space.

There were a total of 14,988 police calls for service in 2022 and 12,609 square feet of police facility space. This results in an existing service level of 0.84 square feet of building space per call.

TABLE 2: POLICE CALLS 2022

Single-Family Calls	Calls per SF Unit	Multi-Family Calls	Calls per MF Unit	Non-Residential Calls	Calls per Non-Res 1,000 sf
7,370	1.2208	1,441	1.0159	5,435	1.0194

Fire. In 2022, the City had 1,486 fire/EMS calls. Of these calls, 1,465 originated within Farmington. With the growth that the City is experiencing, these calls for service will only increase in the future. The City currently has no excess capacity in its existing fire facilities (16,529 sf) and has therefore planned for a new shared fire and police facility of 17,000 square feet. It is anticipated that the fire department will occupy 13,109 sf of the new facility, in addition to its existing 16,529 square feet.

During 2022, the City averaged 0.10 fire calls per single-family residential dwelling unit, 0.10 calls per multi-family unit and 0.14 calls per 1,000 sf of nonresidential space.

TABLE 3: FIRE CALLS 2022

Single-Family Residential Calls	Single-Family Residential Ratio	Multi-Family Residential Calls	Multi-Family Residential Ratio	Non-Residential Calls	Non-Residential Call Ratio per 1,000 sf
602	0.09975	139	0.09807	724	0.135720

There were a total of 1,486 fire/EMS calls for service in 2022 and 16,529 square feet of fire facility space. This results in a service level of 11.12 square feet of building space per call. In addition, the City acquired a Pierce ladder truck in 2015 at a cost of $1.2 million that can be included in the calculation of impact fees as well as two new vehicles planned within the timeframe of this study (Ladder truck in 2026 at a cost of $1.35 million and an engine in 2025 at a cost of $600,000).

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)

Police. The police department projects 23,348 calls by 2032 – an increase of 8,360 calls over the number of calls received in 2022 (14,988). Because only 6,291 additional police square feet (3,891 in a new police facility and 2,400 in an expansion of the existing police station) are planned by 2032, the proposed service level will decline to 0.81 square feet per capita.

Fire. The fire department projects 2,320 calls by 2032 – an increase of 834 over the number of calls received in 2022 (1,486). In order to maintain existing service levels of 11.12 square feet per call, the fire department will need an additional 9,281 square feet of space by 2032.[1] The new station will more than meet this requirement.

Identify How the Growth Demands Will Be Met

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

Police. In order to meet the demands of future growth, the City has planned for a new joint fire and police facility to serve the rising demand for services. Plans are for a 17,000 square-foot facility of which 3,891 square feet will be allocated to the police and for a 2,400 square foot expansion of the existing police station. These new facilities are in addition to existing police facilities of 12,609 square feet. As stated previously, service levels will decline from 0.84 square feet per call to 0.81 square feet per call by 2032. With a proposed service level of 0.81 square feet per call, new development will require 6,767 square feet of building space.[2] This demand will be met with 3,891 square feet of space at the new police station, 2,400 square feet of expansion space, and new development will also need to buy-in to 467 square feet of space in the existing facility.

Fire. The City currently has no excess capacity in its existing fire facilities (16,529 sf) and has therefore planned for a new shared fire and police facility of 17,000 square feet. It is anticipated that the fire department will occupy 13,109 sf of the new facility, in addition to its existing 16,529 square feet.

The estimated construction cost for the new fire station is $15,000,000.

Non-residential growth will also need to pay for its fair share of the Pierce ladder truck acquired in 2015 at a cost of $1.2 million and the two new fire vehicles, a ladder truck and engine, to be acquired in 2026 and 2025 at an estimated cost of $1.35 million and $600,000 respectively.

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[1] Farmington projects rapid growth between 2022 and 2032, with an increase of 1,573 single-family residential units, 3,281 multi-family units and over 2.5 million sf of nonresidential space. However, the City's growth projections slow dramatically between 2032 and 2042 with a projected increase of only 583 single-family residential units, 585 multi-family units and over 1 million sf of nonresidential space. Therefore, calls are projected to increase by only 257 between 2032 and 2042. Space demands will not be as significant between 2032 and 2042, requiring only 2,583 additional building sf during that 10-year time period in order to maintain the existing service level of 11.12 sf per call.

[2] Calculated by multiplying the projected growth in calls from 2022-2032 (8,360 calls) by the proposed service level of 0.81 square feet per call.

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 revenue sources for public safety 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 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.

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 IFFP 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

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

Growth in Demand

Impacts on public safety facilities will come from both residential and non-residential growth. This growth is projected as follows:

TABLE 4: GROWTH PROJECTIONS, 2022-2032

Year	Single-Family Units	Multi-Family Units	Non-Residential SF
2022	6,037	1,419	5,331,904
2023	6,127	1,449	5,579,945
2024	6,339	1,699	5,616,716
2025	6,640	1,948	5,653,488
2026	6,852	2,327	5,972,368
2027	7,063	2,707	6,291,248
2028	7,275	3,086	6,610,129
2029	7,381	3,490	6,924,116
2030	7,487	3,893	7,238,103
2031	7,594	4,297	7,552,091
2032	7,700	4,700	7,866,078

Source: Farmington City

Residential and nonresidential growth will create increased demand for public safety services as demonstrated by the increased calls for service that are projected to occur.

Police: The increased police calls for service are projected as follows for residential and non-residential development in Farmington. Additional calls are shown for pass-through traffic and Agency assists, but these demand units are not included in the calculation of impact fees.

TABLE 5: POLICE – PROJECTED GROWTH IN POLICE CALLS FOR SERVICE

Year	Single-Family Calls	Multi-Family Calls	Non-Residential Calls	Pass-Thru Traffic	Agency Assists	Total Calls
2022	7,370	1,441	5,435	444	297	14,988
2023	7,480	1,472	5,688	456	305	15,402
2024	7,738	1,725	5,725	474	317	15,979
2025	8,106	1,979	5,763	494	330	16,673
2026	8,365	2,364	6,088	524	351	17,692
2027	8,623	2,750	6,413	555	371	18,711
2028	8,882	3,135	6,738	585	391	19,730
2029	9,011	3,545	7,058	612	409	20,635
2030	9,141	3,955	7,378	638	427	21,539
2031	9,270	4,365	7,698	665	445	22,444
2032	9,400	4,775	8,018	692	463	23,348

Fire: The increased fire/EMS calls for service are projected as shown in the following table. The pass-thru traffic calls are not included in the calculation of impact fees.

TABLE 6: FIRE – PROJECTED GROWTH IN FIRE CALLS FOR SERVICE

Year	Single-Family Residential Calls	Multi-Family Residential Calls	Non-Residential Calls	Pass-Thru Traffic Calls	TOTAL CALLS
2022	602	139	724	21	1,486
2023	611	142	757	22	1,532
2024	632	167	762	22	1,584
2025	653	191	767	23	1,635
2026	674	228	811	25	1,738
2027	696	265	854	26	1,841
2028	717	303	897	27	1,944
2029	727	342	940	29	2,038
2030	738	382	982	30	2,132
2031	748	421	1,025	31	2,226
2032	759	461	1,068	33	2,320

Existing Service Levels

Police. During 2022, the City averaged 1.22 police calls per single-family unit, 1.02 calls per multi-family unit and 1.02 calls per 1,000 square feet of non-residential space. There were a total of 14,988 police calls for service in 2022 and 12,609 square feet of police facility space. This results in a service level of 0.84 square feet of building space per call.

Fire. During 2022, the City averaged 0.10 fire calls per single-family residential dwelling unit, 0.10 calls per multi-family unit and 0.14 calls per 1,000 sf of nonresidential space. There were a total of 1,486 fire/EMS calls for service in 2022 and 16,529 square feet of fire facility space. This results in a service level of 11.12 square feet of building space per call.

Proposed Level of Service

Police. The police department projects 23,348 calls by 2032 – an increase of 8,360 calls over the number of calls received in 2022 (14,988). In order to maintain existing service levels of 0.84 square feet per call, the police department will need an additional 7,033 square feet of space by 2032. Because only 6,291 square feet of police space are planned by 2032, police service levels will decline to 0.81 building square feet per call, calculated by taking the total square footage of the existing building (12,609 sf) and the portion of the new building attributable to police (3,891 sf), plus expansion space (2,400 sf), and dividing by total calls in 2032 (23,348 calls).

Fire. The proposed level of service is to at least maintain a ratio of 11.12 square feet of fire/EMS building space per fire/EMS call. With anticipated growth of 834 calls by 2032, the fire department will need an additional 9,281 square feet of space. Current plans are for the fire department to occupy 13,109 square feet of the new facility.[3] New development can only be charged to maintain existing service levels and not to raise service levels.

Excess Capacity

[3] Between 2032 and 2042, the City will need an additional 2,583 sf of building space. This results in total demand for 11,864 square feet of additional space over the next 20 years in order to maintain existing service levels. The new facility will meet this need.

Police. In order to meet the demands of future growth, the City has planned for a new joint fire and police facility to serve the rising demand for services as well as for expansion of its existing police station. Plans are for a 17,000 square-foot facility of which 3,891 square feet will be allocated to the police and for a 2,400 square foot expansion of its existing facility. This is in addition to existing police facilities of 12,609 square feet. As stated previously, service levels will decline from 0.84 square feet per call to 0.81 square feet per call by 2032. With a proposed service level of 0.81 square feet per call, new development will require 6,767 square feet of building space.[4] This demand will be met with 3,891 square feet of space at the new police station, 2,400 square foot of existing station expansion and new development will also need to buy-in to 476 square feet of space in the existing facility.

Fire. The existing fire station (16,529 square feet) does not have any existing, excess capacity.

Identify Demands Placed upon Existing Facilities by New Development Activity at the Proposed Level of Service

Police. New development will account for 6,767 square feet of building space in 2032. This is based on projected growth of 8,360 calls which represent 35.8 percent of all calls (23,348 calls) in 2032. With total building space of 18,900 sf in 2032, 35.8 percent of total space is 6,767 square feet.

Fire. The City currently has no excess capacity in its existing fire facilities (16,529 sf) and has therefore planned for a new shared fire and police facility of 17,000 square feet. It is anticipated that the fire department will occupy 13,109 sf of the new facility, in addition to its existing 16,529 square feet. In order to maintain existing service levels of 11.12 square feet per call, new growth between 2022 and 2032 will consume 9,281 square feet of building space in the new building.

The estimated construction cost for the new fire station is $15,000,000.

Non-residential growth will also need to pay for its fair share of the Pierce ladder truck acquired in 2015 at a cost of $1.2 million and the two new fire vehicles, a ladder truck and engine, to be acquired in 2026 and 2025 at an estimated cost of $1.35 million and $600,000 respectively.

Identify the Means by Which the Political Subdivision or Private Entity Will Meet Those Growth Demands

Police. The City is planning to construct a new joint police and fire facility with 17,000 square feet at a cost of $15 million and expand its existing police station by 2,400 square feet at a cost of $2,117,647. The police department will occupy 3,891 square feet of this space of the new police facility and will be responsible for $3,433,235 of the costs.

Fire. The City is planning to construct a new joint police and fire facility with 17,000 square feet at a cost of $15 million. The fire department will occupy 13,109 square feet of this space and will be responsible for $11,566,765 of the total cost.

[4] Calculated by multiplying the projected growth in calls from 2022-2032 (8,360 calls) by the proposed service level of 0.81 square feet per call.

Manner of Financing for Public Facilities

Utah Code 11-36a-304(2)(c)(d)(e)

Impact fees will be used to fund the established growth-driven public safety services for law enforcement and fire.

Credits Against Impact Fees

Utah Code 11-36a-304(2)(f)

The Impact Fees Act requires credits to be paid back to development for future fees that may be paid to fund system improvements found in the IFFP so that new development is not charged twice. Credits may also be paid back to developers who have constructed or directly funded items that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions or improvements required to offset density or as a condition for development. Any item that a developer funds must be included in the IFFP if a credit is to be issued and must be agreed upon with the City before construction of the improvements.

In the situation that a developer chooses to construct facilities found in the IFFP in lieu of impact fees, the arrangement must be made through the developer and the City.

The standard impact fee can also be decreased to respond to unusual circumstances in specific cases in order to ensure that impact fees are imposed fairly. In certain cases, a developer may submit studies and data that clearly show a need for adjustment.

At the discretion of the City, impact fees may be modified for low-income housing, although alternate sources of funding must be identified.

Grants

The City is unaware of any potential grant sources for future public safety facilities. However, should it be the recipient of any such grants, it will then look at the potential to reduce impact fees.

Bonds

The City has no bonds outstanding for public safety facilities.

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 higher service levels 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 may be prepared and the City may charge impact fees for public safety.

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

Zions Public Finance, Inc. certifies that the attached impact fee facilities plan:

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;

3. Offsets costs with grants or other alternate sources of payment; and

4. Complies in each and every relevant respect with the Impact Fees Act.