

Olympia

Costs and Benefits

Costs to the City

- Assumption - Project fully entitled in Salt Lake County under County MDA with buildout over 25 years
 - Costs Developed Outside of City
 - Traffic impacts – Impact to City will exist regardless of action by the City
 - City will see increased traffic and numerous impacts at downstream intersections and roadways
 - Under County MDA, City would install offsite improvement and through an interlocal agreement seek reimbursement for a proportionate share
 - Increased population on our borders will put pressure on Police Department and other services with no revenue to offset

Costs to the City

- Assume project is annexed as presented
 - Costs
 - Increased traffic at downstream intersections and roadways. Developer to pay their proportional share for offsite impacts
 - Increased population will require growth of Police Department and other services. City to receive various offsetting revenues

Streets and Traffic

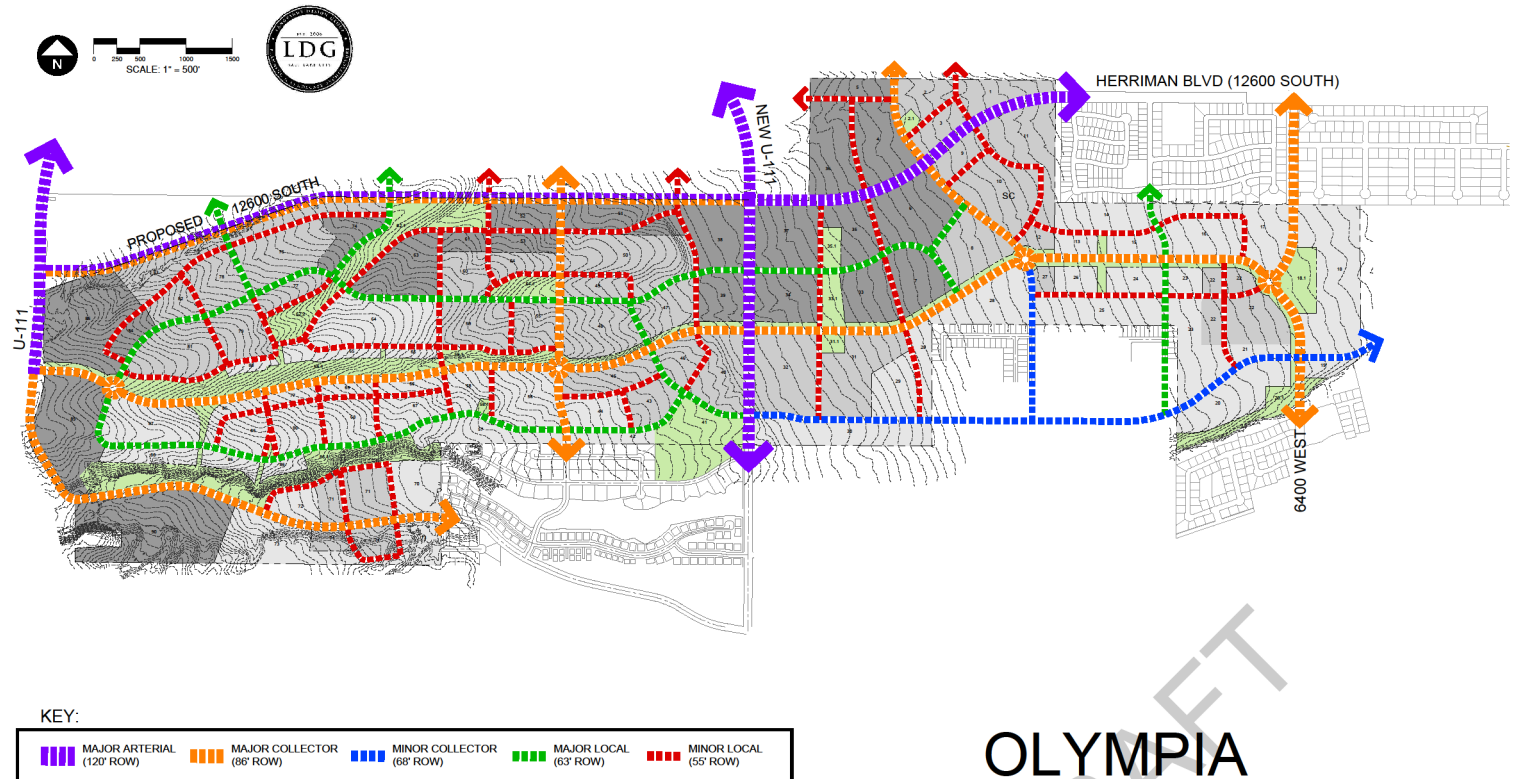
- Regardless of the Olympia decision, the City needs to address failing roads
 - Two types of failure
 - Asphalt degraded and in poor condition
 - At or Overcapacity – LOS failure
 - Widen or change physical roads
 - New roads
 - City staff developing a 5-year capital plan to begin to address these issues
 - No easy solution
 - Will take time to correct
 - Council will have ultimate say on adoption of this approach

Benefits to the City

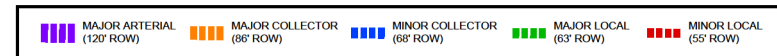
Assume the MDA is approved, and property annexed into City

Benefits

- On-site infrastructure covered by developer: water, streets, and stormwater
- City not responsible if costs are higher than projected or than the fees collected
- Developer will pay proportionate share of offsite traffic impacts
 - Funds directly to city at time of improvement
- Each phase of development requires a letter from the Traffic Engineer showing compliance with Traffic Impact Study.



KEY:

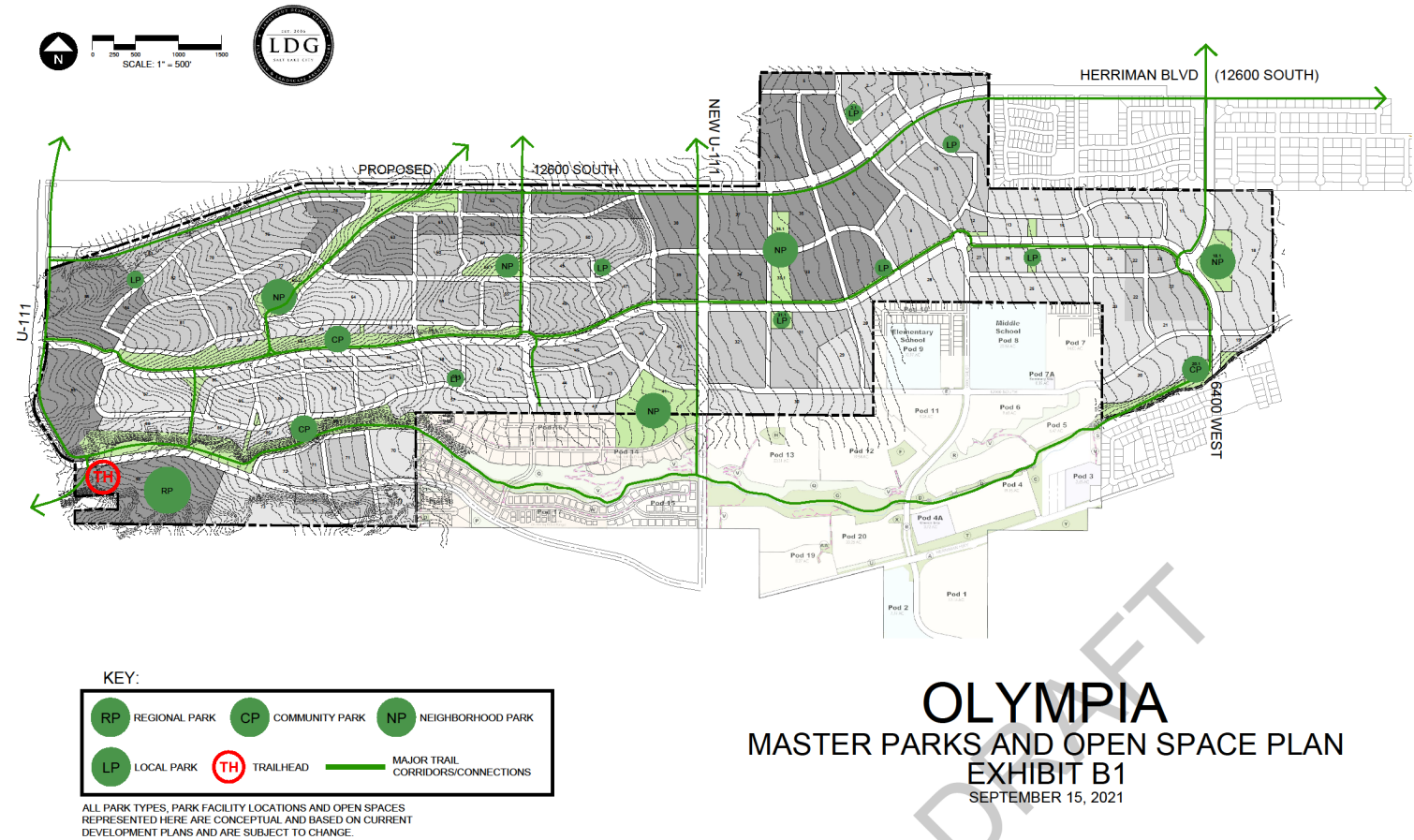


ALL ROADWAY TYPES AND LOCATIONS REPRESENTED HERE ARE CONCEPTUAL AND BASED ON CURRENT DEVELOPMENT PLANS AND ARE SUBJECT TO CHANGE.

OLYMPIA
 MASTER ROAD PLAN
 EXHIBIT B4
 SEPTEMBER 1, 2021

Benefits Continued

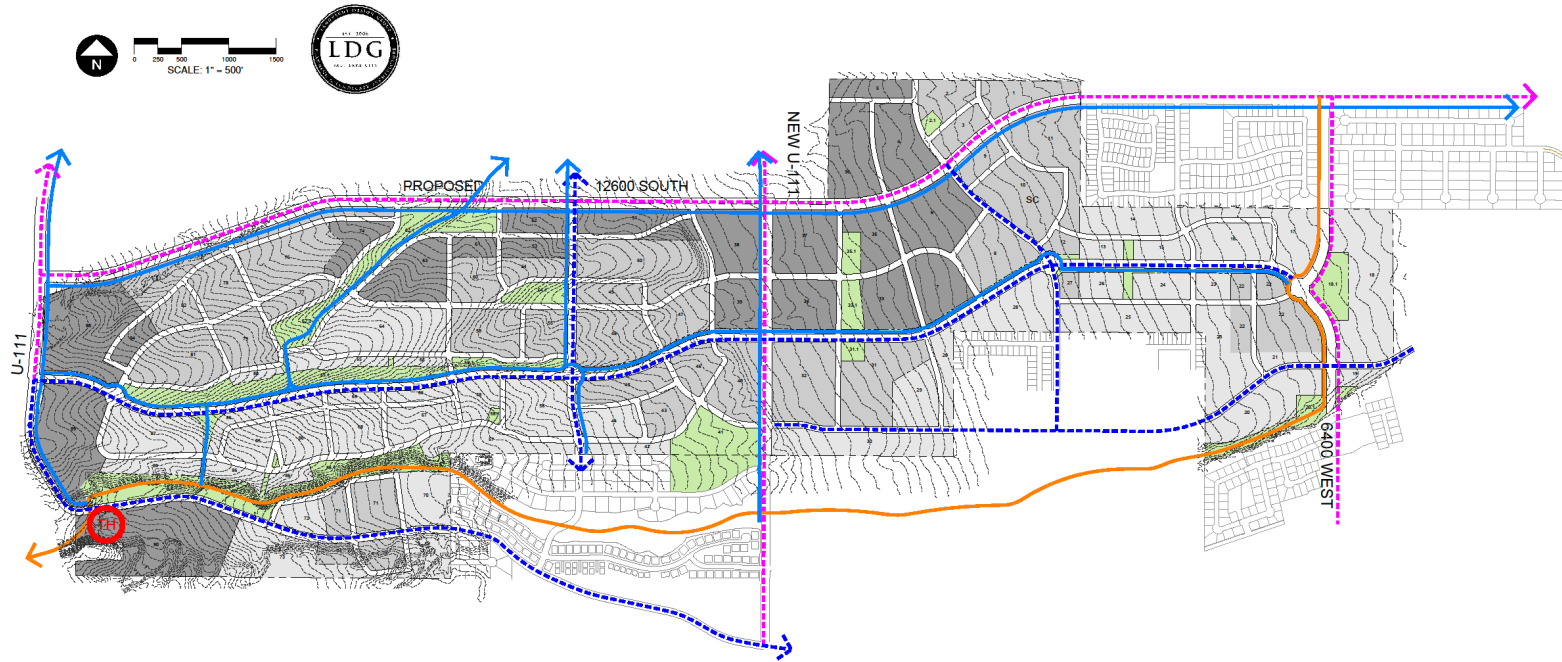
- Parks dedicated to City already developed with amenities for use
- A 7-acre park will be built early in phase 1
- City would normally develop the Parks with impact fees, but those can come long after the development has occurred








OLYMPIA
 MASTER PARKS AND OPEN SPACE PLAN
 EXHIBIT B1
 SEPTEMBER 15, 2021

Benefits Continued

- Extensive improved trail system both internally and regionally
- Four Year Review process – City and Developer to meet and confer on the agreement



KEY:

	BUFFERED BIKE LANE
	PAVED PATH
	BIKE LANE
	DUAL PATH (EQUESTRIAN TRAIL AND PAVED PATH)
	TRAILHEAD

ALL ACTIVE TRANSPORTATION TYPES AND LOCATIONS REPRESENTED HERE ARE CONCEPTUAL AND BASED ON CURRENT DEVELOPMENT PLANS AND ARE SUBJECT TO CHANGE.

OLYMPIA
 ACTIVE TRANSPORTATION PLAN
 EXHIBIT B3
 SEPTEMBER 1, 2021

Contract Fee

Why is this a good deal for the City?

- One-time fee –transferred to Public Infrastructure District (PID)
- Developer to utilize a PID to finance eligible infrastructure - PID is responsible, not the City
- City will forego impact fees except for public safety
- Perspective: City estimated to collect about \$12 million in traffic impact fees, but the developer could have been eligible for closer to \$53 million in reimbursement

Infrastructure Construction Cost Estimates



TOTAL IMPROVEMENTS	
INFRASTRUCTURE	TOTALS
Drinking Water	\$21,289,170
Secondary Water	\$25,163,763
Storm Drainage	\$16,379,064
Roads	\$52,978,787
Local Roadways and Utilities	\$125,840,000
Parks and Open Space	\$27,482,322
SUBTOTALS	\$269,133,106
MISCELLANEOUS FEES (NOT INCLUDING ROADS)	
Contingency @ 30%	\$64,846,296
CONSTRUCTION PLUS CONTINGENCY SUBTOTAL (NOT INCLUDING ROADS)	\$333,979,402
Engineering @ 6.5%	\$21,708,611
Construction Management and Inspection 6%	\$20,038,764
Administration 3%	\$10,019,382
Legal 3%	\$10,019,382
SUBTOTALS	\$61,786,189
TOTAL	\$395,765,591

Finances

One-time money paid by Olympia development

Building permits	31,356,642
Fire impact Fees	2,367,658
Police Impact Fees	<u>2,540,347</u>
Total One-Time Money	\$36,264,647

- ❖ Impact Fees originally included in the amount of \$56,293,226 have been removed from the calculation as it will be replaced by a contract fee that will be paid directly to the developer and they will be responsible for all infrastructure costs

Other Impact Fees

- Addition Herriman City impact fees \$20,836,000
 - Fees the City will be eligible to collect for roads outside of Olympia eligible for impact fees with the addition of Olympia. Olympia will pay their prorated share of offsite impacts, which will make up some portion of the amount above



Olympia Hills Effect on Herriman City Streets

	Total Cost	% Attributable to 10-Year Growth	% Attributable to 10-Year Growth OH Annexed	Impact Fee Eligible	Impact Fee Eligible OH annexed
6900 W Main Street to City Boundary	3,800,000	33.00%	100.00%	1,254,000	3,800,000
Silver Sky - 7900 West to City Boundary	9,500,000	14.00%	75.00%	1,330,000	7,125,000
7300 West North Segment	7,500,000	4.00%	95.00%	300,000	7,125,000
Main Street - 6225 West to 7900 West	7,700,000	0.00%	60.00%	-	4,620,000
Herriman Blvd - 6000 West to 6400 West	2,100,000	0.00%	50.00%	-	1,050,000
Total Cost	\$30,600,000			2,884,000	23,720,000
Additional impact fee on existing Herriman roads if Olympia is annexed				20,836,000	



Finances

Ongoing Revenue and Expenditures

(at buildout)

	<u>Herriman City</u>	<u>Police</u>	<u>Fire</u>	<u>Water</u>	<u>Storm Drain</u>	<u>Total</u>
Revenue	5,985,013	2,553,987	2,307,998	3,691,386	411,204	14,949,588
Expenditures	<u>5,284,640</u>	<u>2,390,082</u>	<u>1,312,493</u>	<u>2,666,001</u>	<u>389,646</u>	<u>12,042,862</u>
Net Revenue Over Expenditures	700,373	163,905	995,505	1,025,385	21,558	2,906,726

Questions?

- Staff will work to successfully implement whatever decision the Council makes