

MINUTES OF THE SHOW LOW DEVELOPMENT FEE COMMITTEE

Wednesday, September 23, 2009

1. **Call to Order.** Mr. Tregaskes called the meeting to order at 4:05 PM.

Members Present: Kathleen Behrends, Rob Jones, Gordon Terracina

Members Absent: Kent McQuillan, Tom Cedarblade

Staff Present: Ed Muder, Ken Patterson, Bill Kopp, Justen Tregaskes, Diana Hough

2. **Approval of Minutes.** Mr. Tregaskes explained that the City Attorney has advised all Council-appointed committees and boards take and approve meeting minutes. The committee took a few minutes to read the minutes. Mr. Tregaskes suggested that without objections, the minutes be approved by unanimous consent. No objection was voiced, therefore the minutes were approved. It was noted that minutes will be prepared prior to the following meeting and sent to committee members to read prior to the meeting.

3. **Review and discussion of the Impact Fee Study and possible recommendations to City Council.** Mr. Tregaskes had prepared a spreadsheet as requested at the last meeting. The spreadsheet contains historic information regarding impact fee collection as well as current rates and the Cost of Construction index amounts we might have collected if we had been allowed to increase our fees from inception of the program. Collected fees are relatively close to those projected figures.

He noted that while the city has adopted a process whereby we can annually reassess these fees, the state legislature has placed a freeze on the increases until July 2011. They have also frozen the scale for subdivision fees from date of approval for two years. We are not sure if this is preliminary or final plat. The League may fight some of this. The state legislature's stance does not appear to favor development fees at all.

Discussion was then held regarding the TischlerBise report. It was noted that police fees cannot be collected on just residential development. At a time when we are working on promotion of commercial businesses, adding a police protection fee might have a negative impact. We might consider changing the way we allocate our sales revenue for police protection as an alternative to adding a police impact fee. It was also noted that an additional plus to adopting the report would be that grant funding sources will like it if we have a consistent fee structure and increase process.

Building permit statistics were discussed as well as current real estate market trends both locally, statewide and nationally. The challenges of figuring CCI estimates so we have good figures for council were also discussed.

The report can be adopted as a whole or specific parts may be adopted. There are three options the committee will consider: recommend council approval now; keep the current fees and impose the CCI increase when the freeze is lifted in 2011; keep the current fees (with the exception of increasing sewer fees) and impose the CCI increase when the freeze is lifted in 2011. The committee discussed recommending the fees we think are justifiable. We have seven fees. Sewer and water are probably our best bets for adjusting.

The committee then talked about the appropriate timing of their recommendation to council. The city engineer thought this was probably a good time to go to council for adoption. Revenues are down and council would recognize the need to have justifiable fees in place as the economy recovers. The committee could also recommend adoption, effective July 1, 2011 when the freeze on collecting increased impact fees is lifted. If the moratorium is lifted earlier, council could then give immediate approval. Two sets of fees might be presented for

approval, one set if the moratorium is lifted prior to July 1, 2011 and then the second set of fees on July 1, 2011. Justen pointed out that January 1st is when we traditionally implement the fee increases and the July date would be confusing. It was decided that we will need to ask for input from the city attorney when the committee begins wording the recommendation to present to council. Personal schedules and the city events were discussed in regards to their impact on the committee's meeting schedule and presentation of a recommendation to council.

- Plan of action:
1. Have TischlerBise update their report.
 2. Committee meeting, November 18, 2009
 3. Schedule a study session with council. TischlerBise presentation with an explanation of the development fees, an explanation of the increase/CCI process, including a real-time picture of the fee increases. Justen will present the CCI estimate for July 2011. A cap of sorts was discussed regarding this estimate.
 4. Take recommendation to council after June 30, 2009.

The meeting was adjourned at 5:15 PM.

Respectfully submitted,

Diana Hough, Administrative Assistant II
Planning and Zoning Department

4. Adjournment.

Diana Hough, Administrative Assistant
Planning and Zoning Commission