



Twin Falls Development Impact Fee Advisory Committee & Improvement Reimbursement Commission Minutes

Thursday, December 8, 2022, 12:00 PM

203 Main Avenue East
Twin Falls, ID 83301

COUNCIL CHAMBERS

Members: Tom Frank - Chairman, Kevin Grey, Colby Ricks, Gerardo Munoz, Seth Watte, and David Thibault

Council Liaison: Christopher Reid

1) **Confirmation of Quorum/Call Meeting to Order**

Chairman Frank called the meeting to order at 12:03 PM

A quorum was present.

Members Present: Frank, Thibault, Watte, Munoz, Grey, Ricks

Staff Present: Spendlove, Ebersole, Howard, Vitek, Fehringner, Humble

2) **Consent Calendar**

MOTION: Gerardo Munoz moved to approve the Consent Calendar, as presented.

Colby Ricks seconded the motion.

Motion Approved Unanimously by a vote of 6-0.

a) Approval of Minutes from the following meeting: December 9, 2021

3) **Introduction of New Members**

4) **Review of Member Terms**

a) List of Committee Member Terms

5) **Election of Officers**

Commissioner Munoz made a motion to nominate Commissioner Frank to continue as Chairman.

Commissioner Grey seconded the nomination.

Motion Approved Unanimously by a vote of 6-0.

Commissioner Munoz made a motion to nominate Commissioner Grey to continue as Vice Chairman.

Commissioner Frank seconded the nomination.

Motion Approved Unanimously by a vote of 6-0.

6) Impact Fee Items

- a) Review, Discussion and Action on the Annual Financial Report, and Impact Fee Program for FY 2022.

Staff Presentation:

Planning and Zoning Director Spendlove reviewed the expenditures using Impact Fees over the last year.

He explained that the trail section was part of the last MAVTEC's projects.
He reviewed the bank account balances.

He explained the fire station construction, and how the impact fees will be used for Fire Station #2, under construction now.

He reviewed potential upcoming projects to use Impact Fees.

Questions/Discussion:

- Commissioner Thibault asked a question regarding the streets funds and how the funds will be used.
- Planning and Zoning Director Spendlove stated how eligible projects are chosen and approved, and the funds are collected and spent.
- Commissioner Grey asked if any type of intersection improvement can be paid by impact fees.
- Planning and Zoning Director Spendlove stated if it improves the efficiency of the intersection and increases capacity for cars and/or people, an intersection improvement can be an eligible project for impact fees.
- Commissioner Grey stated his concern for the curve at Eastland Drive and Pole Line Road East.
- Planning and Zoning Director Spendlove explained the plan is to have a signal at Eastland Drive and Cheney Drive East to help improve the traffic flow in the area.
- Commissioner Munoz asked if impact fees could be used for a raised crosswalk.
- Planning and Zoning Director Spendlove explained it could be a possibility, with enough information and backing, but is not aware of anyone in Idaho using Impact fees for a raised crosswalk.
- Planning and Zoning Director Spendlove explained the park extension plans using impact fee funds, including the Vista Bonita Park expansion.
- Planning and Zoning Director Spendlove reviewed the commission's responsibility on a recommendation to City Council.
- Commissioner Munoz asked about the approval of fee increase and changing the standards as how to raise impact fees.
- Planning and Zoning Director Spendlove explained it is the next item on agenda.

Motion:

Commissioner Ricks made a motion to approve the annual Impact Fee Financial Report, including

finding of the program being fair and equitable in terms of implementation of the Capital Improvement Plan and the position of the Development Impact fees.
Commissioner Thibault seconded the motion.

Motion Approved Unanimously by a vote of 6-0.

b) Recommendation to City Council on inflationary adjustment to Impact Fees.

Staff Presentation:

Planning and Zoning Director Spendlove explained what the commission recommends to council regarding an increase to fees. The city code states there is an automatic increase based on the MCI, based on the city's cost of doing business (including labor and materials). He stated the proposed automatic increase for 2021-2022 is 8%. He gave the commission their parameters for their recommendation to City Council on the Impact Fee increase.

Questions/Discussion:

- Commissioner Munoz asked for previous years increase.
- Planning and Zoning Director Spendlove stated last year's increase was 11.4%.
- Commissioner Watte asked if last year's increase was a catchup from previous years.
- Planning and Zoning Director Spendlove stated there were two things that happened, new valuations for city projects and the increase occurred based on the MCI and the inflation rate. He stated the city's impact fees collected are in the bottom third of other cities fees.
- Vice Chair Grey recapped how last year's recommendation was determined and asked if there was an issue with that now.
- Planning and Zoning Director Spendlove stated by having the increase correlates to the cost of the projects. He explained the commission can also recommend a starting date for the increase.
- Commissioner Watte asked if there was a building permit drop with last year's fee increase.
- Planning and Zoning Director Spendlove stated there was an overall permit reduction, but not due to the fee increase.
- Commissioner Munoz shared his concern over raising the fees too high.
- Commissioner Thibault discussed the fee increase across the board in 2021, and another increase in January 2022. He shared the significance to builders of raising the fees too high. He stated he is not in favor of an increase this year, due to the current economic landscape.
- Planning and Zoning Director Spendlove addressed the fee increase decision this year, and he stated they are not looking to change application fees now, and will revisit in August 2023.
- Chairman Frank stated he does not want to get too far behind on the fees.
- Commissioner Munoz stated the inflationary index should be a fair assessment, and believes a fee change is needed, but not unfair to the builders. He believes there needs to be an increase to keep up with inflation.
- Planning and Zoning Director Spendlove reiterated the recommendation to council options.

- Chairman Frank asked if there is an option to do nothing.
- Planning and Zoning Director Spendlove stated the commission can make a recommendation not to increase fees.
- Commissioner Watte would like to see continued growth in Twin Falls, but not see the fees increase so much, as to make builders move on to other cities.
- Commissioner Thibault stated, as a business owner, he is not increasing his employees' wages or his costs by 8%.
- Commissioner Grey gave his input and asked if there are any city projects not being paid for at this time.
- Chairman Frank shared as a homeowner; he has an expectation of base level city services.
- Planning and Zoning Director Spendlove stated the fire stations are more expensive than originally thought and it is costing more money to do the city projects.
- Commissioner Munoz concerned about the trickle-down effect if there is no increase this year.
- Commissioner Watte suggested capping the fee increase at 8%.
- Commissioner Ricks stated there has been an interest rate increase affecting homeowners. He stated on commercial projects, he is not seeing pricing come down yet. He stated he thinks there needs to be an increase, but to put a cap on the maximum increase allowed.
- Chairman Frank stated he has seen many proposed city projects, but there is no money. He stated he would support a fee increase with a cap.

Motion #1

Commissioner Watte made a motion to recommend to City Council to raise the impact fees to the MCI, not to exceed the 8% increase.

Commissioner Munoz seconded the motion, then rescinded his second.

Discussion ensued regarding the motion.

Motion Failed by no vote.

Motion #2

Commissioner Thibault made a motion to recommend to City Council to raise the impact fees to a maximum of 5% year over year.

Commissioner Ricks seconded the motion.

Discussion ensued regarding the motion.

Motion failed by a vote of 3-3.

Discussion ensued regarding a new motion.

Motion #3

Commissioner Munoz made a motion to recommend to City Council to approve the MCI index, not to exceed a 6% increase.

Commissioner Grey seconded the motion.

Discussion ensued regarding the motion.

Motion passed by a vote of 5-1.

7) Improvement Reimbursement Items

none

8) General Input/Announcements - Public/Staff

9) Upcoming Meeting(s)

If needed, there will be a commission meeting in the Spring of 2023. If no meeting needed, the annual meeting will take place in the Fall of 2023.

10) Adjournment

The meeting adjourned at 01:14 PM

Kelli Ebersole

Kelli Ebersole, City Planner