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# AGENDA

## IMPACT FEE ADVISORY COMMITTEE

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***April 18 2013 -3:00 pm***

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Jack Reidy Conference Room – 140 W. Pine, Missoula, MT 59802.

**A. Members Present:** Janet Donahue; chair, Dick Ainsworth, John Freer, Jim Galipeau, Derek Goldman, Jerry Ford, Elaine Hawk, Nick Kaufman, Katie Sutherland.

**Staff and Others Present:** Dee Andersen, Bruce Bender, Donna Gaukler, Brentt Ramharter, Kevin Slovarp.

**B. Public Comment-None**

**C. Minutes: Dated:** [November 15, 2012](#) -approved as submitted.

**Discussion:**

**D1. Parks Impact Fee Projects**

- Prior IFAC approved projects-Budget Increase Requests

**McCormick Park Improvements - Cregg Lane & Hickory:**

Donna Gaukler, Parks and Recreation Director, said this request is a part of CIP project PR-06. It ties into the [McCormick Park Master Plan](#). She explained that the Missoula Redevelopment Agency has moved forward on these major projects in URD II where the old sawmill was once located.

- The extension of Wyoming Street to Cregg Lane at Hickory Street.
- The replacement of the Montana Rail Link train trestle.
- The development of Silver Park.

When Wyoming Street is extended and connects with Cregg Lane it will provide another needed east-west link between Russell and Orange Streets. The capacity on this roadway is projected to increase from 562 to 3800 vehicle trips per day. McCormick park is located in the heart of the trail system and is the most used and the most ADA accessible park in the City. It is also the future location for the all-abilities playground. Ms. Gaukler's concern is with the increase in vehicle traffic it will also significantly change the atmosphere of the park. The objective is to provide an effective east-west transportation corridor, yet keeping the portion along Cregg Lane working effectively as Parkway. The park related improvements that will achieve this goal are described in more detail in her [Impact Fee funding criteria](#). They include pathways along Cregg Lane which connect the Bitterroot and Milwaukee trail system, boulevard trees, and traffic calming devices at the intersection of the park entrance. The plan will add a turn lane and widen the road to McCormick Park to allow bicyclists and pedestrians a pathway. The intersection at Hickory and Cregg Lane will also be improved as it has an awkward angle and recently a bicyclist was hit. Eventually 100 Hickory will be vacated and become more park space. Her

proposed request for Park Impact Fee funding at this time is for \$147,402 and will include all the above improvements. She discussed the methodology that was used to calculate this amount.

City Engineer, Kevin Slovarp, addressed the critical concern for the pedestrian crossings between the McCormick Park entrance and Hickory Street. A tabled intersection will be installed and the roadway will be reduced to 2- ten- foot driving lanes with a speed limit of 25 mph. The bike lanes will be off road along the sidewalk or pedestrian pathway. There will be pedestrian islands installed as a safe place to wait for traffic. All of these improvements will take place in Phase I. Phase II will connect the pathways to the Milwaukee trail and make improvements between Cregg Lane and Orange Street to slow traffic because once Wyoming Street is connected there is a proposed 85% increase of traffic projected as people will start using it as an access to Orange Street. This project is connected to CIP S-19 and the Transportation Impact Fee funding requested is \$155,900.

Jim Galipeau asked when the developer will install a traffic light at Orange Street.

Mr. Slovarp said it will be in Phase I and it all depends on when the developer file's a plat. Essentially, this connection will take traffic off of Third Street and Broadway Streets.

Mr. Galipeau asked when the light will be installed on Russell Street.

Mr. Slovarp said it will be a part of the Russell Street Project. It's not included in Phase I, so his estimate would be sometime between 2016-2018.

Mr. Galipeau commented that this is going to take some time before its all working as intended.

Nick Kaufman said beside the old sawmill area, in the area near the Pink Grizzly there is a lot of growth happening so this will help to bring it all together.

Janet Donahue asked the committee if they were ready to vote and asked for a motion.

John Freer suggested they combine both projects and moved to approve both CIP project PR-06 and S-19 requests.

Derek Goldman seconded the motion.

Upon a voice vote, the motion carried with Nick Kaufman recusing.

## **D.2 New Park Project**

### **Eaton to 3<sup>rd</sup> Street.–Trail Improvement/Stair project:**

Ms. Gaukler explained that this project came from a request to vacate a small portion of Eaton Street right-of-way (4000 sq. feet) by developer, Wade Hoyt. Due to the typography it couldn't be developed into a street. He wanted to add the square footage to his proposed multi-family unit development which Parks and Recreation and the Public Works Department supported, if in exchange he would construct a pedestrian pathway to connect Eaton to 3<sup>rd</sup> Street. Due to steep terrain, stairs are needed to connect the pathway. The Parks Department requested metal stairs similar to those at Caras Park that have holes for the moisture to drop through. Metal stairs are expensive to install but will cost less to maintain and would be safer for the public. The estimate was over \$30,000 for the stairs and pathway and Mr. Hoyt asked the City to contribute to the cost. The Park Impact Fee calculation was \$9,000 for his 12- unit development, plus an additional 6 units being built adjacent to this property to the east. The total cost of the City's contribution to these stairs is \$10,000. \$9,000 of impact fees which is the approximate amount they will collect from this development and \$1,000 of cash in lieu.

John Freer asked if Ms. Gaukler had any concerns using 100% of impact fees generated from this project to pay for 30% of the cost of the stairs. He said there may be future developers that would want to do the same thing.

Ms. Gaukler said she doesn't feel it will set a precedent. She said it was similar to something they have done at 44 ranch and they used it to their advantage.

Katie Sutherland moved to approve the \$9,000 request.

Mr. Galipeau seconded the motion.

Upon a voice vote, the motion passed unanimously.

#### **E1. Transportation Impact Fee Projects**

- *Prior IFAC Approved projects—Budget Increase Request*

##### ***The Van Buren Reconstruction:***

Mr. Slovarp said this is a project progression with new numbers. Steve King updated the committee last fall and there is nothing new to report. The increased Impact Fee request is for \$280,000.

Bruce Bender said the project was previously approved for \$110,000. They are adding 2 more years onto the project. So now they need approval for the increased request from \$110,000 to \$280,000.

Mr. Freer moved to approve the increased request to \$280,000.

Dick Ainsworth seconded the motion.

Upon a voice vote, the motion carried with Nick Kaufman recusing.

##### **S. 3<sup>rd</sup> Reconstruction -Russell to Reserve:**

Mr. Bender said we have better numbers on this project now.

Mr. Slovarp agreed and stated that now they know the actual construction costs they have better numbers to work with. Steve King brought this to the committee last year, and since then they have done data collection, preliminary engineering and a final engineering design. There has also been a signal warrant study for a signal light at Caitlin/3<sup>rd</sup>. They have the opportunity to work with the Good Food Store, and a public or private partnership for funding a signal light there. Last year Mr. King requested Transportation Impact Fees of \$1,120,000 but Mr. Slovarp stated that amount needs to be increased by \$7,800 for a total of \$1,127,800 which is 30% of the total project.

Mr. Galipeau moved to increase the Transportation Impact Fees by \$7,800.

Ms. Sutherland seconded the motion.

Upon a voice vote, the motion passed with Mr. Kaufman recusing himself.

##### **Scott/Toole Intersection:**

Last year the IFAC committee approved a \$50,200 request for the Scott/Tool intersection project based on the contingency that the MRA would fund an additional \$40,000 for the cost of

Pedestrian lighting and the roundabout. The MRA board approved that request however, they had not accounted for the cost of the design of the lighting which is an additional \$10,000. The original estimate included 7 luminaires but they actually will need 10. Mr. Slovarp feels the MRA will still pay for the lighting but we will need to fund the design. We are requesting a \$14,000 increase of Impact Fees bringing the total to \$70,200 with \$6,000 already spent. This request represents 26% of the total project costs.

Mr. Galipeau asked about the additional \$26,500 of MRA funding and if it had been approved.

Mr. Slovarp said it will be real soon. We want to bid the project.

Mr. Bender asked how we will fund that.

Mr. Slovarp said Ellen Buchanan said she has a good indication that the MRA board will fund it.

Mr. Galipeau moved to approve the increase in Impact Fee funding contingent upon the MRA board approval of the additional \$26,500 of MRA funds requested.

Dick Ainsworth seconded the motion.

Upon a voice vote, the motion carried with Mr. Kaufman recusing himself.

## **E2. New projects**

### **Hillview Way Street Improvements:**

The prior proposed Hillview Way Street Improvements were strongly opposed by the public due to the perceived inequitable manner in which the assessments would have been applied to the property owners.

Presently a new concept of funding has been created which would combine an SID assessment, Road District 1 funds and Transportation Impact Fees as outlined in the [Impact Fee Funding Criteria](#):

- Impact fees to pay for design, engineering and some construction costs.
- An SID assessment to cover roadway improvements.
- Road District funds to pay for the undeveloped property, to be reimbursed by the new units upon development.

The proposed improvements would include bike lanes, curbs, sidewalks, drainage, and new asphalt pavement. Each dwelling unit would be assessed \$1,000 and bare land would not be assessed until it was developed.

Mr. Bender said they are seeking approval from the committee on the financing concept.

Ms. Donahue stated that there had already been \$120,000 of Impact Fees allocated for this project and that was to pay for the design.

Mr. Bender said yes. \$120,000 went into the design and now we are requesting an additional \$833,000 to participate in construction costs.

Mr. Kaufman asked if the percentage from the original contribution stays the same as the second contribution.

Mr. Bender said yes. Our intent is to keep it at 1/3 of the total project cost.

Mr. Ramharter stated that \$864,600 would be 1/3.

Mr. Freer said he feels better about the project this time around but has concerns that they can justify 700 lots. He said he is not sure if this is what impact fees were intended for as it is not a growth area like Scott/Toole area. He said it seems like a fund grab to fund his project because the original SID failed.

Elaine Hawk asked if 700 lots was the projected number.

Mr. Bender said there were 1000 lots permitted by zoning and they scaled it down to 700. The project comes close to paying for itself.

Mr. Goldman asked if these improvements would allow for a bus stop.

Mr. Slovarp stated that he didn't believe there is room for a bus stop on the grade portion.

Ms. Hawk asked if the intent was to assess the new homes and charge the impact fee so they would be hit with both.

Mr. Bender said yes. The SID is a local improvement and the impact fee is a community fee for the bike lanes that serve the general benefit of the area.

Mr. Galipeau asked what would happen if they didn't get the \$687,000 in the assessment.

Mr. Bender said it would be carried by the road district.

Ms. Hawk asked what other ways can an SID be created besides a sub-division.

Mr. Bender said it can be initiated by City Council and is structured by the state law. There is a protest period. If you receive more than 50% of the value of the protest it won't go forward, and if we receive less than 50% it's the Council's final decision.

Mr. Kaufman asked for clarification on the deferred SID payment.

Mr. Bender replied that the bare land would not be assessed until the property was sold.

Mr. Ramharter said it would essentially be a late comer's fee and would go back into the road district because the road district is paying for that portion of the project.

Mr. Kaufman asked if this plan is written out.

Mr. Bender said no. It is only conceptual right now.

Ms. Donahue pointed out that in the past the City has brought items to the committee that weren't voted on until more information was gathered. She suggested that maybe more discussion is needed on this project before voting.

Mr. Bender said there are no immediate plans to go forward yet and there are some maps available that were created by planning that show the lots and the boundaries that may be helpful. He wanted to know if any of the voting members are opposed to the concept in general.

Mr. Galipeau stated that he is in support of this project because the condition of the roadway is horrible. He lives in this area and feels that when it's in your own backyard so to speak, it's easier to support. In regards to the bare land, the City may think there is the possibility for future development but what if land covenants forbid it. He also questioned how accurate the 700 number of lots are.

Ms. Hawk asked if someone could be hit with triple fees for example; a subdivision fee, an SID and Transportation Impact Fee.

Mr. Bender said no. If it's not developed before the SID is created then it's afterward.

Mr. Kaufman says he likes the creative way this idea has developed, but would like more information. He would like to see the SID boundaries and the land use map and projections. He wants to make sure that once the SID is created and you waive the right to protest the SID, that in the future property owners will not get hit twice for the same improvements along Hillview Way.

The committee discussed holding another meeting in the near future for City staff to answer questions and provide the requested information.

The date selected was May 30, 2013 at 3 pm.

### **E3. Councilman Bob Jaffe's Blog on Impact Fees**

Ms. Donahue stated that she read Mr. Jaffe's blog and thought a discussion would be appropriate to address how the Council maybe considering how impact fees affect economic development. She said she is hoping that this issue will come into this committee for discussion. She said there was a question raised as to whether impact fees could be waived if the project created jobs.

Mr. Bender said he had already responded to Councilwoman Copple's question regarding Impact Fees being tied to job growth. According to state law, the only exception on Impact fees is if you do your own transportation analysis and find that the trip generation is less than the ordinance then you can get a reduced Transportation Impact Fee, which has been done in the past. Otherwise, if you're looking to incentivize development, he suggested going through the MRA with Tax Increment Financing and then you may offset some impact fees or go to the General Fund.

The meeting adjourned at 5:12 pm.

Respectfully submitted,

Dee Andersen.

Supporting Documents:

[Minutes dated April 19, 2012](#)

[Impact Fees McCormick Park Improvements Cregg-Hickory](#)

[CIP-PR-06 McCormick Park](#)

[CIP -New S-19 Cregg Lane](#)

[Impact Fees Eaton to 3<sup>rd</sup> Trail](#)

[Impact Fees Van Buren St. Reconstruction](#)

[CIP -S-14 Van Buren Street Reconstruction](#)

[CIP-S-04 South 3<sup>rd</sup> Reconstruction Russell to Reserve  
Impact Fees Scott/Toole Intersection](#)  
[CIP-S-02 Scott/Toole Intersection Improvements  
Impact Fees Hillview Way](#)  
[CIP-S-09 Hillview Way Street Improvements](#)  
[CIP – PR-07 Park Development Expansion  
Three project Description at Millsite](#)  
[Councilman Bob Jaffe's Blog dated 4-17-13](#)