



PARK CITY FIRE DISTRICT

Fire Impact Fee Analysis November 2023



ZIONS PUBLIC FINANCE, INC.

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IMPACT FEE ANALYSIS

Park City Fire District

Executive Summary

Background

This Fire Impact Fee Analysis (IFA) is prepared to meet the requirements of Utah Code §11-36a. Impact fees are a one-time fee charged to new development to help offset the capital costs associated with growth in a governmental entity.

New Development and Growth

Impacts to fire services from residential and non-residential growth are manifest in increased demand on fire calls for service. The increased demand results in the need for more fire facilities. Projected growth is shown in the following table:

TABLE 1: GROWTH PROJECTIONS, 2022-2029

Year	Residential Units	Nonresidential SF
2022	21,311	25,779,487
2023	21,591	26,118,336
2024	21,875	26,461,639
2025	22,162	26,809,454
2026	22,454	27,161,841
2027	22,749	27,518,859
2028	23,048	27,880,571
2029	23,351	28,247,037

Source: PCFD; Summit County Assessor's Office; ZPFI

This growth is anticipated to place increased demand on fire facilities, as evidenced by an increasing number of fire calls for service as shown in the following table.

TABLE 2: PROJECTED GROWTH IN FIRE CALLS FOR SERVICE

Year	Residential Units	Residential Calls	Calls per Residential Unit	Nonresidential SF	Nonresidential Calls	Nonresidential Call Ratio
2022	21,311	2,890	0.13560	25,779,487	2,808	0.000109
2023	21,591	2,928	0.13560	26,118,336	2,845	0.000109
2024	21,875	2,966	0.13560	26,461,639	2,882	0.000109
2025	22,162	3,005	0.13560	26,809,454	2,920	0.000109
2026	22,454	3,045	0.13560	27,161,841	2,958	0.000109
2027	22,749	3,085	0.13560	27,518,859	2,997	0.000109
2028	23,048	3,125	0.13560	27,880,571	3,036	0.000109
2029	23,351	3,166	0.13560	28,247,037	3,076	0.000109

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

There is excess capacity of 6,593 square feet of fire facility space. However, in order to maintain the proposed service level of 11.48 square feet of space per call by 2029, the District will need to add 7,193 square feet of space. Therefore, in addition to buying in to the 6,593 square feet of existing facility space, new development will require an additional 600 square feet of new construction.

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

The District will meet the proposed growth demands by rebuilding Station 35 at a total cost of \$9,274,193 in the year of construction. Total planned floorspace is 8,000 square feet, of which 600 square feet will serve the needs of new development and 7,400 square feet will replace the square footage in Station 35. Therefore, new development is responsible for a cost of \$695,564 – its proportionate share of the cost of the rebuild and expansion, based on its proportionate share of total square feet once rebuilt.

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

The cost per call, before credits, is \$3,259.68.

TABLE 3: PROJECTED GROWTH IN FIRE CALLS FOR SERVICE

Summary - Gross Cost per Call	
Buy-In Cost	\$2,859.84
New Construction	\$1,109.95
Impact Fee Fund Balance	(\$734.05)
Consultant Cost	\$23.94
Total Gross Cost per Call	\$3,259.68

Maximum Impact Fees

The maximum cost per call per year, after credits, is shown in Table 4 below. Credits have been made for the District's two outstanding debt obligations as well as the costs of the rebuild of Station 35 that benefits existing development.

TABLE 4: MAXIMUM COST PER CALL PER YEAR AFTER CREDITS

Year	Gross Cost per Call	Existing Development Credit	2016 Lease Rev Bond Credit	WF COP Credit	Max Cost per Call per Year
2023	\$3,259.68	\$947.27	\$150.07	\$146.84	\$2,015.51
2024	\$3,259.68	\$865.30	\$115.13	\$62.37	\$2,216.88
2025	\$3,259.68	\$780.91	\$78.52		\$2,400.25
2026	\$3,259.68	\$693.96	\$40.25		\$2,525.48
2027	\$3,259.68	\$604.30			\$2,655.39
2028	\$3,259.68	\$511.76			\$2,747.92
2029	\$3,259.68	\$416.19			\$2,843.49
2030	\$3,259.68	\$317.42			\$2,942.27
2031	\$3,259.68	\$215.25			\$3,044.43
2032	\$3,259.68	\$109.52			\$3,150.17



Vehicle Costs

Utah Code allows for impact fees to be charged to nonresidential development on fire vehicles that cost in excess of \$500,000. The District has identified five eligible vehicles and impact fees have been calculated by dividing the total cost (less salvage value) by the total calls in the capacity year (i.e., 20 years after acquired). The cost per call calculated in Table 5 is only applied to nonresidential development as set forth in Utah Code.

TABLE 5: VEHICLE COST PER CALL

Fire Vehicles	Year Acquired	Useful Life	End of Life	Call Capacity	Cost	Salvage	Cost per Call
Pierce Custom Enforcer PUC Engine	2023	20	2043	8,613	\$744,677	20%	\$69.17
Rosenbauer Engine	2023	20	2043	8,613	\$520,000	20%	\$48.30
New Engine	2026	20	2046	8,957	\$900,000	20%	\$80.39
New Engine	2029	20	2049	9,315	\$950,000	20%	\$81.59
Rescue Engine	2025	20	2045	8,841	\$1,300,000	20%	\$117.64
Total Vehicle Cost per Call							\$397.09

Maximum Impact Fees

Maximum impact fees have been calculated based on the cost per call multiplied by the average number of calls per unit as shown in Table 6. The average number of fire calls per residential unit is 0.1356 while nonresidential calls average 0.000109 calls per nonresidential building square foot.

TABLE 6: MAXIMUM IMPACT FEES IN 2023

Maximum Fees - 2023	Calls per Unit	Facility Fees	Vehicle Fees	Maximum Fee
Residential - per sf	0.135599028	\$273.30		\$273.30
Nonresidential - per sf	0.00010891	\$0.22	\$0.26	\$0.48

The maximum fee differs each year due to decreasing credits over time.

TABLE 7: MAXIMUM IMPACT FEES PER YEAR

Year	Max Cost per Call per Year	Max Fees by Year – Residential per Unit	Maximum Fees per Year – Nonresidential per SF
2023	\$2,015.51	\$273.30	\$0.48
2024	\$2,216.88	\$300.61	\$0.53
2025	\$2,400.25	\$325.47	\$0.57
2026	\$2,525.48	\$342.45	\$0.59
2027	\$2,655.39	\$360.07	\$0.62
2028	\$2,747.92	\$372.62	\$0.64
2029	\$2,843.49	\$385.57	\$0.66
2030	\$2,942.27	\$398.97	\$0.68
2031	\$3,044.43	\$412.82	\$0.71
2032	\$3,150.17	\$427.16	\$0.73



Impact Fee Analysis

Park City Fire District (PCFD) has retained Zions Public Finance, Inc. (ZPF) to prepare this Impact Fee Analysis in accordance with legal requirements.

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Utah Code Legal Requirements

Utah Code allows cities to include only public safety buildings in the calculation of impact fees. This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

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.

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.

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

Demand Placed on Facilities by New Development Activity

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

TABLE 8: GROWTH PROJECTIONS, 2022-2029

Year	Residential Units	Nonresidential SF
2022	21,311	25,779,487
2023	21,591	26,118,336
2024	21,875	26,461,639
2025	22,162	26,809,454
2026	22,454	27,161,841
2027	22,749	27,518,859



Year	Residential Units	Nonresidential SF
2028	23,048	27,880,571
2029	23,351	28,247,037

Source: PCFD; Summit County Assessor's Office; ZPFI

Residential and non-residential growth will create increased demand for fire services as demonstrated by the increased calls for service that are projected to occur.

TABLE 9: PROJECTED GROWTH IN CALLS FOR SERVICE

Year	Residential Units	Residential Calls	Calls per Residential Unit	Nonresidential SF	Nonresidential Calls	Nonresidential Call Ratio
2022	21,311	2,890	0.13560	25,779,487	2,808	0.000109
2023	21,591	2,928	0.13560	26,118,336	2,845	0.000109
2024	21,875	2,966	0.13560	26,461,639	2,882	0.000109
2025	22,162	3,005	0.13560	26,809,454	2,920	0.000109
2026	22,454	3,045	0.13560	27,161,841	2,958	0.000109
2027	22,749	3,085	0.13560	27,518,859	2,997	0.000109
2028	23,048	3,125	0.13560	27,880,571	3,036	0.000109
2029	23,351	3,166	0.13560	28,247,037	3,076	0.000109

Source: PCFD; ZPFI

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

There is excess capacity of 6,593 square feet of facility space. However, in order to maintain the proposed service level of 11.48 square feet of space per call by 2029, the District will need to add 7,193 square feet of space. Therefore, in addition to buying in to the 6,593 square feet of existing facility space, new development will require an additional 600 square feet of new construction.

The District will meet the proposed growth demands by rebuilding Station 35 at a total cost of \$9,274,193. Total planned floorspace is 8,000 square feet, of which 600 square feet will serve the needs of new development. Therefore, new development is responsible for a cost of \$695,564.

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

The growth of 627 calls for service will create demand for 7,193 square feet of space by 2029 based on the existing service level of 11.48 square feet per call. This demand will be met with the construction of 600 square feet of additional capacity and the need for new development to buy in to 6,593 square feet of existing excess capacity.

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

The proportionate share analysis includes the following steps:

- 1) Project increased population and non-residential growth
- 2) Project increased calls for service, keeping the ratio of calls for service for residential units and non-residential square feet constant with existing ratios
- 3) Project the need for increased building floor space
- 4) Calculate the cost per call
- 5) Allocate the cost per call to residential and non-residential units based on the number of calls per residential unit and non-residential square feet, respectively

Existing Buy-In Costs. The actual cost of existing fire facilities is \$22,219,593 for 81,740 square feet of fire station space. By 2029, the District plans on a total of 82,340 square feet – an increase of 600 square feet. This will reduce the existing service level of 12.49 square feet per call to 11.48 square feet per call. This means that new development will create demand for 7,193 square feet of space (11.48 square feet per call multiplied by growth of 627 calls for service). This demand will be met by 600 new square feet of building space as well as buy-in to 6,547 square feet of existing excess capacity. The cost per call for buy in to existing facilities is \$2,859.84.

TABLE 10: COST OF EXISTING EXCESS CAPACITY PER CALL

Existing Facilities	Amount
Station SF + Fleet Building	81,740
Total Calls 2022	6,547
SF per Call - Existing	12.49
SF per Call - Proposed	11.48
Additional SF Required, 2022-2029, Proposed LOS	7,193
New Construction SF, 2022-2029	600
Buy-In SF - Excess Capacity	6,593
% of Total Actual Cost	8.07%
Actual Cost of Existing	\$22,219,513
Cost to New Development, 2022-2029	\$1,792,158
Growth in Calls, 2022-2029	627
Cost per Call	\$2,859.84

New Construction. The District will meet the proposed growth demands by rebuilding Station 35 at a total cost of \$9,274,193. Total planned floorspace is 8,000 square feet, of which 600 square feet will serve the needs of new development. Therefore, new development is responsible for a cost of \$695,564.

TABLE 11: NEW CONSTRUCTION

New Facilities	Amount
Cost of Rebuild of Station 35	\$9,274,192.59
Square Feet of Station 35	8,000
Net New Square Feet of Station 35	600
Cost of Facilities, 2022-2029	\$695,564



New Facilities	Amount
Growth in Calls, 2022-2029	627
Cost per Call, 2022-2032	\$1,109.95

Consultant costs can be included in the cost of the impact fees.

TABLE 12: CONSULTANT COSTS

Consultant Costs	Amount
Consultant Costs	\$15,000
Growth in Calls, 2022-2029	627
Cost per Call	\$23.94

The impact fee fund balance can be used to offset new construction costs and therefore the cost per call must be reduced accordingly.

TABLE 13: CONSULTANT COSTS

Impact Fee Fund Balance	Amount
Fund Balance	\$460,000
Growth in Calls, 2022-2032	627
Cost per Call – Credit	\$734.05

TABLE 14: SUMMARY OF GROSS COST PER CALL BEFORE CREDITS

Summary - Gross Cost per Call	Amount
Buy-In Cost	\$2,859.84
New Construction	\$1,109.95
Impact Fee Fund Balance	(\$734.05)
Consultant Cost	\$23.94
Total Gross Cost per Call	\$3,259.68

During 2004, the District entered into a capital lease obligation with a bank to construct four fire stations, a training facility, an administrative office building, and the purchase of fire equipment. The District financed \$6,751,000 over a 25-year period. During 2014, the District refinanced this obligation over a 10-year period which terminates in 2024. Therefore, there are only minor credits due to this debt obligation.

TABLE 15: CREDITS ON COPS

Wells Fargo COPS	Total P + I*	Calls	Payment per Call	NPV**
2023	\$628,687	6,633	\$94.78	\$146.84
2024	\$419,125	6,720	\$62.37	\$62.37

*Principal + interest

**NPV = net present value discounted at 5 percent

During 2010, the Local Building Authority of the Park City Fire Service District received a \$3,800,000 loan from the Permanent Community Impact Fund Board for the construction of new facilities. The loan is in the form of lease revenue bonds issued by the Local Building Authority of Park City Fire Service District and purchased by the Permanent Community Impact Fund Board. During 2016, the district refinanced the



bonds through Zions Bank. In addition to the refinance, the District obtained additional funds to construct a fleet services building. The amount issued from Zions (refinanced and additional funds) was \$4,135,000.

TABLE 16: CREDITS ON LEASE REVENUE BOND, SERIES 2016

Year	Total P + I	Calls	Payment per Call	NPV*
2023	\$281,487	6,633	\$42.44	\$150.07
2024	\$284,696	6,720	\$42.4	\$115.13
2025	\$287,356	6,809	\$42.20	\$78.52
2026	\$291,498	6,898	\$42.26	\$40.25

*NPV = net present value discounted at 5 percent

The rebuild of Station 35 will mostly benefit existing development. The current station is 7,400 square feet with the rebuild planned for 8,000 square feet. Therefore, 92.5 percent of total costs (7,400 / 8,000) are allocated to existing development. With a total projected cost of \$9,274,193 in the construction year, existing development is responsible for \$8,578,628 of total costs, with new growth accounting for the remaining \$695,564. Credits must be made so that new development does not pay for the future improvements benefitting existing development. Therefore, costs are spread over 10 years, with total costs divided by the number of calls per year to determine a cost per call.

TABLE 17: CREDITS FOR IMPROVEMENTS BENEFITTING EXISTING DEVELOPMENT

Year	Payment per Year	Calls	Payment per Call	NPV*
2023	\$857,863	6,633	\$129.33	\$947.27
2024	\$857,863	6,720	\$127.65	\$865.30
2025	\$857,863	6,809	\$126.00	\$780.91
2026	\$857,863	6,898	\$124.36	\$693.96
2027	\$857,863	6,989	\$122.75	\$604.30
2028	\$857,863	7,081	\$121.16	\$511.76
2029	\$857,863	7,174	\$119.59	\$416.19
2030	\$857,863	7,268	\$118.03	\$317.42
2031	\$857,863	7,363	\$116.50	\$215.25
2032	\$857,863	7,460	\$114.99	\$109.52

*NPV = net present value discounted at 5 percent

The maximum cost per call per year, after credits, is shown in Table 18 below.

TABLE 18: MAXIMUM COST PER CALL PER YEAR AFTER CREDITS

Year	Gross Cost per Call	Existing Development Credit	2016 Lease Rev Bond Credit	WF COP Credit	Max Cost per Call per Year
2023	\$3,259.68	\$947.27	\$150.07	\$146.84	\$2,015.51
2024	\$3,259.68	\$865.30	\$115.13	\$62.37	\$2,216.88
2025	\$3,259.68	\$780.91	\$78.52		\$2,400.25
2026	\$3,259.68	\$693.96	\$40.25		\$2,525.48
2027	\$3,259.68	\$604.30			\$2,655.39
2028	\$3,259.68	\$511.76			\$2,747.92
2029	\$3,259.68	\$416.19			\$2,843.49



Year	Gross Cost per Call	Existing Development Credit	2016 Lease Rev Bond Credit	WF COP Credit	Max Cost per Call per Year
2030	\$3,259.68	\$317.42			\$2,942.27
2031	\$3,259.68	\$215.25			\$3,044.43
2032	\$3,259.68	\$109.52			\$3,150.17

Vehicle Costs

Utah Code allows for impact fees to be charged to nonresidential development on fire vehicles that cost in excess of \$500,000. The District has identified five eligible vehicles and impact fees have been calculated by dividing the total cost (less salvage value) by the total calls in the capacity year (i.e., 20 years after acquired).

TABLE 19: VEHICLE COST PER CALL

Fire Vehicles	Year Acquired	Useful Life	End of Life	Call Capacity	Cost	Salvage	Cost per Call
Pierce Custom Enforcer PUC Engine	2023	20	2043	8,613	\$744,677	20%	\$69.17
Rosenbauer Engine	2023	20	2043	8,613	\$520,000	20%	\$48.30
New Engine	2026	20	2046	8,957	\$900,000	20%	\$80.39
New Engine	2029	20	2049	9,315	\$950,000	20%	\$81.59
Rescue Engine	2025	20	2045	8,841	\$1,300,000	20%	\$117.64
Total Vehicle Cost per Call							\$397.09

Maximum Impact Fees

Maximum impact fees have been calculated based on the cost per call multiplied by the average number of calls per unit as shown in Table 20. The average number of fire calls per residential unit is 0.1356 while nonresidential calls average 0.000109 calls per nonresidential building square foot.

TABLE 20: MAXIMUM IMPACT FEES IN 2023

Maximum Fees - 2023	Calls per Unit	Facility Fees	Vehicle Fees	Maximum Fee
Residential - per sf	0.135599028	\$273.30		\$273.30
Nonresidential - per sf	0.00010891	\$0.22	\$0.26	\$0.48

The maximum fee differs each year due to decreasing credits over time.

TABLE 21: MAXIMUM IMPACT FEES PER YEAR

Year	Max Cost per Call per Year	Max Fees by Year – Residential per Unit	Maximum Fees per Year – Nonresidential per SF
2023	\$2,015.51	\$273.30	\$0.48
2024	\$2,216.88	\$300.61	\$0.53
2025	\$2,400.25	\$325.47	\$0.57
2026	\$2,525.48	\$342.45	\$0.59
2027	\$2,655.39	\$360.07	\$0.62
2028	\$2,747.92	\$372.62	\$0.64



Year	Max Cost per Call per Year	Max Fees by Year – Residential per Unit	Maximum Fees per Year – Nonresidential per SF
2029	\$2,843.49	\$385.57	\$0.66
2030	\$2,942.27	\$398.97	\$0.68
2031	\$3,044.43	\$412.82	\$0.71
2032	\$3,150.17	\$427.16	\$0.73

Certification

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

1. includes only the cost 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; or
 - b. cost 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. offset costs with grants or other alternate sources of payment; and
4. complies in each and every relevant respect with the Impact Fees Act.