

Memorandum

To: Board of Directors
Truckee-Donner Recreation and Park District

From: Blair E. Aas, Director of Planning Services
SCI Consulting Group

Date: June 28, 2018

Subject: Park Impact Fee Inflationary Adjustment

This memorandum serves to determine the inflationary adjustment to the Truckee-Donner Recreation and Park District ("District") park impact fee for 2018.

Background

Since 1996, the Town of Truckee and Nevada County have imposed a park impact fee on new residential construction on behalf of the District. The purpose of the park impact fee is to fund the one-time cost of expanding the District's park and recreational facilities in order to maintain its existing level of service. The legal and policy basis for imposing the park impact fee is supported by the District's Park Impact Fee Nexus Study which was approved by the District Board in 2013 and later adopted by the Truckee Town Council and the Nevada County Board of Supervisors.

Since 2013, the park impact fee has been adjusted twice for cost inflation – by 5.03% for a two-year period in 2016 and by 3.47% in 2017. Annual or periodic updates are important to ensure that park impact fee revenue will keep pace with changes in park and recreation facility construction costs.

The District's current park impact fee is \$1.86 per square foot for new single-family housing and \$2.67 per square foot for new multi-family housing. The current park impact fee was approved by the District Board on May 25, 2017, by Resolution No. 2017-261 and later adopted by the Nevada County Board of Supervisors on July 27, 2017 (by Resolution No. 17-367) and by the Truckee Town Council on August 8, 2017 (Resolution No. 2017-40).

Net Percentage Change in Annual Average Engineering News-Record 20-Cities Construction Cost Index

Pursuant to District Board Resolution 2013-237, the park impact fee is to be adjusted by the net percentage change (April to March) in the average monthly Engineering News-Record 20-Cities Construction Cost Index ("ENR CCI"). The ENR CCI was used to adjust the District's park impact fee in 2016 and 2017.

The average monthly ENR CCI from April 2016 thru March 2017 (10439) to April 2017 thru March 2018 (10816) is 3.61%

Proposed Park Impact Fee Adjustment

The District's park impact fee is proposed to be adjusted by 3.61% based on the percentage change in the average monthly ENR CCI discussed previously. The current and proposed adjusted park impact fee are shown in the table below.

Proposed Adjusted Park Impact Fee

Land Use	Unit	Current Park Impact Fee per Unit ¹	Inflationary Adjustment ²	Proposed Park Impact Fee per Unit
Single Family Housing	BSQFT	\$1.86	3.61%	\$1.93
Multi-family Housing	BSQFT	\$2.67	3.61%	\$2.77

Notes:

¹ Approved by the TDRPD Board of Directors on May 25, 2017 (Resolution No. 2017-261); adopted by the Nevada County Board of Supervisors on June 27, 2017 (Resolution No. 17-367); adopted by the Truckee Town Council on August 8, 2017 (Resolution No. 2017-40).

² Based upon the percentage change in average monthly ENR CCI 20-Cities from April 2016 thru March 2017 (10439) to April 2017 thru March 2018 (10816).

It is recommended that the District Board approved the adjusted park impact fee and formally request that Truckee Town Council and Nevada County Board of Supervisors adopt the adjusted fee on behalf of the District.

Should you need anything further, please let me know



Blair E. Aas
Director of Planning Services

Attachments: Resolution No. 2017-261 Approving the Inflationary Adjusted Fee in 2017
TDRPD Park Impact Fee Nexus Study, October 2013