

SALEM CITY PARKS AND RECREATION IMPACT FEE **FACILITIES PLAN AND ANALYSIS**



January 2017

Certification

Salem City Parks and Recreation Impact Fee Analysis and Facilities Plan

I certify that the attached **Impact Fee Analysis** and **Impact Fee Facilities Plan**:

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;
 - b. Costs of 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. Offsets costs with grants or other alternate sources of payment; and
4. Complies in each and every relevant respect with the Impact Fees Act

Bruce R. Ward, P.E.
Salem City Engineer

_____, 2017

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CHAPTER 1 - INTRODUCTION

Salem City, located in south Utah County, is a small residential community of approximately 7,500 people. Salem is a full service community providing water, sewer, pressurized irrigation, electrical, police, cemetery, streets, and parks and recreation services. Commercial development is growing as the population increases.

Salem City projects its buildout population, under current zoning to be around 76,000 residents and is actively planning for the future. This forecasted growth will result in an increased demand placed on the City's infrastructure.

The purpose of this study is to comply with Utah Code Ann. Title 11 Chapter 36a "Impact Fee Act".

This study is divided into two parts:

Chapter 2: Parks and Recreation Impact Fee Facilities Plan

Chapter 3: Parks and Recreation Impact Fee Analysis

Additional support information for these two purposes will be included as necessary. This study will also recommend a Parks and Recreation Impact Fee that will help to fund future infrastructure needed to support growth.

Salem City recently contracted with Forsgren Associates to complete a capital facilities plan for their wastewater system. Demographic information from that analysis will be used and is presented in the table below. (Average 3.2 people per connection)

Salem City Estimated Growth Rate			
Year	Population	Growth Rate	Annual Increase
2016	7,500	4%	300
2017	7,800	4%	312
2018	8,112	4%	324
2019	8,436	4%	337
2020	8,774	4%	351
2021	9,125	4%	365
2022	9,490	4%	380
2023	9,869	4%	395
2024	10,264	4%	411
2025	10,675	4%	427
2026	11,102	4%	444
2027	11,546	4%	462
2028	12,008	4%	480
2029	12,488	4%	500
2030	12,988	4%	520
2031	13,507	4%	540
2032	14,047	4%	562
2033	14,609	4%	584
2034	15,194	4%	608
2035	15,801	4%	632
2036	16,433	4%	657

CHAPTER 2 - PARKS AND RECREATION IMPACT FEE FACILITIES PLAN

Salem City works hard to maintain a high quality of life and health to the community through their parks and recreation facilities. These facilities provide many benefits to the residents such as, improved health and stress reduction, while at the same time providing resource conservation, improved air quality, flood water storage, beautification, and increased property value. In order to maintain this quality of life, the City must increase the number of parks and recreation facilities as the population grows.

2.1 Existing Level of Service (LOS)

Currently, Salem has an estimated population of 7,500 residents and is serviced by parks and recreation facilities covering approximately 65.87 acres. Therefore, current facilities provide approximately 8.8 acres of parks and recreation facilities per 1,000 residents. The table below and the map on the following page illustrate park and recreation facility locations and acreages. The National Parks and Recreation Association has suggested that a recommended minimum LOS should be between 5 and 10. Salem is currently within that range. The table below outlines Salem City's existing park facilities.

Salem City Existing Park Facilities January 2017	
Park/ Facility	Size (acres)
Ballpark (100 E. Center)	4.9
Fair Grounds	8
Loafer View Ballpark (700 E. Salem Canal Rd.)	15.92
Salem Lake Park (excluding Salem Lake)	9.31
Salem Lake	17.32
300 West Center Street	1.13
240 East Melanie Street	1.36
Cemetery Park	7.93
Total Park Acreage	65.87
Current Estimated Population	7500
Park Acreage Per 1000 Residents	8.8

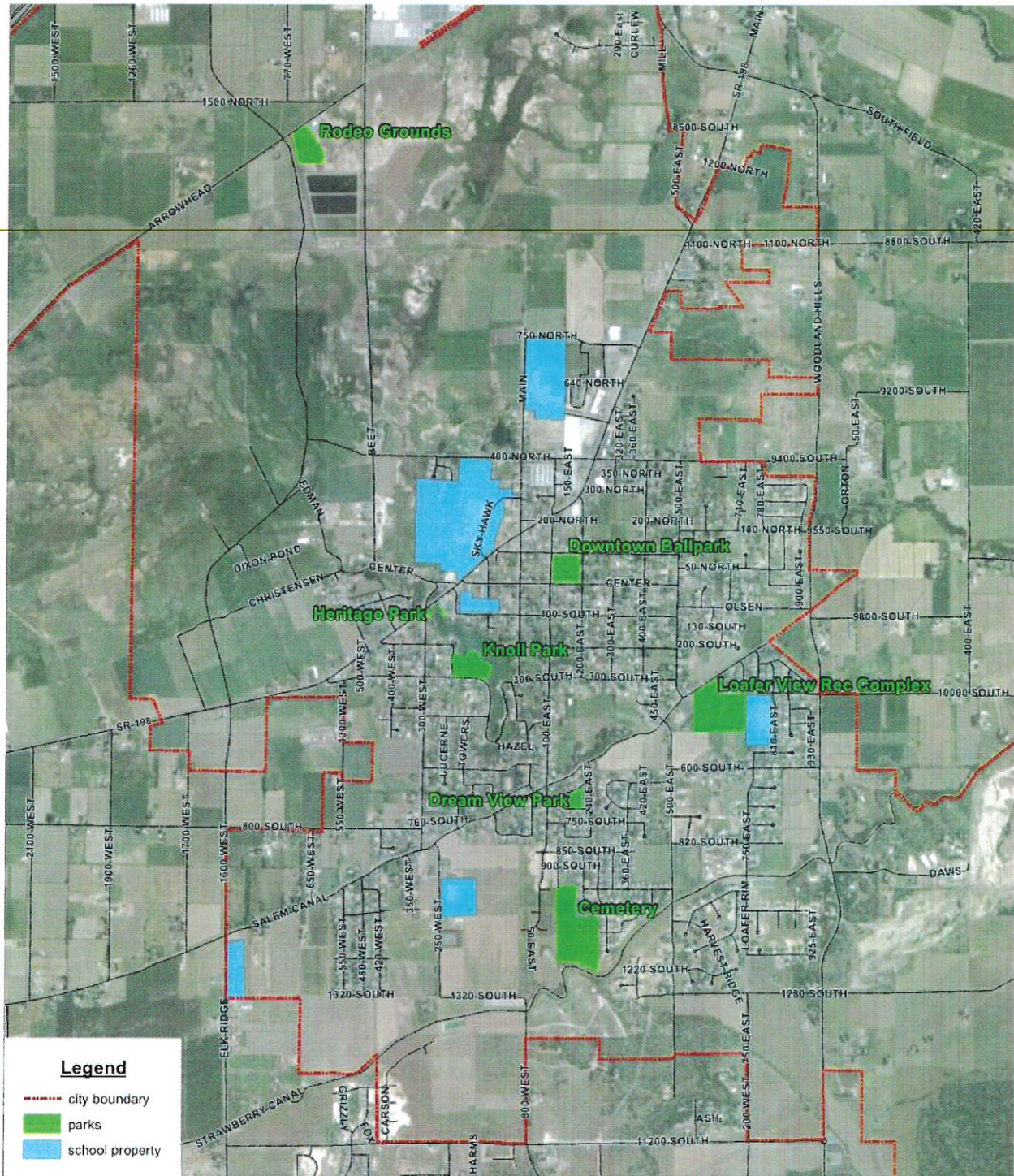


SALEM CITY



September 2016

EXISTING PARK AND RECREATION FACILITIES



2.2 Future Facilities

This study analyzes the 20 year planning period from 2016 to 2036. As Salem City's population increases from approximately 7,500 to an estimated 16,433 in 2036, an additional 78 acres of new parks and recreational facilities will need to be constructed to maintain an LOS of 8.8. The table below outlines this calculation.

Year	Population	Acres of Parks	L.O.S.
2016	7,500	65.87	8.8
2036	16,433	144.6	8.8
Acreage of Parks Needed		78.7	

2.3 Facilities Plan

The table below illustrates a conceptual Parks and Recreation Facilities Plan that could be implemented by Salem City to maintain an 8.8 LOS over this 20 year planning period. The years given are an approximation of when the facilities should be built.

Short Term Project	Total Acreage	Budgetary Cost	Year
Impact Fee Update	0	\$4,000	2016
Recreation Facility	0	\$1,250,000	2016-2017
Buy Land for 20 Acre Park	20	\$1,100,000	2017
Pavilion At Loafer View	0	\$180,359	2018
Pickle Ball Park	5	\$879,060	2019
Improvements for 20 Acre Park	0	\$1,667,080	2021
Sub-total		\$5,080,499	
Long Term Projects			
New 10 Acre Park	10	\$1,533,880	2025
New 15 Acre Park	15	\$2,149,260	2027
New 10 Acre Park	10	\$1,533,880	2030
New 15 Acre Park	15	\$2,149,260	2033
Total	75	\$12,446,779	

Budgetary cost estimates are included in the Appendix.

CHAPTER 3 - IMPACT FEE ANALYSIS

As provided by Utah State Law, impact fees provide communities with a legal means to obtain funds from new developments to finance the construction of infrastructure improvements that are needed to serve new growth. Impact fees are assessed for many types of infrastructure and facilities that are provided by a community, such as new parks and recreational facilities. State law requires that impact fees be spent within the next six year window. Throughout this study, existing conditions have been analyzed as well as future needs due to development and growth. This section defines the financial impact that new development will have on Salem City in the next 6 years. It also recommends impact fees for parks and recreation that will be required to pay off existing debt incurred by providing infrastructure for future developments and to maintain existing levels of service throughout the City. It does not consider existing deficiencies in the system.

Existing debt is shown as actual cost data. Project cost estimates are included in the appendix.

3.1 Parks and Recreation Impact Fee Analysis

In Chapter 2, a concept plan is outlined for Salem City to maintain the existing level of service for parks and recreational facilities throughout the City for the next 20 years. Based upon the growth projections, the City will need to construct new facilities in the next 6 years to maintain its LOS. The table on the following page shows the estimated cost of each improvement and when each improvement is planned.

Impact Fee Project Eligibility: All projects on the proposed Impact Fee Facilities Plan are considered to be 100% impact fee eligible with the exception of the new Recreation Facility. This project will create additional office space which is needed to house current employees. This new facility also replaces an existing concessions area, storage area and restrooms. These have been removed from the calculation as shown below. The replacement of existing space has been calculated to be 19% of the new building, thereby making the Recreation Facility 81% impact fee eligible. The table below shows how this was calculated.

Salem City - Recreation Center Project		
1	Description	Sq.Ft.
2	New Building Area	9,038
3	Total	9,038
4		
5	Office Space For Existing Employees in New building	364
6	Replacement of existing restroom/storage/concessions	1,393
7	Total	1,757
8		
9	% Impact Fee Eligible (1 - (Line 7/Line 3))	81%

Salem City Impact Fee Facilities Plan and Analysis

January 2017

							Impact Fee Projects										
		Existing Debt		Impact Fee Update		Recreation Facility (81% Eligible)		Buy 20 Acres		Loafer Pavilion		Pickle Ball Park		20 Ac Park Improvements		Various Parks	
Year	Population	Required Acres	L.O.S.	ERU's	Acres Added	Current Acreage											
2016	7,500	66	8.8	2,344		66	\$ 314,406.25	\$ 4,000.00	\$1,250,000.00	\$1,100,000.00	\$180,359.00	\$879,060.00	\$1,667,080.00				
2017	7,800	69	8.8	2,438		66	\$ 64,203.75	\$ 4,000.00	\$ 1,012,500.00								
2018	8,112	71	8.8	2,535		66	\$ 64,447.50			\$ 1,100,000.00							
2019	8,436	74	8.8	2,636	5	71	\$ 62,586.25				\$ 180,359.00	\$ 879,060.00					
2020	8,774	77	8.8	2,742		71	\$ 62,620.00										
2021	9,125	80	8.8	2,852	20	91	\$ 60,548.75						\$ 1,667,080.00				
2022	9,490	84	8.8	2,966		91											
2023	9,869	87	8.8	3,084		91											
2024	10,264	90	8.8	3,208		91											
2025	10,675	94	8.8	3,336	10	101										\$1,533,880.00	
2026	11,102	98	8.8	3,469		101											
2027	11,546	102	8.8	3,608	15	116										\$2,149,260.00	
2028	12,008	106	8.8	3,752		116											
2029	12,488	110	8.8	3,903		116											
2030	12,988	114	8.8	4,059	10	126										\$1,533,880.00	
2031	13,507	119	8.8	4,221		126											
2032	14,047	124	8.8	4,390		126											
2033	14,609	129	8.8	4,565	15	141										\$2,149,260.00	
2034	15,194	134	8.8	4,748		141											
2035	15,801	139	8.8	4,938		141											
2036	16,433	145	8.8	5,135		141											
Sub-Totals							\$ 314,406.25	\$ 4,000.00	\$ 1,012,500.00	\$ 1,100,000.00	\$ 180,359.00	\$ 879,060.00	\$ 1,667,080.00	\$ 7,366,280.00			

3.2 Parks and Recreation Impact Fee Calculation

The table below uses the information presented above to calculate the maximum allowable Impact Fee that may be charged to new residential units. The improvements have been spread over an estimated useful life based on the time that new parks are required or over a standard financing period.

Short-Term Project	Total Acreage	Budgetary Cost	Year	ERU's	Useful Life (Yrs)	Impact Fee
Loafer View Existing Debt	0	\$ 314,406		398	5	\$ 789.76
Impact Fee Update	0	\$ 4,000	2016	508	6	\$ 7.88
81% Recreation Facility	0	\$ 1,012,500	2016-2017	2,792	20	\$ 362.68
Buy Land for 20 Acre Park	20	\$ 1,100,000	2017	992	9	\$ 1,108.72
Pavilion At Loafer View	0	\$ 180,359	2018	2,792	20	\$ 64.61
Pickle Ball Park	5	\$ 879,060	2019	992	9	\$ 886.03
Improvements for 20 Acre Park	0	\$ 1,667,080	2021	992	9	\$ 1,680.29
Sub-total		\$ 4,842,999				\$ 4,899.96

The **maximum** allowable impact fee is **\$4,899.96 per new residential ERU (Equivalent Residential Unit).**

In order to maintain the current LOS, it is recommended that a Parks and Recreation Impact Fee in the amount of \$4,899.96 be adopted for all new residential units or residential equivalents. It is recommended that no Parks and Recreation Impact Fee be imposed on non-residential growth.

Appendix A

Project Estimates

Mayor
Randy A. Brailsford



Salem City Corporation

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Recreation Facility
Location: Downtown Park
Project Estimate
1/9/17

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	ESTIMATED COST
1	Construction (Bid)	1	ls	\$ 1,050,000.00	\$ 1,050,000.00
2	Demo of Existing Bathroom/Consession Bldg	1	ls	\$ 15,000.00	\$ 15,000.00
3	Landscaping	1	ls	\$ 25,000.00	\$ 25,000.00
4	Block the Existing Office Exterior	1	ls	\$ 15,000.00	\$ 15,000.00
5	Furnishings	1	ls	\$ 35,000.00	\$ 35,000.00
6	Phone System	1	ls	\$ 5,000.00	\$ 5,000.00
7	Computers & Electronics	1	ls	\$ 10,000.00	\$ 10,000.00
8	Relocated & Reconstruct Batting Cages	1	ls	\$ 5,000.00	\$ 5,000.00
9	Asphalt Patching	1	ls	\$ 10,000.00	\$ 10,000.00
10	Repaint Parking Lot	1	ls	\$ 1,000.00	\$ 1,000.00
11	Storm Drainage	1	ls	\$ 13,000.00	\$ 13,000.00
12	Construction Sub-Total				\$ 1,184,000.00
13					
14	KMA - Engineering & Construction Management	1	ls		\$ 34,000.00
15	Survey	1%	ls		\$ 12,000.00
16	Electrical	1	ls		\$ 20,000.00
17	Total Project Cost				\$ 1,250,000.00

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Pavilion at Loafer View
Location: Loafer View Ball Complex
Project Estimate
9/6/16

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	ESTIMATED COST
1	Excavation	8,400	cy	\$ 4.00	\$ 33,600.00
2	Landscaping	1	ls	\$ 5,000.00	\$ 5,000.00
3	Sod	3,400	sf	\$ 0.30	\$ 1,020.00
4	Sprinkling System	1	ls	\$ 10,000.00	\$ 10,000.00
5	Restrooms	1	ls	\$ 25,000.00	\$ 25,000.00
6	Storm Drainage	1	ls	\$ 5,000.00	\$ 5,000.00
7	Pavilion	1	ls	\$ 50,000.00	\$ 50,000.00
8	Construction Sub-Total				\$ 129,620.00
9					
10	Engineering & Construction Management	15%	ls		\$ 19,443.00
11	City Survey	1%	ls		\$ 1,296.20
12	City Electrical	1	ls		\$ 30,000.00
13	Total Project Cost				\$ 180,359.20

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Pickle Ball Park
Location: Downtown Park
Project Estimate
9/6/16

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	ESTIMATED COST
1	Land Purchase	5	ea	\$ 55,000.00	\$ 275,000.00
2	Excavation	9,000	cy	\$ 6.00	\$ 54,000.00
3	Landscaping	1	ls	\$ 25,000.00	\$ 25,000.00
4	Sod	215,000	sf	\$ 0.30	\$ 64,500.00
5	Sprinkling System	1	ls	\$ 90,000.00	\$ 90,000.00
6	Parking Lot	3,000	sf	\$ 5.00	\$ 15,000.00
7	Restrooms	1	ls	\$ 75,000.00	\$ 75,000.00
8	Batting Cages	1	ls	\$ 5,000.00	\$ 5,000.00
9	Play Ground	1	ls	\$ 5,000.00	\$ 5,000.00
10	Storm Drainage	1	ls	\$ 20,000.00	\$ 20,000.00
11					
12	Construction Sub-Total				\$ 628,500.00
13					
14	Engineering & Construction Management	15%	ls		\$ 94,275.00
15	City Survey	1%	ls		\$ 6,285.00
16	City Electrical	1	ls		\$ 150,000.00
17	Total Project Cost				\$ 879,060.00

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20 Acre Park
Location: To be Determined
Project Estimate
9/6/16

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	ESTIMATED COST
1	Land Purchase	20	ea	\$ 55,000.00	\$ 1,100,000.00
2	Excavation	35,000	cy	\$ 6.00	\$ 210,000.00
3	Landscaping	1	ls	\$ 50,000.00	\$ 50,000.00
4	Sod	860,000	sf	\$ 0.30	\$ 258,000.00
5	Sprinkling System	1	ls	\$ 300,000.00	\$ 300,000.00
6	Parking Lot	12,000	sf	\$ 5.00	\$ 60,000.00
7	Restrooms	2	ls	\$ 75,000.00	\$ 150,000.00
8	Play Ground	2	ls	\$ 5,000.00	\$ 10,000.00
9	Storm Drainage	1	ls	\$ 75,000.00	\$ 75,000.00
10					
11	Construction Sub-Total				\$ 2,213,000.00
12					
13	Engineering & Construction Management	15%	ls		\$ 331,950.00
14	City Survey	1%	ls		\$ 22,130.00
15	City Electrical	1	ls		\$ 200,000.00
16	Total Project Cost				\$ 2,767,080.00

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10 Acre Park
Location: To be Determined
Project Estimate
9/6/16

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	ESTIMATED COST
1	Land Purchase	10	ea	\$ 55,000.00	\$ 550,000.00
2	Excavation	16,500	cy	\$ 6.00	\$ 99,000.00
3	Landscaping	1	ls	\$ 50,000.00	\$ 50,000.00
4	Sod	430,000	sf	\$ 0.30	\$ 129,000.00
5	Sprinkling System	1	ls	\$ 175,000.00	\$ 175,000.00
6	Parking Lot	6,000	sf	\$ 5.00	\$ 30,000.00
7	Restrooms	1	ls	\$ 75,000.00	\$ 75,000.00
8	Play Ground	1	ls	\$ 10,000.00	\$ 10,000.00
9	Storm Drainage	1	ls	\$ 75,000.00	\$ 75,000.00
10					
11	Construction Sub-Total				\$ 1,193,000.00
12					
13	Engineering & Construction Management	15%	ls		\$ 178,950.00
14	City Survey	1%	ls		\$ 11,930.00
15	City Electrical	1	ls		\$ 150,000.00
16	Total Project Cost				\$ 1,533,880.00

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15 Acre Park
Location: To be Determined
Project Estimate
9/6/16

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	ESTIMATED COST
1	Land Purchase	15	ea	\$ 55,000.00	\$ 825,000.00
2	Excavation	25,000	cy	\$ 6.00	\$ 150,000.00
3	Landscaping	1	ls	\$ 50,000.00	\$ 50,000.00
4	Sod	645,000	sf	\$ 0.30	\$ 193,500.00
5	Sprinkling System	1	ls	\$ 300,000.00	\$ 300,000.00
6	Parking Lot	9,000	sf	\$ 5.00	\$ 45,000.00
7	Restrooms	1	ls	\$ 75,000.00	\$ 75,000.00
8	Play Ground	1	ls	\$ 10,000.00	\$ 10,000.00
9	Storm Drainage	1	ls	\$ 75,000.00	\$ 75,000.00
10					
11	Construction Sub-Total				\$ 1,723,500.00
12					
13	Engineering & Construction Management	15%	ls		\$ 258,525.00
14	City Survey	1%	ls		\$ 17,235.00
15	City Electrical	1	ls		\$ 150,000.00
16	Total Project Cost				\$ 2,149,260.00