

Parks Capital Improvements Program for New Growth and Development Fee Study

Prepared for:



May 24, 2006

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Executive Summary

Pinal County has contracted with TischlerBise to calculate a capital improvements program (CIP) and resulting development fees for parks.

DEVELOPMENT FEE REQUIREMENTS

U.S. Constitutional Requirements

Like all land use regulations, development exactions, including development fees, are subject to the Fifth Amendment prohibition on taking of private property for public use without just compensation. Both state and federal courts have recognized the imposition of development fees on development as a legitimate form of land use regulation, provided the fees meet standards intended to protect against regulatory takings. To comply with the Fifth Amendment, development regulations must be shown to substantially advance a legitimate governmental interest. In the case of development fees, that interest is in the protection of public health, safety, and welfare by ensuring that development is not detrimental to the quality of essential public services.

There is little federal case law specifically dealing with development fees, although other rulings on other types of exactions (e.g. land dedication requirements) are relevant. In one of the most important exaction cases, the U. S. Supreme Court found that a government agency imposing exactions on development must demonstrate an "essential nexus" between the exaction and the interest being protected (See *Nollan v. California Coastal Commission*, 1987). In a more recent case (*Dolan v. City of Tigard*, OR, 1994), the Court ruled that an exaction also must be "roughly proportional" to the burden created by development. However, the *Dolan* decision appeared to set a higher standard of review for mandatory dedications of land than for monetary exactions such as development fees.

These constitutional requirements of development fees are commonly referred to as "rational nexus" test. The rational nexus test has three elements:

Demand – a particular type of development demands a particular type of infrastructure.

Proportionality – the fees are proportionate to the demand created by development for infrastructure.

Benefit – The payer of the development fee must receive a benefit (i.e. the construction of infrastructure which accommodates their impact on a community's capital facilities and assets).

State Requirements

Many of these constitutional concerns are echoed in the state enabling legislation for counties to assess development fees. Development fees for counties in Arizona are authorized by Arizona Revised Statutes (A.R.S.) 11-102. Specifically:

A. If a county has adopted a capital improvements plan, the county may assess development fees within the covered planning area in order to offset the capital costs for water, sewer, streets, parks and parks facilities determined by the plan to be necessary for public services provided by the county to a development in the planning area.

B. Development fees assessed under this section are subject to the following requirements:

- 1. Development fees shall result in a beneficial use to the development.*
- 2. Monies received from development fees shall be placed in a separate fund and accounted for separately and may only be used for the purposes authorized by this section. Interest earned on monies in the separate fund shall be credited to the fund.*
- 3. The county shall prescribe the schedule for paying the development fees. The county shall provide a credit toward the payment of the fee for the required dedication of public sites and improvements provided by the developer for which that fee is assessed. The developer of residential dwelling units shall be required to pay the fees when construction permits for the dwelling units are issued.*
- 4. The amount of any development fees must bear a reasonable relationship to the burden of capital costs imposed on the county to provide additional necessary public services to the*

development. In determining the extent of the burden imposed by the development, the county shall consider, among other things, the contribution made or to be made in the future in cash by taxes, fees or assessments by the property owner toward the capital costs of the necessary public service covered by the development fee.

5. Development fees shall be assessed in a nondiscriminatory manner.

6. In determining and assessing a development fee applying to land in a community facilities district established under title 48, chapter 4, article 6, the county shall take into account all public infrastructure provided by the district and capital costs paid by the district for necessary public services and shall not assess a portion of the development fee based on the infrastructure or costs.

C. Before assessing or increasing a development fee, the county shall:

1. Give at least one hundred twenty days' advance notice of intention to assess a new or increased development fee.

2. Release to the public a written report including all documentation that supports the assessment of a new or increased development fee.

3. Conduct a public hearing on the proposed new or increased development fee at any time after the expiration of the one hundred twenty day notice of intention to assess a new or increased development fee and at least fourteen days before the scheduled date of adoption of the new or increased fee.

D. A development fee assessed pursuant to this section is not effective for at least ninety days after its formal adoption by the board of supervisors.

E. This section does not affect any development fee adopted before the effective date of this section.

In accordance with state law, this report includes a CIP for parks that is the result of new growth (Note: this CIP does not include projects related to routine maintenance and replacement of existing capital facilities and assets, nor does it include projects which address existing capacity deficiencies). The CIP shows that the capital facilities for which the Parks Development Fee are prepared are a consequence of new development, the fees are proportionate and reasonably related to the capital facility service demands of new development and that development fees will substantially benefit new development. The County can use this information to update its CIP as needed in order to ensure the requirements of state law are met.

Figure 1 provides a schedule of the Parks Development Fees for unincorporated Pinal County. Because the County plans to provide a uniform level-of-service (LOS) throughout the County, one set of Parks Development Fees are shown for the County. However, in order to better meet the requirements of rational nexus and state law, TischlerBise recommends the County collect and expend these funds based on the seven impact fee areas (IFA's) it has identified (this is discussed in more detail below) with the exception of the portion of the fee associated with the Fairgrounds. Development fees for residential development will be assessed per housing unit. The County may adopt fees that are less than the amounts shown. However, a reduction in development fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures and/or a decrease in the County's LOS.

Figure 1: Schedule of Parks Development Fees – All Impact Fee Areas

Development Fees

	<i>Regional Parkland</i>	<i>Regional Park Improve</i>	<i>Trails</i>	<i>Fairground</i>	<i>Support Veh/Equip</i>	<i>Dev. Fee Study</i>	<i>TOTAL</i>
Single Family	\$229	\$3	\$32	\$11	\$12	\$3	\$290
All Other Residential	\$107	\$1	\$15	\$5	\$5	\$2	\$135

All costs in the development fee calculations are given in current dollars with no assumed inflation rate over time. If cost estimates change significantly, the fees should be recalculated.

A note on rounding: Calculations throughout this report are based on analysis conducted using Excel software. Results are discussed in the report using one-and two-digit places (in most cases), which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not due to rounding in the analysis).

Parks Capital Improvements Plan

METHODOLOGY

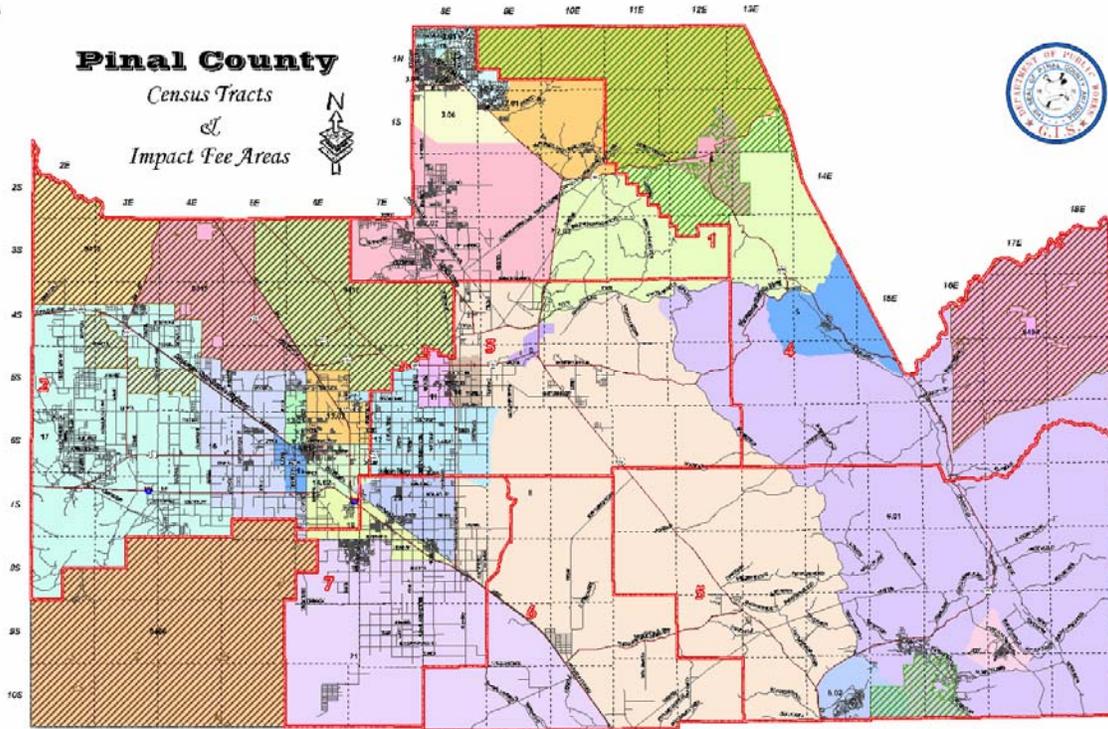
Development fees for parks are one of the infrastructure categories allowed under Arizona law (see “State Requirements” above). The Parks Development Fee study for Pinal County includes the following capital costs related to parks:

- Land and Improvements for Regional Parks
- Trails
- Fairgrounds
- Support Vehicles and Equipment Related to Parks

State law also requires the County to have an adopted capital improvements plan (CIP) in order to assess development fees within the covered planning area to offset the capital costs listed in the CIP to be necessary for public services provided by the County to development in the planning area. TischlerBise has prepared a CIP for each of the capital costs listed above for the unincorporated portion of the County’s Impact Fee Areas (IFA).

To better plan, coordinate, and finance the planned infrastructure demanded by new development, the County has established seven impact fee areas shown in Figure 2 below.

Figure 2: Pinal County Impact Fee Areas



To better meet the benefit requirements of the rational nexus test and state law, TischlerBise recommends the County collect and expend the Parks Development Fees according to these seven impact fee areas with the exception of the portion of the fee associated with the Fairgrounds since this is a single facility serving the entire County. These zones are used to document where in the County the development fee revenues are coming from and where capital projects for new growth will be provided. The collection and expenditures zone map in Figure is provided to give the reader a general indication of the IFA boundaries. Larger, detailed maps will be maintained by the County.

REGIONAL PARKS

The County plans to maintain the level-of-service (LOS) for regional parks (land and improvements) it is currently providing to existing residential development throughout unincorporated Pinal County. The County uses the National Recreation and Park Association definition for regional park which have service areas that encompass several communities within one hour driving time of the park. New residential development in unincorporated Pinal County will create demand for additional regional parks in order for the current LOS to be maintained. If additional regional parks are not provided to new development, the LOS will decline as the same number of regional parks will be serving a larger development base.

The demand for regional parks is the result of residential development only. Demand from residential development fees is calculated on a per person basis.

Planned LOS Analysis – Land for Regional Parks

As mentioned above, the County plans to maintain the current, Countywide LOS for land for regional parks. The first step of formulating the CIP for land for regional parks is an analysis of the current LOS being provided to existing residential development in unincorporated Pinal County.

Figure 3 lists the current inventory of land for regional parks which total 160 acres. The current LOS for land for regional parks for residential development in unincorporated Pinal County is calculated as follows: $((160 \text{ acres} \times 100\%) / 118,269 \text{ persons in unincorporated Pinal County}) = .0014$ acres per person.

Figure 3: Current LOS Analysis for Land for Regional Parks

<i>Regional Park</i>	<i>Acres</i>
West Pinal Park	160
 <i>Proportionate Share Analysis</i>	
Residential	100%
Nonresidential	0%
 <i>2006 Demand Units Unincorporated Pinal County*</i>	
Population	118,269
 <i>Current Level-of-Service</i>	
Residential - acres per person	0.0014

* Figure 8, Demographic Estimates and Development Projections.

Planned Cost Analysis – Land for Regional Parks

The Pinal County Parks and Recreation Department estimates it costs \$75,000 per acre to purchase land for regional parks. This results in a cost factor of \$101.46 per person to maintain the current LOS. This is calculated by multiplying the current residential LOS of .0014 acres per person by \$75,000 per acre (.0014 x \$75,000 = \$101.46).

Figure 4: Land for Regional Parks Cost Standards

<i>Current Level-of-Service</i>	
Residential - acres per person	0.0014
 <i>Cost Factor</i>	
Average Cost Per Acre*	\$75,000
 <i>Cost</i>	
Per Person	\$101.46

* Pinal County Parks & Recreation Department.

Planned LOS Analysis – Regional Park Improvements

As mentioned above, the County plans to maintain the current, Countywide LOS for regional park improvements. The first step of formulating the CIP for land for regional park improvements is an analysis of the current LOS being provided to existing residential development throughout unincorporated Pinal County.

Figure 5 lists the current inventory of 63 improvements at regional parks. The current LOS for regional park improvements for residential development in unincorporated Pinal County is calculated as follows: ((63 improvements x 100%)/118,269 persons in unincorporated Pinal County) = .0005 improvements per person.

Figure 5: Current LOS Analysis for Regional Park Improvements

<i>Regional Park Improvements</i>	<i># of Units</i>
Restrooms	2
Large Ramadas with BBQ Grills	3
BBQ Grills	17
Picnic Tables	40
Tot Lot Playgrounds with Fences	1
TOTAL	63
<i>Proportionate Share Analysis</i>	
Residential	100%
Nonresidential	0%
<i>2006 Demand Units Unincorporated Pinal County*</i>	
Population	118,269
<i>Current Level-of-Service</i>	
Residential - improvements per person	0.0005

* Figure 8, *Demographic Estimates and Development Projections*.

Planned Cost Analysis – Regional Park Improvements

The Pinal County Parks and Recreation Department estimates the current inventory of regional park improvements to have a total value of \$142,050, an average of \$2,255 per unit ($\$142,050 / 63 \text{ units} = \$2,255$). This results in a cost factor of \$1.20 per person and in order to maintain the current LOS. This is calculated by multiplying the current residential LOS of .0005 improvements per person by \$2,254 per improvement ($.0005 \times \$2,254 = \1.20).

Figure 6: Regional Park Improvements Cost Standards

<i>Regional Park Improvements</i>	<i># of Units</i>	<i>Cost per Unit*</i>	<i>Total</i>
Restrooms	2	\$35,000	\$70,000
Large Ramadas with BBQ Grills	3	\$3,800	\$11,400
BBQ Grills	17	\$450	\$7,650
Picnic Tables	40	\$700	\$28,000
Tot Lot Playgrounds with Fences	1	\$25,000	\$25,000
TOTAL	63		\$142,050

Ave. Cost Per Improvement => \$2,255

Current Level-of-Service

Residential - improvements per person 0.0005

Cost Factor

Average Cost Per Improvement \$2,255

Cost

Per Person \$1.20

* Pinal County Parks & Recreation Department.

CIP for Regional Parks

Using the residential development projections by IFA from Figure 8 of the *Demographic Estimates and Development Projections* report in conjunction with the current LOS analysis data from Figures 3 and 5 and the cost standards from Figures 4 and 6, TischlerBise developed the following CIP for regional parks (land and improvements) for new growth for each IFA over the next five years. The number of acres and improvements and capital expenditures is projected for each IFA. Using residential development in IFA 1 in the first year as an example, the amount of regional park land and improvements demanded by new growth in order to maintain the current LOS and the cost is calculated as follows:

$$8,226 \text{ persons from new development} \times .0014 \text{ acres/person} = 11 \text{ acres}$$

$$8,226 \text{ persons from new development} \times .0005 \text{ improvements/person} = 4 \text{ improvements}$$

$$11 \text{ acres} \times \$75,000/\text{acre} = \$834,623$$

$$4 \text{ improvements} \times \$2,255/\text{improvement} = \$9,880$$

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

Figure 7: 5 Year CIP for Regional Parks by IFA

IFA 1	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 1	78,189	86,415	94,640	102,866	111,092	119,318
Net Population Change During Year	8,226	8,226	8,226	8,226	8,226	
Regional Park Acreage Per Person	0.0014	0.0014	0.0014	0.0014	0.0014	
Regional Park Improvements Per Person	0.0005	0.0005	0.0005	0.0005	0.0005	
						<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 1	11	11	11	11	11	56
Regional Park Improvements Demanded Residential Development IFA 1	4	4	4	4	4	22
Average Cost per Acre	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	
Average Cost per Improvements	\$2,255	\$2,255	\$2,255	\$2,255	\$2,255	
						<i>5 Year Total</i>
Capital Costs Regional Parkland - Residential Development IFA 1	\$834,623	\$834,623	\$834,623	\$834,623	\$834,623	\$4,173,114
Capital Costs Regional Park Improvements - Residential Development IFA 1	\$9,880	\$9,880	\$9,880	\$9,880	\$9,880	\$49,399
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 1	\$844,503	\$844,503	\$844,503	\$844,503	\$844,503	\$4,222,514
IFA 2	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 2	17,005	17,476	17,946	18,416	18,886	19,357
Net Population Change During Year	470	470	470	470	470	
Regional Park Acreage Per Person	0.0014	0.0014	0.0014	0.0014	0.0014	
Regional Park Improvements Per Person	0.0005	0.0005	0.0005	0.0005	0.0005	
						<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 2	0.6	0.6	0.6	0.6	0.6	3.2
Regional Park Improvements Demanded Residential Development IFA 2	0.3	0.3	0.3	0.3	0.3	1.3
Average Cost per Acre	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	
Average Cost per Improvements	\$2,255	\$2,255	\$2,255	\$2,255	\$2,255	
						<i>5 Year Total</i>
Capital Costs Regional Parkland - Residential Development IFA 2	\$47,716	\$47,716	\$47,716	\$47,716	\$47,716	\$238,578
Capital Costs Regional Park Improvements - Residential Development IFA 2	\$565	\$565	\$565	\$565	\$565	\$2,824
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 2	\$48,280	\$48,280	\$48,280	\$48,280	\$48,280	\$241,402
IFA 3	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 3	7,758	8,216	8,674	9,133	9,591	10,049
Net Population Change During Year	458	458	458	458	458	
Regional Park Acreage Per Person	0.0014	0.0014	0.0014	0.0014	0.0014	
Regional Park Improvements Per Person	0.0005	0.0005	0.0005	0.0005	0.0005	
						<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 3	0.6	0.6	0.6	0.6	0.6	3.1
Regional Park Improvements Demanded Residential Development IFA 3	0.2	0.2	0.2	0.2	0.2	1.2
Average Cost per Acre	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	
Average Cost per Improvements	\$2,255	\$2,255	\$2,255	\$2,255	\$2,255	
						<i>5 Year Total</i>
Capital Costs Regional Parkland - Residential Development IFA 3	\$46,508	\$46,508	\$46,508	\$46,508	\$46,508	\$232,538
Capital Costs Regional Park Improvements - Residential Development IFA 3	\$551	\$551	\$551	\$551	\$551	\$2,753
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 3	\$47,058	\$47,058	\$47,058	\$47,058	\$47,058	\$235,290

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

IFA 4	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 4	1,493	1,505	1,517	1,529	1,541	1,553
Net Population Change During Year	12	12	12	12	12	
Regional Park Acreage Per Person	0.0014	0.0014	0.0014	0.0014	0.0014	
Regional Park Improvements Per Person	0.0005	0.0005	0.0005	0.0005	0.0005	
						<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 4	0.02	0.02	0.02	0.02	0.02	0.08
Regional Park Improvements Demanded Residential Development IFA 4	0.01	0.01	0.01	0.01	0.01	0.03
Average Cost per Acre	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	
Average Cost per Improvements	\$2,255	\$2,255	\$2,255	\$2,255	\$2,255	
						<i>5 Year Total</i>
Capital Costs Regional Parkland - Residential Development IFA 4	\$1,228	\$1,228	\$1,228	\$1,228	\$1,228	\$6,138
Capital Costs Regional Park Improvements - Residential Development IFA 4	\$15	\$15	\$15	\$15	\$15	\$73
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 4	\$1,242	\$1,242	\$1,242	\$1,242	\$1,242	\$6,210
IFA 5	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 5	14,262	15,207	16,151	17,096	18,041	18,986
Net Population Change During Year	945	945	945	945	945	
Regional Park Acreage Per Person	0.0014	0.0014	0.0014	0.0014	0.0014	
Regional Park Improvements Per Person	0.0005	0.0005	0.0005	0.0005	0.0005	
						<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 5	1.3	1.3	1.3	1.3	1.3	6.4
Regional Park Improvements Demanded Residential Development IFA 5	0.5	0.5	0.5	0.5	0.5	2.5
Average Cost per Acre	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	
Average Cost per Improvements	\$2,255	\$2,255	\$2,255	\$2,255	\$2,255	
						<i>5 Year Total</i>
Capital Costs Regional Parkland - Residential Development IFA 5	\$95,851	\$95,851	\$95,851	\$95,851	\$95,851	\$479,253
Capital Costs Regional Park Improvements - Residential Development IFA 5	\$1,135	\$1,135	\$1,135	\$1,135	\$1,135	\$5,673
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 5	\$96,985	\$96,985	\$96,985	\$96,985	\$96,985	\$484,926
IFA 6	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 6	1,481	1,555	1,630	1,704	1,778	1,852
Net Population Change During Year	74	74	74	74	74	
Regional Park Acreage Per Person	0.0014	0.0014	0.0014	0.0014	0.0014	
Regional Park Improvements Per Person	0.0005	0.0005	0.0005	0.0005	0.0005	
						<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 6	0.1	0.1	0.1	0.1	0.1	0.5
Regional Park Improvements Demanded Residential Development IFA 6	0.04	0.04	0.04	0.04	0.04	0.20
Average Cost per Acre	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	
Average Cost per Improvements	\$2,255	\$2,255	\$2,255	\$2,255	\$2,255	
						<i>5 Year Total</i>
Capital Costs Regional Parkland - Residential Development IFA 6	\$7,537	\$7,537	\$7,537	\$7,537	\$7,537	\$37,686
Capital Costs Regional Park Improvements - Residential Development IFA 6	\$89	\$89	\$89	\$89	\$89	\$446
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 6	\$7,626	\$7,626	\$7,626	\$7,626	\$7,626	\$38,132

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

IFA 7	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 7	9,170	10,072	10,974	11,876	12,778	13,680
Net Population Change During Year	902	902	902	902	902	
Regional Park Acreage Per Person	0.0014	0.0014	0.0014	0.0014	0.0014	
Regional Park Improvements Per Person	0.0005	0.0005	0.0005	0.0005	0.0005	
						<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 7	1.2	1.2	1.2	1.2	1.2	6.1
Regional Park Improvements Demanded Residential Development IFA 7	0.48	0.48	0.48	0.48	0.48	2.40
Average Cost per Acre	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	
Average Cost per Improvements	\$2,255	\$2,255	\$2,255	\$2,255	\$2,255	
						<i>5 Year Total</i>
Capital Costs Regional Parkland - Residential Development IFA 7	\$91,535	\$91,535	\$91,535	\$91,535	\$91,535	\$457,675
Capital Costs Regional Park Improvements - Residential Development IFA 7	\$1,084	\$1,084	\$1,084	\$1,084	\$1,084	\$5,418
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 7	\$92,618	\$92,618	\$92,618	\$92,618	\$92,618	\$463,092

TRAILS

The County plans to implement the *Pinal County Trails Plan*. This plan envisions the County constructing 95 miles of trails throughout the County over the next 20 years. This plan is the result of demand from both existing residential development as well as new residential development in unincorporated Pinal County. The portion of the trails which are the result of existing development cannot be funded through development fees.

The demand for regional parks is the result of residential development only. Demand from residential development fees is calculated on a per person basis.

Planned LOS Analysis

Figure 8 below lists the 95 miles of trails that will be constructed over the next 20 years. Since the planning horizon for the trails plan is 20 years, the LOS analysis utilizes population figures for 2026 to determine the planned LOS. The projected 2026 population of unincorporated Pinal County is forecasted to total 351,111 persons. Of this total, the existing population (118,269) will account for 34% of projected population while the population from new residential development between 2006 and 2026 (232,841) will account for the remaining 66%. These percentages are used to differentiate the demand for the planned trail projects from existing development and new development.

The planned LOS for trails for existing development is calculated as follows: $((95 \text{ miles of planned trails} \times 100\%) \times 34) / 118,269 \text{ persons in unincorporated Pinal County} = .0003 \text{ miles per person}$. The planned LOS for trails for new development is calculated as follows: $((95 \text{ miles of planned trails} \times 100\%) \times 66) / 232,841 \text{ additional persons in unincorporated Pinal County 2006 - 2026} = .0003 \text{ miles per person}$.

Figure 8: LOS Analysis Planned Trails

<i>Trail</i>	<i>Length (miles)</i>
Pinal Trail (Along CAP)	55
SRP Gas Pipeline Trail	22
Magma Trail	3
Piccaho Mountain Park	15
TOTAL	95

Source: *Pinal County Trails Plan*.

Proportionate Share Analysis

Residential	100%
Nonresidential	0%

*2026 Demand Units Unincorporated Pinal County**

2006 Population (existing development)	118,269	34%
Net New Population 2006-2026 (new growth)	232,841	66%
TOTAL 2026 POPULATION	351,111	100%

Planned Level-of-Service

Miles of Trail per Person - Existing Development	0.0003
Miles of Trail per Person - New Development	0.0003

* Figure 8, *Demographic Estimates and Development Projections*.

Planned Cost Analysis

The Pinal County Parks and Recreation Department estimates it will cost \$4,935,500 to construct the planned 95 miles of trails and related improvements (an average of \$51,953 per mile). This results in a cost factor of \$14.06 per person for both existing and new development to provide the planned LOS. This is calculated by multiplying the LOS of .0003 miles per person by \$51,953 per mile (.0003 x \$51,953 = \$14.06).

Figure 9: Planned Trail Cost Standards

<i>Trail</i>	<i>Length (miles)</i>	<i>Planned Cost*</i>
Pinal Trail (Along CAP)	55	\$1,920,000
SRP Gas Pipeline Trail	22	\$760,600
Magma Trail	3	\$329,400
Piccaho Mountain Park	15	\$1,145,700
Pinal Trail Trailhead @ Airfield Park	0	\$779,800
TOTAL	95	\$4,935,500

Average Planned Cost per Mile => \$51,953

* Pinal County Parks & Recreation Department. Includes trail construction, signs, crossings, restrooms, benches, picnic tables, ramadas, etc.

Planned Level-of-Service

Cost per Person - Existing Development	0.0003
Cost per Person - New Development	0.0003

Cost Factor

Average Cost Per Mile	\$51,953
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Cost

Existing Development (2006)	\$14.06
New Growth	\$14.06

CIP for Trails

Using the residential development projections by IFA from Figure 8 of the Demographic Estimates and Development Projections report in conjunction with the LOS analysis data from Figure 8 and the cost standards Figure 9, TischlerBise developed the following CIP for trails for both existing and new development for each IFA over the next five years. The number of miles and capital expenditures is projected for both existing and new development for each IFA. The majority of capital expenditures in the five year CIP is related to existing development and cannot be funded with development fees. It is important to remember that the trails plan is a twenty year plan, over which new development will eventually pay its 64% of the total costs via the development fees.

Using existing residential development in IFA 1 in the first year as an example, the amount of trails demanded by existing development and the costs are calculated as follows:

$$69,963 \text{ persons from existing development} \times .0003 \text{ miles/person} = 19 \text{ miles}$$

$$19 \text{ miles} \times \$51,953/\text{mile} = \$983,456$$

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

Using new residential development in IFA 1 in the first year as an example, the amount of trails demanded by new development and the costs are calculated as follows:

$$8,226 \text{ persons from new development} \times .0003 \text{ miles/person} = 2 \text{ miles}$$

$$2 \text{ miles} \times \$51,953/\text{mile} = \$115,629$$

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

Figure 10: 5 Year CIP for Trails by IFA

IFA 1	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 1	78,189	86,415	94,640	102,866	111,092	119,318
Net Population Change During Year	8,226	8,226	8,226	8,226	8,226	
Planned Trail Mileage per Person - Existing Development in 2006	0.0003	0.0000	0.0000	0.0000	0.0000	
Planned Trail Mileage per Person - New Growth	0.0003	0.0003	0.0003	0.0003	0.0003	
						<i>5 Year Total</i>
Planned Trails To Serve Existing Residential Development in 2006 in IFA 1	21	0	0	0	0	21
Planned Trails Demanded New Residential Development IFA 1	2	2	2	2	2	11
Average Cost per Mile	\$51,953	\$51,953	\$51,953	\$51,953	\$51,953	
						<i>5 Year Total</i>
Capital Costs Planned Trails - Existing Residential Development in IFA 1 in 2007	\$1,099,085	\$0	\$0	\$0	\$0	\$1,099,085
Capital Costs Planned Trails - New Residential Development IFA 1	\$115,629	\$115,629	\$115,629	\$115,629	\$115,629	\$578,146
TOTAL TRAILS CAPITAL COSTS IFA 1	\$1,214,714	\$115,629	\$115,629	\$115,629	\$115,629	\$1,677,231
IFA 2	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 2	17,005	17,476	17,946	18,416	18,886	19,357
Net Population Change During Year	470	470	470	470	470	
Planned Trail Mileage per Person - Existing Development in 2006	0.0003	0.0000	0.0000	0.0000	0.0000	
Planned Trail Mileage per Person - New Growth	0.0003	0.0003	0.0003	0.0003	0.0003	
						<i>5 Year Total</i>
Planned Trails To Serve Existing Residential Development in 2006 in IFA 2	4.6	0.0	0.0	0.0	0.0	4.6
Planned Trails Demanded New Residential Development IFA 2	0.1	0.1	0.1	0.1	0.1	0.6
Average Cost per Mile	\$51,953	\$51,953	\$51,953	\$51,953	\$51,953	
						<i>5 Year Total</i>
Capital Costs Planned Trails - Existing Residential Development in IFA 2 in 2006	\$239,040	\$0	\$0	\$0	\$0	\$239,040
Capital Costs Planned Trails - New Residential Development IFA 2	\$6,611	\$6,611	\$6,611	\$6,611	\$6,611	\$33,053
TOTAL TRAILS CAPITAL COSTS IFA 2	\$245,650	\$6,611	\$6,611	\$6,611	\$6,611	\$272,092
IFA 3	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 3	7,758	8,216	8,674	9,133	9,591	10,049
Net Population Change During Year	458	458	458	458	458	
Planned Trail Mileage per Person - Existing Development in 2006	0.0003	0.0000	0.0000	0.0000	0.0000	
Planned Trail Mileage per Person - New Growth	0.0003	0.0003	0.0003	0.0003	0.0003	
						<i>5 Year Total</i>
Planned Trails To Serve Existing Residential Development in 2006 in IFA 3	2.1	0.0	0.0	0.0	0.0	2.1
Planned Trails Demanded New Residential Development IFA 3	0.1	0.1	0.1	0.1	0.1	0.6
Average Cost per Mile	\$51,953	\$51,953	\$51,953	\$51,953	\$51,953	
						<i>5 Year Total</i>
Capital Costs Planned Trails - Existing Residential Development in IFA 3 in 2006	\$109,046	\$0	\$0	\$0	\$0	\$109,046
Capital Costs Planned Trails - New Residential Development IFA 3	\$6,443	\$6,443	\$6,443	\$6,443	\$6,443	\$32,216
TOTAL TRAILS CAPITAL COSTS IFA 3	\$115,489	\$6,443	\$6,443	\$6,443	\$6,443	\$141,262

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

IFA 4	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 4	1,493	1,505	1,517	1,529	1,541	1,553
Net Population Change During Year	12	12	12	12	12	
Planned Trail Mileage per Person - Existing Development in 2006	0.0003	0.0000	0.0000	0.0000	0.0000	
Planned Trail Mileage per Person - New Growth	0.0003	0.0003	0.0003	0.0003	0.0003	
						<i>5 Year Total</i>
Planned Trails To Serve Existing Residential Development in 2006 in IFA 4	0.40	0.00	0.00	0.00	0.00	0.40
Planned Trails Demanded New Residential Development IFA 4	0.003	0.003	0.003	0.003	0.003	0.02
Average Cost per Mile	\$51,953	\$51,953	\$51,953	\$51,953	\$51,953	
						<i>5 Year Total</i>
Capital Costs Planned Trails - Existing Residential Development in IFA 4 in 2006	\$20,981	\$0	\$0	\$0	\$0	\$20,981
Capital Costs Planned Trails - New Residential Development IFA 4	\$170	\$170	\$170	\$170	\$170	\$850
TOTAL TRAILS CAPITAL COSTS IFA 4	\$21,151	\$170	\$170	\$170	\$170	\$21,832

IFA 5	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 5	14,262	15,207	16,151	17,096	18,041	18,986
Net Population Change During Year	945	945	945	945	945	
Planned Trail Mileage per Person - Existing Development in 2006	0.0003	0.0000	0.0000	0.0000	0.0000	
Planned Trail Mileage per Person - New Growth	0.0003	0.0003	0.0003	0.0003	0.0003	
						<i>5 Year Total</i>
Planned Trails To Serve Existing Residential Development in 2006 in IFA 5	3.9	0.0	0.0	0.0	0.0	3.9
Planned Trails Demanded New Residential Development IFA 5	0.3	0.3	0.3	0.3	0.3	1.3
Average Cost per Mile	\$51,953	\$51,953	\$51,953	\$51,953	\$51,953	
						<i>5 Year Total</i>
Capital Costs Planned Trails - Existing Residential Development in IFA 5 in 2006	\$200,480	\$0	\$0	\$0	\$0	\$200,480
Capital Costs Planned Trails - New Residential Development IFA 5	\$13,279	\$13,279	\$13,279	\$13,279	\$13,279	\$66,396
TOTAL TRAILS CAPITAL COSTS IFA 5	\$213,760	\$13,279	\$13,279	\$13,279	\$13,279	\$266,876

IFA 6	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 6	1,481	1,555	1,630	1,704	1,778	1,852
Net Population Change During Year	74	74	74	74	74	
Planned Trail Mileage per Person - Existing Development in 2006	0.0003	0.0000	0.0000	0.0000	0.0000	
Planned Trail Mileage per Person - New Growth	0.0003	0.0003	0.0003	0.0003	0.0003	
						<i>5 Year Total</i>
Planned Trails To Serve Existing Residential Development in 2006 in IFA 6	0.4	0.0	0.0	0.0	0.0	0.4
Planned Trails Demanded New Residential Development IFA 6	0.02	0.02	0.02	0.02	0.02	0.10
Average Cost per Mile	\$51,953	\$51,953	\$51,953	\$51,953	\$51,953	
						<i>5 Year Total</i>
Capital Costs Planned Trails - Existing Residential Development in IFA 6 in 2006	\$20,818	\$0	\$0	\$0	\$0	\$20,818
Capital Costs Planned Trails - New Residential Development IFA 6	\$1,044	\$1,044	\$1,044	\$1,044	\$1,044	\$5,221
TOTAL TRAILS CAPITAL COSTS IFA 6	\$21,862	\$1,044	\$1,044	\$1,044	\$1,044	\$26,039

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

IFA 7	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 7	9,170	10,072	10,974	11,876	12,778	13,680
Net Population Change During Year	902	902	902	902	902	
Planned Trail Mileage per Person - Existing Development in 2006	0.0003	0.0000	0.0000	0.0000	0.0000	
Planned Trail Mileage per Person - New Growth	0.0003	0.0003	0.0003	0.0003	0.0003	
						<i>5 Year Total</i>
Planned Trails To Serve Existing Residential Development in 2006 in IFA 7	2.5	0.0	0.0	0.0	0.0	2.5
Planned Trails Demanded New Residential Development IFA 7	0.24	0.24	0.24	0.24	0.24	1.22
Average Cost per Mile	\$51,953	\$51,953	\$51,953	\$51,953	\$51,953	<i>5 Year Total</i>
Capital Costs Planned Trails - Existing Residential Development in IFA 7 in 2006	\$128,895	\$0	\$0	\$0	\$0	\$128,895
Capital Costs Planned Trails - New Residential Development IFA 7	\$12,681	\$12,681	\$12,681	\$12,681	\$12,681	\$63,407
TOTAL TRAILS CAPITAL COSTS IFA 7	\$141,577	\$12,681	\$12,681	\$12,681	\$12,681	\$192,302

FAIRGROUNDS

The County is currently providing a LOS at the fairgrounds which has additional capacity available to serve new residential growth in both the incorporated and unincorporated Pinal County. New residential development in incorporated and unincorporated Pinal County over the next five years will utilize this additional capacity. This portion of the Parks Development Fee will be used to repay the County for new growth’s share of oversizing this facility. The portion of the oversized fairgrounds which will be utilized by new residential development in the incorporated municipalities will not be recouped through the County development fees.

The utilization of the fairgrounds is the result of residential development only. This is calculated on a per person basis.

Planned Buy-in Cost Analysis

The estimated original cost of the fairgrounds land and facilities is estimated to be \$2,174,914. This results in a planned buy-in cost factor of \$4.18 per person. This is calculated by dividing the original cost of the fairgrounds land and facilities by the projected population in the County (incorporated and unincorporated) in 2011 when the fairgrounds will be at capacity. The calculation is as follows: \$2,174,914/452,053 persons = \$4.81 per person.

Figure 11: Fairgrounds Cost Standards

	<i>Original Cost</i>
Estimated Original Cost of Fairgrounds Land*	\$637,781
Insurance Replacement Value of Fairgrounds Facilities**	\$1,537,133
TOTAL	\$2,174,914
<i>Proportionate Share Analysis</i>	
Residential	100%
Nonresidential	0%
<i>Projected Additional Demand Units in Pinal County Served by Expansion</i>	
Total County Population 2011***	452,053
<i>Buy-in Level-of-Service</i>	
Cost per Person	\$4.81

* Current full cash value of land, adjusted for inflation to estimated value of the land in the land when it was purchased.

** Pinal County financial records.

*** Figure 8, Demographic Estimates and Development Projections.

CIP for Fairgrounds Buy-in

Using the residential development projections for the unincorporated portion of the County from Figure 8 of the Demographic Estimates and Development Projections in conjunction with the buy-in cost data from Figure 11, TischlerBise developed the following CIP for the fairgrounds buy-in for new residential growth over the next five years. Because the fairgrounds are a central facility utilized for the entire County, the CIP is shown for the entire unincorporated County. Using residential development in the first year as an example, the buy-in component is calculated as follows:

$$11,088 \text{ persons from new development} \times \$4.81/\text{person} = \$53,345$$

Figure 12: 5 Year CIP for Fairgrounds Buy-in

UNINCORPORATED PINAL COUNTY	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated County	129,357	140,444	151,532	162,620	173,708	184,795
Net Population Change During Year	11,088	11,088	11,088	11,088	11,088	
Buy-in Fairgrounds Cost per Person	\$4.81	\$4.81	\$4.81	\$4.81	\$4.81	
TOTAL BUY-IN UNINCORPORATED IFA 7	\$53,345	\$53,345	\$53,345	\$53,345	\$53,345	\$266,725

SUPPORT VEHICLES AND EQUIPMENT

The County plans to maintain the LOS for support vehicles and equipment for parks it is currently providing to existing residential development throughout unincorporated Pinal County. New residential development in unincorporated Pinal County will create demand for additional support vehicles and equipment in order for the current LOS to be maintained. If additional support vehicles and equipment are not provided to new development, the LOS will decline as the same fleet of support vehicles and equipment will be serving a larger development base.

The demand for regional parks is the result of residential development only. Demand from residential development fees is calculated on a per person basis.

Planned LOS Analysis

As mentioned above, the County plans to maintain the current, Countywide LOS for support vehicles and equipment for parks. The first step of formulating the CIP is an analysis of the current LOS for being provided to existing residential development throughout unincorporated Pinal County.

Figure 13 lists the current fleet of support vehicles and equipment which total 28 vehicles. The current LOS for support vehicles and equipment for parks for residential development in unincorporated Pinal County is calculated as follows: $((28 \text{ vehicles/pieces of equipment} \times 100\%) / 118,269 \text{ persons in unincorporated Pinal County}) = .0002 \text{ vehicles/pieces of equipment per person.}$

Figure 13: Current LOS Analysis for Support Vehicles and Equipment for Parks

<i>Vehicle/Equipment</i>	<i># of Units*</i>
Cushman Turf Truckster	2
Toro Turf Mower	1
Yamaha Golf Cart	1
EZ Go Golf Cart	3
Toro Mower	3
Echo Weed Eaters	3
International Tractor	1
Tempo Packer	1
Tractor AC	1
Kubota Tractor	1
Kubota Tractor I245C	1
Cat Fork Lift	1
Riding Mower	1
Riding Jacobsen Mower	1
Tractor M/F	1
Loader International	1
Echo Edger	1
Echo Chainsaw	1
Toro Blower	1
AC Stick Welder	1
Wire Feed Welder	1
TOTAL	28

* Source: Pinal County Parks & Recreation Department.

Proportionate Share Analysis

Residential	100%
Nonresidential	0%

*2006 Demand Units Unincorporated Pinal County**

Population	118,269
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Current Level-of-Service

Residential - vehicles/equip per person	0.0002
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* Figure 8, Demographic Estimates and Development Projections.

Planned Cost Analysis

The Pinal County Parks and Recreation Department estimates the current fleet of support vehicles and equipment for parks to have a total value of \$605,898, an average of \$21,639 per unit (\$605,898/28 units = \$21,639). This results in a cost factor of \$5.12 per person in order to

maintain the current LOS. This is calculated by multiplying the current residential LOS of .0002 vehicles/pieces of equipment per person by \$21,639 per unit (.0002 x \$21,639 = \$5.12).

Figure 14: Support Vehicles and Equipment for Parks Cost Standards

<i>Vehicle/Equipment</i>	<i># of Units*</i>	<i>Cost per Unit*</i>	<i>Total</i>
Cushman Turf Truckster	2	\$6,000	\$12,000
Toro Turf Mower	1	\$9,000	\$9,000
Yamaha Golf Cart	1	\$3,500	\$3,500
EZ Go Golf Cart	3	\$3,333	\$9,999
Toro Mower	3	\$333	\$999
Echo Weed Eaters	3	\$300	\$900
International Tractor	1	\$110,000	\$110,000
Tempo Packer	1	\$6,800	\$6,800
Tractor AC	1	\$80,000	\$80,000
Kubota Tractor	1	\$40,000	\$40,000
Kubota Tractor I245C	1	\$30,000	\$30,000
Cat Fork Lift	1	\$65,000	\$65,000
Riding Mower	1	\$16,000	\$16,000
Riding Jacobsen Mower	1	\$20,000	\$20,000
Tractor M/F	1	\$50,000	\$50,000
Loader International	1	\$150,000	\$150,000
Echo Edger	1	\$400	\$400
Echo Chainsaw	1	\$200	\$200
Toro Blower	1	\$200	\$200
AC Stick Welder	1	\$300	\$300
Wire Feed Welder	1	\$600	\$600
TOTAL	28		\$605,898

Ave. Cost Per Vehicle/Equipment => \$21,639

* Pinal County Parks & Recreation Department.

Current Level-of-Service

Residential - vehicle/equip per person 0.0002

Cost Factor

Average Cost Per Vehicle/Equipment \$21,639

Cost

Per Person \$5.12

CIP for Support Vehicles and Equipment for Parks

Using the residential development projections by IFA from Figure 8 of the *Demographic Estimates and Development Projections* in conjunction with the current LOS analysis data from Figure 13 and the cost standards from Figure 14, TischlerBise developed the following CIP for support vehicles and equipment for parks for new growth for each IFA over the next five years. The number of units and capital expenditures is projected for each IFA. Using residential development in IFA 1 in the first year as an example, the number of units demanded by new growth in order to maintain the current LOS and the cost is calculated as follows:

$$8,226 \text{ persons from new development} \times .0002 \text{ unit/person} = 2 \text{ units}$$

$$2 \text{ units} \times \$21,639/\text{unit} = \$42,141$$

Figure 15: 5 Year CIP for Support Vehicles and Equipment for Parks by IFA

IFA 1	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 1	78,189	86,415	94,640	102,866	111,092	119,318
Net Population Change During Year	8,226	8,226	8,226	8,226	8,226	
Park Support Vehicles/Equip Per Person	0.0002	0.0002	0.0002	0.0002	0.0002	
						<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 1	2	2	2	2	2	10
Average Cost per Vehicle/Piece of Equipment	\$21,639	\$21,639	\$21,639	\$21,639	\$21,639	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 1	\$42,141	\$42,141	\$42,141	\$42,141	\$42,141	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 1	\$42,141	\$42,141	\$42,141	\$42,141	\$42,141	\$210,707
IFA 2	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 2	17,005	17,476	17,946	18,416	18,886	19,357
Net Population Change During Year	470	470	470	470	470	
Park Support Vehicles/Equip Per Person	0.0002	0.0002	0.0002	0.0002	0.0002	
						<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 2	0.1	0.1	0.1	0.1	0.1	0.6
Average Cost per Vehicle/Piece of Equipment	\$21,639	\$21,639	\$21,639	\$21,639	\$21,639	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 2	\$2,409	\$2,409	\$2,409	\$2,409	\$2,409	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 2	\$2,409	\$2,409	\$2,409	\$2,409	\$2,409	\$12,046
IFA 3	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 3	7,758	8,216	8,674	9,133	9,591	10,049
Net Population Change During Year	458	458	458	458	458	
Park Support Vehicles/Equip Per Person	0.0002	0.0002	0.0002	0.0002	0.0002	
						<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 3	0.1	0.1	0.1	0.1	0.1	0.5
Average Cost per Vehicle/Piece of Equipment	\$21,639	\$21,639	\$21,639	\$21,639	\$21,639	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 3	\$2,348	\$2,348	\$2,348	\$2,348	\$2,348	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 3	\$2,348	\$2,348	\$2,348	\$2,348	\$2,348	\$11,741

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

IFA 4	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 4	1,493	1,505	1,517	1,529	1,541	1,553
Net Population Change During Year	12	12	12	12	12	
Park Support Vehicles/Equip Per Person	0.0002	0.0002	0.0002	0.0002	0.0002	
						<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 4	0.003	0.003	0.003	0.003	0.003	0.01
Average Cost per Vehicle/Piece of Equipment	\$21,639	\$21,639	\$21,639	\$21,639	\$21,639	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 4	\$62	\$62	\$62	\$62	\$62	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 4	\$62	\$62	\$62	\$62	\$62	\$310
IFA 5	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 5	14,262	15,207	16,151	17,096	18,041	18,986
Net Population Change During Year	945	945	945	945	945	
Park Support Vehicles/Equip Per Person	0.0002	0.0002	0.0002	0.0002	0.0002	
						<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 5	0.2	0.2	0.2	0.2	0.2	1.1
Average Cost per Vehicle/Piece of Equipment	\$21,639	\$21,639	\$21,639	\$21,639	\$21,639	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 5	\$4,840	\$4,840	\$4,840	\$4,840	\$4,840	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 5	\$4,840	\$4,840	\$4,840	\$4,840	\$4,840	\$24,198
IFA 6	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 6	1,481	1,555	1,630	1,704	1,778	1,852
Net Population Change During Year	74	74	74	74	74	
Park Support Vehicles/Equip Per Person	0.0002	0.0002	0.0002	0.0002	0.0002	
						<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 6	0.02	0.02	0.02	0.02	0.02	0.1
Average Cost per Vehicle/Piece of Equipment	\$21,639	\$21,639	\$21,639	\$21,639	\$21,639	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 6	\$381	\$381	\$381	\$381	\$381	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 6	\$381	\$381	\$381	\$381	\$381	\$1,903
IFA 7	2007	2008	2009	2010	2011	2012
Projected Population Unincorporated IFA 7	9,170	10,072	10,974	11,876	12,778	13,680
Net Population Change During Year	902	902	902	902	902	
Regional Park Acreage Per Person	0.0002	0.0002	0.0002	0.0002	0.0002	
						<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 7	0.2	0.2	0.2	0.2	0.2	1.1
Average Cost per Acre*	\$21,639	\$21,639	\$21,639	\$21,639	\$21,639	
Capital Costs Regional Parkland - Residential Development IFA 7	\$4,622	\$4,622	\$4,622	\$4,622	\$4,622	<i>5 Year Total</i>
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 7	\$4,622	\$4,622	\$4,622	\$4,622	\$4,622	\$23,109

CIP AND DEVELOPMENT FEE STUDY

The County should update its study every three years to ensure the CIP, assumptions, and cost factors used in the calculations are still valid and accurate and that new growth will receive a substantial benefit from the development fees. TischlerBise has included the cost of preparing the current Parks CIP and Development Fees in the calculations in order to create a source of funding to conduct this regular update. The cost of this study (\$48,500) is allocated to the projected increase in population and over the next three years. This results in a development fee study cost per demand unit of \$1.46 per person.

Parks Development Fees

The planned LOS and costs from the Parks CIP are used to calculate the Parks Development Fee. Figure 16 provides a summary of the cost factors from the Parks CIP. Under state law, developers may be eligible for site-specific credits or reimbursements only if they provide infrastructure that is included in the Parks CIP. Specific policies and procedures related to site-specific credits for system improvements are addressed in the ordinance that establishes the County’s fees. Project improvements normally required as part of the development approval process are not eligible for credits against development fees.

As shown at the bottom of Figure 16, the total capital cost is \$128.11 per person for the Parks CIP. Because the County plans to provide a uniform LOS for parks across all the IFA’s, and there are no significant cost variances between the IFA’s, a single summary of planned costs is shown.

Figure 16: Parks Development Fee Demand and Cost Summary – All Impact Fee Areas

<i>Persons Per Household</i>	
Single Family Detached	2.26
All Other Types of Housing	1.05
 <i>Cost Factors</i>	
	<u><i>Per Person</i></u>
Planned Regional Parkland	\$101.46
Planned Regional Park Improvements	\$1.20
Planned Trails	\$14.06
Buy-in Fairgrounds	\$4.81
Planned Support Vehicles/Equipment	\$5.12
Development Fee Study	\$1.46
 Net Capital Cost per Person	 \$128.11

Figure 17 contains a schedule of Parks Development Fees for unincorporated Pinal County. Because the County plans to provide a uniform LOS for parks across all the IFA’s, and there are no significant cost variances between the IFA’s, a single development fee schedule is shown. As noted earlier, the IFA’s are used to document where in the County the development fee revenues are coming from and where capital projects for new growth will be provided.

Persons per household are multiplied by the planned capital cost per person. Using single family detached units as an example:

$$2.26 \text{ persons per household} \times \$128.11 \text{ per person} = \$290 \text{ per single family detached unit}$$

Figure 17: Parks Development Fee Schedule – All Impact Fee Areas

Development Fees

	<i>Regional Parkland</i>	<i>Regional Park Improve</i>	<i>Trails</i>	<i>Fairground</i>	<i>Support Veh/Equip</i>	<i>Dev. Fee Study</i>	<i>TOTAL</i>
Single Family	\$229	\$3	\$32	\$11	\$12	\$3	\$290
All Other Residential	\$107	\$1	\$15	\$5	\$5	\$2	\$135

Parks CIP and Development Fee Cash Flow Analysis

This cash flow analysis is based on the development projections in the *Demographic Estimates and Development Projections* report, the Parks CIP, and proposed Parks Development Fees.

For IFA 1, it assumed that only 25% of the projected single family detached units will pay the proposed Parks Development Fee per the analysis done for the report *Housing Development Forecast Pertaining to the Imposition of Transportation Corridor Development Fee within Pinal County* by the Elliott D. Pollack & Company in February 2006. For IFA' 2-7, it is assumed that 100% of all future residential development will pay 100% of the proposed development fees.

To the extent these assumptions change, the cash flow analysis will change correspondingly. The development fees are not intended to be a general revenue raising mechanism. If development occurs at a more rapid rate than is projected, the demand for infrastructure will increase and development fee revenues will increase at a corresponding rate. If development occurs at a slower rate than is projected, the demand for infrastructure will decrease and development fee revenues will decrease at a corresponding rate.

The deficits shown in the first year of the cash flow analysis represent existing residential development's share of the planned trails projects. The County will have to fund this portion of these planned projects from non-development fee sources.

PARKS CIP FOR NEW GROWTH AND DEVELOPMENT FEES – PINAL COUNTY, ARIZONA

IFA 3		2007	2008	2009	2010	2011	2012
Projected Residential Development							
New Single Family Detached Units		161	161	161	161	161	
New All Other Types of Housing Units		90	90	90	90	90	
	<i>Proposed</i>						
Projected Development Fee Revenue	<i>Fees</i>						
Single Family Detached Units	\$290	\$46,617	\$46,617	\$46,617	\$46,617	\$46,617	
All Other Types of Housing Units	\$135	\$12,106	\$12,106	\$12,106	\$12,106	\$12,106	
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 3		\$58,723	\$58,723	\$58,723	\$58,723	\$58,723	\$293,615
Capital Improvement Expenditures							
Regional Parks (land and improvements)		\$47,058	\$47,058	\$47,058	\$47,058	\$47,058	
Trails (existing development and new growth)		\$115,489	\$6,443	\$6,443	\$6,443	\$6,443	
Fairgrounds		\$0	\$0	\$0	\$0	\$0	
Support Vehicles and Equipment		\$2,348	\$2,348	\$2,348	\$2,348	\$2,348	
Development Fee Study		\$668	\$668	\$668	\$668	\$668	
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 3		\$165,564	\$56,518	\$56,518	\$56,518	\$56,518	\$391,635
Annual Surplus/(Deficit)		(\$106,841)	\$2,205	\$2,205	\$2,205	\$2,205	
Cumulative Surplus/(Deficit)		(\$106,841)	(\$104,636)	(\$102,430)	(\$100,225)	(\$98,020)	
IFA 4		2007	2008	2009	2010	2011	2012
Projected Residential Development							
New Single Family Detached Units		1	1	1	1	1	
New All Other Types of Housing Units		9	9	9	9	9	
	<i>Proposed</i>						
Projected Development Fee Revenue	<i>Fees</i>						
Single Family Detached Units	\$290	\$382	\$382	\$382	\$382	\$382	
All Other Types of Housing Units	\$135	\$1,168	\$1,168	\$1,168	\$1,168	\$1,168	
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 4		\$1,550	\$1,550	\$1,550	\$1,550	\$1,550	\$7,750
Capital Improvement Expenditures							
Regional Parks (land and improvements)		\$1,242	\$1,242	\$1,242	\$1,242	\$1,242	
Trails (existing development and new growth)		\$21,151	\$170	\$170	\$170	\$170	
Fairgrounds		\$0	\$0	\$0	\$0	\$0	
Support Vehicles and Equipment		\$62	\$62	\$62	\$62	\$62	
Development Fee Study		\$18	\$18	\$18	\$18	\$18	
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 4		\$22,473	\$1,492	\$1,492	\$1,492	\$1,492	\$28,440
Annual Surplus/(Deficit)		(\$20,923)	\$58	\$58	\$58	\$58	
Cumulative Surplus/(Deficit)		(\$20,923)	(\$20,865)	(\$20,807)	(\$20,748)	(\$20,690)	
IFA 5		2007	2008	2009	2010	2011	2012
Projected Residential Development							
New Single Family Detached Units		418	418	418	418	418	
New All Other Types of Housing Units		0	0	0	0	0	
	<i>Proposed</i>						
Projected Development Fee Revenue	<i>Fees</i>						
Single Family Detached Units	\$290	\$121,027	\$121,027	\$121,027	\$121,027	\$121,027	
All Other Types of Housing Units	\$135	\$0	\$0	\$0	\$0	\$0	
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 5		\$121,027	\$121,027	\$121,027	\$121,027	\$121,027	\$605,133
Capital Improvement Expenditures							
Regional Parks (land and improvements)		\$96,985	\$96,985	\$96,985	\$96,985	\$96,985	
Trails (existing development and new growth)		\$213,760	\$13,279	\$13,279	\$13,279	\$13,279	
Fairgrounds		\$0	\$0	\$0	\$0	\$0	
Support Vehicles and Equipment		\$4,840	\$4,840	\$4,840	\$4,840	\$4,840	
Development Fee Study		\$1,377	\$1,377	\$1,377	\$1,377	\$1,377	
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 5		\$316,962	\$116,481	\$116,481	\$116,481	\$116,481	\$782,888
Annual Surplus/(Deficit)		(\$195,935)	\$4,545	\$4,545	\$4,545	\$4,545	
Cumulative Surplus/(Deficit)		(\$195,935)	(\$191,390)	(\$186,845)	(\$182,300)	(\$177,755)	

Implementation and Administration

As specified in A.R.S. 11-102, there are certain accounting requirements that must be met by the County:

Monies received from development fees shall be placed in a separate fund and accounted for separately and may only be used for the purposes authorized by this section. Interest earned on monies in the separate fund shall be credited to the fund.

Additionally, the County will have to maintain a separate fund for each of the seven IFA's in order to account for where development fee revenues are coming from and which dollars are being used to construct capital projects that are the result of new growth. This will ensure that new development receives a substantial benefit from the development fees.

All costs in the development fee calculations are given in current dollars with no assumed inflation rate over time. Necessary cost adjustments can be made as part of the recommended annual evaluation and update of development fees. One approach is to adjust for inflation in construction costs by means of an index like the one published by Engineering News Record (ENR). This index could be applied against the calculated development fee. If cost estimates change significantly the County should redo the fee calculations.

Residential development categories are based on data from the 2000 U.S. Census Summary File 3 for Pinal County. Specifically:

Single Family Detached – units in structure: 1-detached, owner and renter occupied.

All Other Types of Housing – units in structure: units in structure: 2, 3 - 4, 5 – 9, 10 – 19, 20 – 49, 50 or more, mobile homes, other; owner and renter occupied.