

Town of Fountain Hills
ARIZONA

Land Use Assumptions and Infrastructure Improvements Plan

Final | March 10, 2014

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Abbreviations and Acronyms

- ARS – Arizona Revised Statutes
- CIP – Capital Improvements Plan
- DIFs, Impact Fees, or Development Fees** – Development Impact Fees
- EDU – Equivalent Development Unit
- EMS – Emergency Medical Services
- ENR-CCI – Engineering News Record Construction Cost Index
- Fee Report** – Development Impact Fee Report
- FY – Fiscal Year
- IIP – Infrastructure Improvements Plan
- LOS – Level of Service
- LUA – Land Use Assumptions
- MPC – Municipal Property Corporation
- NPS – Necessary Public Services
- RCN – Replacement Cost New
- RFC – Raftelis Financial Consultants
- SB – Senate Bill
- SFR – Single-Family Residential
- Sq. Ft. – Square Foot or Feet

Executive Summary

The Town of Fountain Hills (Town) retained the team of Raftelis Financial Consultants, Inc. (RFC or Raftelis)¹, to complete an update of the Town's development impact fees for compliance with the requirements of Arizona Revised Statutes (ARS) § 9-463.05.

Under the updated requirements of ARS § 9-463.05 a development impact fee study is segmented into three major components as follows:

1. The Land Use Assumptions (LUA) identify the current and projected service units by service area. The Town LUA are summarized in Appendix A and outline the projected growth in residential population and housing units and non-residential employment and square feet.
2. The Infrastructure Improvements Plan (IIP) identifies the current and future facilities to serve the projected growth in service units identified within the LUA.
3. The Development Impact Fee Report (Fee Report) outlines the proposed development impact fee by fee category and service area incorporating the IIP eligible facilities and service units. The Fee Report will also incorporate capital funding analyses, offset calculations and cash flow projections for the proposed development impact fees.

As noted above, the IIP has as its focus the existing and planned facilities to meet the needs of future development in the Town identified within the LUA. The LUA and IIP do not contain calculated or proposed fees. As such time as the LUA and IIP public input process is completed and these documents finalized, development impact fees will then be calculated and available in the Fee Report.

Development Impact Fee Adoption Procedures

Specific development impact fee adoption procedures are outlined in ARS § 9-463.05 (C) and ARS § 9-463.05 (D) for public postings, public hearings and adoption of the LUA, IIP and Fee Report. If new LUA, IIP and fee schedules are not adopted by August 1, 2014, municipalities can no longer collect development impact fees until the new LUA, IIP and fee study is adopted. The requirements for public notices and adoption procedures are as follows:

- The LUA and IIP with supporting documents, must be released and made available to the public and posted to a website at least 60 days before a public hearing on the IIP per ARS § 9-463.05 (D).
- Public Hearing on the LUA/IIP can be held 60 days after the documents are released to the public and posted.
- The LUA and IIP must be approved or disapproved no sooner than 30 days after the public hearing, but must be within 60 days of the public hearing, and at least 30 days before the second "Fee Report" public hearing per ARS § 9-463.05 (D)(1).
- At least 30 days before second public hearing, the "notice of intention" to modify the development impact fees as well as the fee schedule within a written report (Fee Report) that supports the fees must be released to the public and posted per ARS § 9-463.05 (C).

¹ The Town initially retained Red Oak Consulting, an ARCADIS group, to complete this study and the contract was subsequently assigned to RFC in July 2013.

- Public hearing on the Fee Report 30 days after the document is released to the public and posted.
- Final action to adopt/disapprove fees must be at least 30 days after the 2nd public hearing but within 60 days of the second public hearing per ARS § 9-463.05 (C) and ARS § 9-463.05 (D)(1).
- Fees effective not earlier than 75 days after formal approval and cannot be adopted as emergency measure per ARS § 9-463.05 (C).

The Town may update the IIP to reflect modifications of facilities to serve new development and complete a similar process of updating LUA, IIP and Fee Report including public hearing and reporting requirements. The update will need to be completed at a minimum of every five years.

Introduction

The Town of Fountain Hills (Town) retained the team of Raftelis Financial Consultants, Inc. (RFC or Raftelis)², to complete an update of the Town's development impact fees for compliance with the requirements of Arizona Revised Statutes (ARS) § 9-463.05.

To ensure that new development contributes its proportionate share towards the cost of public facilities the Town has enacted development impact fees for a variety of fee categories. The fees were most recently updated in December 2011 with elimination of the Open Space and General Government fees and reductions to the Park and Recreation, and Library and Museum fee areas as a result of ARS § 9-463.05, enacted in April 2011. The purpose of this study is to update the Town's development impact fee categories:

- Fire and Emergency Medical Services (EMS)
- Law Enforcement
- Parks and Recreation
- Streets
- Open Space
- Library and Museum

This document, the Town's LUA and IIP, outlines the current and projected development, current and planned facility value, capacity, service level, service units, and single-family residential Equivalent Development Unit (EDU) by development type and fee category. The IIP outlines background information regarding ARS § 9-463.05 and IIP eligible facilities for development impact fee recovery. The IIP eligible facilities and service units support the update of the Town's development impact fees to be completed as the final phase of this update.

The Town's fiscal year (FY) begins July 1st and ends June 30th; FY 2013-14 refers to the 12-month period July 1, 2013 through June 30, 2014.

Background

Arizona has experienced tremendous growth in past decades. To ensure new growth pays its proportionate share of infrastructure costs, development impact fees are collected by cities and towns to evenly and fairly distribute the burden of facility capacity to serve new development. These one-time charges are assessed to new development by local governments to recover the proportional cost of facilities benefiting new development based on specific calculations using standardized assessment schedules. Each development project pays a proportionate share of the cost of new infrastructure or necessary public services (NPS) needed to support new development.

ARS § 9-463.05 provides a framework for cities and towns to assess, collect and administer development impact fees. In April of 2011, statutory revisions were made by the approval of Senate Bill (SB) 1525 that

² The Town initially retained Red Oak Consulting, an ARCADIS group, to complete this study and the contract was subsequently assigned to RFC in July 2013.

significantly changed the requirements for development impact fees. To understand the regulatory environment, the following section provides an overview of the most important elements of the development impact fee statutes.

Qualifying Uses

A municipality may assess development impact fees to help offset the capital expenses associated with providing NPS to a new development. This would include infrastructure costs, purchases of real property, fees for engineering and architectural services, financing costs, and other qualifying professional services. Development impact fees are required to result in a beneficial use to the development and be calculated based on an IIP. The fees may not exceed the development's proportionate share of the NPS and must be based on the same level of service provided to existing development in the service area.

ARS § 9-463.05(T)(5) defines NPS in a manner that effectively limits the facilities for which development impact fees can be collected. After January 1, 2012, development impact fees may only be assessed for the following NPS:

- Water Facilities;
- Wastewater Facilities;
- Storm Water, Drainage and Flood Control Facilities;
- Library Facilities of up to 10,000 square feet that provide a direct benefit to development, excluding appurtenances, equipment or vehicles;
- Street Facilities;
- Fire and Police Facilities, including appurtenances, equipment and vehicles with exceptions described in the next paragraph;
- Neighborhood Parks and Recreation facilities on property up to 30 acres (larger allowed if there is a direct benefit to the development); and
- Qualifying pledged debt.

Within these definitions of NPS, specific exclusions are provided within ARS § 9-463.05. Specifically, development impact fees may not be used to purchase library equipment and vehicles. Fire and Police replacement facilities, administrative vehicles and equipment, helicopters and airplanes, and centralized training facilities are also specifically excluded from the definition of NPS. For Neighborhood Parks and Recreation facilities, the following amenities are also excluded: vehicles, aquatic centers (although swimming pools are allowed), auditoriums, arenas, arts and cultural facilities, bandstands and orchestra facilities, bathhouses, boathouses, clubhouses, community centers over 3,000 square feet, environmental education centers, equestrian facilities, golf courses, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, and zoos.

Fee Calculations Under ARS § 9-463.05

Under ARS § 9-463.05, development impact fees are only calculated and assessed for existing or proposed improvements included in an approved IIP. The IIP is tied to the LUA (growth projections) for each service area within the boundaries of a city or town. Following the requirements of ARS § 9-463.05(T)(7) the LUA must include "...projections of changes in land uses, densities and intensities and population for

a specified area over a period of at least ten years and pursuant to the general plan of the municipality.” The fees apply to designated service areas, are calculated using consistent units of measurement called “service units,” and must be based on the same level of service (LOS) provided to existing development in the service area.

A service area is the specific area within the boundaries of a city or town within which the development will be served by the NPS or facility expansions; for all the fee categories (considered in this study) in a relatively small community like Fountain Hills (in terms of area/square miles), the service area is defined as the entire community. A “substantial nexus” must exist between the NPS or facility expansions and the development being served. For each service area, LUA must be adopted or updated and an IIP must be prepared.

The demand for facilities is quantified using a common unit of measurement, called a “service unit.” A service unit is a standardized measure of the consumption, use, generation or discharge attributable to an individual unit of development calculated using generally accepted engineering or planning standards. The service unit used in this report is the EDU. One EDU represents the average demand for services generated by a single-family home.

Development impact fees may only be collected to recover the cost of current or future improvements with capacity to serve new development identified in the IIP prepared for each service area, which again, could be the entire Town. The IIP must describe projects planned within the next ten years for NPS.³ The IIP should include only new improvements that will add capacity to accommodate future growth or costs attributable to existing improvements that have excess capacity for future development. For each category of public service, the IIP shall include the elements in ARS § 9-463.05(E)(1)-(7):

Element #1: A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed on this state, as applicable.

Element #2: An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.

Element #3: A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.

³ For the water and wastewater facilities/fee, the IIP can project out 15 years. However, as the Town does not provide these services, this report does not contain an IIP for water and wastewater.

Element #4: A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.

Element #5: The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.

Element #6: The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.

Element #7: A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development.

Offsets

To recognize other revenues which may fund the same category of NPS recovered through development impact fees, ARS § 9-463.05(B)(12) requires a municipality to forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the NPS covered by the development impact fee and offset these contributions in determining the extent of the burden imposed by the development for the NPS recovered by the development impact fee. An offset is required if a dedicated tax or fee based revenue source for a project funds the same NPS facilities that are recovered through development impact fees. An example may be a dedicated sales tax to repay debt service for a new NPS that is included in the IIP.

Other

The statute allows for fees collected before January 1, 2012, to be used for projects no longer authorized, if they are spent by January 1, 2020.

Methodologies

There are a variety of methods that can serve as a rational basis for computing non-utility and utility development impact fees. The most common include:

- System Buy-In
- Plan Based Incremental or Incremental
- Plan Based Average
- Hybrid Method

The **System Buy-in** method uses a historical perspective. The original costs of the system's fixed assets are identified and escalated to current value using a nationally recognized index. System equity equals the

escalated original cost less developer contributions as well as growth-related interest costs. The development impact fee is the quotient of the system value divided by the system capacity.

The **Plan Based Incremental or Incremental** method is forward-looking and considers only future growth-related capital projects and acquisitions. The development impact fee is the quotient of the growth-related cost of proposed projects for a specified time frame plus growth-related debt interest costs divided by the increase in capacity provided by those projects.

The **Plan Based Average** method is similar to the **Plan Based Incremental** method. However, the plan based average approach considers future growth-related projects that benefit new and existing development. The development impact fee is the quotient of the cost of proposed projects for a specified time frame divided by the total capacity served in the calculation year.

The **Hybrid** method combines the system buy-in and incremental methods. The development impact fee is the quotient of the sum of the current system value and future growth-related capital costs divided by of the sum of existing system capacity and the increase in capacity provided by the future growth-related projects.

The Town must create an IIP to reflect the costs required to provide NPS for new growth. In developing the costs in the IIP, the Town considered what was needed so the burden of providing services to new development did not lower the service level for existing citizens or charge new development exclusively to increase the level of service provided to existing residents. The Town may increase the level of service for current and future residents; however, the development impact fee will reflect only the portion of the facility benefiting new development, with funding for the increased level of service portion of the improvement benefiting existing development funded by alternative sources.

In all fee categories, projects are based on facility needs to serve future development. However, many of these facilities serve growth beyond the ten years shown in the IIP, and/or benefit existing residents in terms of providing for and/or replacing existing Town facilities. Within Fire and EMS and Parks and Recreation fee categories, there are existing and future facilities that will benefit current and future development. Proposed fee calculations will recognize the proportional cost of current and future facilities benefiting new development. Funding for the portion of facilities benefiting existing development will need to be funded from another source, which may include general fund revenues, debt and/or future dedicated tax-based funding sources documented in the Fee Report.

Current Development Impact Fees

Tables 1 and 2 summarize the Town's current non-utility development impact fees. The Streets development impact fee summarized in Table 2 includes different fees assessed to single-family and multi-family residential and commercial, office, hotel and industrial categories.

**Table 1
Current Development Impact Fees (Except Streets)**

Fee Category	Residential per Dwelling Unit	Commercial/ Industrial per Sq. Ft.
Law Enforcement	\$112	\$0.070
Parks and Recreation	2,118	0.000
Fire and Emergency	207	0.129
Library and Museum	79	0.000

**Table 2
Current Streets Development Impact Fees**

Development Type	Residential per Dwelling Unit	Commercial/ Industrial per Sq. Ft.
Residential (Single Family)	\$5,614	
Residential (Multi-Family)	3,942	
Commercial		\$3.835
Office		2.835
Hotel		2.258
Industrial		1.235

The Town’s Library and Museum, Streets and Law Enforcement development impact fees will be phased out by August 1, 2014, with existing fund balance being used to fund eligible capital improvements and/or pledged debt as outlined within the balance of the report. Pending future updates to the Town’s long-term capital plan and IIP, the Town may reinstate these and other development impact fees that recover the proportional impact of the identified facilities from new development in compliance with the requirements of ARS § 9-463.05.

Land Use Assumptions

Appendix A summarizes the land use assumptions and growth projections through FY 2034-35. The residential population and dwelling units are based on Town-provided projections, including anticipated development of the former State Trust Land. Table 3 summarizes existing and projected annual residential population and single-family and multi-family housing unit growth within the Town from FY 2012-13 through FY 2022-23 and then for another 12 years through FY 2034-35.

**Table 3
Projected Population and Housing Units**

Description	FY 2012-13	FY 2022-23	Cumulative		FY 2012-13	FY 2034-35	Cumulative	
			Increase	Percent			Increase	Percent
Population (residents)	22,908	26,693	3,784	16.5%	22,908	31,142	8,234	35.9%
Single-Family Residential	8,273	9,838	1,565	18.9%	8,273	11,793	3,520	42.5%
Multi-Family Residential	4,839	5,026	187	3.9%	4,839	5,131	292	6.0%
Housing Units	13,112	14,864	1,752	13.4%	13,112	16,924	3,812	29.1%

Projected single-family and multi-family residential housing units reflect 2.16 persons per occupied housing unit consistent with the 2010 census information.

Table 4 summarizes existing and projected employment for commercial (retail and office), public and industrial categories through FY 2034-35⁴. Table 4 also summarizes existing and projected non-residential square foot (Sq. Ft.) growth for commercial / lodging and industrial land use categories from FY 2012-13 through FY 2022-23 and then for another 12 years through FY 2034-35. Projected annual commercial / lodging and industrial square foot growth is estimated based on the current ratio of developed building square feet to developed acreage⁵. The ratio is applied to projected commercial / lodging and industrial acreage to be developed to estimate annual building square footage growth as noted in Appendix A⁶.

⁴ Maricopa Association of Governments (MAG) Socioeconomic Projections of Population, Housing and Employment and Municipal Planning Area and Regional Analysis Zone. Excludes “other” employment category of work-at-home and non-site based employment.

⁵ Town of Fountain Hills Land Use Analysis and Statistical Report, 2012.

⁶ Town of Fountain Hills Land Use Analysis and Statistical Report, 2012.

Table 4
Projected Employment and Square Feet

Description	FY 2012-13	FY 2022-23	Cumulative		FY 2012-13	FY 2034-35	Cumulative	
			Increase	Percent			Increase	Percent
Employment (1)								
Retail	1,942	2,601	659	33.9%	1,942	2,993	1,051	54.1%
Office	816	1,437	621	76.2%	816	1,618	802	98.3%
Public	490	894	405	82.7%	490	1,152	662	135.3%
Industrial	469	614	146	31.1%	469	640	171	36.5%
Total	3,716	5,546	1,831	49.3%	3,716	6,403	2,687	72.3%
Square Feet (2)								
Commercial / Lodging	2,301,317	2,423,621	122,304	5.3%	2,301,317	3,132,044	830,727	36.1%
Industrial	312,290	317,703	5,413	1.7%	312,290	323,609	11,319	3.6%
Total Square Feet	2,613,607	2,741,325	127,718	4.9%	2,613,607	3,455,653	842,046	32.2%

(1) Maricopa Association of Governments (MAG) Socioeconomic Projections of Population, Housing and Employment and Municipal Planning Area and Regional Analysis Zone. Excludes "other" employment category of work-at-home and non-site based employment.

(2) Projected non-residential square feet based on ratio of current developed square feet to developed acreage for commercial and industrial categories respectively. This ratio is applied to developable, undeveloped commercial, lodging and industrial acreage through FY 2049-50 included in the Town of Fountain Hills, Land Use Analysis and Statistics, 2012.

Infrastructure Improvements Plan

This IIP outlines the facilities and service requirements to meet projected growth over the next ten-year period. The service area for the Town development impact fees includes the approximately 18.2 square mile incorporated area of the Town.

The Town has identified improvements for development impact fee recovery for Fire and EMS and Park and Recreation fee categories. The improvements may provide capacity beyond the ten-year period with development impact fees based on the proportional cost of the facilities per service unit. This approach fairly distributes the cost recovery among current growth within the ten-year period and growth after the ten-year period. Additional capital improvements have also been identified that are part of the Town's capital improvement program (CIP) over the same time period which may be operational in nature or for facilities that have not been identified for development impact fee recovery.

As part of the development impact fee calculation, a cash flow and capital funding plan will be further evaluated based on the non-growth and growth-related portion of the NPS facilities identified within the IIP. Development impact fees will exclude the portion of the facility benefiting existing development.

Revenues from New Development and Offset Calculations

The Town has projected total tax-based and fee-based revenues through FY 2024-25 included in Appendix D. The total revenues will fund a variety of expenditures within the Town's General Fund. Per ARS § 9-463.05, offsets reflect the contribution toward funding the same category of NPS as recovered through development impact fees from other tax and fee-based revenues generated from new development. Offsets will be outlined within the Development Impact Fee Report and proposed fee categories. An offset will be developed to reflect tax-based revenues funding the same NPS facilities that are recovered through development impact fees⁷.

Offsets will be calculated per EDU for fee categories being updated reducing the overall development impact fee assessed.

Existing Fund Balance

The current development impact fee fund balance for each of the fee categories at the end of FY 2012-13 is shown in Table 5. The fund balance represents the dollar amount available to pay for eligible projects (including pledged debt) in each of the fee categories.

⁷ The Town does not assess an excess tax rate above the average tax rate and therefore an offset for the excess tax rate is not warranted.

Table 5
FY 2012-13 Fund Balance by Fee Category

Fund Balance - End of Fiscal Year	FY 2012-13
Law Enforcement	\$201,896
Street	157,517
Parks and Recreation	47,859
Open Space	1,646,066
Fire and Emergency	43,624
Library and Museum	42,348

Fire & EMS

The Town provides Fire & EMS services to residential and non-residential developments throughout the Town.

Current Fire and EMS Facilities

Fire and EMS service is provided by two fire stations, apparatus and related equipment. The current facility fixed asset records are summarized in Appendix B. Assets that were acquired when the Town took over a Fire District and grant funded assets are excluded. Based on the current fixed asset inventory list provided by the Town, the replacement cost of these existing assets are estimated based the acquisition date and original cost escalated based on the Engineering News Record Construction Cost Index (ENR-CCI) to the date of September 2013. The net replacement cost excluding former Fire District assets and grant funded assets is approximately \$1.6 million. The Town does not have outstanding debt related to current Fire and EMS facilities.

Fire and EMS Service Level and Capacity

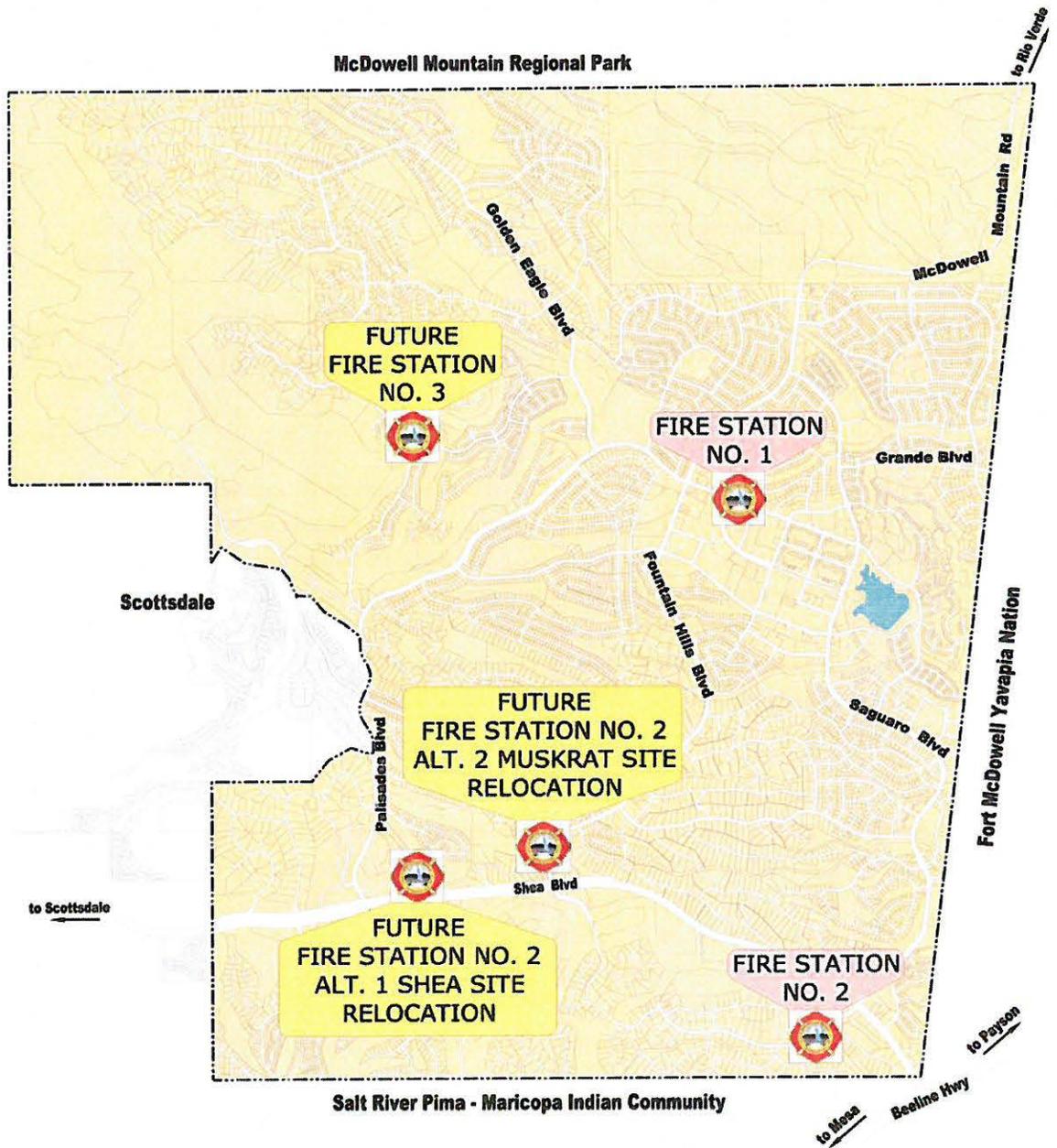
The Fire & EMS service levels are based on a variety of factors. The primary service level criterion is an average response time within five minutes 90% of the time and average of eight minutes 90% of the time for two response time zones further away from Town center⁸. Several factors influence response times including the location and number of calls in proximity to the Town’s two existing fire stations. Current fire stations serve the entire community responding to calls based on location of the station and nature of the call. When the primary station is responding to a call, the other station may be dispatched to respond to subsequent calls outside of its primary geographic area resulting in longer response times.

Fire and EMS Facility Expansions

The Town has identified an additional station that is projected to be constructed by FY 2022-23 driven by new development. The location of this fire station (the third in the Town) will be established by the Town’s adopted Fire Station Master Plan. Figure 1 identifies the current and possible fire station facilities.

⁸ Fire Protection and Emergency Services Agreement between the Town of Fountain Hills Arizona and Rural/Metro Corporation, Appendix A and G-1.

Figure 1
Fire & EMS Service Area Map



Fire and EMS Service Units and EDUs

Fire service units include both residents and employees, as people drive the demand for fire and EMS services. Current and proposed fire stations are projected to provide sufficient capacity to projected service units through FY 2034-35. Appendix B summarizes projected fire service units. Service units are

converted to housing units or residential EDUs using projected persons per occupied housing unit. Similarly, the anticipated number of employees based on average square foot for retail, office, industrial and hotel / motel varies by development type and service units are converted to the equivalent employees per 1,000 square feet for assessment purposes. Table 6 summarizes the Fire and EMS EDUs by development type based on the ratio of employees per 1,000 square feet to the residential EDU value.

**Table 6
Fire and EMS EDUs**

Development Type	Employees		EDU Value	EDU Factor
	Sq. ft. per Employee	per 1,000 Sq. ft.		
Retail	549	1.82	2.16	0.84
Industrial	781	1.28	2.16	0.59
Office / Public	278	3.60	2.16	1.67
Hotel / Motel	917	1.09	2.16	0.50

Fire and EMS Development Impact Fee and Capital Funding

The Town may issue debt to fund a portion of the proposed Fire Station #3 reflected within proposed development impact fees. The Fire and EMS development impact fee will be based on the hybrid approach incorporating current and planned IIP eligible facilities and total current and future service units through FY 2034-35.

Parks and Recreation

The Town provides Park and Recreation facilities to residential developments throughout the Town.

Current Park and Recreation Facilities

The mission of the Town’s Community Services Department is to enhance the quality of life by providing and maintaining safe, available, and accessible parks and recreation services located throughout the Town. Table 7 summarizes the current inventory of neighborhood and community parks.

**Table 7
Current Neighborhood and Community Park Inventory (Acres)**

Description	Current
Neighborhood Parks Acres	
Four Peaks	14
Desert Vista	12
Total Neighborhood Parks Acres	<u>26</u>
Community Parks Acres	
Fountain Park	33
Golden Eagle Park	25
Total Community Parks Acres	<u>58</u>

Park and Recreation facilities include parks, park improvements, and equipment. The current facility fixed asset records are summarized in Appendix C. Based on the current fixed asset inventory list provided by the Town, the replacement cost of these existing assets are estimated based the acquisition date and original cost escalated based on the ENR-CCI to the date of September 2013. Land is valued at the original cost and is not escalated based on the ENR-CCI and grant funded assets are excluded. The replacement value of the current facilities less grant funded assets is over \$21.3 million and detailed in Appendix C. The Town does not have outstanding debt related to current Park and Recreation facilities.

Park and Recreation Service Level and Capacity

The Town’s Parks and Recreation service level is based on the number of acres per 1,000 residents for community and neighborhood parks. The current service level is below the Town’s targeted ratios for neighborhood parks and above the targeted service level for community parks. Table 8 summarizes the target and current service levels provided.

**Table 8
Neighborhood and Community Park Service Level**

Description	Neighborhood	Community
Park Acres	26.0	58.0
Residents	22,954	22,954
Acres / 1,000 Residents Service Level	1.13	2.53
Target Service Level - Acres per 1,000 Residents	2.50	2.50

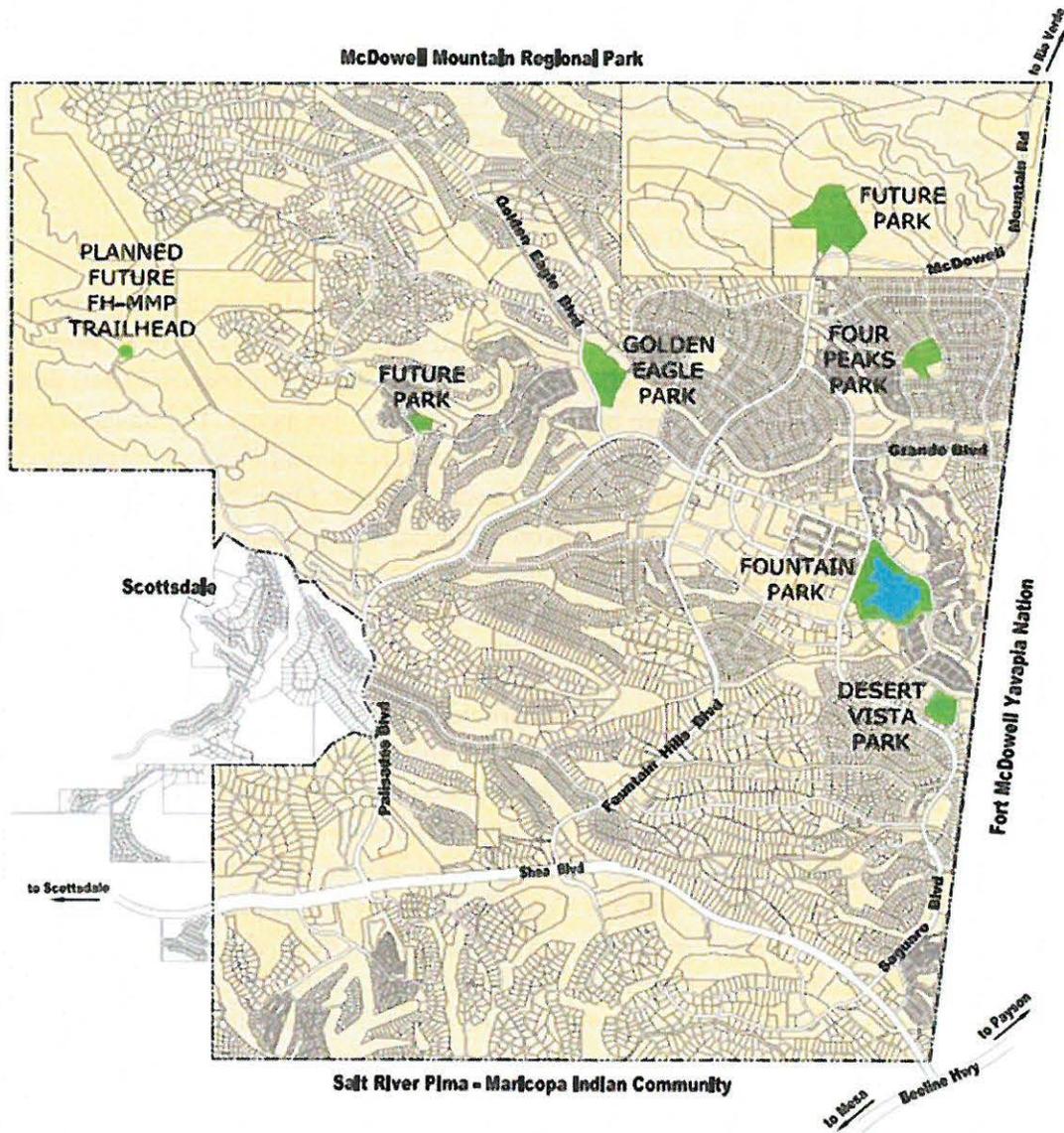
The benefit of the Parks and Recreational facilities to non-residential developments was evaluated. Based on the types of facilities within the Town, a strong benefit to non-residential developments was not found and therefore service units include only residential developments.

Park and Recreation Facility Expansions

The Town has identified two park improvements that will expand the current system to serve existing and future development. The first improvement is associated with a planned development on the former State Trust Lands that will be funded by the developer and excluded from development impact fee recovery. The second improvement is a neighborhood park projected to be constructed by FY 2022-23 that will add 3.4 acres of new park acreage and improvements to the Town’s inventory summarized in Appendix C.

Figure 2 identifies the current and proposed Park and Recreation facilities.

Figure 2
Park and Recreation Facilities



Park and Recreation Service Units and EDUs

Park and Recreation service units include residents. Current and proposed park and recreation facilities are projected to provide sufficient capacity to projected service units through FY 2034-35. Appendix A summarizes projected Park and Recreation service units. Service units are converted to housing units or residential EDUs using projected persons per occupied housing unit of 2.16.

Park and Recreation Development Impact Fee and Capital Funding

The Town may issue debt to fund a portion of the proposed neighborhood park reflected within proposed development impact fees. The Parks and Recreation development impact fee will be based on

the hybrid approach incorporating current and planned IIP eligible facilities and total current and future service units through FY 2034-35.

Trailhead Improvements / Open Space

The Town assessed an Open Space development impact fee until January 1, 2012 to recover the proportional service level of existing and planned Open Space acquisitions and trailhead facilities for the Town's park and recreation system. Open Space service levels include:

- 114 acres per 1,000 residents
- 1,169 fee of trails per 1,000 residents

The Town has identified one future IIP eligible capital facility and currently does not have outstanding pledged debt obligations funded through development impact fees. The planned improvement may be funded within available funds from previously assessed development impact fees and therefore an Open Space development impact fee will not be proposed as part of this study. The trailhead improvement and fund balance will be adjusted as a Park and Recreation development impact fee restricted sub fund with existing fund balance accumulated from previously assessed Open Space development impact fees restricted to be used to fund the Adero Canyon Trailhead improvements that were included in the 2009 IIP and part of the Open Space development impact fees adopted by Town. The project is anticipated to be completed by FY 2019-20 as summarized in Appendix C.

Law Enforcement

Police or Law Enforcement services are also provided to non-residential developments with the same personnel. Additional support personnel are needed to support sworn officers. Police service levels are based on a variety of factors. The primary service level criterion is based on response time for priority one calls answered within one minute and a deputy dispatched on site within five minutes⁹. The Town does not currently own a separate police building as services are contracted to Maricopa County Sheriff's office with office space provided with the Town Hall. As the Town has not identified future IIP eligible capital facilities and currently does not have outstanding debt obligations, the Law Enforcement development impact fee will be eliminated no later than August 1, 2014. The existing fund balance accumulated from previously assessed law enforcement development impact fees will be used to fund the Law Enforcement space to be included in the planned Fire Station #2 relocation in FY 2014-15.

Library and Museum

The Town provides Library and Museum NPS to residential and non-residential developments through a single facility constructed in 2000. This facility was funded initially with bonds that have subsequently been refinanced.

Library and Museum service levels include:

- 0.74 library square feet per resident

⁹ Agreement for Law Enforcement Services between the Town of Fountain Hills and Maricopa County Sheriff's Office, Section II A.

- 0.28 museum square feet per resident

As the Town has not identified future IIP eligible capital facilities, the Library and Museum development impact fee will be eliminated no later than August 1, 2014. The existing fund balance accumulated from previously assessed library and museum development impact fees will be used to fund a portion of the General Obligation 2005 Series debt service payments for the library and museum building.

Streets

The Town provides street NPS and currently assesses Street development impact fees to residential and non-residential developments summarized in Table 2. The fees were most recently updated in 2009 and recover the cost of constructing arterial streets and associated facilities necessary to serve new growth. The Town has several current and future Street capital improvements, including those that expand capacity serving current and future customers.

Street service levels are based on the vehicle mile capacity of collector and arterial streets summarized in the Table 9.

**Table 9
Street Service Level Standard**

Street Type	Service Level	Units
2 lane roadway	10,000	vehicle capacity per lane mile
2 lane roadway w/ turn pockets	15,000	vehicle capacity per lane mile
4 lane roadway w/ turn pockets	30,000	vehicle capacity per lane mile

Street service levels are typically defined based on the capacity of each lane mile for different service level grades and traffic conditions. For example, if a street were constructed to service level “A” the lane capacity mile would exceed a similar street constructed at service level “D” or a reduced service level.

As the Town has not identified future IIP eligible capital facilities and currently does not have outstanding debt obligations funded through development impact fees, the Streets development impact fee will be eliminated no later than August 1, 2014. The Town may identify IIP eligible Street facilities pending future updates to the Town’s long-term capital, transportation master plan and IIP in compliance with the requirements of ARS § 9-463.05. The existing fund balance accumulated from previously assessed Street development impact fees will be used to fund a portion project S6005 that has started and projected to be completed in FY 2013-14. This project includes widening of Shea and Saguro Boulevards and was previously included as growth-related project within the 2009 IIP.

APPENDIX A

Land Use Assumptions

**TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
GENERAL INPUT SCHEDULE**

2a. Building Data [1]

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Single-Family Dwellings Units	8,273	8,293	8,318	8,343	8,373	8,403	8,438	8,938
Single-Family Dwellings, Permits	10	20	25	25	30	30	35	500
Multi-Family Dwellings (2.5 units each permit)	4,839	4,840	4,841	4,866	4,891	4,911	4,931	4,956
Multi-Family Dwellings, Permits	2	0	0	10	10	8	8	10
Multi-Family Dwellings, New Units	4	1	1	25	25	20	20	25
Total Dwelling Units	13,112	13,133	13,159	13,209	13,264	13,314	13,369	13,894
Percentage Increase	0.11%	0.16%	0.20%	0.38%	0.42%	0.38%	0.41%	3.93%
State Trust Land (included in SF Dwelling Units)		0	0	0	0	0	0	150

2b. Square Feet

Avg.s.f./unit:	1,930	Single Family, New Square Feet	19,300	38,600	48,250	48,250	57,900	57,900	67,550	965,000
		Cumulative S.F. [2]	15,966,890	16,005,490	16,053,740	16,101,990	16,159,890	16,217,790	16,285,340	17,250,340
Avg.s.f./unit:	1,002	Multi-Family, New Square Feet	4,008	1,002	1,002	25,050	25,050	20,040	20,040	25,050
		Cumulative S.F. [2]	4,848,678	4,849,680	4,850,682	4,875,732	4,900,782	4,920,822	4,940,862	4,965,912
		Industrial Square Feet	312,782	313,274	313,766	314,259	314,751	315,243	315,735	316,227
		New Square Feet [3]	492	492	492	492	492	492	492	492
		Commercial / Lodging Square Feet	2,312,436	2,323,554	2,334,673	2,345,791	2,356,910	2,368,028	2,379,147	2,390,266
		New Square Feet [4]	11,119	11,119	11,119	11,119	11,119	11,119	11,119	11,119
		Subtotal	2,625,218	2,636,828	2,648,439	2,660,050	2,671,661	2,683,271	2,694,882	2,706,493
		Total New Square Feet	11,611	11,611	11,611	11,611	11,611	11,611	11,611	11,611
			0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
		Total Residential SF	20,815,568	20,855,170	20,904,422	20,977,722	21,060,672	21,138,612	21,226,202	22,216,252
		Total Residential and Commercial SF	23,440,786	23,491,998	23,552,861	23,637,772	23,732,333	23,821,883	23,921,084	24,922,745
		Residential Percentage	88.8%	88.8%	88.8%	88.7%	88.7%	88.7%	88.7%	89.1%
		Commercial Percentage	11.2%	11.2%	11.2%	11.3%	11.3%	11.3%	11.3%	10.9%

[1] Projected dwelling units timing provided by Town.

[2] Based on average of national median sq. ft. figures from 1989 to 1998 to develop assumed single family sq.ft. of 1,930 and multi-family units average of 1,002.

[3] Projected average annual square footage growth through FY 2049-50 based on 2 acres to be developed and 9,105 square feet per acre.

[4] Projected average annual square footage growth through FY 2049-50 build-out based on 129.7 commercial / lodging acres to be developed and ratio of 7,605 developed square feet per acre. Average annual growth is adjusted for 75,000 square feet developed in FY 2023-24 and 500,000 square feet developed in FY 2033-34.

**TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
GENERAL INPUT SCHEDULE**

2a. Building Data [1]		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
	Single-Family Dwellings Units	9,188	9,488	9,838	10,113	10,438	10,713	10,968	11,168
	Single-Family Dwellings, Permits	250	300	350	275	325	275	255	200
	Multi-Family Dwellings (2.5 units each permit)	4,981	5,006	5,026	5,046	5,076	5,091	5,101	5,111
	Multi-Family Dwellings, Permits	10	10	8	8	12	6	4	4
	Multi-Family Dwellings, New Units	25	25	20	20	30	15	10	10
	Total Dwelling Units	14,169	14,494	14,864	15,159	15,514	15,804	16,069	16,279
	Percentage Increase	1.98%	2.29%	2.55%	1.98%	2.34%	1.87%	1.68%	1.31%
	State Trust Land (included in SF Dwelling Units)	150	200	200	175	175	100	80	50
2b. Square Feet									
Avg.s.f./unit:	1,930 Single Family, New Square Feet	482,500	579,000	675,500	530,750	627,250	530,750	492,150	386,000
	Cumulative S.F. [2]	17,732,840	18,311,840	18,987,340	19,518,090	20,145,340	20,676,090	21,168,240	21,554,240
Avg.s.f./unit:	1,002 Multi-Family, New Square Feet	25,050	25,050	20,040	20,040	30,060	15,030	10,020	10,020
	Cumulative S.F. [2]	4,990,962	5,016,012	5,036,052	5,056,092	5,086,152	5,101,182	5,111,202	5,121,222
	Industrial Square Feet	316,719	317,211	317,703	318,196	318,688	319,180	319,672	320,164
	New Square Feet [3]	492	492	492	492	492	492	492	492
	Commercial / Lodging Square Feet	2,401,384	2,412,503	2,423,621	2,509,740	2,520,858	2,531,977	2,543,096	2,554,214
	New Square Feet [4]	11,119	11,119	11,119	86,119	11,119	11,119	11,119	11,119
	Subtotal	2,718,103	2,729,714	2,741,325	2,827,935	2,839,546	2,851,157	2,862,768	2,874,378
	Total New Square Feet	11,611	11,611	11,611	86,611	11,611	11,611	11,611	11,611
		0.4%	0.4%	0.4%	3.2%	0.4%	0.4%	0.4%	0.4%
	Total Residential SF	22,723,802	23,327,852	24,023,392	24,574,182	25,231,492	25,777,272	26,279,442	26,675,462
	Total Residential and Commercial SF	25,441,905	26,057,566	26,764,717	27,402,117	28,071,038	28,628,429	29,142,210	29,549,840
	Residential Percentage	89.3%	89.5%	89.8%	89.7%	89.9%	90.0%	90.2%	90.3%
	Commercial Percentage	10.7%	10.5%	10.2%	10.3%	10.1%	10.0%	9.8%	9.7%

[1] Projected dwelling units timing provided by Town.

[2] Based on average of national median sq. ft. figures from 1989 to 1998 to develop assumed single family sq.ft. of 1,930 and multi-family units average of 1,002.

[3] Projected average annual square footage growth through FY 2049-50 based on 2 acres to be developed and 9,105 square feet per acre.

[4] Projected average annual square footage growth through FY 2049-50 build-out based on 129.7 commercial / lodging acres to be developed and ratio of 7,605 developed square feet per acre. Average annual growth is adjusted for 75,000 square feet developed in FY 2023-24 and 500,000 square feet developed in FY 2033-34.

**TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
GENERAL INPUT SCHEDULE**

2a. Building Data [1]

	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
Single-Family Dwellings Units	11,418	11,793	11,793	11,793	11,793	11,793	11,793
Single-Family Dwellings, Permits	250	375	0	0	0	0	0
Multi-Family Dwellings (2.5 units each permit)	5,121	5,131	5,131	5,131	5,131	5,131	5,131
Multi-Family Dwellings, Permits	4	4	0	0	0	0	0
Multi-Family Dwellings, New Units	10	10	0	0	0	0	0
Total Dwelling Units	16,539	16,924	16,924	16,924	16,924	16,924	16,924
Percentage Increase	1.60%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%
State Trust Land (included in SF Dwelling Units)	25	25	0	0	0	0	

2b.

Square Feet

Avg.s.f./unit:	1,930	Single Family, New Square Feet	482,500	723,750	0	0	0	0	0
		Cumulative S.F. [2]	22,036,740	22,760,490	22,760,490	22,760,490	22,760,490	22,760,490	22,760,490
Avg.s.f./unit:	1,002	Multi-Family, New Square Feet	10,020	10,020	0	0	0	0	0
		Cumulative S.F. [2]	5,131,242	5,141,262	5,141,262	5,141,262	5,141,262	5,141,262	5,141,262
		Industrial Square Feet	320,656	321,148	321,641	322,133	322,625	323,117	323,609
		New Square Feet [3]	492	492	492	492	492	492	492
		Commercial / Lodging Square Feet	2,565,333	2,576,451	2,587,570	2,598,688	2,609,807	3,120,925	3,132,044
		New Square Feet [4]	11,119	11,119	11,119	11,119	11,119	511,119	11,119
		Subtotal	2,885,989	2,897,600	2,909,210	2,920,821	2,932,432	3,444,042	3,455,653
		Total New Square Feet	11,611	11,611	11,611	11,611	11,611	511,611	11,611
			0.4%	0.4%	0.4%	0.4%	0.4%	17.4%	0.3%
		Total Residential SF	27,167,982	27,901,752	27,901,752	27,901,752	27,901,752	27,901,752	27,901,752
		Total Residential and Commercial SF	30,053,971	30,799,352	30,810,962	30,822,573	30,834,184	31,345,794	31,357,405
		Residential Percentage	90.4%	90.6%	90.6%	90.5%	90.5%	89.0%	89.0%
		Commercial Percentage	9.6%	9.4%	9.4%	9.5%	9.5%	11.0%	11.0%

[1] Projected dwelling units timing provided by Town.

[2] Based on average of national median sq. ft. figures from 1989 to 1998 to develop assumed single family sq.ft. of 1,930 and multi-family units average of 1,002.

[3] Projected average annual square footage growth through FY 2049-50 based on 2 acres to be developed and 9,105 square feet per acre.

[4] Projected average annual square footage growth through FY 2049-50 build-out based on 129.7 commercial / lodging acres to be developed and ratio of 7,605 developed square feet per acre. Average annual growth is adjusted for 75,000 square feet developed in FY 2023-24 and 500,000 square feet developed in FY 2033-34.

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
GENERAL INPUT SCHEDULE

	Description	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
3.	Population Data [1]	22,908	22,954	23,010	23,118	23,237	23,345	23,463	24,597
	Percent Change From Prior Year	0.13%	0.20%	0.24%	0.47%	0.51%	0.46%	0.51%	4.83%
	Employment [2]								
	Retail								
	Start of Year	1,942	2,013	2,084	2,155	2,225	2,296	2,367	2,438
	Increase	71	71	71	71	71	71	71	71
	End of Fiscal Year	2,013	2,084	2,155	2,225	2,296	2,367	2,438	2,509
	Office								
	Start of Year	816	889	962	1,036	1,109	1,182	1,255	1,329
	Increase	73	73	73	73	73	73	73	73
	End of Fiscal Year	889	962	1,036	1,109	1,182	1,255	1,329	1,402
	Industrial								
	Start of Year	485	500	516	532	548	564	579	595
	Increase	16	16	16	16	16	16	16	16
	End of Fiscal Year	500	516	532	548	564	579	595	611
	Public								
	Start of Year	490	531	572	614	655	696	737	779
	Increase	41	41	41	41	41	41	41	41
	End of Fiscal Year	531	572	614	655	696	737	779	820
	Total								
	Start of Year	3,732	3,933	4,134	4,336	4,537	4,738	4,939	5,141
	Increase	201	201	201	201	201	201	201	201
	End of Fiscal Year	3,933	4,134	4,336	4,537	4,738	4,939	5,141	5,342
	Annual Growth Rate	5.4%	5.1%	4.9%	4.6%	4.4%	4.2%	4.1%	3.9%

[1] Town of Fountain Hills Land Use Report, 2012.

[2] Maricopa Association of Governments (MAG) Socioeconomic Projections of Population, Housing and Employment and Municipal Planning Area and Regional Analysis Zone. Excludes "other" employment category of work-at-home and non-site based employment. Annual projections based on ten-year increment employee projections.

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
GENERAL INPUT SCHEDULE

Description		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
3.	Population Data [1]	25,191	25,893	26,693	27,330	28,097	28,723	29,295	29,749
	Percent Change From Prior Year	2.41%	2.79%	3.09%	2.39%	2.81%	2.23%	1.99%	1.55%
	Employment [2]								
	Retail								
	Start of Year	2,509	2,540	2,570	2,601	2,631	2,662	2,693	2,723
	Increase	31	31	31	31	31	31	31	31
	End of Fiscal Year	2,540	2,570	2,601	2,631	2,662	2,693	2,723	2,754
	Office								
	Start of Year	1,402	1,414	1,425	1,437	1,448	1,460	1,472	1,483
	Increase	12	12	12	12	12	12	12	12
	End of Fiscal Year	1,414	1,425	1,437	1,448	1,460	1,472	1,483	1,495
	Industrial								
	Start of Year	611	613	614	616	618	620	621	623
	Increase	2	2	2	2	2	2	2	2
	End of Fiscal Year	613	614	616	618	620	621	623	625
	Public								
	Start of Year	820	845	870	894	919	944	969	994
	Increase	25	25	25	25	25	25	25	25
	End of Fiscal Year	845	870	894	919	944	969	994	1,018
	Total								
	Start of Year	5,342	5,411	5,479	5,548	5,617	5,686	5,754	5,823
	Increase	69	69	69	69	69	69	69	69
	End of Fiscal Year	5,411	5,479	5,548	5,617	5,686	5,754	5,823	5,892
	Annual Growth Rate	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%

[1] Town of Fountain Hills Land Use Report, 2012.

[2] Maricopa Association of Governments (MAG) Socioeconomic Projections of Population, Housing and Employment and Municipal Planning Area and Regional Analysis Zone. Excludes "other" employment category of work-at-home and non-site based employment. Annual projections based on ten-year increment employee projections.

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
GENERAL INPUT SCHEDULE

Description		FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
3.	Population Data [1]	30,311	31,142	31,142	31,142	31,142	31,142	31,142
	Percent Change From Prior Year	1.89%	2.74%	0.00%	0.00%	0.00%	0.00%	0.00%
	Employment [2]							
	Retail							
	Start of Year	2,754	2,784	2,815	2,851	2,886	2,922	2,957
	Increase	31	31	36	36	36	36	36
	End of Fiscal Year	2,784	2,815	2,851	2,886	2,922	2,957	2,993
	Office							
	Start of Year	1,495	1,506	1,518	1,538	1,558	1,578	1,598
	Increase	12	12	20	20	20	20	20
	End of Fiscal Year	1,506	1,518	1,538	1,558	1,578	1,598	1,618
	Industrial							
	Start of Year	625	626	628	631	634	637	640
	Increase	2	2	3	3	3	3	3
	End of Fiscal Year	626	628	631	634	637	640	643
	Public							
	Start of Year	1,018	1,043	1,068	1,085	1,102	1,118	1,135
	Increase	25	25	17	17	17	17	17
	End of Fiscal Year	1,043	1,068	1,085	1,102	1,118	1,135	1,152
	Total							
	Start of Year	5,892	5,960	6,029	6,104	6,180	6,255	6,330
	Increase	69	69	75	75	75	75	75
	End of Fiscal Year	5,960	6,029	6,104	6,180	6,255	6,330	6,406
	Annual Growth Rate	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%

[1] Town of Fountain Hills Land Use Report, 2012.

[2] Maricopa Association of Governments (MAG) Socioeconomic Projections of Population, Housing and Employment and Municipal Planning Area and Regional Analysis Zone. Excludes "other" employment category of work-at-home and non-site based employment. Annual projections based on ten-year increment employee projections.

APPENDIX B

Fire & EMS Fee Category

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
ASSETS JUNE 30, 2012

Asset ID	Description	Status	Group	Cat.	Total Equity ⁽¹⁾	Cost	Depreciation	Year	Replacement Cost	Allocated
									New ⁽¹⁾	Replacement Value
FIRE & EMERGENCY SERVICES:										
B1015	FIRE STATIONS #1 AND #2	Donated	FES	BLDG	100.00%	\$890,515	\$118,036	2001	\$1,342,943	\$1,342,943
B1017	Shea Fire Station		FES	BLDG	100.00%	\$28,200	1,692	2009	31,431	31,431
B1017	Fire Station 2 Relocation		FES	BLDG	100.00%	\$114,999	4,600	2010	124,798	124,798
I1032	FUEL STORAGE TANK STATION 1		FES	IMPR	100.00%	57,930	18,839	2001	87,361	87,361
V1053	FORD EXPEDITION (FIRE DEPT)	Donated	FES	EQUIP	100.00%	35,000	35,000	2001	52,782	52,782
V1054	MISC. EQUIPMENT TO BE IDENTIFIED	Donated	FES	EQUIP	100.00%	828,310	828,310	2001	1,249,134	1,249,134
V1054A	2001 Ford F550 4 X 4	Admin	FES	EQUIP	0.00%	40,000	\$40,000	2001	60,322	0
V1074	Ford F150	Admin	FES	EQUIP	0.00%	43,004	\$25,802	2009	47,932	0
V1077	Ford F150 - Fire Chief	Admin	FES	EQUIP	0.00%	28,829	0	2011	30,361	0
V1078	2012 Ford F550 - Project V0822	Admin	FES	EQUIP	0.00%	95,912	0	2012	98,426	0
I1049	FIRE STATION KITCHEN IMPROVEMENTS		FES	BLDG	100.00%	4,724	670	2005	6,060	6,060
I1057	FIRE STATION #1 IMPROVEMENTS		FES	BLDG	100.00%	68,218	3,420	2007	81,800	81,800
M1017	American LaFrance Ladder Truck		FES	EQUIP	100.00%	444,527	423,579	2001	670,370	670,370
M1021	SPARTAN FIRE PUMPER TRUCK		FES	EQUIP	100.00%	369,225	2,934	2008	424,409	424,409
M1023	Fire Safety Generator #1 - GENPAC 80KW		FES	EQUIP	100.00%	52,626	0	2011	55,422	55,422
M1024	Fire Safety Generator #2 - GENPAC 40KW		FES	EQUIP	100.00%	41,052	0	2011	43,233	43,233
O1040	PORTABLE ASTROS RADIOS	Grant	FES	EQUIP	100.00%	52,015	2,565	2008	59,789	59,789
O1041	Heartsmart Monitors (3)		FES	EQUIP	100.00%	51,959	32,001	2008	59,725	59,725
Total Fire & Emergency Services						\$3,247,044			\$4,526,298	\$4,289,257

[1] Based Upon ENR-CCI: September 2013

TOWN OF FOUNTAIN HILLS
 NON-UTILITY DEVELOPMENT FEE STUDY
 Capital Improvements Program

PROJECT/PROGRAM DESCRIPTION		Growth	Non-Growth	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Fire & Emergency Services - 2013 Dollars															
F4013	Fire Station 3 Construction	100.0%	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	271,000	2,496,000	\$0
F4015	Fire Station 1 Renovation	0.0%	100.0%	75,000	420,000	0	0	0	0	0	0	0	0	0	0
F4025	Portable Live Fire Training Unit	0.0%	100.0%	0	160,000	0	0	0	0	0	0	0	0	0	0
F4027	Assistance to Fire Fighters Grants - Radios	0.0%	100.0%	0	120,000	0	0	0	0	0	0	0	0	0	0
F4005	Fire Station 2 Relocation	0.0%	100.0%	0		2,110,000									
Total Fire & Emergency Services				75,000	700,000	2,110,000	0	0	0	0	0	0	271,000	2,496,000	0
Fire & Emergency Services Growth Related CIP				0	0	0	0	0	0	0	0	0	271,000	2,496,000	0
Fire & Emergency Services Non-Growth Related CIP				75,000	700,000	2,110,000	0	0	0	0	0	0	0	0	0

TOWN OF FOUNTAIN HILLS
 NON-UTILITY DEVELOPMENT FEE STUDY
 Capital Improvements Program

PROJECT/PROGRAM DESCRIPTION											ALL YEARS		
	Growth	Non-Growth	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	Growth	Non-Growth	FY 2013-32
Fire & Emergency Services - 2013 Dollars													
F4013 Fire Station 3 Construction	100.0%	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,767,000	\$0	\$2,767,000
F4015 Fire Station 1 Renovation	0.0%	100.0%	0	0	0	0	0	0	0	0	\$0	\$495,000	\$495,000
F4025 Portable Live Fire Training Unit	0.0%	100.0%	0	0	0	0	0	0	0	0	\$0	\$160,000	\$160,000
F4027 Assistance to Fire Fighters Grants - Radios	0.0%	100.0%	0	0	0	0	0	0	0	0	\$0	\$120,000	\$120,000
F4005 Fire Station 2 Relocation	0.0%	100.0%									\$0	\$2,110,000	\$2,110,000
Total Fire & Emergency Services			0	2,767,000	2,885,000	5,652,000							
Fire & Emergency Services Growth Related CIP			0	0	0	0	0	0	0	0	0		
Fire & Emergency Services Non-Growth Related CIP			0	0	0	0	0	0	0	0			

APPENDIX C

Parks and Recreation Fee Category

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
ASSETS JUNE 30, 2012

Asset ID	Description	Status	Group	Cat.	Total Equity [1]	Cost	Depreciation	Year	Replacement Cost	Allocated
									New [1]	Replacement Value
PARKS:										
B1006	GOLDEN EAGLE PARK CONTROL BUILDING		PR	BLDG	100.00%	\$381,743	\$91,765	1996	\$648,827	\$648,827
I1004	GOLDEN EAGLE PARK IMPROVEMENTS	Grant	PR	IMPR	100.00%	468,500	351,888	1993	858,947	858,947
I1005	GOLDEN EAGLE PARK IMPROVEMENTS	Grant	PR	IMPR	100.00%	528,484	370,518	1994	933,447	933,447
I1006	GOLDEN EAGLE PARK IMPROVEMENTS		PR	IMPR	100.00%	555,080	333,580	1996	943,438	943,438
I1007	GOLDEN EAGLE PARK IMPROVEMENTS		PR	IMPR	100.00%	563,915	338,890	1996	958,455	958,455
I1008	GOLDEN EAGLE PARK IMPROVEMENTS		PR	IMPR	100.00%	825,947	412,970	1998	1,332,677	1,332,677
I1027	GEP IMPROVEMENTS - STEPS		PR	IMPR	100.00%	19,784	5,951	2002	28,904	28,904
I1015	GEP COMP. CONSTRUCTION		PR	IMPR	100.00%	773,816	348,219	1999	1,219,919	1,219,919
B1009	FPNP CONTROL BUILDING		PR	BLDG	100.00%	136,640	24,648	1999	215,413	215,413
I1016	FOUR PEAKS PARK CONSTRUCTION		PR	IMPR	100.00%	581,788	261,801	1999	917,187	917,187
I1021	FOUR PEAKS IMPROVEMENTS		PR	IMPR	100.00%	15,820	3,175	2000	24,291	24,291
I1028	FPNP PLAYGROUND		PR	IMPR	100.00%	55,000	16,545	2002	80,355	80,355
L1011	FOUR PEAKS PARK		PR	LAND	100.00%	540,000	0		540,000	540,000
I1018	DVNP IMPROVEMENTS		PR	IMPR	100.00%	171,489	77,166	1999	270,352	270,352
I1019	DVNP IMPROVEMENTS		PR	IMPR	100.00%	58,980	23,592	2000	90,561	90,561
I1030	SHADE STRUCTURES - DVNP		PR	IMPR	100.00%	19,434	6,573	2001	29,307	29,307
L1012	DESERT VISTA NEIGHBORHOOD PARK		PR	LAND	100.00%	1,265,000	0		1,265,000	1,265,000
I1025	FOUNTAIN PARK IMPROVEMENTS		PR	IMPR	100.00%	1,939,388	680,380	2001	2,924,698	2,924,698
I1035	FOUNTAIN PARK LWCF	Grant	PR	IMPR	100.00%	23,731	7,753	2001	35,788	35,788
I1037	FOUNTAIN PARK PHASE II	Grant	PR	IMPR	100.00%	62,619	14,085	2004	84,067	84,067
L1006	FOUNTAIN PARK		PR	LAND	100.00%	3,582,772	0		3,582,772	3,582,772
I1037	LINCH MODULAR P&R REMODEL		PR	IMPR	100.00%	17,857	1,118	2003	25,477	25,477
I1038	VETERANS MEMORIAL CANNON PAD		PR	IMPR	100.00%	14,000	3,504	2003	19,974	19,974
M1014	PUMP CONTROL SYSTEM		PR	EQUIP	100.00%	12,524	12,524	1997	20,534	20,534
V1033	1999 DODGE PICKUP		PR	EQUIP	100.00%	24,062	24,062	1999	37,934	37,934
V1035	1999 DODGE PICKUP		PR	EQUIP	100.00%	14,706	14,706	1999	23,184	23,184
V1040	2000 CHEVY EXPRESS VAN		PR	EQUIP	100.00%	21,158	21,158	1999	33,356	33,356
I1039	SPLASH PARK IMPROVEMENTS		PR	IMPR	100.00%	23,636	2,367	2006	29,128	29,128
I1040	SHADE STRUCTURES - DVNP		PR	EQUIP	100.00%	165,705	16,570	2006	204,208	204,208
I1042	FTN PARK PHASE II IMPROVEMENTS	Grant	PR	IMPR	100.00%	811,453	162,292	2004	1,089,388	1,089,388
I1047	DVNP IMPROVEMENTS		PR	IMPR	100.00%	272,140	39,814	2005	349,111	349,111
I1050	GEP		PR	IMPR	100.00%	28,025	2,806	2006	34,537	34,537
I1051	SKATE PARK DVNP		PR	IMPR	100.00%	347,211	17,361	2007	416,339	416,339
I1059	SPLASH PARK IMPROVEMENTS		PR	IMPR	100.00%	19,895	997	2007	23,856	23,856
I1060	FOUNTAIN PARK IMPROVEMENTS		PR	IMPR	100.00%	69,404	3,480	2007	83,222	83,222
I1061	GEP ADA IMPROVEMENTS		PR	IMPR	100.00%	7,870	395	2007	9,437	9,437
I1062	DOG PARK PROJECTS P3006		PR	IMPR	100.00%	155,461	3,855	2008	178,696	178,696
I1063	FOUNTAIN PARK IMPROVEMENTS		PR	IMPR	100.00%	1,358,653	67,933	2008	1,561,715	1,561,715
I1064	DVNP IMPROVEMENTS		PR	IMPR	100.00%	1,416,421	5,902	2008	1,628,117	1,628,117
	DVNP (Desert Vista Neighborhood Park)									
I1064	Improvements		PR	IMPR	100.00%	1,162,164	174,325	2009	1,295,331	1,295,331
I1065	SHADE STRUCTURES - FPNP		PR	EQUIP	100.00%	15,580	386	2008	17,909	17,909
I1067	JOINT USE PARK		PR	IMPR	100.00%	21,046	173	2008	24,192	24,192
I1068	Botanical Garden Parking Impr		PR	IMPR	100.00%	31,345	4,702	2009	34,937	34,937
M1020	KU TRACTOR		PR	EQUIP	100.00%	27,199	2,720	2007	32,614	32,614
M1022	4X4 KAWASAKI MULE		PR	EQUIP	100.00%	7,190	597	2007	8,622	8,622
O1039	SURVEILLANCE CAMERAS		PR	EQUIP	100.00%	30,436	3,019	2008	34,985	34,985
V1059	BOAT		PR	EQUIP	100.00%	1	1		1	1
V1065	2007 FORD D150 REG CAB 4X2		PR	EQUIP	100.00%	15,174	5,055	2006	18,700	18,700
V1066	JOHN DEERE GATOR		PR	EQUIP	100.00%	6,590	2,416	2006	8,121	8,121
V1067	JOHN DEERE GATOR		PR	EQUIP	100.00%	6,590	2,416	2006	8,121	8,121
V1068	2007 FORD F250 S-DTY		PR	EQUIP	100.00%	19,089	6,360	2006	23,524	23,524
V1071	2007 FORD F150 P/U		PR	EQUIP	100.00%	18,288	3,347	2007	21,929	21,929
V1072	2007 FORD F150 P/U		PR	EQUIP	100.00%	18,288	3,347	2007	21,929	21,929
Total Parks						\$18,729,091			\$24,303,533	\$24,303,533

[1] Based Upon ENR-CCI: September 2013

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
Capital Improvements Program

PROJECT/PROGRAM DESCRIPTION		Growth	Non-Growth	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	
Parks & Recreation - 2013 Dollars																
P3008	Four Peaks Neighborhood Park Phase II & III	0.0%	100.0%	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
P3011	Fountain Park, Phase VI	0.0%	100.0%	0	825,000	675,000	0	0	0	0	0	0	0	0	0	
P3014	Community Park - Ellman Property	100.0%	0.0%	0	0	0	0	0	0	9,200,000	18,400,000	0	0	0	0	
P3022	Fountain Lake Water Quality Improvements	0.0%	100.0%	0	300,000	0	0	0	0	0	0	0	0	0	0	
P3023	New Pocket Park-West	100.0%	0.0%	0	0	0	0	0	0	0	0	0	0	713,000	0	
P3024	Urban Trail Improvements	0.0%	100.0%	50,000	20,000	20,000	20,000	20,000	0	0	0	0	0	0	0	
Total Parks & Recreation				100,000	1,145,000	695,000	20,000	20,000	0	9,200,000	18,400,000	0	0	713,000	0	
Parks & Recreation Growth Related CIP				0	0	0	0	0	0	0	0	0	0	713,000	0	
Parks & Recreation Non-Growth Related CIP				100,000	1,145,000	695,000	20,000	20,000	0	0	0	0	0	0	0	0
Parks & Recreation Improvements Developer Funded CIP				0	0	0	0	0	0	9,200,000	18,400,000	0	0	0	0	0

TOWN OF FOUNTAIN HILLS
 NON-UTILITY DEVELOPMENT FEE STUDY
 Capital Improvements Program

		ALL YEARS												
Non-														
PROJECT/PROGRAM DESCRIPTION	Growth	Growth	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	Growth	Non-Growth	FY 2013-32	
Parks & Recreation - 2013 Dollars														
P3008	Four Peaks Neighborhood Park Phase II & III	0.0%	100.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000
P3011	Fountain Park, Phase VI	0.0%	100.0%	0	0	0	0	0	0	0	0	0	1,500,000	1,500,000
P3014	Community Park - Ellman Property	100.0%	0.0%	0	0	0	0	0	0	0	0	27,600,000	0	27,600,000
P3022	Fountain Lake Water Quality Improvements	0.0%	100.0%	0	0	0	0	0	0	0	0	0	300,000	300,000
P3023	New Pocket Park-West	100.0%	0.0%	0	0	0	0	0	0	0	0	713,000	0	713,000
P3024	Urban Trail Improvements	0.0%	100.0%	0	0	0	0	0	0	0	0	0	130,000	130,000
Total Parks & Recreation				0	0	28,313,000	1,980,000	30,293,000						
Parks & Recreation Growth Related CIP				0	0	0	0	0	0	0	0	0	0	0
Parks & Recreation Non-Growth Related CIP				0	0	0	0	0	0	0	0	0	0	0
Parks & Recreation Improvements Developer Funded CIP				0	0	0	0	0	0	0	0	0	0	0

TOWN OF FOUNTAIN HILLS
 NON-UTILITY DEVELOPMENT FEE STUDY
 Capital Improvements Program

PROJECT/PROGRAM DESCRIPTION	Growth	Non-Growth	FY											
			2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Open Space - 2013 Dollars														
O7002 Adera Canyon Trailhead	100.0%	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	1,930,000	\$0	\$0	\$0	\$0
Total Open Space			0	0	0	0	0	0	0	1,930,000	0	0	0	0
Open Space Growth Related CIP			0	0	0	0	0	0	0	1,930,000	0	0	0	0
Open Space Non-Growth Related CIP			0	0	0	0	0	0	0	0	0	0	0	0

TOWN OF FOUNTAIN HILLS
 NON-UTILITY DEVELOPMENT FEE STUDY
 Capital Improvements Program

		ALL YEARS												
PROJECT/PROGRAM DESCRIPTION	Growth	Non-Growth	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	ALL YEARS		FY 2013-32	
											Growth	Non-Growth		
Open Space - 2013 Dollars														
07002 Adero Canyon Trailhead	100.0%	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,930,000	\$0	\$1,930,000
Total Open Space			0	0	0	0	0	0	0	0	0	1,930,000	0	1,930,000
Open Space Growth Related CIP			0	0	0	0	0	0	0	0	0	0	0	0
Open Space Non-Growth Related CIP			0	0	0	0	0	0	0	0	0	0	0	0

APPENDIX D

Streets CIP, Existing Debt, Revenue
Forecast and Supporting Information

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
Capital Improvements Program

PROJECT/PROGRAM DESCRIPTION	Non-		FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
	Growth	Growth												
Streets - 2013 Dollars														
S6003 Unpaved Alley Paving Projects	0.0%	100.0%	\$0	\$325,000	\$190,000	\$180,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
S6005 Shea Blvd Widening	80.0%	20.0%	100,000	3,903,000	0	0	0	0	0	0	0	0	0	0
S6008 Pavement Management Program	0.0%	100.0%	0	1,000,000	0	0	0	0	0	0	0	0	0	0
S6010 Saguaro Blvd Reconstruction	0.0%	100.0%	0	8,200,000	0	0	0	0	0	0	0	0	0	0
S6047 Shea Blvd Multiuse Path	0.0%	100.0%	50,000	50,000	366,000	0	0	0	0	0	0	0	0	0
S6053 Fountain Hills Blvd Shoulder Paving	0.0%	100.0%	60,000	336,000	0	0	0	0	0	0	0	0	0	0
S6054 Highway Safety Improvement Program	0.0%	100.0%	0	57,000	0	0	0	0	0	0	0	0	0	0
S6056 Shea Blvd. Eastbound Bike Lane and Overlay	0.0%	100.0%	0	651,000	0	0	0	0	0	0	0	0	0	0
T5011 Traffic Signal-Palisades & Saguaro upgrade	0.0%	100.0%	0	400,000	0	0	0	0	0	0	0	0	0	0
Total Streets			210,000	14,922,000	556,000	180,000	0	0	0	0	0	0	0	0
Streets Growth Related CIP			80,000	3,122,400	0	0	0	0	0	0	0	0	0	0
Streets Non-Growth Related CIP			130,000	11,799,600	556,000	180,000	0	0	0	0	0	0	0	0

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
Capital Improvements Program

PROJECT/PROGRAM DESCRIPTION											ALL YEARS		
	Growth	Non-Growth	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	Growth	Non-Growth	FY 2013-32
Streets - 2013 Dollars													
S6003 Unpaved Alley Paving Projects	0.0%	100.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$695,000	\$695,000
S6005 Shea Blvd Widening	80.0%	20.0%	0	0	0	0	0	0	0	0	3,202,400	800,600	4,003,000
S6008 Pavement Management Program	0.0%	100.0%	0	0	0	0	0	0	0	0	0	1,000,000	1,000,000
S6010 Saguaro Blvd Reconstruction	0.0%	100.0%	0	0	0	0	0	0	0	0	0	8,200,000	8,200,000
S6047 Shea Blvd Multiuse Path	0.0%	100.0%	0	0	0	0	0	0	0	0	0	466,000	466,000
S6053 Fountain Hills Blvd Shoulder Paving	0.0%	100.0%	0	0	0	0	0	0	0	0	0	396,000	396,000
S6054 Highway Safety Improvement Program	0.0%	100.0%	0	0	0	0	0	0	0	0	0	57,000	57,000
S6056 Shea Blvd, Eastbound Bike Lane and Overlay	0.0%	100.0%	0	0	0	0	0	0	0	0	0	651,000	651,000
T5011 Traffic Signal-Palisades & Saguaro upgrade	0.0%	100.0%	0	0	0	0	0	0	0	0	0	400,000	400,000
Total Streets			0	3,202,400	12,665,600	15,868,000							
Streets Growth Related CIP			0	0	0	0	0	0	0	0	0	0	0
Streets Non-Growth Related CIP			0	0	0	0	0	0	0	0	0	0	0

**TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
PROJECTED TAX AND FEE BASED REVENUES (1)**

	Estimate											
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Operating Revenues												
Local Sales Tax (recurring)	\$7,016,880	\$7,192,389	\$7,234,014	\$7,492,600	\$7,632,375	\$9,319,994	\$11,384,526	\$11,184,857	\$11,481,571	\$12,168,420	\$11,963,302	\$12,410,915
Liquor License Fees	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Business License Fees	108,960	111,305	114,644	118,083	122,807	127,719	132,828	138,141	143,667	149,413	155,390	161,605
Animal License Fees	47,365	41,006	42,646	44,352	46,126	47,971	49,890	51,886	53,961	56,120	58,364	60,699
Sign Permits	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350
Rezoning/Variance/Special Use	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Landscaping Permit Fees	1,260	1,310	1,363	1,417	1,474	1,533	1,594	1,658	1,724	1,793	1,865	1,940
Encroachment Permit Fees	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Variances	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Subdivision Fees	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Special Event Permit	1,825	2,500	500	500	500	500	500	500	500	500	500	500
Engineering/Inspection Fees	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Plan Review	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Inspection Fees	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Franchise Fees	303,000	316,400	329,056	342,218	355,907	370,143	384,949	400,347	416,361	433,015	450,336	468,349
Cellular Lease Payment	138,204	140,412	140,412	140,412	140,412	140,412	140,412	140,412	140,412	140,412	140,412	140,412
State Sales Tax	1,936,920	1,990,788	2,060,466	2,182,582	2,267,223	2,273,439	2,341,643	2,411,892	2,363,654	2,434,564	2,507,601	2,582,829
State Income Tax	2,508,960	2,634,433	2,713,466	2,819,870	2,928,716	2,936,291	2,995,016	3,054,917	3,116,015	3,178,335	3,241,902	3,306,740
Fire Insurance Premium Tax	109,769	35,000	36,050	37,492	38,992	40,551	42,173	43,860	45,615	47,439	49,337	51,310
Program Fees	124,848	144,780	148,880	153,185	157,705	162,452	104,655	109,888	115,382	121,151	127,209	133,569
Rental	82,588	94,850	98,212	101,245	104,333	107,645	110,715	113,874	117,124	120,468	123,910	127,451
Taxable Sales	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Non Taxable Rental	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
Non Taxable Fees	2,200	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Sponsorships	10,200	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Donations	300	1,000	1,000	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,369
Reimbursements/Refunds	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Auction Proceeds	1,150	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Restitution/Ins Proceeds	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Miscellaneous	18,886	19,830	20,822	21,863	22,956	24,104	25,309	26,574	27,903	29,298	30,763	32,301
Court Fines & Fees	246,420	150,012	153,012	156,072	159,194	162,378	165,625	168,938	172,316	175,763	179,278	182,864
Interest/Investment Income	61,200	62,424	64,921	67,518	70,219	73,027	75,948	78,986	82,146	85,432	88,849	92,403
OPERATING REVENUE	12,886,785	13,118,789	13,339,814	13,860,759	14,230,329	15,969,591	18,137,258	18,108,250	18,459,918	19,323,738	19,300,684	19,935,606
Building Permits	299,020	329,020	435,700	489,700	504,600	1,470,080	2,561,140	2,256,900	2,199,700	2,349,600	2,088,600	2,115,800
TOTAL ONE TIME REVENUE	299,020	329,020	435,700	489,700	504,600	1,470,080	2,561,140	2,256,900	2,199,700	2,349,600	2,088,600	2,115,800
Total General Fund Revenue	13,185,805	13,447,809	13,775,514	14,350,459	14,734,929	17,439,671	20,698,398	20,365,150	20,659,618	21,673,338	21,389,284	22,051,406
Construction Sales Tax - Rate 2.6% (2)	467,459	572,032	693,329	832,053	875,629	3,894,513	7,656,533	6,879,140	7,083,172	8,055,790	7,232,443	7,702,165
HURF Revenue projections (3)	2,049,340	2,073,383	2,134,448	2,198,529	2,263,123	2,325,224	2,395,078	2,461,348	2,535,188	2,611,244	2,689,581	2,770,269
Total	\$15,702,604	\$16,093,224	\$16,603,291	\$17,381,041	\$17,873,681	\$23,659,408	\$30,750,009	\$29,705,638	\$30,277,978	\$32,340,372	\$31,311,308	\$32,523,840

(1) Estimated by Town staff.

(2) 50% is included within the Local Sales Tax Operating revenue line-item with the remaining 50% dedicated to the Town's Capital Projects Fund.

(3) HURF revenues include Vehicle License Tax revenues. Revenues within this fund are dedicated to the Town's Street Maintenance Fund.

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
EXISTING DEBT SERVICE-PRINCIPAL AND INTEREST

Description	Principal Excluded from Total Assets	Category (1)	Outstanding Principal (6/30/12)	Interest	Maturity	Projected					
						FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Gen. Obligation - (Refunding) Streets	YES	STR-PT	960,355	3.80%	2020	\$209,327	\$205,819	\$208,347	\$96,600	\$97,436	\$99,129
Gen. Obligation - (Refunding) Land Acq. Lake	YES	OS-PT	367,600	3.80%	2020	80,125	78,783	79,750	36,976	37,296	37,944
Gen. Obligation - (Refunding) Library/Museum	YES	LIB-PT	1,089,015	3.80%	2020	237,370	233,393	236,259	109,541	110,489	112,409
Gen. Obligation - (Refunding) Mtn. Bonds	YES	OS-PT	2,178,030	3.80%	2020	474,741	466,786	472,519	219,083	220,979	224,818
Revenue - Community Center	NO	GG	230,000	5.40%	2013	236,038	-	-	-	-	-
Revenue - Mtn. Bonds Sales Tax MPC	YES	OS-PT	775,000	4.70%	2021	401,250	409,000	-	-	-	-
Revenue - Civic Center	YES	GG-PT	2,410,000	4.50%	2020	340,413	345,194	349,038	357,138	359,113	364,938
Revenue - (Refunding) Community Center	NO	GG	1,734,360	4.00%	2021	161,476	254,349	421,096	421,484	196,910	151,980
Revenue - (Refunding) Mtn. Bonds Sales Tax MPC	YES	OS-PT	2,735,640	4.00%	2021	254,699	401,189	664,204	664,816	310,590	239,720
Special Assessment - Refunded 2005 (A / B)	NO	PR	3,630,000	3.95%	2022	409,010	408,323	411,785	409,385	411,485	408,085
Total						2,804,448	2,802,835	2,842,998	2,315,023	1,744,298	1,639,023

(1) PT indicates exclusion of debt service within development fee calculations.
Other debt issues are treated as having a non-dedicated funding source and are included in their respective development fee calculations.

TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
EXISTING DEBT SERVICE-PRINCIPAL AND INTEREST

Description	Principal Excluded from Total Assets	Category (1)	Projected								
			FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Gen. Obligation - (Refunding) Streets	YES	STR-PT	\$99,589	\$66,086	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gen. Obligation - (Refunding) Land Acq. Lake	YES	OS-PT	38,120	25,296	-	-	-	-	-	-	-
Gen. Obligation - (Refunding) Library/Museum	YES	LIB-PT	112,931	74,939	-	-	-	-	-	-	-
Gen. Obligation - (Refunding) Mtn. Bonds	YES	OS-PT	225,861	149,879	-	-	-	-	-	-	-
Revenue - Community Center	NO	GG	-	-	-	-	-	-	-	-	-
Revenue - Mtn. Bonds Sales Tax MPC	YES	OS-PT	-	-	-	-	-	-	-	-	-
Revenue - Civic Center	YES	GG-PT	374,750	383,438	-	-	-	-	-	-	-
Revenue - (Refunding) Community Center	NO	GG	144,724	147,052	116,749	-	-	-	-	-	-
Revenue - (Refunding) Mtn. Bonds Sales Tax MPC	YES	OS-PT	228,276	231,948	184,151	-	-	-	-	-	-
Special Assessment - Refunded 2005 (A / B)	NO	PR	409,185	409,685	409,393	408,250	-	-	-	-	-
Total			1,633,435	1,488,323	710,293	408,250	-	-	-	-	-

(1) PT indicates exclusion of debt service within development fee calculations.
Other debt issues are treated as having a non-dedicated funding source and are included in their respective development fee calculations.

TOWN OF FOUNTAIN HILLS
 NON-UTILITY DEVELOPMENT FEE STUDY
 EXISTING DEBT SERVICE-PRINCIPAL AND INTEREST

Description	Principal Excluded from Total Assets	Category (1)	Projected							
			FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35
Gen. Obligation - (Refunding) Streets	YES	STR-PT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gen. Obligation - (Refunding) Land Acq. Lake	YES	OS-PT	-	-	-	-	-	-	-	-
Gen. Obligation - (Refunding) Library/Museum	YES	LIB-PT	-	-	-	-	-	-	-	-
Gen. Obligation - (Refunding) Mtn. Bonds	YES	OS-PT	-	-	-	-	-	-	-	-
Revenue - Community Center	NO	GG	-	-	-	-	-	-	-	-
Revenue - Mtn. Bonds Sales Tax MPC	YES	OS-PT	-	-	-	-	-	-	-	-
Revenue - Civic Center	YES	GG-PT	-	-	-	-	-	-	-	-
Revenue - (Refunding) Community Center	NO	GG	-	-	-	-	-	-	-	-
Revenue - (Refunding) Mtn. Bonds Sales Tax MPC	YES	OS-PT	-	-	-	-	-	-	-	-
Special Assessment - Refunded 2005 (A / B)	NO	PR	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-	-

(1) PT indicates exclusion of debt service within development fee calculations.
 Other debt issues are treated as having a non-dedicated funding source and are included in their respective development fee calculations.

**TOWN OF FOUNTAIN HILLS
NON-UTILITY DEVELOPMENT FEE STUDY
ENR-CCI**

Area	Year	Period	Index Source	ENR-CCI Index	ENR-CCI Ratio
United States	2013	Annual	ENR Construction Cost Index	9552	1.000
United States	2012	Annual	ENR Construction Cost Index	9308	1.026
United States	2011	Annual	ENR Construction Cost Index	9070	1.053
United States	2010	Annual	ENR Construction Cost Index	8802	1.085
United States	2009	Annual	ENR Construction Cost Index	8570	1.115
United States	2008	Annual	ENR Construction Cost Index	8310	1.149
United States	2007	Annual	ENR Construction Cost Index	7966	1.199
United States	2006	Annual	ENR Construction Cost Index	7751	1.232
United States	2005	Annual	ENR Construction Cost Index	7446	1.283
United States	2004	Annual	ENR Construction Cost Index	7115	1.343
United States	2003	Annual	ENR Construction Cost Index	6695	1.427
United States	2002	Annual	ENR Construction Cost Index	6538	1.461
United States	2001	Annual	ENR Construction Cost Index	6334	1.508
United States	2000	Annual	ENR Construction Cost Index	6221	1.535
United States	1999	Annual	ENR Construction Cost Index	6059	1.576
United States	1998	Annual	ENR Construction Cost Index	5920	1.614
United States	1997	Annual	ENR Construction Cost Index	5826	1.640
United States	1996	Annual	ENR Construction Cost Index	5620	1.700
United States	1995	Annual	ENR Construction Cost Index	5471	1.746
United States	1994	Annual	ENR Construction Cost Index	5408	1.766
United States	1993	Annual	ENR Construction Cost Index	5210	1.833
United States	1992	Annual	ENR Construction Cost Index	4985	1.916
United States	1991	Annual	ENR Construction Cost Index	4835	1.976
United States	1990	Annual	ENR Construction Cost Index	4732	2.019
United States	1989	Annual	ENR Construction Cost Index	4615	2.070
United States	1988	Annual	ENR Construction Cost Index	4519	2.114
United States	1987	Annual	ENR Construction Cost Index	4406	2.168
United States	1986	Annual	ENR Construction Cost Index	4295	2.224
United States	1985	Annual	ENR Construction Cost Index	4195	2.277
United States	1984	Annual	ENR Construction Cost Index	4146	2.304
United States	1983	Annual	ENR Construction Cost Index	4066	2.349
United States	1982	Annual	ENR Construction Cost Index	3825	2.497
United States	1981	Annual	ENR Construction Cost Index	3535	2.702
United States	1980	Annual	ENR Construction Cost Index	3237	2.951