

Parks Capital Improvements Plan for New Development and Development Fee Study

Prepared for:



June 12, 2009

Prepared by:



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Executive Summary

Pinal County has contracted with TischlerBise to update its Parks Capital Improvements Plan (CIP) for new development and resulting development fees.

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.) 11-1102. 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 public safety 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. Each county that assesses development fees shall submit an annual report accounting for the collection and use of the fees. The annual report shall include the following:

1. The amount assessed by the county for each type of development fee.

2. The balance of each fund maintained for each type of development fee assessed as of the beginning and end of the fiscal year.

3. The amount of interest or other earnings on the monies in each fund as of the end of the fiscal year.

4. The amount of development fee monies used to repay:

(a) Bonds issued by the county to pay the cost of a capital improvement project that is the subject of a development fee assessment.

(b) Monies advanced by the county from funds other than the funds established for development fees in order to pay the cost of a capital improvement project that is the subject of a development fee assessment.

5. The amount of development fee monies spent on each capital improvement project that is the subject of a development fee assessment and the physical location of each capital improvement project.

6. The amount of development fee monies spent for each purpose other than a capital improvement project that is the subject of a development fee assessment.

F. Within ninety days following the end of each fiscal year, each county shall submit a copy of the annual report to the clerk of the board of supervisors. Copies shall be made available to the public on request. The annual report may contain financial information that has not been audited.

G. A county that fails to file the report required by this section shall not collect development fees until the report is filed.

H. This section does not affect any development fee adopted before May 18, 2000.

In accordance with state law, this report includes a CIP for parks that is the result of new development (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

	<i>Regional</i>			<i>Support</i>		<i>Dev. Fee</i>	
	<i>Parks</i>	<i>Trails</i>	<i>Fairgrounds</i>	<i>Veh/Equip</i>	<i>Study</i>		<i>TOTAL</i>
Single Family	\$188	\$67	\$11	\$4	\$6		\$276
All Other Residential	\$87	\$31	\$5	\$2	\$3		\$128

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

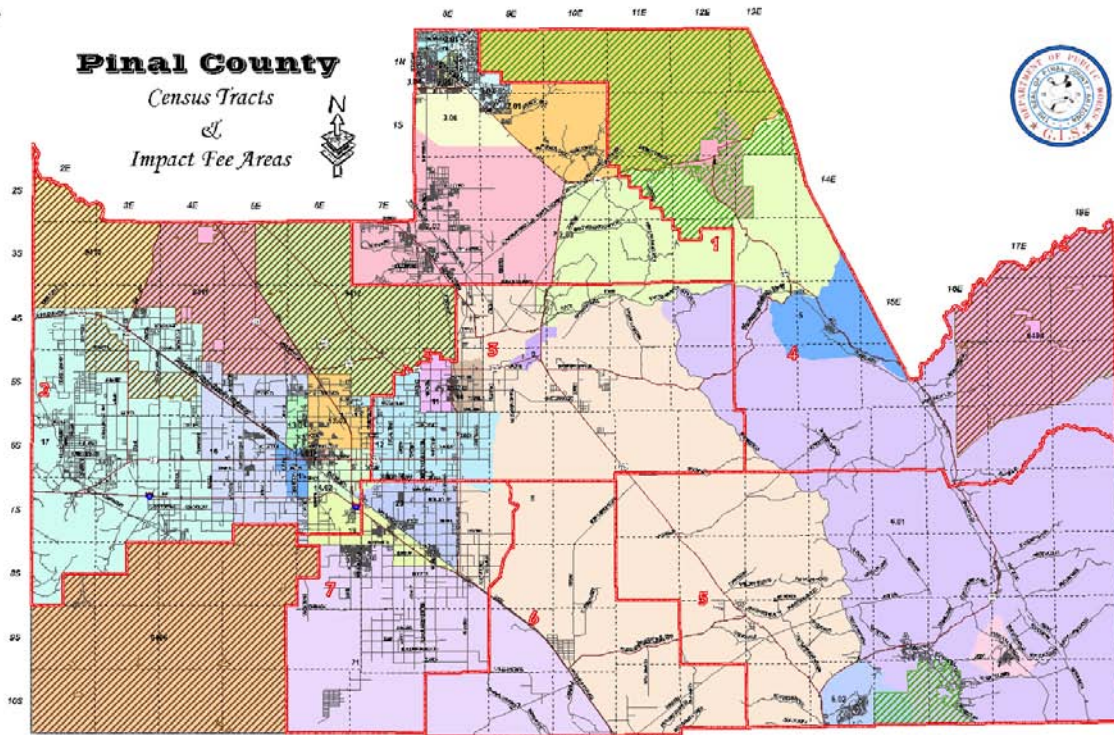
Development fees for parks are one of the infrastructure categories allowed under Arizona law (see “State Requirements” above). The Parks Development Fee study for Pinal County includes the following capital costs related to parks:

- Land 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 development 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’s Comprehensive Plan prescribes a planned level-of-service (LOS) for regional parks of 7,236 acres serving a projected population of 1,206,000. 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 regional parks 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 – Land for Regional Parks

As mentioned above, the County plans to provide a uniform LOS across the County. The first step of formulating the CIP for land for regional parks is an analysis of the demand created by existing residential development versus new residential development for regional park land.

Of the 1,206,000 persons to be served by the planned park acreage, the current population of 138,264 accounts for 11% of the demand ($138,264/1,206,000 = 0.11$) for regional parks with the remaining 89% of demand associated with 1,067,736 additional persons from new development ($1,067,736/1,206,000 = 0.89$). The LOS for both existing development and new development is 0.006 acres per person. The LOS calculation for existing development is: $(7,236 \text{ acres} \times 11\%)/138,264 \text{ persons} = 0.006 \text{ acres per person}$. The LOS calculation for new development is: $(7,236 \text{ acres} \times 89\%)/1,067,736 \text{ persons} = 0.006 \text{ acres per person}$.

Figure 3: Planned LOS Analysis for Land for Regional Parks

Acres*		7,236
	<i>Proportionate</i>	
	<i>Share</i>	
Current Population - Unincorporated County**	138,264	11%
Future Population - Unincorporated County	1,067,736	89%
Total Population - Unincorporated County to be Served*	1,206,000	100%
Acres per Person - Current Population - Unincorporated County		0.006
Acres per Person - Future Population - Unincorporated County		0.006

* Table 6-4: Park Acreage Needs, page 218, *We Create Our Future: Pinal County Comprehensive Plan*, February 2009

** Figure 20, *Demographic Estimates and Development Projections*, TischlerBise.

Planned Cost Analysis – Land for Regional Parks

The County Comprehensive Plan calls for several planned regional parks throughout the County. Figure 4 lists the parks which are expected to be completed in the near future. Staff from the County’s Parks and Recreation Department consulted listings of large tracts of vacant land for sale to arrive at the planned cost per acre for regional parkland.

The average cost per acre for regional parkland is \$13,289. This results in a cost factor of \$79.73 per person to provide the planned LOS. This is calculated by multiplying the LOS of 0.006 acres per person by \$13,289 per acre (0.006 x \$13,289 = \$79.73).

Figure 4: Land for Regional Parks Cost Standards

<i>Planned Regional Park</i>	<i>Acres*</i>
San Tan Mountain Regional Park	9,744
Palo Verde Mountain Regional Park	21,560
Picacho Mountain Regional Park	46,695
TOTAL	77,999
Acres per Person - Current Population - Unincorporated County	0.006
Acres per Person - Future Population - Unincorporated County	0.006
Planned Average Cost per Acre**	\$13,289
Cost per Person - Current Population - Unincorporated County	\$79.73
Cost per Person - Future Population - Unincorporated County	\$79.73

* Pages 218-219, *We Create Our Future: Pinal County Comprehensive Plan*, February 2009.

** Based on cost per acre information compiled by County Parks staff from listings of larger tracts of vacant land for sale in the County.

CIP for Land for Regional Parks

Using the residential development projections by IFA from Figure 20 of the *Demographic Estimates and Development Projections* report in conjunction with the LOS analysis data from Figure 3 and the cost standards Figure 4, TischlerBise developed the following CIP for regional parks for both existing and new development for each IFA over the next five years. The number of acres 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 parks plan is a long-term plan, over which new development will eventually pay its 89% 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 regional parks demanded by existing development and the costs are calculated as follows:

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

74,847 persons from existing development x 0.006 acres/person = 449 acres

449 acres x \$13,289/acre = \$5,967,840

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

6,145 persons from new development x 0.006 acres/person = 37 acres

37 acres x \$13,289/acre = \$489,933

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

Figure 5: 5 Year CIP for Regional Parks by IFA

IFA 1	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 1		74,847	80,991	87,168	93,380	99,618	105,877
Net Population Change During Year		6,145	6,177	6,211	6,238	6,259	
Regional Park Acreage Per Person - Existing Development		0.006	0.006	0.006	0.006	0.006	
Regional Park Acreage Per Person - New Development		0.006	0.006	0.006	0.006	0.006	
							<i>5 Year Total</i>
Regional Park Acres Demanded Existing Residential Development IFA 1		449	0	0	0	0	449
Regional Park Acres Demanded New Residential Development IFA 1		37	37	37	37	38	186
Average Cost per Acre		\$13,289	\$13,289	\$13,289	\$13,289	\$13,289	
							<i>5 Year Total</i>
Capital Costs Regional Parks - Existing Residential Development IFA 1		\$5,967,840	\$0	\$0	\$0	\$0	\$5,967,840
Capital Costs Regional Parks - New Residential Development IFA 1		\$489,933	\$492,506	\$495,264	\$497,367	\$499,048	\$2,474,120
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 1		\$6,457,774	\$492,506	\$495,264	\$497,367	\$499,048	\$8,441,960
IFA 2	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 2		16,541	17,063	17,587	18,114	18,643	19,174
Net Population Change During Year		521	524	527	529	531	
Regional Park Acreage Per Person - Existing Development		0.006	0.006	0.006	0.006	0.006	
Regional Park Acreage Per Person - New Development		0.006	0.006	0.006	0.006	0.006	
							<i>5 Year Total</i>
Regional Park Acres Demanded Existing Residential Development IFA 2		99	0	0	0	0	99
Regional Park Acres Demanded New Residential Development IFA 2		3	3	3	3	3	16
Average Cost per Acre		\$13,289	\$13,289	\$13,289	\$13,289	\$13,289	
							<i>5 Year Total</i>
Capital Costs Regional Parks - Existing Residential Development IFA 2		\$1,318,913	\$0	\$0	\$0	\$0	\$1,318,913
Capital Costs Regional Parks - New Residential Development IFA 2		\$41,574	\$41,792	\$42,026	\$42,205	\$42,347	\$209,944
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 2		\$1,360,487	\$41,792	\$42,026	\$42,205	\$42,347	\$1,528,858
IFA 3	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 3		9,623	10,068	10,515	10,964	11,416	11,869
Net Population Change During Year		445	447	450	452	453	
Regional Park Acreage Per Person - Existing Development		0.006	0.006	0.006	0.006	0.006	
Regional Park Acreage Per Person - New Development		0.006	0.006	0.006	0.006	0.006	
							<i>5 Year Total</i>
Regional Park Acres Demanded Existing Residential Development IFA 3		58	0	0	0	0	58
Regional Park Acres Demanded New Residential Development IFA 3		3	3	3	3	3	13
Average Cost per Acre		\$13,289	\$13,289	\$13,289	\$13,289	\$13,289	
							<i>5 Year Total</i>
Capital Costs Regional Parks - Existing Residential Development IFA 3		\$767,254	\$0	\$0	\$0	\$0	\$767,254
Capital Costs Regional Parks - New Residential Development IFA 3		\$35,471	\$35,658	\$35,857	\$36,009	\$36,131	\$179,127
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 3		\$802,725	\$35,658	\$35,857	\$36,009	\$36,131	\$946,381

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

IFA 4	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015	
Projected Population Unincorporated IFA 4		1,623	1,631	1,640	1,649	1,657	1,666	
Net Population Change During Year		9	9	9	9	9		
Regional Park Acreage Per Person - Existing Development		0.006	0.006	0.006	0.006	0.006		
Regional Park Acreage Per Person - New Development		0.006	0.006	0.006	0.006	0.006		
		<i>5 Year Total</i>						
Regional Park Acres Demanded Existing Residential Development IFA 4		10	0	0	0	0	10	
Regional Park Acres Demanded New Residential Development IFA 4		0.05	0.05	0.05	0.05	0.05	0.26	
Average Cost per Acre		\$13,289	\$13,289	\$13,289	\$13,289	\$13,289		
		<i>5 Year Total</i>						
Capital Costs Regional Parks - Existing Residential Development IFA 4		\$129,385	\$0	\$0	\$0	\$0	\$129,385	
Capital Costs Regional Parks - New Residential Development IFA 4		\$683	\$686	\$690	\$693	\$695	\$3,448	
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 4		\$130,068	\$686	\$690	\$693	\$695	\$132,833	

IFA 5	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015	
Projected Population Unincorporated IFA 5		21,038	21,742	22,450	23,161	23,876	24,593	
Net Population Change During Year		704	708	712	715	717		
Regional Park Acreage Per Person - Existing Development		0.006	0.006	0.006	0.006	0.006		
Regional Park Acreage Per Person - New Development		0.006	0.006	0.006	0.006	0.006		
		<i>5 Year Total</i>						
Regional Park Acres Demanded Existing Residential Development IFA 5		126	0	0	0	0	126	
Regional Park Acres Demanded New Residential Development IFA 5		4.2	4.2	4.3	4.3	4.3	21.3	
Average Cost per Acre		\$13,289	\$13,289	\$13,289	\$13,289	\$13,289		
		<i>5 Year Total</i>						
Capital Costs Regional Parks - Existing Residential Development IFA 5		\$1,677,452	\$0	\$0	\$0	\$0	\$1,677,452	
Capital Costs Regional Parks - New Residential Development IFA 5		\$56,131	\$56,426	\$56,742	\$56,983	\$57,176	\$283,458	
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 5		\$1,733,583	\$56,426	\$56,742	\$56,983	\$57,176	\$1,960,910	

IFA 6	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015	
Projected Population Unincorporated IFA 6		1,246	1,310	1,374	1,438	1,503	1,568	
Net Population Change During Year		64	64	64	65	65		
Regional Park Acreage Per Person - Existing Development		0.006	0.006	0.006	0.006	0.006		
Regional Park Acreage Per Person - New Development		0.006	0.006	0.006	0.006	0.006		
		<i>5 Year Total</i>						
Regional Park Acres Demanded Existing Residential Development IFA 6		7	0	0	0	0	7	
Regional Park Acres Demanded New Residential Development IFA 6		0.38	0.38	0.39	0.39	0.39	1.93	
Average Cost per Acre		\$13,289	\$13,289	\$13,289	\$13,289	\$13,289		
		<i>5 Year Total</i>						
Capital Costs Regional Parks - Existing Residential Development IFA 6		\$99,343	\$0	\$0	\$0	\$0	\$99,343	
Capital Costs Regional Parks - New Residential Development IFA 6		\$5,079	\$5,106	\$5,135	\$5,156	\$5,174	\$25,650	
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 6		\$104,422	\$5,106	\$5,135	\$5,156	\$5,174	\$124,993	

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

IFA 7	Fiscal Year	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 7		13,346	14,082	14,822	15,566	16,314	17,064
Net Population Change During Year		736	740	744	747	750	
Regional Park Acreage Per Person - Existing Development		0.006	0.006	0.006	0.006	0.006	
Regional Park Acreage Per Person - New Development		0.006	0.006	0.006	0.006	0.006	
							<i>5 Year Total</i>
Regional Park Acres Demanded Existing Residential Development IFA 7		80	0	0	0	0	80
Regional Park Acres Demanded New Residential Development IFA 7		4	4	4	4	4	22
Average Cost per Acre		\$13,289	\$13,289	\$13,289	\$13,289	\$13,289	<i>5 Year Total</i>
Capital Costs Regional Parks - Existing Residential Development IFA 7		\$1,064,125	\$0	\$0	\$0	\$0	\$1,064,125
Capital Costs Regional Parks - New Residential Development IFA 7		\$58,701	\$59,009	\$59,339	\$59,591	\$59,793	\$296,434
TOTAL REGIONAL PARKS CAPITAL COSTS IFA 7		\$1,122,826	\$59,009	\$59,339	\$59,591	\$59,793	\$1,360,559

TRAILS

The County plans to maintain the LOS for trails it is currently providing to existing residential development throughout unincorporated Pinal County. New residential development in unincorporated Pinal County will create demand for additional trail mileage in order for the current LOS to be maintained. If additional trails are not provided to new development, the LOS will decline as the same number of miles of trails will be serving a larger development base.

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

Planned LOS Analysis

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

Figure 6 lists the current inventory of trails which total 68 miles. The current LOS for trails for residential development in unincorporated Pinal County is calculated as follows: 68 miles/138,264 persons = 0.005 miles per person.

Figure 6: Current LOS for Trails

	<i>Miles</i>
Arizona Trail	57
Lost Gold Mine Trail	11
TOTAL	68
Current Population - Unincorporated County*	138,264
Current Level-of-Service	
Miles per Person	0.0005

* Figure 20, *Demographic Estimates and Development Projections*, TischlerBise.

Planned Cost Analysis

The trails component of the County’s current Parks CIP and Development Fee utilizes a cost of \$51,952 per mile which includes trail construction, signs, crossings, restrooms, benches, picnic tables, and ramadas. TischlerBise used the Engineering News Record’s Construction Cost Index to adjust this cost to today’s dollars in order to calculate the cost to maintain the current LOS. The adjusted cost per mile is \$57,606, an increase of 10.9% over the last three years. This results in a cost factor of \$28.33 per person to maintain the current LOS. This is calculated by multiplying the current residential LOS of 0.0005 miles per person by \$57,606 per mile (0.0005 x \$57,606 = \$28.33).

Figure 7: Planned Trail Cost Standards

<i>Planned Trails</i>	<i>Miles</i>	<i>Planned Cost*</i>
Arizona Trail (re-routes and trailheads)	15	\$864,088
CAP Trail	74	\$4,262,834
Anza National Historic Trail	29	\$1,670,570
TOTAL	118	\$6,797,491

Average Cost per Mile => \$57,606

Current Level-of-Service

Miles per Person 0.0005

Planned Cost

Per Person \$28.33

* Dollar per mile cost figure from County's current

Parks Capital Improvements Plan for New Growth and

Development Fee Study adjusted for inflation using Engineering

News Record's Construction Cost Index.

CIP for Trails

Using the residential development projections by IFA from Figure 20 of the Demographic Estimates and Development Projections report in conjunction with the current LOS analysis data from Figure 6 and the cost standards from Figure 7, TischlerBise developed the following CIP for trails for new development for each IFA over the next five years. The number of miles of trails and capital expenditures is projected for each IFA. Using residential development in IFA 1 in the first year as an example, the miles of trails demanded by new development in order to maintain the current LOS and the cost is calculated as follows:

$$6,145 \text{ persons from new development} \times 0.0005 \text{ miles/person} = 3 \text{ miles}$$

$$3 \text{ miles} \times \$57,606/\text{mile} = \$174,085$$

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

Figure 8: 5 Year CIP for Trails by IFA

IFA 1	<i>Fiscal Year</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Projected Population Unincorporated IFA 1		74,847	80,991	87,168	93,380	99,618	105,877
Net Population Change During Year		6,145	6,177	6,211	6,238	6,259	
Miles of Trails per Person		0.0005	0.0005	0.0005	0.0005	0.0005	
							<i>5 Year Total</i>
Planned Trails Demanded New Residential Development IFA 1		3	3	3	3	3	15
Planned Cost per Mile		\$57,606	\$57,606	\$57,606	\$57,606	\$57,606	
							<i>5 Year Total</i>
TOTAL TRAILS CAPITAL COSTS NEW RESIDENTIAL DEV. IFA 1		\$174,085	\$174,999	\$175,979	\$176,726	\$177,324	\$879,113
IFA 2	<i>Fiscal Year</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Projected Population Unincorporated IFA 2		16,541	17,063	17,587	18,114	18,643	19,174
Net Population Change During Year		521	524	527	529	531	
Miles of Trails per Person		0.0005	0.0005	0.0005	0.0005	0.0005	
							<i>5 Year Total</i>
Planned Trails Demanded New Residential Development IFA 2		0.3	0.3	0.3	0.3	0.3	1.3
Planned Cost per Mile		\$57,606	\$57,606	\$57,606	\$57,606	\$57,606	
							<i>5 Year Total</i>
TOTAL TRAILS CAPITAL COSTS NEW RESIDENTIAL DEV. IFA 2		\$14,772	\$14,850	\$14,933	\$14,996	\$15,047	\$74,598
IFA 3	<i>Fiscal Year</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Projected Population Unincorporated IFA 3		9,623	10,068	10,515	10,964	11,416	11,869
Net Population Change During Year		445	447	450	452	453	
Miles of Trails per Person		0.0005	0.0005	0.0005	0.0005	0.0005	
							<i>5 Year Total</i>
Planned Trails Demanded New Residential Development IFA 3		0.2	0.2	0.2	0.2	0.2	1.1
Planned Cost per Mile		\$57,606	\$57,606	\$57,606	\$57,606	\$57,606	
							<i>5 Year Total</i>
TOTAL TRAILS CAPITAL COSTS NEW RESIDENTIAL DEV. IFA 3		\$12,604	\$12,670	\$12,741	\$12,795	\$12,838	\$63,648
IFA 4	<i>Fiscal Year</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Projected Population Unincorporated IFA 4		1,623	1,631	1,640	1,649	1,657	1,666
Net Population Change During Year		9	9	9	9	9	
Miles of Trails per Person		0.0005	0.0005	0.0005	0.0005	0.0005	
							<i>5 Year Total</i>
Planned Trails Demanded New Residential Development IFA 4		0.004	0.004	0.004	0.004	0.004	0.02
Planned Cost per Mile		\$57,606	\$57,606	\$57,606	\$57,606	\$57,606	
							<i>5 Year Total</i>
TOTAL TRAILS CAPITAL COSTS NEW RESIDENTIAL DEV. IFA 4		\$243	\$244	\$245	\$246	\$247	\$1,225

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

IFA 5	Fiscal Year	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 5		21,038	21,742	22,450	23,161	23,876	24,593
Net Population Change During Year		704	708	712	715	717	
Miles of Trails per Person		0.0005	0.0005	0.0005	0.0005	0.0005	
							<i>5 Year Total</i>
Planned Trails Demanded New Residential Development IFA 5		0.3	0.3	0.3	0.4	0.4	1.7
Planned Cost per Mile		\$57,606	\$57,606	\$57,606	\$57,606	\$57,606	
							<i>5 Year Total</i>
TOTAL TRAILS CAPITAL COSTS NEW RESIDENTIAL DEV. IFA 5		\$19,945	\$20,050	\$20,162	\$20,247	\$20,316	\$100,719
IFA 6	Fiscal Year	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 6		1,246	1,310	1,374	1,438	1,503	1,568
Net Population Change During Year		64	64	64	65	65	
Miles of Trails per Person		0.0005	0.0005	0.0005	0.0005	0.0005	
							<i>5 Year Total</i>
Planned Trails Demanded New Residential Development IFA 6		0.03	0.03	0.03	0.03	0.03	0.16
Planned Cost per Mile		\$57,606	\$57,606	\$57,606	\$57,606	\$57,606	
							<i>5 Year Total</i>
TOTAL TRAILS CAPITAL COSTS NEW RESIDENTIAL DEV. IFA 6		\$1,805	\$1,814	\$1,824	\$1,832	\$1,838	\$9,114
IFA 7	Fiscal Year	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 7		13,346	14,082	14,822	15,566	16,314	17,064
Net Population Change During Year		736	740	744	747	750	
Miles of Trails per Person		0.0005	0.0005	0.0005	0.0005	0.0005	
							<i>5 Year Total</i>
Planned Trails Demanded New Residential Development IFA 7		0.36	0.36	0.37	0.37	0.37	1.83
Planned Cost per Mile		\$57,606	\$57,606	\$57,606	\$57,606	\$57,606	
							<i>5 Year Total</i>
TOTAL TRAILS CAPITAL COSTS NEW RESIDENTIAL DEV. IFA 7		\$20,858	\$20,967	\$21,085	\$21,174	\$21,246	\$105,330

FAIRGROUNDS

The County is currently providing a LOS at the fairgrounds which has additional capacity available to serve new residential development 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 development’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 \$4.46 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 FY2015 when the fairgrounds will be at capacity. The calculation is as follows: \$2,174,914/487,669 persons = \$4.46 per person.

Figure 9: 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</i>
<i>Projected Countywide Population to be Served At Capacity***</i>		
Current FY2010 Population - County	354,711	73%
New Population FY2010-FY2015 - County	132,958	27%
Total Population FY2015 - County	487,669	100%
 Buy-in Cost		
Per Person - Current Population		\$4.46
Per Person - Future Population		\$4.46

* 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 20, Demographic Estimates and Development Projections, TischlerBise.

CIP for Fairgrounds Buy-in

Using the residential development projections for the unincorporated portion of the County from Figure 20 of the Demographic Estimates and Development Projections in conjunction with the buy-in cost

data from Figure 9, TischlerBise developed the following CIP for the fairgrounds buy-in for new residential development 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:

$$8,623 \text{ persons from new development} \times \$4.46/\text{person} = \$38,458$$

Figure 10: 5 Year CIP for Fairgrounds Buy-in

UNINCORPORATED PINAL COUNTY	Fiscal Year	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated County		138,264	146,887	155,556	164,273	173,027	181,811
Net Population Change During Year		8,623	8,669	8,717	8,754	8,784	
Buy-in Fairgrounds Cost per Person		\$4.46	\$4.46	\$4.46	\$4.46	\$4.46	
							<i>5 Year Total</i>
TOTAL BUY-IN UNINCORPORATED COUNTY		\$38,458	\$38,660	\$38,877	\$39,042	\$39,174	\$194,212

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

Planned LOS Analysis

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 11 lists the current fleet of support vehicles and equipment which totals 14 vehicles. The current LOS for support vehicles and equipment for parks for residential development in unincorporated Pinal County is calculated as follows: 14 vehicles/138,264 persons in unincorporated Pinal County = 0.0001 vehicles/pieces of equipment per person.

Figure 11: Current LOS Analysis for Support Vehicles and Equipment for Parks

<i>Vehicle/Equipment</i>	<i># of Units*</i>
Ford Escape XLT 4 wheel drive	1
GMC one ton stake bed truck	1
Truck Ford F150	1
Truck GMC Ext Cab Sierra	1
Truck GMC Ext Cab Sierra	1
Kubota Tractor (Diesel)	1
John Deere Tractor 5325	1
Loader attachment John Deere 542	1
Forklift Caterpillar V50DSA	1
John Deer Gators	3
Jacobsen Riding Turf mower	1
Riding Mower	1
TOTAL	14
Current Population - Unincorporated County**	138,264
Current Level-of-Service	
Equipment/vehicles per Person	0.0001

* Source: Pinal County Parks & Recreation Department.

** Figure 20, *Demographic Estimates and Development Projections*, TischlerBise.

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 replication value of \$233,707, an average of \$15,979 per unit (\$233,707/14 units = \$15,979). This results in a cost factor of \$1.62 per person in order to maintain the current LOS. This is calculated by multiplying the current residential LOS of 0.0001 vehicles/pieces of equipment per person by \$15,979 per unit (0.0001 x \$15,979 = \$1.62).

Figure 12: Support Vehicles and Equipment for Parks Cost Standards

<i>Vehicle/Equipment</i>	<i># of Units*</i>	<i>Cost per Unit*</i>	<i>Total</i>
Ford Escape XLT 4 wheel drive	1	\$15,850	\$15,850
GMC one ton stake bed truck	1	\$24,882	\$24,882
Truck Ford F150	1	\$18,725	\$18,725
Truck GMC Ext Cab Sierra	1	\$18,442	\$18,442
Truck GMC Ext Cab Sierra	1	\$18,442	\$18,442
Kubota Tractor (Diesel)	1	\$17,000	\$17,000
John Deere Tractor 5325	1	\$26,574	\$26,574
Loader attachment John Deere 542	1	\$5,008	\$5,008
Forklift Caterpillar V50DSA	1	\$21,699	\$21,699
John Deer Gators	3	\$7,695	\$23,085
Jacobsen Riding Turf mower	1	\$29,000	\$29,000
Riding Mower	1	\$5,000	\$5,000
TOTAL	14		\$223,707

Ave. Cost Per Vehicle/Equipment => \$15,979

Current Level-of-Service	
Equipment/vehicles per Person	0.0001
Cost	
Per Person	\$1.62

* Pinal County Parks & Recreation Department.

CIP for Support Vehicles and Equipment for Parks

Using the residential development projections by IFA from Figure 20 of the *Demographic Estimates and Development Projections* in conjunction with the current LOS analysis data from Figure 11 and the cost standards from Figure 12, TischlerBise developed the following CIP for support vehicles and equipment for parks for new development 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 development in order to maintain the current LOS and the cost is calculated as follows:

$$6,145 \text{ persons from new development} \times 0.0001 \text{ unit/person} = 0.7 \text{ units}$$

$$0.7 \text{ units} \times \$15,979/\text{unit} = \$9,942$$

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

Figure 13: 5 Year CIP for Support Vehicles and Equipment for Parks by IFA

IFA 1	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 1		74,847	80,991	87,168	93,380	99,618	105,877
Net Population Change During Year		6,145	6,177	6,211	6,238	6,259	
Park Support Vehicles/Equip Per Person		0.0001	0.0001	0.0001	0.0001	0.0001	
							<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 1		0.6	0.6	0.6	0.6	0.6	3.1
Average Cost per Vehicle/Piece of Equipment		\$15,979	\$15,979	\$15,979	\$15,979	\$15,979	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 1		\$9,942	\$9,994	\$10,050	\$10,093	\$10,127	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 1		\$9,942	\$9,994	\$10,050	\$10,093	\$10,127	\$50,205
IFA 2	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 2		16,541	17,063	17,587	18,114	18,643	19,174
Net Population Change During Year		521	524	527	529	531	
Park Support Vehicles/Equip Per Person		0.0001	0.0001	0.0001	0.0001	0.0001	
							<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 2		0.1	0.1	0.1	0.1	0.1	0.3
Average Cost per Vehicle/Piece of Equipment		\$15,979	\$15,979	\$15,979	\$15,979	\$15,979	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 2		\$844	\$848	\$853	\$856	\$859	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 2		\$844	\$848	\$853	\$856	\$859	\$4,260
IFA 3	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 3		9,623	10,068	10,515	10,964	11,416	11,869
Net Population Change During Year		445	447	450	452	453	
Park Support Vehicles/Equip Per Person		0.0001	0.0001	0.0001	0.0001	0.0001	
							<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 3		0.0	0.0	0.0	0.0	0.0	0.2
Average Cost per Vehicle/Piece of Equipment		\$15,979	\$15,979	\$15,979	\$15,979	\$15,979	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 3		\$720	\$724	\$728	\$731	\$733	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 3		\$720	\$724	\$728	\$731	\$733	\$3,635
IFA 4	<i>Fiscal Year</i>	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 4		1,623	1,631	1,640	1,649	1,657	1,666
Net Population Change During Year		9	9	9	9	9	
Park Support Vehicles/Equip Per Person		0.0001	0.0001	0.0001	0.0001	0.0001	
							<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 4		0.001	0.001	0.001	0.001	0.001	0.004
Average Cost per Vehicle/Piece of Equipment		\$15,979	\$15,979	\$15,979	\$15,979	\$15,979	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 4		\$14	\$14	\$14	\$14	\$14	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 4		\$14	\$14	\$14	\$14	\$14	\$70

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

IFA 5	Fiscal Year	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 5		21,038	21,742	22,450	23,161	23,876	24,593
Net Population Change During Year		704	708	712	715	717	
Park Support Vehicles/Equip Per Person		0.0001	0.0001	0.0001	0.0001	0.0001	
							<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 5		0.1	0.1	0.1	0.1	0.1	0.4
Average Cost per Vehicle/Piece of Equipment		\$15,979	\$15,979	\$15,979	\$15,979	\$15,979	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 5		\$1,139	\$1,145	\$1,151	\$1,156	\$1,160	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 5		\$1,139	\$1,145	\$1,151	\$1,156	\$1,160	\$5,752

IFA 6	Fiscal Year	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 6		1,246	1,310	1,374	1,438	1,503	1,568
Net Population Change During Year		64	64	64	65	65	
Park Support Vehicles/Equip Per Person		0.0001	0.0001	0.0001	0.0001	0.0001	
							<i>5 Year Total</i>
Park Support Vehicles/Equip Demanded Residential Development IFA 6		0.01	0.01	0.01	0.01	0.01	0.0
Average Cost per Vehicle/Piece of Equipment		\$15,979	\$15,979	\$15,979	\$15,979	\$15,979	
Capital Costs Support Vehicles & Equipment - Residential Development IFA 6		\$103	\$104	\$104	\$105	\$105	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 6		\$103	\$104	\$104	\$105	\$105	\$520

IFA 7	Fiscal Year	2010	2011	2012	2013	2014	2015
Projected Population Unincorporated IFA 7		13,346	14,082	14,822	15,566	16,314	17,064
Net Population Change During Year		736	740	744	747	750	
Regional Park Acreage Per Person		0.0001	0.0001	0.0001	0.0001	0.0001	
							<i>5 Year Total</i>
Regional Park Acreage Demanded Residential Development IFA 7		0.1	0.1	0.1	0.1	0.1	0.4
Average Cost per Vehicle/Piece of Equipment		\$15,979	\$15,979	\$15,979	\$15,979	\$15,979	
Capital Costs Regional Parkland - Residential Development IFA 7		\$1,191	\$1,197	\$1,204	\$1,209	\$1,213	<i>5 Year Total</i>
TOTAL SUPPORT VEHICLES & EQUIPMENT CAPITAL COSTS IFA 7		\$1,191	\$1,197	\$1,204	\$1,209	\$1,213	\$6,015

CIP AND DEVELOPMENT FEE STUDY

The County should update its study every two years to ensure the CIP, assumptions, and cost factors used in the calculations are still valid and accurate and that new development 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 (\$45,833) is allocated to the projected increase in population and over the next two years. This results in a development fee study cost per demand unit of \$2.65 per person.

Parks Development Fees

The planned LOS and costs from the Parks CIP are used to calculate the Parks Development Fee. Figure 14 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 14, the total capital cost is \$116.79 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 14: Parks Development Fee Demand and Cost Summary – All Impact Fee Areas

<i>Persons Per Household</i>	
Single Family Detached	2.36
All Other Types of Housing	1.10
 <i>Cost Factors</i>	
	<u><i>Per Person</i></u>
Regional Parks	\$79.73
Trails	\$28.33
Fairgrounds	\$4.46
Support Vehicles/Equipment	\$1.62
Development Fee Study	\$2.65
 Net Capital Cost per Person	 \$116.79

Figure 15 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 development will be provided.

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

$$2.36 \text{ persons per household} \times \$116.79 \text{ per person} = \$276 \text{ per single family detached unit}$$

Figure 15: Parks Development Fee Schedule – All Impact Fee Areas

	<i>Regional Parks</i>	<i>Trails</i>	<i>Fairgrounds</i>	<i>Support Veh/Equip</i>	<i>Dev. Fee Study</i>	<i>TOTAL</i>
Single Family	\$188	\$67	\$11	\$4	\$6	\$276
All Other Residential	\$87	\$31	\$5	\$2	\$3	\$128

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 regional parks projects. The County will have to fund this portion of these planned projects from non-development fee sources.

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

Figure 16: Parks Development Fee Cash Flow Analysis FY2010-FY2015

IFA 1	Fiscal Year	2010	2011	2012	2013	2014	
Projected Residential Development							
New Single Family Detached Units		2,029	2,040	2,051	2,060	2,067	
New All Other Types of Housing Units		141	142	142	143	143	
New Population		6,145	6,177	6,211	6,238	6,259	
	<i>Proposed</i>						
Projected Development Fee Revenue							
	<i>Fees</i>						
Single Family Detached Units	\$276	\$671,078	\$674,602	\$678,380	\$681,260	\$683,563	
IFA 1 Reduction Factor*		-75%	-75%	-75%	-75%	-75%	
Single Family Detached Units with Reduction Factor		\$167,769	\$168,650	\$169,595	\$170,315	\$170,891	
All Other Types of Housing Units	\$128	\$46,573	\$46,817	\$47,079	\$47,279	\$47,439	<i>5 Year Total</i>
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 1		\$214,342	\$215,468	\$216,674	\$217,594	\$218,330	\$1,082,409
Capital Improvement Expenditures							
Regional Parks (New and Existing Development)		\$6,457,774	\$492,506	\$495,264	\$497,367	\$499,048	
Trails		\$174,085	\$174,999	\$175,979	\$176,726	\$177,324	
Fairgrounds		\$27,404	\$27,548	\$27,702	\$27,820	\$27,914	
Support Vehicles and Equipment		\$9,942	\$9,994	\$10,050	\$10,093	\$10,127	
Development Fee Study		\$16,287	\$16,287	\$16,287	\$16,287	\$16,287	<i>5 Year Total</i>
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 1		\$6,685,491	\$721,333	\$725,282	\$728,293	\$730,699	\$9,591,098
Annual Surplus/(Deficit)		(\$6,471,149)	(\$505,866)	(\$508,608)	(\$510,698)	(\$512,369)	
Cumulative Surplus/(Deficit)		(\$6,471,149)	(\$6,977,014)	(\$7,485,622)	(\$7,996,320)	(\$8,508,689)	
* Based on estimate of non-revenue generating permits from "Housing Development Forecast Pertaining to the Imposition of Transportation Corridor Development Fee Within Pinal County", Elliott D. Pollack & Company, February 2006.							
IFA 2	Fiscal Year	2010	2011	2012	2013	2014	
Projected Residential Development							
New Single Family Detached Units		125	125	126	127	127	
New All Other Types of Housing Units		59	60	60	60	61	
New Population		521	524	527	529	531	
	<i>Proposed</i>						
Projected Development Fee Revenue							
	<i>Fees</i>						
Single Family Detached Units	\$276	\$41,222	\$41,438	\$41,671	\$41,847	\$41,989	
All Other Types of Housing Units	\$128	\$19,675	\$19,778	\$19,889	\$19,974	\$20,041	<i>5 Year Total</i>
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 2		\$60,897	\$61,217	\$61,560	\$61,821	\$62,030	\$307,525
Capital Improvement Expenditures							
Regional Parks (New and Existing Development)		\$1,360,487	\$41,792	\$42,026	\$42,205	\$42,347	
Trails		\$14,772	\$14,850	\$14,933	\$14,996	\$15,047	
Fairgrounds		\$2,325	\$2,338	\$2,351	\$2,361	\$2,369	
Support Vehicles and Equipment		\$844	\$848	\$853	\$856	\$859	
Development Fee Study		\$1,382	\$1,389	\$1,397	\$1,403	\$1,408	<i>5 Year Total</i>
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 2		\$1,379,810	\$61,217	\$61,560	\$61,821	\$62,030	\$1,626,438
Annual Surplus/(Deficit)		(\$1,318,913)	\$0	\$0	\$0	\$0	
Cumulative Surplus/(Deficit)		(\$1,318,913)	(\$1,318,913)	(\$1,318,913)	(\$1,318,913)	(\$1,318,913)	
IFA 3	Fiscal Year	2010	2011	2012	2013	2014	
Projected Residential Development							
New Single Family Detached Units		101	102	102	103	103	
New All Other Types of Housing Units		56	56	57	57	57	
New Population		445	447	450	452	453	
	<i>Proposed</i>						
Projected Development Fee Revenue							
	<i>Fees</i>						
Single Family Detached Units	\$276	\$33,414	\$33,590	\$33,778	\$33,921	\$34,036	
All Other Types of Housing Units	\$128	\$18,544	\$18,641	\$18,745	\$18,825	\$18,889	<i>5 Year Total</i>
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 3		\$51,958	\$52,231	\$52,523	\$52,746	\$52,925	\$262,383
Capital Improvement Expenditures							
Regional Parks (New and Existing Development)		\$802,725	\$35,658	\$35,857	\$36,009	\$36,131	
Trails		\$12,604	\$12,670	\$12,741	\$12,795	\$12,838	
Fairgrounds		\$1,984	\$1,994	\$2,006	\$2,014	\$2,021	
Support Vehicles and Equipment		\$720	\$724	\$728	\$731	\$733	
Development Fee Study		\$1,179	\$1,185	\$1,192	\$1,197	\$1,201	<i>5 Year Total</i>
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 3		\$819,212	\$52,231	\$52,523	\$52,746	\$52,925	\$1,029,637
Annual Surplus/(Deficit)		(\$767,254)	\$0	\$0	\$0	\$0	
Cumulative Surplus/(Deficit)		(\$767,254)	(\$767,254)	(\$767,254)	(\$767,254)	(\$767,254)	

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

IFA 4	Fiscal Year	2010	2011	2012	2013	2014	
Projected Residential Development							
New Single Family Detached Units		0	0	0	0	0	
New All Other Types of Housing Units		3	3	3	3	3	
New Population		9	9	9	9	9	
	<i>Proposed</i>						
Projected Development Fee Revenue	<i>Fees</i>						
Single Family Detached Units	\$276	\$148	\$149	\$150	\$150	\$151	
All Other Types of Housing Units	\$128	\$852	\$856	\$861	\$865	\$868	<i>5 Year Total</i>
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 4		\$1,000	\$1,005	\$1,011	\$1,015	\$1,019	\$5,051
Capital Improvement Expenditures							
Regional Parks (New and Existing Development)		\$130,068	\$686	\$690	\$693	\$695	
Trails		\$243	\$244	\$245	\$246	\$247	
Fairgrounds		\$38	\$38	\$39	\$39	\$39	
Support Vehicles and Equipment		\$14	\$14	\$14	\$14	\$14	
Development Fee Study		\$23	\$23	\$23	\$23	\$23	<i>5 Year Total</i>
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 4		\$130,386	\$1,005	\$1,011	\$1,015	\$1,019	\$134,436
Annual Surplus/(Deficit)		(\$129,385)	\$0	\$0	\$0	\$0	
Cumulative Surplus/(Deficit)		(\$129,385)	(\$129,385)	(\$129,385)	(\$129,385)	(\$129,385)	
IFA 5	Fiscal Year	2010	2011	2012	2013	2014	
Projected Residential Development							
New Single Family Detached Units		248	250	251	252	253	
New All Other Types of Housing Units		0	0	0	0	0	
New Population		704	708	712	715	717	
	<i>Proposed</i>						
Projected Development Fee Revenue	<i>Fees</i>						
Single Family Detached Units	\$276	\$82,160	\$82,591	\$83,054	\$83,407	\$83,688	
All Other Types of Housing Units	\$128	\$61	\$61	\$61	\$62	\$62	<i>5 Year Total</i>
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 5		\$82,221	\$82,652	\$83,115	\$83,468	\$83,750	\$415,207
Capital Improvement Expenditures							
Regional Parks (New and Existing Development)		\$1,733,583	\$56,426	\$56,742	\$56,983	\$57,176	
Trails		\$19,945	\$20,050	\$20,162	\$20,247	\$20,316	
Fairgrounds		\$3,140	\$3,156	\$3,174	\$3,187	\$3,198	
Support Vehicles and Equipment		\$1,139	\$1,145	\$1,151	\$1,156	\$1,160	
Development Fee Study		\$1,866	\$1,876	\$1,886	\$1,894	\$1,901	<i>5 Year Total</i>
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 5		\$1,759,672	\$82,652	\$83,115	\$83,468	\$83,750	\$2,092,659
Annual Surplus/(Deficit)		(\$1,677,452)	\$0	\$0	(\$0)	\$0	
Cumulative Surplus/(Deficit)		(\$1,677,452)	(\$1,677,452)	(\$1,677,452)	(\$1,677,452)	(\$1,677,452)	
IFA 6	Fiscal Year	2010	2011	2012	2013	2014	
Projected Residential Development							
New Single Family Detached Units		10	10	10	10	10	
New All Other Types of Housing Units		13	13	13	13	13	
New Population		64	64	64	65	65	
	<i>Proposed</i>						
Projected Development Fee Revenue	<i>Fees</i>						
Single Family Detached Units	\$276	\$3,262	\$3,279	\$3,298	\$3,312	\$3,323	
All Other Types of Housing Units	\$128	\$4,178	\$4,200	\$4,223	\$4,241	\$4,256	<i>5 Year Total</i>
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 6		\$7,440	\$7,479	\$7,521	\$7,553	\$7,579	\$37,572
Capital Improvement Expenditures							
Regional Parks (New and Existing Development)		\$104,422	\$5,106	\$5,135	\$5,156	\$5,174	
Trails		\$1,805	\$1,814	\$1,824	\$1,832	\$1,838	
Fairgrounds		\$284	\$286	\$287	\$288	\$289	
Support Vehicles and Equipment		\$103	\$104	\$104	\$105	\$105	
Development Fee Study		\$169	\$170	\$171	\$171	\$172	<i>5 Year Total</i>
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 6		\$106,783	\$7,479	\$7,521	\$7,553	\$7,579	\$136,915
Annual Surplus/(Deficit)		(\$99,343)	\$0	\$0	\$0	\$0	
Cumulative Surplus/(Deficit)		(\$99,343)	(\$99,343)	(\$99,343)	(\$99,343)	(\$99,343)	

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

IFA 7	Fiscal Year	2010	2011	2012	2013	2014	
Projected Residential Development							
New Single Family Detached Units		182	183	184	185	186	
New All Other Types of Housing Units		78	78	78	79	79	
New Population		736	740	744	747	750	
	<i>Proposed</i>						
Projected Development Fee Revenue	<i>Fees</i>						
Single Family Detached Units	\$276	\$60,315	\$60,631	\$60,971	\$61,230	\$61,437	
All Other Types of Housing Units	\$128	\$25,670	\$25,805	\$25,949	\$26,059	\$26,147	<i>5 Year Total</i>
TOTAL PARKS DEVELOPMENT FEE REVENUES IFA 7		\$85,984	\$86,436	\$86,920	\$87,289	\$87,584	\$434,214
Capital Improvement Expenditures							
Regional Parks (New and Existing Development)		\$1,122,826	\$59,009	\$59,339	\$59,591	\$59,793	
Trails		\$20,858	\$20,967	\$21,085	\$21,174	\$21,246	
Fairgrounds		\$3,283	\$3,301	\$3,319	\$3,333	\$3,344	
Support Vehicles and Equipment		\$1,191	\$1,197	\$1,204	\$1,209	\$1,213	
Development Fee Study		\$1,951	\$1,962	\$1,973	\$1,981	\$1,988	<i>5 Year Total</i>
TOTAL PARKS FACILITIES CAPITAL COSTS IFA 7		\$1,150,110	\$86,436	\$86,920	\$87,289	\$87,584	\$1,498,339
Annual Surplus/(Deficit)		(\$1,064,125)	\$0	\$0	(\$0)	\$0	
Cumulative Surplus/(Deficit)		(\$1,064,125)	(\$1,064,125)	(\$1,064,125)	(\$1,064,125)	(\$1,064,125)	

Implementation and Administration

As specified in A.R.S. 11-1102, 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 development. 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. 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.