
MEETING MINUTES

IMPACT FEE ADVISORY COMMITTEE

November 15, 2012

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

Members Present: Janet Donahue Chair, Dick Ainsworth, Jerry Ford, Jim Galipeau, Kate Sutherland.

Members Absent: John Freer, Derek Goldman.

Staff and Others Present: Bruce Bender, CAO, Brentt Ramharter, Finance Director, Steve King, Public Works Director, Donna Gaukler, Parks & Recreation Director, Dee Anderson, Committee Secretary.

Minutes: dated April 19, 2012 were approved.

Dee Andersen introduced herself as the new IFAC secretary.

Impact Fee Review:

Brentt Ramharter reviewed the end of year [impact fee revenues for FY12](#) and compared them with all the prior years. He said there has been a bit of an increase in FY11 and FY12, with the total fees collected for FY12 at over \$900,000.

Steve King said FY13 is also looking really good as building permit activity is picking up.

Bruce Bender commented that the residential has been steady.

Janet Donahue noted that multi-family has jumped.

Steve King said Miller Creek Road is a multi million dollar project and a commitment of future impact fees.

Current Project Updates:

S. 3rd to Russell

Steve King said the environmental impact statements are completed which allows us to go forward on the project. Physical construction will continue over the next several years. The costs will be shared between impact fees, property owners and the City, with in-kind labor.

Kate Sutherland asked about the City labor.

Mr. King said the City Street Department has the crews and equipment to provide asphalt and gravel. That's where the impact fees come in-for materials.

Fort Missoula

Fort Missoula is still in the planning and design phase. They are still working to get things scoped out. One remaining issue is water rights.

44 Park Ranch

There are still some bench marks to meet for the developer.

Pleasant View Park

The developer has done some of it and collected some fees as an offset. They have to use cash in lieu.

The committee discussed what cash in lieu is, and explained that it can only be used for a park in that area.

Dick Ainsworth said in a smaller development they would give cash in place of parkland.

Steve King requested an increase in the amount of impact fee revenue for the S. 3rd to Russell and Van Buren Street projects. He said the S. 3rd to Russell Street project has been flagged for impact fees for 10 years. The original proposed planning estimates have gone from \$2 to \$3.3 million. It was our best estimate at the time. He said we didn't have the full depth of the cost of this project. The original numbers were planning numbers, but now we have real numbers for the design.

The committee discussed different reasons for why the projects costs increased, but Bruce Bender pointed out that until the Environmental Impact Statement (EIS) was adopted, the project couldn't move forward. By the time it was adopted, there was no money for 3rd Street and the federal money was going to Russell Street. In the case of 3rd Street, the City must build more roadway which costs more.

Dick Ainsworth was curious when the original estimates were done.

Steve King said the original estimates were done in 2006-07 and since then it's gone from a two lane to a three lane road and a bike lane was added.

Bruce Bender said Impact fees were budgeted at \$155,000 and we have spent some of that.

Steve King discussed the projected future growth for Missoula and its impact on our roads. By 2035 we will experience a 67% increase in traffic. A third lane was added to S. 3rd but that probably won't be enough.

As mentioned before the City will provide in-kind labor but may contract out for some of the work, like hauling. We will go to Council with engineering costs and do a budget amendment.

Janet. Donahue asked if it had to go back to Council this year.

Bruce Bender said no, we won't exceed the current year budget.

Steve King said it will come in FY13, FY14, and FY15.

Janet Donahue asked if the percentage has gone up.

Steve King said it's still a third. The total transportation impact fees will increase from \$633,000 to \$1,120,000.

Bruce Bender said in FY14 we will be expending the \$400,000.

The committee discussed the Van Buren Street project. Steve King said the numbers are not as bad, but the original planning numbers were low. The actual cost is \$1 million from planning to design. We had \$100,000 of impact fees allocated and we are recommending the traffic portion of impact fees go up from \$100,000 to \$280,000.

Bruce Bender said we have two more phases.

Steve King said to install pavement, curbs, sidewalks and bulb-outs. It is a 20% impact fee portion we are recommending an increase to 28%.

Jim Galipeau asked if the Rattlesnake area will grow in population that much.

Steve King said yes, based on the projected growth in traffic. Currently there is an average of 8 or 9 trips generated per single family residence per day in and out of Rattlesnake.

Donna Gaukler said some of those trips would be to access land use.

Dick inquired about the status on roundabouts.

Steve King said in 2014 there will be 2 roundabouts installed, a new bridge and a trail. There have been new condos built. The sewer went in, which can accommodate more growth.

It was stated that an apartment generates about 5 trips a day.

Mr. King said these are big numbers with a substantial increase over several years so it is manageable. He pointed out that even with the 3rd and Van Buren Street projects we are still accumulating more in impact fees than we spend each year.

Dick said there are many places to use it.

Bruce Bender said he wanted this committee to have a heads up that the Administration is anticipating higher expenditures over the next two years. With the support of the committee he will be bringing this back in the spring for official approval.

Future Project: Hillview Way:

Bruce Bender said we tried to do an SID but it failed. We looked at what the County did with the sewer. We are now considering working with the road districts as an additional revenue source for Hillview Way. This project could be eligible for road impact fees.

Steve King said Hillview Way is a complete reconstruction. We will need improved drainage, sidewalks on one side and a barrier curb to keep the reasonable drivers from going off the road and down the hillside. The project was originally a \$3.5 million project and we were asked to cut everything out that wasn't necessary. We are now looking at a cost of \$2.5 million.

Bruce Bender discussed prior assessment methods on Hillview Way properties with large parcels and the need to make it more equitable among the property owners. He would like to use a combination of an assessment, road district funds, and at least a third of the total amount in impact fees.

Janet Donahue asked if there are any federal aid grants.

Steve King said no, there are none.

Dick Ainsworth asked for more explanation on the road district component.

Bruce Bender said it's an annual assessment applied to all City tax payers; we would bring in money for projects like this.

Dick Ainsworth suggested the Mullan road concept and only assess the bare land if it is developed later.

Bruce Bender agreed, he said the dwelling units will be assessed upfront. The bare land will be assessed on future growth.

Kate Sutherland expressed concerns regarding supplementing Hillview Way more than the Van Buren or 3rd Street projects. In the big picture, more citizens benefit from the Van Buren and 3rd Street projects. We will have to answer to people who ask us why the residents in the Hillview area didn't have to pay as much and those of us in the Rattlesnake did?

Dick Ainsworth said that Hillview is different-

Janet Donahue said her concern is that the City doesn't have the in-kind labor capacity for Hillview Way and it is a more difficult project. If you remove a funding source then you are only left with two.

Bruce Bender agreed.

The committee discussed the large parcels along Hillview Way and stated that some bare lands may always stay bare lands.

Jerry Ford wanted to know when this project was to begin

Bruce Bender said in 2014, Fiscal Year 2015.

Donna Gaukler said revenue from Pleasant View Park is a mistake and needs to be corrected; it will be cash in lieu.

Steve King announced he will be retiring in December and this would be his last IFAC meeting.

All the members of the committee thanked him for all his years of service.

The next meeting was scheduled for April 18, 2013. Dee will send out meeting invitations.

Respectfully submitted,

Dee Andersen
Committee Secretary

