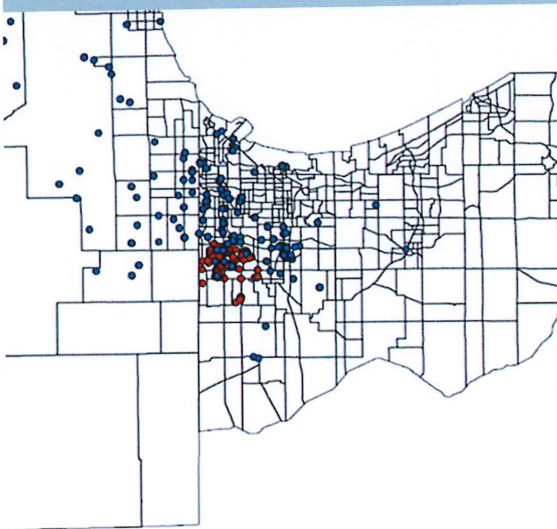
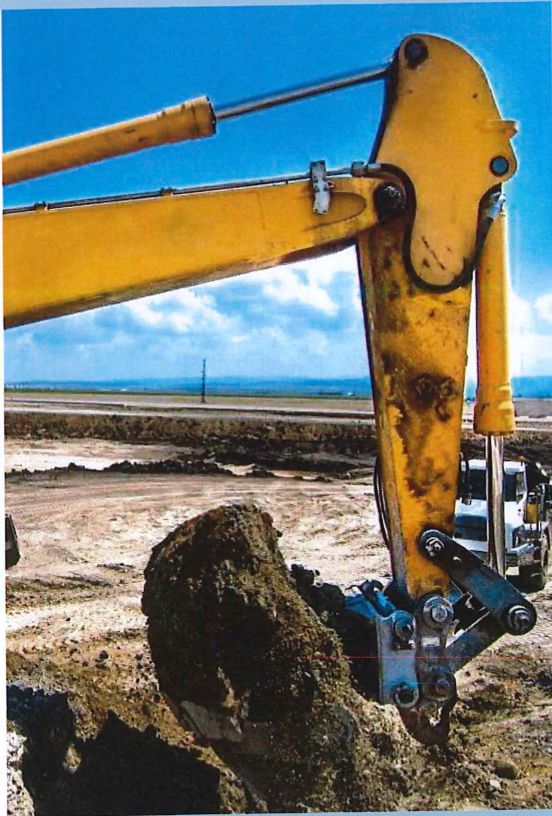


2017-12-20 PC



# 2018 Road Impact Fee

December 2017

The Arsh Group Inc.  
First Group Engineering Inc.

**2018 St. John Road Impact Fee  
(Zone Improvement Plan)**

**Town Council**

Mr. Mike Forbes, President  
Mr. Steve Hastings, Vice-President  
Mr. Greg Volk, Member  
Mr. Mark Barenie, Member  
Mr. Christian Jorgensen, Member

**Plan Commission**

Mr. Mike Forbes, President  
Mr. Greg Volk, Vice-President  
Mr. Steve Kozel, Secretary  
Mr. Jon Gill, Member  
Mr. Bob Birlson, Member  
Mr. Jason Williams, Member  
Mr. John Kennedy, Member

**Ms. Beth Hernandez, Clerk-Treasurer**

**Mr. Steve Kil, Town Manager**

**Mr. David Austgen, Town Attorney**

**Impact Fee Advisory Committee**

Mr. Frank Buck  
Mr. Timothy Caballero  
Mr. Vince Frassinone  
Ms. Shirley Niven  
Ms. Julie Urbanski

**Consultants**

**The Arsh Group Inc.**  
Planners, Landscape Architects, Development Consultants  
Merrillville, Indiana [www.arshgroup.com](http://www.arshgroup.com)

**First Group Engineering Inc.**  
5925 Lakeside Boulevard  
Indianapolis, Indiana 46278

**December, 2017**

## 2018 Road Impact Fee Development Process

### I. Background

A Road Impact Fee provides an equitable program to fund the capital costs of new street infrastructure to serve the new development areas in the Town of St. John. The fee represents the development's proportionate share of the capital costs of the new road and/or street infrastructure needed to serve the new development. The fees collected are not used to address existing deficiencies in the roadway network. They will be only used to address deficiencies directly caused by new developments.

Road Impact Fees are calculated by multiplying the number of new trips, generated from a new development, by the per trip cost. Trips generated by a new development are determined by land use intensity and from trip rates calculated locally. The land use types and intensity are determined by the Town Zoning code and the Comprehensive Plan.

### II. Advisory Committee

Appointed by the Town Council and has a major influence in ensuring that the study is carried out equitably. Makes recommendation to the Council for the fee.

#### 1. Membership

#### Representative Discipline

|                       |             |
|-----------------------|-------------|
| Mr. Frank Buck        | Development |
| Mr. Timothy Caballero | Resident    |
| Mr. Vince Frassinone  | Development |
| Ms. Shirley Niven     | Real Estate |
| Ms. Julie Urbanski    | Real Estate |

#### 2. Committee Meetings

- February 3, 2017
- May 25, 2017
- June 29, 2017
- July 21, 2017
- August 7, 2017
- September 11, 2017
- October 16, 2017

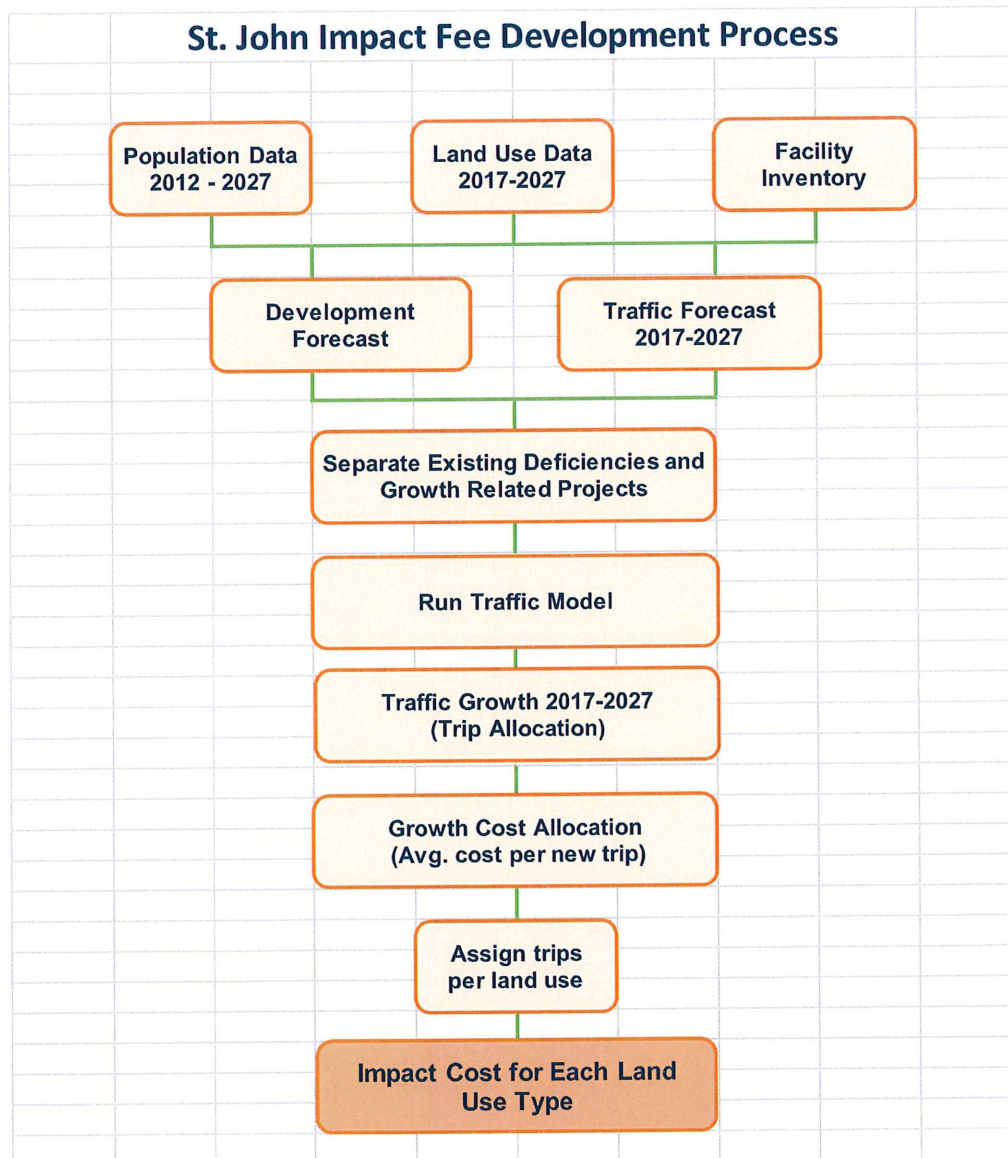
The Arsh Group Inc. Team facilitated all meetings. The Town Manager, Planning Administrator and the Town Attorney participated in the all Committee meetings and provided advice or clarifications as required during these deliberations. The Committee discussed the fee setting during the last two meetings.

### III. Impact Fee Methodology

The key steps in St. John Road Impact Fee development process include:

- Determining the intensity of potential uses in the future;
- Establishing traffic forecasts and trip patterns (based on land use data and project groups);
- Identifying growth-related projects;
- Allocating growth-related costs using the traffic model;
- Preparing the fee schedule for each land use type;
- Adopt an Ordinance based on calculated fee for each land use type.

The chart below presents the Impact Fee Study development process.



## IV. Fee Calculation and Measurement

### 1. State Law Requirement:

Fee must be based on “equitable” and proportional determination of impact of new residential developments

### 2. Items that will need to be considered

- Projected growth related trips, 10 year horizon
- Cost of infrastructure to address the growth impact (road, intersection capacity)
- Cost per trip

### 3. Growth Potentials; 10-year Horizon

- Developable Land
- Planned Subdivisions
- Existing Lots

| Development Type                         | ITE Code                               | Service Unit (EDU) |
|--|--|--------------------|
| <b>RESIDENTIAL</b>                       |  |                    |
| Residential-R1                           | 210                                    | 2,846              |
| Residential-R2                           | 210                                    | 1,187              |
| Residential-R3                           | 253,230                                | 432                |
| <b>Subtotal</b>                          |  | <b>4,465</b>       |
| <b>COMMERCIAL</b>                        |  |                    |
| General Commercial-C1                    | 850, 925,931, 936,944                  | 56                 |
| Highway Commercial-C2                    | 815, 820, 826, 848, 862, 912, 933, 934 | 3,614              |
| <b>Subtotal</b>                          |  | <b>3,670</b>       |
| <b>INDUSTRIAL</b>                        |  |                    |
| Industrial-I                             | 110                                    | 986                |
| <b>Subtotal</b>                          |  | <b>986</b>         |
| <b>All Development Types Units (EDU)</b> |  | <b>9,121</b>       |

### 4. Total Trips by Land Use Type

| Land Use Type                | Total Weekday Trips |
|------------------------------|---------------------|
| Single Family Units (R-1)    | 29,072              |
| Townhome/ Duplex Units (R-2) | 11,485              |
| Multifamily Units (R-3)      | 1,827               |
| Commercial (C-1)             | 3,182               |
| Commercial C-2)              | 115,035             |
| Industrial                   | 6,734               |
| <b>Total</b>                 | <b>167,335</b>      |

## 5. Growth Impact Cost

| Project  | Current Deficiency Cost | 10-Year Cost         |
|--|-------------------------|----------------------|
| Planned Intersections                                  | \$ -                    | \$ 3,137,700         |
| Planned Roadways                                       | \$ 11,289,900           | \$ 89,529,300        |
| <b>Total Cost</b>                                      | <b>\$ 11,289,900</b>    | <b>\$ 92,667,000</b> |
| <b>Total Applicable Impact Fee Cost (10-Year Cost)</b> |                         | <b>\$81,377,100</b>  |

6. Trip Cost  $\text{Applicable Project Cost} \div \text{No. of Trips} = \$ 487.73$

### Calculation of Impact Cost per Trip

|  |                  |
|--|------------------|
| Net Applicable Traffic Impact Cost               | \$ 81,377,100    |
| Cost of Performing Impact Fee Study              | \$ 237,463       |
| Total Impact Cost                                | \$ 81,614,563    |
| YTD Impact Fee Receipts                          | \$ -             |
| Grant Funding Credit per Trip                    | \$ -             |
| Road Debt Credit per Trip                        | \$ -             |
| Total Adjusted Traffic Impact Cost               | \$ 81,614,563    |
| 24-Hour Trips from all Future Growth             | 167,335          |
| <b>Net Impact Fee per 24-Hour Generated Trip</b> | <b>\$ 487.73</b> |

## 7. Fee Options

a) Flat rate based on EDU at 100% rate (\$5,310.41)

| Land Use Type             | EDU Factor | Fee/Unit Type/Land Use |
|---------------------------|------------|------------------------|
| Single Family (ITE 210)   | 1.00       | \$ 5,310.41            |
| Townhomes (ITE 230 )      | 0.70       | \$ 3,717.29            |
| Multifamily (ITE 253)     | 0.18       | \$ 955.87              |
| Commercial (C-1, ITE 820) | 3.28       | \$ 17,418.14           |
| Commercial (C-2, ITE 826) | 4.07       | \$ 21,613.37           |
| Industrial (I, ITE 110)   | 0.63       | \$ 3,345.56            |

b) A fraction of calculated EDU Fee, a % of above fee.

## 8. Recommended Fee

The Advisory Committee reviewed options for different levels of fee assessment. These ranged from full assessment (\$5,310.41 per EDU) to a fraction of the base calculated fee. The committee received input from the development community as well as several residents attending the meetings. It was the Committee's majority opinion that a fee equal to 7% of base rate (\$371.73) will be recommended to the Town Council. Such fee then can be calculated for different land uses. The following table shows the calculated fee for six different land uses based on recommended rate.

**Recommended Fee at 7% of the Base Rate**

| Land Use Type             | EDU Factor | Fee/EDU/1000 s.f. | Fee/Unit Type/Land Use |
|---------------------------|------------|-------------------|------------------------|
| Single Family (ITE 210)   | 1.00       | \$ 371.73         | \$ <b>371.73</b>       |
| Townhomes (ITE 230 )      | 0.70       | \$ 371.73         | \$ <b>260.21</b>       |
| Multifamily (ITE 253)     | 0.18       | \$ 371.73         | \$ <b>66.91</b>        |
| Commercial (C-1, ITE 820) | 3.28       | \$ 371.73         | \$ <b>1,219.27</b>     |
| Commercial (C-2, ITE 826) | 4.07       | \$ 371.73         | \$ <b>1,512.94</b>     |
| Industrial (I, ITE 110)   | 0.63       | \$ 371.73         | \$ <b>234.19</b>       |

**9. Projected Revenue, 5-Year Revenue**

| Land Use Type             | EDU Factor | Fee/Unit   | Annual No. of Units | Annual Fee           | 5-year Revenue         |
|---------------------------|------------|------------|---------------------|----------------------|------------------------|
| Single Family (ITE 210)   | 1.00       | \$ 371.73  | 225                 | \$ 83,638.96         | \$ 418,194.79          |
| Townhomes (ITE 230 )      | 0.70       | \$ 260.21  | 80                  | \$ 20,816.81         | \$ 104,084.04          |
| Multifamily (ITE 253)     | 0.18       | \$ 66.91   | 20                  | \$ 1,338.22          | \$ 6,691.12            |
| Commercial (C-1, ITE 820) | 3.28       | \$1,219.27 | 0                   | \$ -                 | \$ -                   |
| Commercial (C-2, ITE 826) | 4.07       | \$1,512.94 | 145                 | \$ 219,375.69        | \$ 1,096,878.46        |
| Industrial (I, ITE 110)   | 0.63       | \$ 234.19  | 0                   | \$ -                 | \$ -                   |
| <b>Total Revenue</b>      |            |            |                     | <b>\$ 325,169.68</b> | <b>\$ 1,625,848.40</b> |

**III - Fee Comparison**

In Indiana several communities, all suburban, have instituted impact fee in recent years. Since the fee is assessed based on specific land use type, each community's fee will be different and the fee for different land uses, will also be different. The following table lists fees for three communities for only single family homes.

**Indiana Communities with Road Impact Fee, Single Family Home Rate**

| Community       | Cost per Trip    | Base Fee (EDU)   |
|-----------------|------------------|------------------|
| Fisher          | \$ 237.03        | \$ 2,257         |
| Zionsville      | \$ 106.00        | \$ 1,009         |
| Noblesville     | \$ 250.00        | \$ 2,393         |
| Westfield       | \$ 299.00        | \$ 2,930         |
| <b>St. John</b> | <b>\$ 487.00</b> | <b>\$ 371.73</b> |

**10. Next Steps**

1. Plan Commission Review, January, 2018
2. Town Council Review, January, 2018
3. Effective Date: If approved, six months after the passage of the Ordinance by the Council