



PROPOSAL FOR IMPACT FEE STUDY

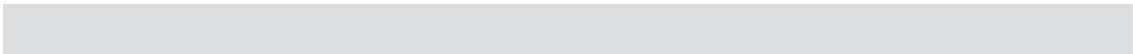
*Prepared for
Town of Erie, Colorado*

August 18, 2020



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Cover Letter

August 18, 2020

Mr. Steve Felten, Finance Director
Town of Erie
645 Holbrook Street
Erie, CO 80516

Dear Steve,

TischlerBise is pleased to submit the enclosed proposal to prepare an Impact Fee Study for the Town of Erie. We bring several distinct advantages to this assignment:

1. **No other firm has the depth of experience that TischlerBise brings to this assignment.** The Town will benefit from our staff's experience in identifying funding gaps and creating new revenue programs for hundreds of local government agencies across the country. **We have prepared over 1,000 impact fee studies across the country – more than any other firm.** More importantly, a TischlerBise impact fee methodology has never been successfully challenged in a court of law.
2. **National Thought Leaders.** Both of the TischlerBise principals for this assignment are considered national thought leaders on the subjects of impact fees, infrastructure financing strategies and fiscal/economic sustainability. Carson Bise recently Chaired the American Planning Association's Paying for Growth Task Force and was recently named an Affiliate of the National Center for Smart Growth Research & Education. Mr. Bise also serves on the Board of Directors for the Growth and Infrastructure Consortium, where he is a frequent presenter at the annual conference.
3. **Colorado Experience.** TischlerBise has recently completed or is conducting similar assignments in the following Colorado communities: Adams County, Arapahoe County, Aspen, Boulder, Colorado Springs, Dacono, Durango, Erie, Fort Collins, Garfield County, Grand Junction, Larimer County, Lone Tree, Longmont, Louisville, Mead, North Berthoud Fire Protection District, Parker, South Metro Fire Protection District, Thornton and Vail.
4. **Consensus Builders.** Our seasoned Project Team has actively participated in legislative body meetings and citizen committees to educate stakeholders regarding the technical process of impact fee calculations as well as the pros and cons of impact fees, particularly the economic effect of implementation. We have unsurpassed experience as consensus builders working with a broad cross-section of urban, suburban and rural communities across country.

We look forward to the possibility of working with the Town of Erie again and are committed to providing you with top-quality support at a very competitive price. TischlerBise has no conflicts of interest related to this assignment. This proposal shall remain valid for a period of 120 days.

Sincerely



L. Carson Bise II, AICP, President
TischlerBise
4701 Sangamore Road, Suite S240
Bethesda, MD 20816
Phone: 301-320-6900
E-mail: carson@tischlerbise.com

Section 1: Firm Qualifications and Experience

TischlerBise is a fiscal, economic, and planning consulting firm specializing in fiscal/economic impact analysis, impact fees, market feasibility, infrastructure financing studies and related revenue strategies. Our firm has been providing consulting services to public agencies for over thirty years. In this time, we have prepared over **900 fiscal/economic impact evaluations and over 1,000 impact fee/infrastructure financing studies** – more than any other firm. Through our detailed approach, proven methodology, and comprehensive product, we have established TischlerBise as the leading national expert on revenue enhancement and cost of growth strategies.

Colorado Experience

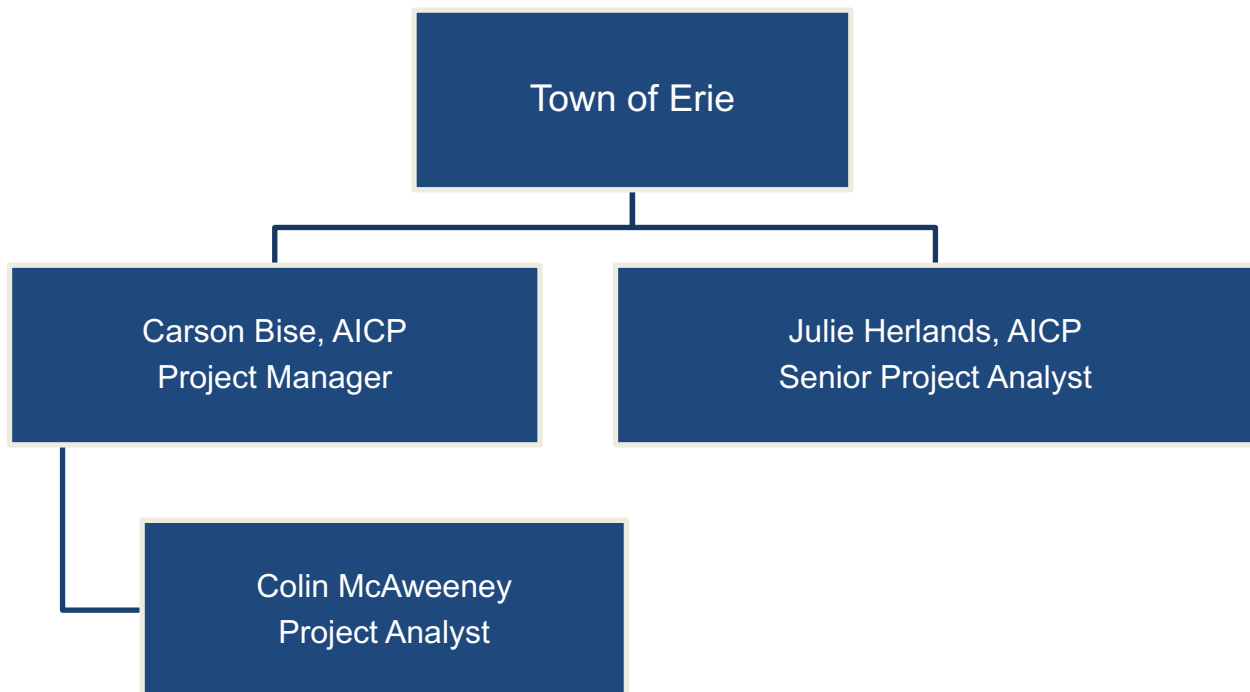
An important factor to consider related to this work effort is our relevant experience working in the State of Colorado, including our previous impact fee study for the Town of Erie. This experience makes us intimately familiar with local government revenue structures and the planning and growth management issues facing the Town. The following table summarizes TischlerBise's vast impact fee experience in the State of Colorado.

CLIENT	Affordable Housing	Roads/Transportation	Sewer	Water	Stormwater	Law Enforcement	Fire/EMS	Parks and Recreation	Trails/Open Space	Libraries	General Government
Adams County		◆									
Arapahoe County		◆									
Boulder	◆	◆				◆	◆	◆	◆	◆	◆
Castle Rock		◆			◆	◆	◆	◆	◆		◆
Colorado Springs		◆				◆	◆				
Eaton			◆	◆		◆		◆	◆		◆
Erie		◆				◆		◆	◆		◆
Evans		◆									
Durango	◆	◆									
Fort Collins		◆									
Garfield County		◆									
Grand Junction						◆		◆	◆		◆
Greeley		◆	◆				◆	◆			
Larimer County		◆									
Lone Tree		◆				◆		◆	◆		◆
Longmont		◆					◆				◆
Louisville	◆	◆				◆		◆	◆	◆	◆

CLIENT	Affordable Housing	Roads/Transportation	Sewer	Water	Stormwater	Law Enforcement	Fire/EMS	Parks and Recreation	Trails/Open Space	Libraries	General Government
Mead		◆				◆		◆			◆
Montezuma County		◆									
North Berthoud Fire District							◆				
Parker		◆				◆		◆			◆
Pitkin County		◆									
Pueblo		◆									
South Metro Fire District							◆				
Thornton		◆				◆	◆	◆	◆		◆
Vail		◆									

Project Team Qualifications

To successfully navigate through your fee analysis, the successful consultant must possess specific, detailed and customized knowledge of not only the technical analysis, but the context of the impact fee structure in achieving Town fiscal policy goals and economic, transportation and land use policies goals. Our project team for this assignment has unsurpassed experience performing projects requiring the same expertise as that needed to serve Erie.



Carson Bise, AICP, President of TischlerBise, will serve as Project Manager. He will ensure all work is completed properly, on time, and within budget. He will work closely with Ms. Herlands and Mr. McAweeney in developing and reviewing all aspects of the project and providing overall quality assurance for the project. Mr. Bise will be the primary contact person for Town staff throughout the project.

Julie Herlands, AICP, Vice President at TischlerBise, will serve as Senior Project Analyst for this assignment because of her substantial experience preparing impact fees and financing strategies, and her strong project management skills. Ms. Herlands will be responsible for controlling the work in progress, providing feedback to project team members and staff, and will be responsible for the technical requirements of the project. Most importantly, Ms. Herlands, in conjunction with Mr. Bise, will ensure constant collaboration and communication between Town staff and our team through frequent progress memorandums, conference calls and in-person meetings.

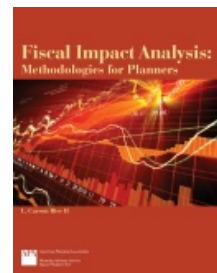
Colin McAweeney, Senior Fiscal/Economic Analyst, will serve as Project Analyst for this assignment. Mr. McAweeney heads our Boise office and has been with TischlerBise for seven years and is the Project Manager for several of our Colorado assignments.

Project Team Résumés

L. Carson Bise, II, AICP, President

EXPERIENCE

Carson Bise has 28 years of fiscal, economic and planning experience and has conducted fiscal and infrastructure finance evaluations in 39 states. Mr. Bise has developed and implemented more fiscal impact models than any consultant in the country. The applications which Mr. Bise has developed have been used for evaluating multiple land use scenarios, specific development projects, annexations, urban service provision, tax-increment financing, and concurrency/adequate public facilities monitoring. Mr. Bise is also a leading national figure in the calculation of impact fees, having completed over 350 impact fees for the following categories: parks and recreation, open space, police, fire, schools, water, sewer, roads, municipal power, and general government facilities. Mr. Bise has also written and lectured extensively on fiscal impact analysis and infrastructure financing. His most recent publications are *Next Generation Transportation Impact Fees* and *Fiscal Impact Analysis: Methodologies for Planners*, both published by the American Planning Association, a chapter on fiscal impact analysis in the book *Planning and Urban Design Standards*, also published by the American Planning Association, and the ICMA IQ Report, *Fiscal Impact Analysis: How Today's Decisions Affect Tomorrow's Budgets*. Mr. Bise was also the principal author of the fiscal impact analysis component for the Atlanta Regional Commission's Smart Growth Toolkit and is featured in the recently released AICP Training Package entitled The Economics of Density. Mr. Bise is currently on the Board of Directors of the Growth and Infrastructure Finance Consortium and **recently Chaired the American Planning Association's Paying for Growth Task Force**. He was also recently named an Affiliate of the National Center for Smart Growth Research & Education.



SELECTED IMPACT FEE EXPERIENCE

- Daphne, Alabama – *Impact Fee Study*
- Foley, Alabama – *Impact Fee Study*
- Gulf Shores, Alabama – *Impact Fee Study*
- Orange Beach, Alabama – *Impact Fee Study*
- Apache Junction, Arizona – *Impact Fee Study*
- Camp Verde, Arizona – *Impact Fee Study*
- Eloy, Arizona – *Impact Fee Study*
- Siloam Springs, Arkansas – *Impact Fee Study*
- Avenal, California – *Development Impact Fee Study*
- Corcoran, California – *Development Impact Fee Study*
- Banning, California – *Development Impact Fee Study*
- National City, California – *Development Impact Fee Study*
- Mammoth Lakes, California – *Development Impact Fee*
- Rancho Cucamonga, California – *Development Impact Fee Study*
- Suisun City, California – *Development Impact Fee Study*
- Temecula, California – *Development Impact Fee Study*
- Tulare, California – *Development Impact Fee Study*
- **Adams County, Colorado – *Transportation Impact Study***
- **Arapahoe County, Colorado – *Rural Road Funding Strategy and Rural Road Impact Fee Study***
- **Boulder, Colorado – *Impact Fee/Excise Tax Study***
- **Castle Rock, Colorado – *Impact Fee Study***
- **Evans, Colorado – *Impact Fee Study***
- **Erie, Colorado – *Impact Fee Study***
- **Fort Collins, Colorado – *Transportation Capital Expansion Fee Study***
- **Garfield County, Colorado – *Impact Fee Study***
- **Grand Junction, Colorado – *Impact Fee Study***
- **Greeley, Colorado – *Impact Fee Study***
- **Larimer County, Colorado – *Impact Fee Study***
- **Longmont, Colorado – *Impact Fee Study***
- **Lone Tree, Colorado – *Impact Fee Study***
- **Louisville, Colorado – *Impact Fee Study***
- **Mead, Colorado – *Impact Fee Study***
- **Steamboat Springs, Colorado – *Impact Fee Study***
- **Thornton, Colorado – *Impact Fee Study***
- **Vail, Colorado – *Impact Fee Study***
- DeSoto County, Florida – *Impact Fee Study*
- Manatee County, Florida – *Impact Fee Study*
- City of North Miami, Florida – *Impact Fee Study*
- Pasco County, Florida – *School Impact Fee Study*
- Polk County, Florida – *Impact Fee Study*
- Punta Gorda, Florida – *Impact Fee Study*
- Anne Arundel County, Maryland – *Revenue Strategies*
- Calvert County, Maryland – *Impact Fee Study*
- Caroline County, Maryland – *Schools Excise Tax Study*
- Carroll County, Maryland – *Impact Fee Study*

- Charles County, Maryland – *Impact Fee Study*
- Dorchester County, Maryland – *Impact Fee Study*
- Easton, Maryland – *Impact Fee Study*
- Hagerstown, Maryland – *Impact Fee Study*
- Hampstead, Maryland – *Impact Fee Study*
- Talbot County, Maryland – *Impact Fee Study*
- Washington County, Maryland – *Impact Fee Study*
- Worcester County, Maryland – *Impact Fee Study*
- Broadwater County, Montana – *Impact Fee Feasibility Study*
- Florence-Carlton School District, Montana – *Impact Fee Study*
- Nye County/Town of Pahrump, Nevada – *Impact Fee Study*
- Las Cruces, New Mexico – *Water and Sewer Impact Fee Study*
- Clinton City, Utah – *Impact Fee Study*
- Draper City, Utah – *Impact Fee Study*
- Farmington City, Utah – *Impact Fee Study*
- Logan City, Utah – *Impact Fee Study*
- Mapleton City, Utah – *Impact Fee Study*
- Spanish Fork, Utah – *Impact Fee Study*
- West Jordan, Utah – *Impact Fee Study*

EDUCATION

M.B.A., Economics, Shenandoah University

B.S., Geography/Urban Planning, East Tennessee State University

B.S., Political Science/Urban Studies, East Tennessee State University

SPEAKING ENGAGEMENTS

- *Fiscal Impact Assessment*, AICP Training Workshop, American Planning Association National Planning Conference
- *Dealing with the Cost of Growth: From Soup to Nuts*, International City/County Management Association National Conference
- *Demand Numbers for Impact Analysis*, National Impact Fee Roundtable
- *Calculating Infrastructure Needs with Fiscal Impact Models*, Florida Chapter of the American Planning Association Conference
- *Economic Impact of Home Building*, National Impact Fee Roundtable
- *Annexation and Economic Development*, American Planning Association National Conference
- *Economics of Density*, American Planning Association National Conference
- *The Cost/Benefit of Compact Development Patterns*, American Planning Association National Conference
- *Fiscal Impact Modeling: A Tool for Local Government Decision Making*, International City/County Management Association National Conference
- *Fiscal Assessments*, American Planning Association National Conference
- *From Soup to Nuts: Paying for Growth*, American Planning Association National Conference
- *Growing Pains*, International City/County Management Association National Conference
- *Mitigating the Impacts of Development in Urban Areas*, Florida Chapter of the American Planning Association
- *Impact Fee Basics*, National Impact Fee Roundtable
- *Fiscal Impact Analysis and Impact Fees*, National Impact Fee Roundtable

- *Are Subsidies Worth It?*, American Planning Association National Conference

PUBLICATIONS

- "Next Generation Transportation Impact Fees," American Planning Association.
- "Fiscal Impact Analysis: Methodologies for Planners," American Planning Association.
- "Planning and Urban Design Standards," American Planning Association, Contributing Author on Fiscal Impact Analysis.
- "Fiscal Impact Analysis: How Today's Decisions Affect Tomorrow's Budgets," ICMA Press.
- "The Cost/Contribution of Residential Development," Mid-Atlantic Builder.
- "Are Subsidies Worth It?" Economic Development News & Views.
- "Smart Growth and Fiscal Realities," ICMA Getting Smart! Newsletter.
- "The Economics of Density," AICP Training Series, 2005, Training CD-ROM (American Planning Association)

Julie Herlands, AICP, Vice President

EXPERIENCE

Julie Herlands is Vice President of TischlerBise and has fifteen years of planning, fiscal, and economic development experience. Prior to joining TischlerBise, Ms. Herlands worked in the public sector in Fairfax County, Virginia, for the Office of Community Revitalization and for the private sector for the International Economic Development Council (IEDC), Advisory Services and Research Department. Her economic and fiscal impact experience includes a wide-range of assignments in over fifteen states. She is a frequent presenter at national and regional conferences including serving as co-organizer and co-presenter at a half-day AICP Training Workshop entitled Fiscal Impact Assessment at the APA National Planning Conference. A session on impact fees and cash proffers presented at the APA National Conference is available through the APA training series, *Best of Contemporary Community Planning*. She is the immediate past Chair of the Economic Development Division of the APA and **chaired the APA Task Force on Planning and Economic Development**.

SELECTED IMPACT FEE AND INFRASTRUCTURE FINANCE EXPERIENCE

- **Boulder, Colorado – Impact Fee Study**
- **Durango – Affordable Housing and Transit Linkage Fee**
- **Evans – Impact Fee Study**
- **Castle Rock, Colorado – Impact Fee Study**
- **Colorado Springs, Colorado – Annexation Fee Study**
- **Lone Tree, Colorado – Impact Fee Study**
- **Parker, Colorado – Impact Fee Study**
- Plant City, Florida – *Impact Fee Study*
- Port St. Lucie, Florida – *Impact Fee Study*
- Stuart, Florida – *Impact Fee Study*
- Kellogg, Idaho – *Impact Fee Study*
- Post Falls, Idaho – *Impact Fee Study*
- Shoshone Fire District, Idaho – *Impact Fee Study*
- Evanston, Illinois – *Impact Fee/Excise Tax Study*
- Anne Arundel County, Maryland – *Revenue Strategies*
- Caroline County, Maryland – *Schools Excise Tax Study*

- Dorchester County, Maryland – *Impact Fee Study*
- Salisbury, Maryland – *Impact Fee Study*
- Talbot County, Maryland – *Impact Fee Study*
- Wicomico County, Maryland – *Impact Fee Study*
- Worcester County, Maryland – *Impact Fee Study*
- North Las Vegas – *Impact Fee Study*
- Nye County/Town of Pahrump, Nevada – *Impact Fee Study*
- Cabarrus County, North Carolina – *Voluntary Mitigation Payment Studies (Two School Districts)*
- Catawba County, North Carolina – *School Impact Fee Studies (Three School Districts)*
- Chatham County, North Carolina – *School Impact Fee Study (One School District)*
- Abbeville County, South Carolina – *Infrastructure Financing Study*
- Beaufort County, South Carolina – *Infrastructure Financing Study*
- Prince William County, Virginia – *Impact Fee Study*
- Spotsylvania County, Virginia – *Impact Fee Study*
- Stafford County, Virginia – *Impact Fee Study*

EDUCATION

Masters of Community Planning, University of Maryland (Summa Cum Laude, Phi Kappa Phi)
B.A., Political Science, University of Buffalo (Magna Cum Laude, Phi Beta Kappa)

SPEAKING ENGAGEMENTS

- *Fiscal Impact Assessment*, AICP Training Workshop, American Planning Association National Planning Conference, 2009 and 2008
- *Infrastructure Financing: Funding the Gap*, American Planning Association National Planning Conference, 2009
- *Economic Development for Planning Practitioners*, Training Workshop, American Planning Association National Planning Conference, 2009
- *Voluntary Mitigation Payments: An Alternative to Impact Fees*, American Planning Association National Planning Conference, 2007
- *Proffers vs. Impact Fees: The Virginia Experience*, National Impact Fee Roundtable, 2006
- *Impact Fee—Or Is It?* American Planning Association National Planning Conference, 2005
- *Integrating Planning with School Demands*, American Planning Association National Planning Conference, 2005
- *Planning and Fiscal Reality*, American Planning Association National Planning Conference, 2004

PUBLICATIONS

- “Should Impact Fees Be Reduced in a Recession?” *Economic Development Now*, August 10, 2009 (International Economic Development Council)
- “Agreements, Fees, and CIP,” *The Best of Contemporary Community Planning*, 2005, Training CD-ROM (American Planning Association and Lincoln Institute of Land Policy)
- “The Connection between Growth Management and Local Economic Development,” *Economic Development News & Views* (Economic Development Division of the APA)



Colin McAweeney, Senior Fiscal/Economic Analyst

EXPERIENCE

Colin McAweeney is a Senior Fiscal/Economic Analyst at TischlerBise with specialties in finance and economic development planning. Prior to joining TischlerBise, Mr. McAweeney completed his M.S. at Erasmus University Rotterdam where he specialized in economic development. Here, Mr. McAweeney became knowledgeable in planning that involves fiscal, social, and environmental sustainability. In Rotterdam, Mr. McAweeney conducted several field studies of local at-risk neighborhoods and presented planning solutions to city leaders. Additionally, he brought together a team of academics and consultants to plan a biking corridor in Kenya. He finished his degree with a thesis surrounding the urban aspects that attract investment. Before pursuing his M.S., Mr. McAweeney worked in the finance sector for several years. While performing at a high level, he was able to become very familiar with financial markets and business financing. Mr. McAweeney heads the Boise, ID office.

SELECTED IMPACT FEE EXPERIENCE

- Buckeye, Arizona – *Development Impact Fee Study*
- Pinal County, Arizona – *Development Impact Fee Study*
- Maricopa, Arizona – *Transportation Impact Fee Review*
- Sierra Vista, Arizona – *Development Impact Fee Study*
- Tempe, Arizona – *Development Impact Fee Study*
- Yuma, Arizona – *Development Impact Fee Study*
- Lemoore, California – *Impact Fee Study*
- Mammoth Lakes, California – *Impact Fee Study*
- Suisun City, California – *Impact Fee Study*
- Tulare, California – *Impact Fee Study*
- **Durango, Colorado – *Multimodal Impact Fee and Housing Linkage Fee Study***
- **Fort Collins, Colorado – *Impact Fee Study***
- **Grand Junction, Colorado – *Impact Fee Study***
- **Lone Tree, Colorado – *Impact Fee Study***
- **Louisville, Colorado – *Impact Fee Study***
- **Mead, Colorado – *Impact Fee Study***
- **Thornton, Colorado – *Impact Fee Study***
- Manatee County, Florida – *Impact Fee Study*
- Manatee County School District, Florida – *School Impact Fee Study*
- Covington, Louisiana – *Impact Fee Study*
- Middletown, Rhode Island – *Impact Fee Study*
- West Jordan, Utah – *Impact Fee Study*
- Jefferson County, West Virginia – *Impact Fee Study*

EDUCATION

M.S., Urban Management and Development, Erasmus University Rotterdam

B.S., Economics with an emphasis on Mathematics, University of Wisconsin - Madison



Section 2: Approach to Services

Project Approach

Impact fees are fairly simple in concept, but complex in delivery. Generally, the jurisdiction imposing the fee must: (1) identify the purpose of the fee, (2) identify the use to which the fee is to be put, (3) show a reasonable relationship between the fee's use and the type of development project, and (4) account for and spend the fees collected only for the purpose(s) used in calculating the fee.

Reduced to its simplest terms, the process of calculating impact fees involves the following two steps:

1. Determine the cost of development-related capital improvements, and
2. Allocate those costs equitably to various types of development.

There is, however, a fair degree of latitude granted in constructing the actual fees, as long as the outcome is "proportionate and equitable." Fee construction is both an art and a science, and it is in this convergence that TischlerBise excels in delivering products to clients.

Any one of several legitimate methods may be used to calculate impact fees for the Town. Each method has advantages and disadvantages given a particular situation, and to some extent they are interchangeable because they all allocate facility costs in proportion to the needs created by development.

In practice, the calculation of impact fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for capital facilities. The following paragraphs discuss the three basic methods for calculating impact fees and how those methods can be applied.

Plan-Based Impact Fee Calculation - The plan-based method allocates costs for a specified set of future improvements to a specified amount of development. The improvements are identified by a CIP. In this method, the total cost of relevant facilities is divided by total demand to calculate a cost per unit of demand. The plan-based method is often the most advantageous approach for facilities that require engineering studies, such as roads and utilities.

Cost Recovery Impact Fee Calculation - The rationale for the cost recovery approach is that new development is paying for its share of the useful life and remaining capacity of facilities from which new growth will benefit. To calculate an impact fee using the cost recovery approach, facility cost is divided by the ultimate number of demand units the facility will serve. An oversized arterial roadway is an example.

Incremental Expansion Impact Fee Calculation - The incremental expansion method documents the current level of service (LOS) for each type of public facility in both quantitative and qualitative measures, based on an existing service standard such as square feet per capita or park acres per capita. The LOS standards are determined in a manner similar to the current replacement cost approach used by property insurance companies. However, in contrast to insurance practices, clients do not use the funds for renewal and/or replacement of existing facilities. Rather, the jurisdiction uses the impact fee revenue to expand or provide additional facilities as needed to accommodate new development. An incremental expansion cost method is best suited for public facilities that will be expanded in regular increments with LOS standards based on current conditions in the community.



Evaluation of Alternatives. Designing the optimum impact fee approach and methodology is what sets TischlerBise apart from our competitors. Unlike most consultants, we routinely consider each of the three methodologies for each component within a fee category. The selection of the particular methodology for each component of an impact fee category will be dependent on which is most beneficial for the Town. In a number of cases, we will prepare the impact fee using several methodologies and will discuss the various trade-offs with the Town. There will likely be policy and revenue tradeoffs. We recognize that “one size does not fit all” and we create the optimum format that best achieves our clients’ goals.

Lending a Sense of Market Reality to the Development Projections. Projecting future residential and nonresidential development is more difficult now than in the past due to shifting trends in the housing market as a result of changing demographics and lifestyle choices. Changes in the retail sector combined with existing surpluses of retail space in many communities are also a concern. **TischlerBise’s extensive national experience conducting market analysis and real estate feasibility studies is invaluable in determining the appropriate development projections used in the impact fee calculations.** These projections include both the amount of development and the geographic location. Depending on the methodology employed, overly optimistic development projections can increase the Town’s financial exposure if impact fee revenue is less than expected.

Improved Residential Proportionality. In the past ten years, many communities have migrated to a progressive residential fee structure based on size of housing units. These communities feel that a “one fee fits all” fee structure constrains their ability to meet policy objectives related to affordable housing and equity, as smaller homes typically have fewer persons per household and fewer vehicle trips than larger homes. This impact fee update provides the opportunity to discuss the trade-offs of a revised residential approach. As part of our demographic analysis conducted for this assignment, we can prepare data on factors that vary by housing unit size (i.e., persons per household and vehicle trips) for the Town’s consideration prior to development of the fee methodology. Regardless of whether the Town decides to move to a progressive residential fee structure, TischlerBise can calculate Erie-specific average daily vehicle trip generation rates, as well as customized residential vehicle trip adjustment factors based on commuting and employment patterns.

GIS Technology. TischlerBise routinely utilizes GIS technology to add value to the evaluation of infrastructure needs and to assess financing alternatives. This includes assessing existing land use and performing GIS-based land suitability analyses that can be used to define service areas, project demands for facilities, and coordinate CIP investment for the Town. **TischlerBise used GIS in our engagement with Missoula/Missoula County, Montana, to establish a nexus for fire/EMS impact fees that increased with distance from the City center** based on the ratio of capital cost to development units in three service areas (urban, suburban, and rural). Similar GIS evaluations were used in Glendale, AZ; Manatee County, FL; Greeley, CO; Pitkin County, CO; Vail, CO; and Sandpoint, ID.

Public Outreach. TischlerBise believes that open communication and meaningful public involvement are the cornerstones of any process involving impact fees and/or infrastructure funding options. Based upon our experience with impact fees and infrastructure funding efforts across the country, we anticipate this study may attract controversy. Therefore, **it is important to build a coalition of support early in the process** to educate and inform the public and other key stakeholders about the purpose of the study, and to explain how it will benefit both key constituents (developers) and the general public. It is critical to develop a communications strategy that will offset and correct any misinformation that might proliferate and to



provide clear and compelling logic for public adoption of an updated impact fee program. Every community is different, and public engagement should be tailored to the specific needs and desired outcomes of the client. In addition to a Stakeholder Committee, **we recommend a multi-faceted approach to public outreach** and will work with the Town to develop a robust outreach strategy that includes a project website and social media campaign.

Peer Community Fee Survey. We are occasionally asked to provide comparative impact fee information on similar jurisdictions. This type of survey can be relatively straightforward and obtained from our current and ongoing work in Colorado as well as primary research (i.e., online, phone calls, and emails). However, it is important for the consultant compiling the report to understand what is—and is not—included in the fee amounts for a true “apples-to-apples” comparison. For instance, it is important to note what specific categories are included in the impact fee program. Does the overall fee amount include utility fees? What are the components within the fees? Are there unique elements embedded in an impact fee that makes it relatively high or low compared to other jurisdictions in the region? What are the methodological approaches used and how do those approaches affect the fee? What is the difference between the *calculated fees* and the *adopted fees*? For Erie, we will conduct this evaluation to include methodologies employed, fee amounts, and any unique circumstances that should be identified and communicated to staff and stakeholders throughout the process.

Scope of Work

The following scope of work provides detailed steps to ensure this project is completed successfully and meets the legal requirements for development impact fees, based on the State’s enabling legislation, as well as national case law.

TASK 1: PROJECT INITIATION / DATA ACQUISITION

During this task, we will meet with Town staff to establish lines of communication, review and discuss project goals and expectations related to the project, review (and revise if necessary) the project schedule, request data and documentation related to new proposed development, and discuss staff’s role in the project. The objectives of this initial discussion are outlined below:

- Obtain and review current demographics and other land use information for the Town
- Review and refine work plan and schedule
- Assess additional information needs and required staff support
- Identify and collect data and documents relevant to the analysis
- Identify any relevant policy issues

Meetings:

One (1) on-site visit to meet with Town project staff as appropriate.

Deliverables:

Data request memorandum (prepared in advance of meeting).

TASK 2: PREPARE LAND USE ASSUMPTIONS AND DEVELOPMENT PROJECTIONS

The purpose of this task is to review and understand the current demographics of the Town and determine the likely development future for the Town in terms of new population, housing units, employment, and nonresidential building area over the next 10-20 years. Information from the Town, as well as other regional/State sources may serve as the basis for preparing projections of residential and nonresidential development for consideration by staff. TischlerBise will prepare a plan that includes projections of changes in land uses, densities, intensities, and population. A map of the area(s) to which the land use assumptions apply will also be included in this task.

Meetings:

Discussions with the Planning and Development Department and other relevant staff will be held as part of Task 1, as well as conference calls as needed.

Deliverables:

TischlerBise will prepare a draft Technical Memorandum discussing the recommended land use factors and projections. After review and sign-off by the Town, a final memorandum will be issued, which will become part of the final Impact Fee Report.

TASK 3: DETERMINE CAPITAL FACILITY NEEDS AND SERVICE LEVELS

This Task as well as Tasks 4-6 may vary somewhat depending on the methodology applied to a particular impact fee category. The development impact fee study for each facility type would be presented in separate chapters in the Impact Fee Report.

Identify Facilities/Costs Eligible for Development Impact Fee Funding. As an essential part of the nexus analysis, TischlerBise will evaluate the impact of development on the need for additional facilities, by type, and identify costs eligible for impact fee funding. Elements of the analysis include:

- Review facility plans, fixed asset inventories, and other documents establishing the relationship between development and facility needs by type.
- Identify planned facilities, vehicles, equipment, and other capital components eligible for impact fee funding.
- Prepare forecast of relevant capital facility needs.
- Adjust costs as needed to reflect other funding sources.

As part of calculating the fee, the Town may include the construction contract price; the cost of acquiring land, improvements, materials, and fixtures; the cost for planning, surveying, and engineering fees for services provided for and directly related to the construction system improvement; and debt service charges, if the Town might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the cost of system improvements. All of these components will be considered in developing an equitable allocation of costs.

Identify Appropriate Level of Service (LOS) Standards. We will review needs analyses and LOS for each facility type. Activities related to this Task include:

- Apply defined service standards to data on future development to identify the impacts of development on facility and other capital needs. This will include discussions with staff of the existing versus adopted LOS, as appropriate.

- Ascertain and evaluate the actual demand factors (measures of impact) that generate the need for each type of facility to be addressed in the study.
- Identify actual existing service levels for each facility type. This is typically expressed in the number of demand units served.
- Define service standards to be used in the impact fee analysis.
- Determine appropriate geographic service areas for each fee category.

Meetings:

Two (2) meetings with Town staff to discuss capital facility needs and levels-of-service.

Deliverables:

Memoranda as appropriate. Results integrated into Draft/Final Impact Fee Report.

TASK 4: EVALUATE DIFFERENT ALLOCATION METHODOLOGIES

The purpose of this Task is to determine the methodology most appropriate for each impact fee category. As noted previously, the three basic methodologies that can be applied in the calculation of development impact fees are the plan-based, incremental expansion, and cost-recovery approaches. Selection of the particular methodology for each component of the development impact fee category will depend on which is most beneficial for the Town. In a number of cases, we will prepare the development impact fees for a particular infrastructure category using several methodologies and will discuss the trade-offs with the Town. Policy discussions will then be held at the staff level regarding the trade-offs associated with each allocation method prior to proceeding to the next Task as well as trade-offs regarding implementation as development impact fees.

Meetings:

One (1) meeting with relevant Town staff and Stakeholders to discuss issues related to allocation methodologies and relevant policy issues.

Deliverables:

“Storyboard” presentation on fee options.

TASK 5: DETERMINE NEED FOR “CREDITS” TO BE APPLIED AGAINST CAPITAL COSTS

There are two types of “credits” that are included in the calculation of development impact fees, each with specific, distinct characteristics. The first is a credit due to possible double payment situations. This could occur when a property owner will make future contributions toward the capital costs of a public facility covered by an impact fee. The second is a credit toward the payment of a development impact fee for the required dedication of public sites and improvements provided by the developer and for which the impact fee is imposed. Both types of credits will be considered and addressed in the development impact fee study.

Deliverables:

Memoranda as appropriate. See Task 7.

TASK 6: CONDUCT FUNDING AND CASH FLOW ANALYSIS

In order to prepare a meaningful capital funding strategy, it is important to not only understand the gross revenues, but also the capital facility costs and any deficits. In this case, some consideration should be given to anticipated funding sources. This calculation will allow the Town to better understand the various



revenue sources possible and the amount that would be needed if the development impact fees were discounted. The initial cash flow analysis will indicate whether additional funds might be needed or if the funding strategy might need to be changed to have new growth pay its fair share of new capital facilities. This could also affect the total credits calculated in the previous Task. Therefore, it is likely that a number of iterations will be conducted in order to refine the cash flow analysis reflecting the capital improvement needs.

Deliverables:

See Task 7.

TASK 7: PREPARE IMPACT FEE REPORT, PUBLIC PRESENTATIONS

TischlerBise will prepare a draft report for the Town's review. The report will summarize the need for all relevant categories of impact fees in Erie and the relevant methodologies employed in the calculation. It will also document all assumptions and cost factors. The report will include at a minimum the following information:

- Executive summary
- A detailed description of the methodologies used during the study
- A detailed description of all LOS standards and cost factors used and accompanying rationale
- A detailed schedule of all proposed fees listed by land use type and activity
- Other information which adequately explains and justifies the resulting recommended fee schedule
- Cash flow analysis
- Peer community survey
- Implementation and administration procedures

Following the Town's review of the draft report, we will make mutually agreed upon changes to the impact fee report and issue a final version.

Analysis of Peer Community Fee Structures. In this Task, TischlerBise will prepare a comparative analysis of peer communities' impact fee structures. The analysis will compare how the proposed impact fee structure for Erie compares to other peer communities, including noting any differences in fee schedules and methodologies.

Meetings:

Two (2) meetings to present the draft Impact Fee Study to the Board of Trustees.

Deliverables:

Draft and final Impact Fee Study.

TASK 8: PUBLIC OUTREACH

Stakeholder Committee. Meetings with various stakeholder groups will allow interested parties, designated by the Town, to understand assumptions and raise any questions about the technical data and approach being used in the fee update. The intent is for these discussions to be an opportunity for interested parties to understand the soundness and reasonableness of the technical methodologies, and to a certain extent, the political and/or philosophical use of fees. Based on our experience, we propose two meetings with this group. The first meeting would focus on the land use assumptions as well as the initial data



assumptions, proposed methodologies and services areas. Meeting 2 would focus on the presentation of the final Development Impact Fee Report.

Meetings:

Two (2) meetings with stakeholders; these are typically timed with trips for meetings with staff.

Deliverables:

Presentation materials for meetings.

Project Management

TischlerBise utilizes a project management process which ensures that our projects are completed on time, within budget, and most importantly, that they yield results that match our clients' expectations. Our project management plan utilizes the following principles common to successful projects:

1. First, **we begin by defining the project to be completed**. Based on discussions that occur as part of our Project Initiation task, Carson Bise will identify the project goals and objectives in collaboration with Town staff, list potential challenges to the process, and develop a plan to ensure successful outcomes and effective communication.
2. Second, **we will plan the project schedule**. As part of the Project Initiation task, Mr. Bise will work with Town staff to create an agreed-upon timetable to meet the project schedule. Prior to beginning the project, Mr. Bise will assign roles that will ensure that the project schedule is met on time and within budget.
3. Third, **we will actively manage the project process**. Mr. Bise and Ms. Herlands both have a long history of past project successes (we encourage you to contact our references regarding this aspect) that are supported by strong project management skills. Mr. Bise will manage the work in progress, provide guidance and oversight to staff, and will be accountable to you for meeting the schedule, budget, and technical requirements of the project.
4. Finally, **we will review all project deliverables and communication through a formal quality assurance process** that requires review at the peer level, project manager level, and chief executive officer level. Prior to the delivery of work product to you and staff, deliverables will go through a structured quality assurance process involving up to three levels of review and utilizing a formal checklist tool. The first level involves a peer-to-peer review of work products and computer models. Next, Mr. Bise will be responsible for the second set of reviews comparing the work product to the completed quality checklist form.

Project Schedule

The following table provides our proposed schedule for completion of this assignment.

PROPOSED SCHEDULE- IMPACT FEE STUDY			
Tasks	Anticipated Dates	Meetings*	Meetings/Deliverables
Task 1: Project Initiation	Month 1	1	Data Request Memorandum and Revised Project Schedule, if necessary.
Task 2: Prepare Land Use Assumptions and Development Projections	Months 1 and 2	1	Technical Memorandum on Land Use Assumptions/Development Projections
Task 3: Determine Capital Facility Needs and Service Levels	Months 1 through 4	2	Memoranda as Appropriate
Task 4: Evaluate Different Allocation Methodologies	Month 4	1	"Storyboard" Presentation on Fee Pptions
Task 5: Determine Need for "Credits" to be Applied Against Capital Costs	Month 4	0	Memoranda as Appropriate
Task 6: Conduct Funding and Cash Flow Analysis	Month 4	0	See Task 7
Task 7: Prepare Impact Fee Report, Presentations	Months 4 and 5	2	Draft and Final Impact Fee Report
Task 8: Public Outreach	Months 3 through 5	2	Presentation Materials as Appropriate

*In several cases it is assumed meetings are held with multiple departments over one (1) trip.



Section 3: Client References

We encourage the Town to contact the references for TischlerBise provided below.

City of Boulder, Colorado – Impact Fee Study (1998, 2008 and 2016)

Project Contact: Chris Meschuk, Assistant City Manager

Phone: (303) 441-4293

E-mail: meschukc@bouldercolorado.gov

TischlerBise Staff: Carson Bise, AICP, and Julie Herlands, AICP

TischlerBise was retained by the City of Boulder to review and update our original impact fee study for fire/rescue, parks, trails, police, general government and libraries. In addition, TischlerBise updated our original Transportation Excise Tax methodology, which required voter approval. In our update, TischlerBise prepared the impact fees and excise tax using progressive housing multipliers (i.e. the fee increases with the size of the dwelling unit). The primary reason for this approach was to promote housing affordability. Because any change to the City's current Transportation Excise Tax required another referendum, TischlerBise worked with a citizen/developer Liaison Committee throughout the study process.

The City of Boulder also contracted with TischlerBise to prepare a transportation maintenance fee methodology. The establishment of a transportation maintenance fee to address transportation needs not only allows a jurisdiction to address the funding of capital improvements but also provides revenue to cover the cost of operations and administration. Maintenance fees may address all aspects of capital costs including debt service, operations, maintenance, and repair and replacement of facilities. Unlike impact fees that are imposed on new development, maintenance fee revenue is generated from all development, existing and new. This stable revenue stream can support the issuance of bonds backed by the anticipated utility revenue.

City of Longmont, Colorado – Impact Fee Study (2015)

Project Contact: Joni Marsh, Planning and Development Services Director

Phone: (303) 774-4398

E-mail: joni.marsh@ci.longmont.co.us

TischlerBise Staff: Carson Bise, AICP

TischlerBise was retained to review and update the City of Longmont's impact fee program. Three fee categories were included—Recreation, Public Buildings, and Transportation. This assignment included updating capital improvement plans and calculating impact fees for each fee category. The Recreation fee evaluated both a plan-based approach and consumption based approach in order to gauge the magnitude of City General Fund exposure/commitment. The Transportation fee includes both capacity and multimodal improvements. A unique aspect of the transportation impact fee was the two-tiered structure to encourage redevelopment in the downtown core. Urban areas like downtown Longmont have distinct demographic profiles and physical traits that reduce vehicle trips, such as higher internal capture, design characteristics that promote walking and biking, and superior transit service.

Consistent with the literature review, a recent analysis of mixed-use developments in six regions of the United States found an average 29% reduction in trip generation as a function of “D” variables, including: density, diversity, design, destination accessibility, distance to transit, demographics, and development



scale. Because mixed-use development located in downtown Longmont will put less strain on the external street network, trip generation rates should be less than standalone suburban development.

City of Buckeye, Arizona – Land Use Assumptions, IIP and Development Fee Study (2019)

Project Contact: George Flores, Development Services Director

Phone: (623) 349-6209

E-mail: gflores@buckeyeaz.gov

TischlerBise Staff: Carson Bise, AICP, and Benjamin Griffin

TischlerBise is completing an update to the City's SB1525 compliant development fees we completed in 2013. This study includes an update to parks and recreation, library, street, police, fire, water, and wastewater development fees. **Due to Buckeye's acquisition of Global Water, and the complexity of existing development agreements related to this acquisition, Buckeye accelerated its update process.** To account for development agreements related to water and wastewater service throughout Buckeye, which often vary within individual Community Master Plan Areas and 208 Areas, **TischlerBise and Buckeye staff are designing a GIS-based development fee schedule to accurately assess fees at the parcel level.** Buckeye's current (four) water and wastewater service areas are projected to increase to approximately ten to twenty service areas for each type of infrastructure – Buckeye's water and wastewater development agreements do not usually have similar geographic boundaries. The current update is an ongoing assignment. The first SB1525 assignment was completed within budget and on time.

Section 4: Cost

The following figure provide our fixed fee cost proposal for the Impact Fee Study. The total fixed fee costs total \$66,680.

PROPOSED FEE - IMPACT FEE STUDY					
Project Team Member:	Bise	Herlands	McAweeney	Total	
Hourly Rate*	\$210	\$195	\$180	Hours	Cost
Task 1: Project Initiation	8	0	8	16	\$3,120
Task 2: Prepare Land Use Assumptions and Development Projections	6	16	24	46	\$8,700
Task 3: Determine Capital Facility Needs and Service Levels	32	16	48	96	\$18,480
Task 4: Evaluate Different Allocation Methodologies	16	4	8	28	\$5,580
Task 5: Determine Need for "Credits" to be Applied Against Capital Costs	4	0	8	12	\$2,280
Task 6: Conduct Funding and Cash Flow Analysis	2	0	8	10	\$1,860
Task 7: Prepare Impact Fee Report, Presentations	36	16	40	92	\$17,880
Task 8: Public Outreach	16	0	4	20	\$4,080
Expenses:				\$4,700	
Total Cost:	120	52	148	320	\$66,680



TischlerBise

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