BELLA VISTA
A place to call home

MEETING: **CITY COUNCIL SPECIAL WORK SESSION**
DATE AND TIME: **Thursday July 8, 2021 at 3:00PM**
Bella Vista City Hall Conference Room

I. **CALL TO ORDER:** This meeting has given public notice in accordance with the Section 25-19-106 of the Freedom of Information Act, in such form that will apprise the public and news media of subject matter that up for consideration and action.

II. **ATTENDANCE:** Council Members John Flynn, Jerry Snow, James Wozniak, Larry Wilms, Doug Fowler and Steven Bourke. Mayor Peter Christie, Staff Attorney Jason Kelley and City Clerk Wayne Jertson.

III. **NEW BUSINESS:**

A. ORDINANCE NO- ADOPTING PROCEDURES FOR THE IMPOSITION, CALCULATION, COLLECTION, EXPENDITURE AND ADMINISTRATION OF IMPACT FEES TO BE IMPOSED ON NEW DEVELOPMENT; PROVIDING A PURPOSE AND INTENT; PROVIDING DEFINITIONS; PROVIDING GENERAL PROVISIONS AND APPLICABILITY; PROVIDING FOR THE INITIAL ADOPTION OF IMPACT FEES; PROVIDING FOR THE ESTABLISHMENT OF IMPACT FEE ACCOUNTS; PROVIDING FOR THE APPROPRIATION OF IMPACT FEE FUNDS; PROVIDING FOR REFUNDS; PROVIDING FOR APPEALS; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND FOR OTHER PURPOSES.

ADJOURNMENT

*** Please note: Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, please contact the City Clerk at 479-876-1255.

ORDINANCE NO. _____

CITY OF BELLA VISTA, ARKANSAS

ADOPTING PROCEDURES FOR THE IMPOSITION, CALCULATION, COLLECTION, EXPENDITURE AND ADMINISTRATION OF IMPACT FEES TO BE IMPOSED ON NEW DEVELOPMENT; PROVIDING A PURPOSE AND INTENT; PROVIDING DEFINITIONS; PROVIDING GENERAL PROVISIONS AND APPLICABILITY; PROVIDING FOR THE INITIAL ADOPTION OF IMPACT FEES; PROVIDING FOR THE ESTABLISHMENT OF IMPACT FEE ACCOUNTS; PROVIDING FOR THE APPROPRIATION OF IMPACT FEE FUNDS; PROVIDING FOR REFUNDS; PROVIDING FOR APPEALS; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND FOR OTHER PURPOSES

WHEREAS, the City is authorized to establish and impose impact fees on new development to finance public facilities necessitated by such development; and

WHEREAS, the City has studied the necessity for and implications of the adoption of impact fees for various public facilities; and

WHEREAS, the City Council has found and determined that most impact fees will have certain common characteristics and, therefore, will benefit from the adoption and use of a uniform procedure for the imposition, calculation, collection, expenditure, and administration of impact fees; and

WHEREAS, the use of uniform procedures, to the extent possible, will be more efficient and expedient for both the City and development applicants than separate procedures for each impact fee; and

WHEREAS, the use of uniform procedures will simplify the implementation and administration of impact fees; and

WHEREAS, the use of uniform procedures will best ensure that impact fees are "earmarked" and expended for the public facilities for which they are imposed and collected; and

WHEREAS, all monies collected from impact fees shall be deposited in interest-bearing accounts which clearly identify the category, account, fund, and public facility for which such fee was imposed; and

WHEREAS, each such category, fund, or account shall be accounted for separately; and

WHEREAS, any interest or other income earned on monies deposited in the interest-bearing accounts shall be credited to the account; and

WHEREAS, the City Council has determined that impact fees are appropriate for funding public facilities;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLA VISTA, ARKANSAS:

SECTION 1: PURPOSE AND INTENT.

The purposes and intent of this Ordinance is to:

A. Establish uniform procedures for the imposition, calculation, collection, expenditure, and administration of impact fees imposed on new development;

B. Implement the goals, objectives, and policies of the City of Bella Vista relating to assuring that new development contributes its fair share towards the costs of public facilities reasonably necessitated by such new development;

C. Ensure that new development is benefitted by the provision of the public facilities funded, in whole or in part by the impact fees;

D. Ensure that all applicable legal standards and criteria are properly incorporated in these procedures.

SECTION 2: DEFINITIONS.

The words or phrases used in this Ordinance shall have the meaning prescribed in the current City of Bella Vista Code except as otherwise indicated in this section. To the extent that the definitions of words, terms or phrases as prescribed in Ark. Code Ann. § 14-56-103, as amended, conflict with the definition of words, terms or phrases as defined in this Ordinance or other City ordinances, the provisions of Ark. Code Ann. § 14-56-103, as amended, shall control.

Capital Plan means a description of new public facilities or of new capital improvements to existing public facilities or of previous capital improvements to public facilities that continue to provide capacity available for new development that includes cost estimates and capacity available to serve new development.

City means the City of Bella Vista, Arkansas.

Development means any residential, multifamily, commercial, or industrial improvements to lands within the City.

Development Impact Fee means a fee or charge imposed the City upon or against a development in order to generate revenue for funding or for recouping expenditures of the City that are reasonably attributable to the use and occupancy of the development. A fee or charge imposed for this purpose is a "development impact fee" regardless of what the fee or charge is named. "Development impact fee" shall not include:

(i) Any ad valorem real property taxes;

(ii) Any special assessments for an improvement district;

(iii) Any fee for making the physical connection for utility services or any fee to recover the construction costs of the line to which the connection is made;

(iv) Any fees for filing development plats or plans for building permits or for construction permits assessed by the City that are approximately equal to the cost of the plat, plan, or permit review process to City;

(v) Any fee paid according to a written agreement between the City and a developer for payment of improvements contained within the agreement.

Public Facilities means public-owned facilities that are one (1) or more of the following systems or a portion of those systems:

1. Police or public safety;

2. Fire protection; and

3. Library collection materials.

Director: The Director of the Department of Community Development Services or a designee.

District or Impact Fee District: A defined geographic area or subarea of the City which serves as the service area within which particular impact fees are collected, appropriated, and expended for public facility system improvements that are identified in the capital improvement plan for the public facility.

State means the State of Arkansas.

SECTION 3. DEVELOPMENT IMPACT FEE SCHEDULE

A. Residential Development Impact Fee Schedule.

1. Residential Development Impact Fee Schedule Table

Residential Development	Fees per Unit			
Development Type	Fire/EMS	Police	Library	Total
Single Family	$788	$302	$54	$1,143
Multifamily	$428	$164	$27	$619

B. Nonresidential Development Impact Fee Schedule.

1. Nonresidential Development Impact Fee Schedule Table

Nonresidential Development	Fees per 1,000 square feet			
Development Type	Fire/EMS	Police	Library	Total
Commercial	$2,992	$298	$54	$3,344
Multifamily	$595	$59	$37	$692
Office/Institutional	$1,169	$117	$68	$1,354

SECTION 4. GENERAL PROVISIONS; APPLICABILITY.

A. Term. These procedures shall remain in effect unless and until repealed, amended or modified by the City Council in accordance with applicable State law and City ordinances and resolutions.

B. Annual Review.

1. At least once every year not later than January 1st and prior to City Council adoption of the Annual Budget and Capital Improvements Program, the Mayor or a designee shall coordinate the preparation and submission of a report on the subject of impact fees.

2. The report shall include the following:

   a. recommendations on amendments, if appropriate, to these procedures or to specific ordinances adopting impact fees for particular public facilities;

   b. proposed changes to City policies and/or an applicable Capital Improvements Program, or the capital improvement plan for the particular public facility, including the identification of public facility system improvements anticipated to be funded wholly or partially with impact fees;

   c. proposed changes to the boundaries of impact fee districts or subdistricts, as appropriate;

d. proposed changes to impact fee schedules as set forth in the ordinances imposing and setting specific impact fees;

e. proposed changes to level of service standards;

f. proposed changes in the impact fee calculation methodology;

g. other data, analysis, or recommendations as the Mayor or a designee may deem appropriate, or as may be requested by the City Council.

3. **Submission of Impact Fee Annual Report and City Council Action.** The Mayor or a designee shall submit the Impact Fee Annual Report to the City Council, which shall receive the Report and take such actions as it deems appropriate, including but not limited to requesting additional data or analyses and holding public workshops and/or public hearings.

C. Affected Area.

1. **Impact Fee Districts.** Impact fees may be imposed on new development in the City for particular public facilities authorized by state law. The particular impact fees may be divided into Impact Fee Districts (and subdistricts) by the City Council for purposes of expenditure of impact fees funds.

D. Type of Development Affected. These Procedures shall apply to all new development as defined in this Ordinance and as defined in the applicable Fee-Setting Ordinances.

E. Type of Development Not Affected. The requirements of this Ordinance and the applicable Fee-Setting Ordinances shall not apply to:

1. **Building Permits.** New development for which a building permit has been issued prior to the effective date of these Procedures, as amended.

2. **Previous Payment of Impact Fees.** New development for which impact fees have been paid in full.

3. **Public Facilities Provided by the State of Arkansas or the Federal Government.** The development of public facilities by the State of Arkansas or the Federal government.

4. **No Net Increase in Dwelling Units.** New residential development which does not add a new dwelling unit.

5. **No Net Increase in Non-Residential Square Footage.** New nonresidential development which does not add square footage of floor area.

6. **Construction Trailer or Office during Construction**. The placement of a construction trailer or office on a lot during the period of construction on the lot.

7. **Use Accessory to Residential Uses.** Adding uses that are typically accessory to residential uses, such as a tennis club or clubhouse, unless it is clearly demonstrated that the use creates a significant impact on the demand for a particular public facility.

8. **Other Uses.** A use, development, project, structure, building, fence, sign, or other activity which does not result in an increase in the demand for a public facility system improvement for which impact fees are imposed and collected in accordance with this Ordinance and the applicable Fee-Setting Ordinances.

F. Effect of Payment of Impact Fees on Other Applicable City Land Development Regulations

1. The payment of impact fees shall not entitle the applicant to a development permit unless all other applicable requirements, standards, and conditions of approval have been met. Such other requirements, standards, and conditions of approval are independent of the requirement for payment of impact fees.

2. Neither these Procedures or the applicable Fee-Setting Ordinances shall affect, in any manner, the use of property, density/intensity of development, design and improvement standards or other applicable standards or requirements of the City land and development regulations.

G. Amendments. This Ordinance, and any applicable Fee-Setting Ordinances for any particular public facilities may be amended from time to time by the City Council.

SECTION 5. PROCEDURES FOR IMPOSITION, CALCULATION AND COLLECTION OF IMPACT FEES.

A. In General. An applicant shall be notified by the City of the applicable impact fee requirements at the time of application for a building permit, and calculated and paid prior to issuance of a building permit.

B. Calculation.

1. Upon receipt of an application for a building permit, the Director shall determine (a) whether it is a residential or non-residential use; (b) the specific category (type) of residential or non-residential development, if applicable; (c) if residential, the number of new dwelling units; (d) if non-residential, the number of new or additional square feet of floor area and the proposed use; and (e) the Impact Fee District(s) in which the new development is located. After making these determinations, the Director shall calculate the impact fees due. If the applicant has requested an offset pursuant to Section 5(C), the offset shall be calculated and subtracted from the impact fees due.

2. If the type of land use proposed for new development is not expressly listed in the specific Fee-Setting Impact Fee Ordinance, the Director shall (a) identify the most similar land use type listed and calculate the impact fees based on the fees for that land use, or (b) identify the broader land use category within which the specific land use

would apply and calculate the impact fees based on the impact fees for that land use category.

3. An applicant may request a non-binding estimate of impact fees due from the Director for a particular new development at any time. The estimate may change depending on the time a formal application for a building permit is submitted.

4. The calculation of impact fees due from a multiple-use new development shall be based upon the fees due for each use.

5. The calculation of impact fees due from phased development shall be based upon the demand generated by each specific use of the phase of the development.

C. Offsets.

1. Offsets against the amount of impact fees due from a new development may be provided by an applicant for the dedication of land and/or the provision of public facility system improvements that are identified in the capital improvement plan for the particular public facility. if either (a) the costs of such land or public facilities have been included in the capital improvement plan for the public facility or the impact fee calculation methodology, or (b) the land dedicated is determined by the Director to be a reasonable substitute for the cost of public facilities which are included in the capital improvement plan and applicable impact fee calculation methodology.

2. Applications for offsets shall be made on forms provided by the Director and shall be submitted concurrent or prior to an application for building permit. The application for an offset shall be accompanied by evidence establishing the eligibility of the applicant for the offset. The Director shall calculate the applicable impact fees without the offset and then determine whether an offset is due and, if so, the amount of the offset. The offset shall be applied against the impact fees due. In no event shall an offset be granted in an amount exceeding the impact fees due.

3. Offsets for dedication of land or provision of public facility system improvements that are identified in the capital improvement plan shall be applicable only as to impact fees imposed for the same types of public facilities. Even if the value of the dedication of land or provision of a public facility exceeds the impact fees due for the type of public facility, the excess value may not be transferred to impact fees calculated as due from the applicant for other types of public facilities, nor may the excess value be transferred to other applicants or properties.

D. Collection

1. The Director shall collect all applicable impact fees no later than the issuance of a certificate of occupancy unless:

   a. the applicant is determined to be entitled to a full offset; or

b. the applicant has been determined to be not subject to the payment of impact fees; or

c. the applicant has taken an appeal pursuant to Section 7, and a bond or other surety in the amount of the impact fee, as calculated by the Director, has been posted with the City.

SECTION 6. ESTABLISHMENT OF IMPACT FEE ACCOUNTS; APPROPRIATION OF IMPACT FEE FUNDS; AND REFUNDS.

A. Impact Fee Accounts. An Impact Fee Account is established by the City for each public facility for which impact fees are imposed. Such accounts shall clearly identify the category, account, or fund for which the impact fees are imposed. Subaccounts may be established for individual Impact Fee Districts and subdistricts. All impact fees collected by the City shall be deposited into the appropriate Impact Fee Account or subaccount, which shall be interest bearing. All interest earned or monies deposited to the accounts or subaccounts shall be credited to and be considered funds of the account. The funds of each account shall not be commingled with other funds or revenues of the City. The City shall establish and implement necessary accounting controls to ensure that the impact fee funds are properly deposited, accounted for, and appropriated in accordance with these Procedures, and any other applicable legal requirements.

B. Appropriation of Impact Fee Funds

1. **In General.** Impact fee funds may be appropriated for public facilities identified in the capital improvement plan of the public facility and for the payment of principal, bonds, contracts, and other obligations issued by or on behalf of the City or other applicable service providers to finance such public facilities.

2. **Restrictions on Appropriations.** Impact fees shall be appropriated only (a) for the public facility for which they were imposed, calculated, and collected and (b) within the Impact Fee District or subdistrict where collected. They shall be appropriated and expended within seven (7) years of the date they were scheduled to be expended in the capital improvements plan. Impact fees shall not be appropriated or expended for funding maintenance or repair of public facilities nor for operational or personnel expenses associated with the provision of the public facility.

3. **Appropriation of Impact Fee Funds Outside of District or Subdistrict Where Collected.** Impact fee funds may be appropriated for a public facility located outside of the district or subdistrict where collected, if the demand for the public facility is generated in whole or in part by the new development or if the public facility will serve the new development.

C. Procedure for Appropriation of Impact Fee Funds.

1. The City shall each year identify public facility projects anticipated to be funded in whole or in part with impact fees. The public facility recommendations shall be based upon the impact fee annual review set forth in Section 4(B) and such other information

as may be relevant, but shall not be part of the annual budget and capital improvements programming process.

2. The recommendations shall be consistent with the provisions of these Procedures, the Fee-Setting Impact Fee Ordinance for the public facility, applicable legal requirements, and any guidelines adopted by the City Council.

3. The City Council may include impact fee funded public facilities in the City's annual budget and capital improvements program. If included, the description of the public facility shall specify the nature of the public facility, the location of the public facility, the capacity to be added by the public facility, the service area of the public facility, the need/demand for the public facility, and the anticipated timing of completion of the public facility

4. The City Council shall verify that adequate impact fee funds are or will be available from the appropriate Impact Fee Accounts for the specific public facility.

D. Refunds

1. Eligibility for Refund.

a. **Expiration or Revocation of Permit or Approval, or Demolition.** An applicant or a successor-in-interest who paid impact fees for new development for which an approval or permit has expired or been revoked, or which is demolished within three (3) years of payment of the fee, is eligible to apply for a refund of impact fees paid.

b. **Failure of City to Appropriate Impact Fee Funds Within Time Limit.** The City shall notify the owner of record of a development that has paid impact fees if the City has failed to appropriate and expend the impact fees collected from the applicant within the time limits established in this Ordinance, and the owner of record is eligible to apply for a refund of impact fees paid. The accounting shall be based on a first-in, first out basis.

c. **Reduction in Density or Intensity of New Development.** An applicant or a successor- in-interest who paid impact fees is eligible for a refund if the density or intensity of the development for which the impact fees are paid is reduced after payment of the fees, and the fees are not appropriated and expended.

2. **Refund Application for Expiration or Revocation of Permit or Approval, or Demolition.** Applications for a refund due to expiration or revocation of a permit or approval, or demolition of the development shall include: (a) evidence that the applicant is the property owner or the duly designated agent of the property owner, (b) the amount of the impact fees paid and receipts evidencing such payments, and (c) documentation evidencing the expiration or revocation of the permit or approval, or demolition of the structure pursuant to a valid City issued demolition permit. Failure to

apply for the refund within sixty (60) days following expiration or revocation of the permit or approval, or demolition of the building or structure shall constitute a waiver of entitlement to a refund. No interest shall be paid by the City in calculating the amount of the refunds.

3. **Refund Application for Failure of City to Appropriate and Expend Funds.** Applications for refunds due to City failure to appropriate and expend fees collected from an applicant within the time limits established in this Ordinance shall be initiated by the owner-of-record within one hundred and twenty (120) days after the City has notified the owner of a right to a refund. To receive the refund, the owner-of- record shall submit (a) evidence that the applicant is the property owner or the duly designated agent of the property owner, and (b) the amount of the impact fees paid and receipts evidencing the payments. Refunds shall include any interest earned on the impact fees being refunded.

4. The City may, at its option, make refunds of impact fees by direct payment, by offsetting such refunds against other impact fees due for the same public facility for new development on the same property, or by other means subject to agreement with the person receiving the refund.

SECTION 7. APPEALS.

A. A fee payor may pay an impact fee under protest. A fee payor making the payment of impact fees is not estopped from exercising the right of appeal under this Ordinance, or estopped from receiving a refund for any overpayment of the fees, if that is determined to be the case on appeal.

B. An appeal from any decision of the Director pursuant to these Procedures shall be made to the City Council. If the notice of appeal is accompanied by a letter of credit in a form satisfactory to the City Staff Attorney in an amount equal to the impact fees due, the development may be approved. The filing of an appeal shall not stay the imposition or the collection of impact fees unless a bond or other sufficient surety is provided.

C. The burden of proof shall be on the appellant to demonstrate that the decision of the Director is erroneous.

SECTION 8. EXEMPTIONS/WAIVERS.

A. Filing of Application. Petitions for exemptions to the application of these Procedures or waivers from specific impact fees shall be filed with the City Council

B. Effect of Grant of Exemption/Waiver. If the City Council grants an exemption or waiver, the amount of the impact fees exempted or waived shall be provided by the City or other appropriate service provider for the particular public facilities, from non-impact fee funds. The funds shall be deposited in the appropriate Impact Fee Account.

C. Timing of Provision of Waived/Exempted Impact Fees. The provision of the amount of exempted or waived impact fees by the City or other appropriate service provider shall be made within a reasonable period of time, consistent with the applicable capital improvements program and the capital improvement plan for the public facility.

D. Development Agreements. Nothing herein shall be deemed to limit the City's authority and ability to enter into development agreements with applicants for new development which provide for payments in-lieu of impact fees.

SECTION 9. MEDIATION.

If there is a dispute between a fee payor and the City about an impact fee amount due, an offset, or a waiver, the City Council and the fee payor may agree to resolve the dispute through mediation, by using a qualified independent mediator, by mutual agreement. Participation in mediation does not preclude the fee payor from pursuing other remedies provided by law.

SECTION 10. CONFLICT.

To the extent of any conflict between other City ordinances and these Procedures, these Procedures shall be deemed to be controlling; provided, however, that these Procedures are not intended to amend or repeal any existing City ordinance, resolution, or regulation.

SECTION 11. SEVERABILITY.

A. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such section, subsection, sentence, clause, phrase, or portion of this Ordinance shall be deemed to be a separate, distinct and independent provision and such holding shall not affect the validity of the remaining provisions of this Ordinance nor impair or nullify the remainder of this Ordinance which shall continue in full force and effect.

B. If the application of any provision of this Ordinance to any new development is declared to be invalid by a decision of any court of competent jurisdiction, the intent of the City Council is that such decision shall be limited to the specific new development immediately involved in the controversy, action, or proceeding in which such decision of invalidity was rendered. Such decision shall not affect, impair, or nullify this Ordinance as a whole or the application of any provision of this Ordinance to any other new development.

ADOPTED THIS _____ DAY OF _____, 2021.

APPROVED:

_____
PETER CHRISTIE
MAYOR

ATTEST:

_____
WAYNE JERTSON
CITY CLERK

Requested by: Mayor
Prepared by: TischlerBise with Jason B. Kelley, Staff Attorney

DRAFT
Impact Fee Study

Prepared for:
Bella Vista, Arkansas

April 16th, 2021

TischlerBise
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TABLE OF CONTENTS

EXECUTIVE SUMMARY

Bella Vista, Arkansas, contracted with TischlerBise, Inc., to prepare an impact fee program for the City. Impact fees are one-time payments used to construct system improvements needed to accommodate future development. The fee represents future development's proportionate share of infrastructure costs. Impact fees may be used for infrastructure improvements or debt service for growth-related infrastructure. In contrast to general taxes, impact fees may not be used for operations, maintenance, replacement, or correcting existing deficiencies. This fee study includes the following capital facilities:

1. Fire/EMS
2. Police
3. Library

GENERAL LEGAL FRAMEWORK

Both state and federal courts have recognized the imposition of impact fees on development as a legitimate form of land use regulation, provided the fees meet standards intended to protect against regulatory takings. Land use regulations, development exactions, and impact fees are subject to the Fifth Amendment prohibition on taking of private property for public use without just compensation. To comply with the Fifth Amendment, development regulations must be shown to substantially advance a legitimate governmental interest. In the case of impact fees, that interest is in the protection of public health, safety, and welfare by ensuring that development is not detrimental to the quality of essential public services. The means to this end are also important, requiring both procedural and substantive due process. The process followed to receive community input, with stakeholder meetings, work sessions, and public hearings provide opportunity for comments and refinements to the impact fees.

There is little federal case law specifically dealing with impact fees, although other rulings on other types of exactions (e.g., land dedication requirements) are relevant. In one of the most important exaction cases, the U. S. Supreme Court found that a government agency imposing exactions on development must demonstrate an "essential nexus" between the exaction and the interest being protected (see *Nollan v. California Coastal Commission,* 1987). In a more recent case (*Dolan v. City of Tigard, OR,* 1994), the Court ruled that an exaction also must be "roughly proportional" to the burden created by development. However, the *Dolan* decision appeared to set a higher standard of review for mandatory dedications of land than for monetary exactions such as impact fees.

There are three reasonable relationship requirements for impact fees that are closely related to "rational nexus" or "reasonable relationship" requirements enunciated by a number of state courts. Although the term "dual rational nexus" is often used to characterize the standard by which courts evaluate the validity of impact fees under the U.S. Constitution, we prefer a more rigorous formulation that recognizes three elements: need, benefit, and proportionality. The dual rational nexus test explicitly addresses only the first two, although proportionality is reasonably implied, and was specifically mentioned by the U.S. Supreme Court in the *Dolan* case. Individual elements of the nexus standard are discussed further in the following paragraphs.

All new development in a community creates additional demands on some, or all, public facilities provided by local government. If the capacity of facilities is not increased to satisfy that additional demand, the quality, or availability of public services for the entire community will deteriorate. Impact fees may be used to recover the cost of growth-related facilities, but only to the extent that the need for facilities is a consequence of development that is subject to the fees. The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate conditions created by the developments upon which they are imposed. That principle clearly applies to impact fees. In this study, the impact of development on infrastructure needs is analyzed in terms of quantifiable relationships between various types of development and the demand for specific facilities, based on applicable level-of-service standards.

The requirement that exactions be proportional to the impacts of development was clearly stated by the U.S. Supreme Court in the *Dolan* case (although the relevance of that decision to impact fees has been debated) and is logically necessary to establish a proper nexus. Proportionality is established through the procedures used to identify growth-related facility costs, and in the methods used to calculate impact fees for various types of facilities and categories of development. The demand for facilities is measured in terms of relevant and measurable attributes of development (e.g., a typical housing unit's average weekday vehicle trips).

A sufficient benefit relationship requires that impact fee revenues be segregated from other funds and expended only on the facilities for which the fees were charged. Impact fees must be expended in a timely manner and the facilities funded by the fees must serve the development paying the fees. However, nothing in the U.S. Constitution or the state enabling legislation requires that facilities funded with fee revenues be available *exclusively* to development paying the fees. In other words, benefit may extend to a general area including multiple real estate developments. All of these procedural, as well as substantive, issues are intended to ensure that new development benefits from the impact fees they are required to pay. The authority and procedures to implement impact fees is separate from and complementary to the authority to require improvements as part of subdivision or zoning review.

Conceptual Impact Fee Calculation

In contrast to project-level improvements, impact fees fund growth-related infrastructure that will benefit multiple development projects, or the entire service area (usually referred to as system improvements). The first step is to determine an appropriate demand indicator for the particular type of infrastructure. The demand indicator measures the number of service units for each unit of development. For example, an appropriate indicator of the demand for parks is population growth and the increase in population can be estimated from the average number of persons per housing unit. The second step in the impact fee formula is to determine infrastructure units per service unit, typically called level-of-service (LOS) standards. In keeping with the park example, a common LOS standard is improved park acres per thousand people. The third step in the impact fee formula is the cost of various infrastructure units. To complete the park example, this part of the formula would establish a cost per acre for land acquisition and/ or park improvements.

METHODOLOGY

Impact fees for the capital facilities made necessary by future development must be based on the same level of service (LOS) provided to existing development in the service area. There are three basic methodologies used to calculate impact fees. They examine the past, present, and future status of infrastructure. Each methodology has advantages and disadvantages in a particular situation and can be used simultaneously for different cost components. Reduced to its simplest terms, the process of calculating impact fees involves two main steps: (1) determining the cost of growth-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, though, the calculation of impact fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities within the designated service area. The following paragraphs discuss basic methodologies for calculating impact fees and how those methodologies can be applied.

- **Cost Recovery** (past improvements) - The rationale for recoupment, often called cost recovery, is that new development is paying for its share of the useful life and remaining capacity of facilities already built, or land already purchased, from which new growth will benefit. This methodology is often used for utility systems that must provide adequate capacity before new development can take place.
- **Incremental Expansion** (concurrent improvements) - The incremental expansion methodology documents current LOS standards for each type of public facility, using both quantitative and qualitative measures. This approach assumes there are no existing infrastructure deficiencies or surplus capacity in infrastructure. New development is only paying its proportionate share for growth-related infrastructure. Revenue will be used to expand or provide additional facilities, as needed, to accommodate new development. An incremental expansion cost method is best suited for public facilities that will be expanded in regular increments to keep pace with development.
- **Plan-Based** (future improvements) - The plan-based methodology allocates costs for a specified set of improvements to a specified amount of development. Improvements are typically identified in a long-range facility plan and development potential is identified by a land use plan. There are two basic options for determining the cost per demand unit: (1) total cost of a public facility can be divided by total demand units (average cost), or (2) the growth-share of the public facility cost can be divided by the net increase in demand units over the planning timeframe (marginal cost).

EVALUATION OF CREDITS

There are two types of credits that should be addressed in impact fee studies and ordinances. The first type of credit is a revenue credit due to possible double payment situations, which could occur when other revenues may contribute to the capital costs of infrastructure covered by the impact fee. This type of credit is integrated into the fee calculation, thus reducing the fee amount.

The second type of credit is a site-specific credit, or developer reimbursement, for dedication of land or construction of system improvements. This type of credit is addressed in the administration and implementation of the impact fee program. For ease of administration, TischlerBise normally recommends developer reimbursements for system improvements.

IMPACT FEE SUMMARY

IMPACT FEE COMPONENTS

Shown below, Figure 1 summarizes service areas, methodologies, and capital facilities for each infrastructure category.

Figure 1: Proposed Impact Fee Service Areas, Methodologies, and Capital Facilities

Fee Category	Service Area	Cost Recovery	Incremental Expansion	Plan-Based	Cost Allocation
Fire/EMS	Bella Vista	N/A	Stations, Apparatus	Training Facilities	Population, Vehicle Trips
Police	Bella Vista	N/A	Vehicles	Station	Population, Vehicle Trips
Library	Bella Vista	N/A	Collection Items	N/A	Population, Jobs

PROPOSED IMPACT FEES

Proposed impact fees for residential development will be assessed per dwelling unit, based on the type of unit. Nonresidential impact fees will be assessed per 1,000 square feet of floor area, based on the type of development. Proposed impact fees are shown below in Figure 2.

Fees shown below represent the maximum allowable fees. Bella Vista may adopt fees that are less than the amounts shown; however, a reduction in impact fee revenue will necessitate an increase in other revenues, a decrease in planned capital improvements and/or a decrease in the City's level-of-service standards. All costs are in current dollars with no assumed inflation rate over time. If cost estimates change significantly over time, impact fees should be recalibrated.

Figure 2: Proposed Impact Fees

Residential Development	Fees per Unit			
Development Type	Fire/EMS	Police	Library	Total
Single Family	$788	$302	$54	$1,143
Multifamily	$428	$164	$27	$619

Nonresidential Development	Fees per 1,000 Square Feet			
Development Type	Fire/EMS	Police	Library	Total
Commercial	$2,992	$298	$54	$3,344
Industrial	$595	$59	$37	$692
Office/Institutional	$1,169	$117	$68	$1,354

FIRE/EMS IMPACT FEES

METHODOLOGY

The Fire/EMS impact fees include components for stations, apparatus, and training space. The *incremental expansion* methodology is used for stations and apparatus. The *plan-based* methodology is used for training space.

SERVICE AREA

The City of Bella Vista provides Fire/EMS services throughout Bella Vista; therefore, there is a single service area for the Fire/EMS impact fees.

PROPORTIONATE SHARE

Impact fees should not exceed a proportionate share of the capital cost needed to provide capital facilities to the development. The Fire/EMS impact fees allocate the cost of capital facilities between residential and nonresidential development using functional population. Based on 2018 population and employment data, from the U.S Census Bureau, TischlerBise can calculate the functional population within Bella Vista. Residential development accounts for approximately 86 percent of functional population and nonresidential development is responsible for the remaining 14 percent.

Figure F1: Proportionate Share

Proportionate Share

		Demand Units in 2018	Demand Hours/Day	Person Hours	Proportionate Share
Residential					
	Estimated Residents	28,774			
57%	Residents Not Working	16,519	20	330,380	
43%	Workers Living in the City	12,255			
6%	City Residents Working in the City	781	16	12,496	
94%	City Residents Working outside of the City	11,474	16	183,584	
			Residential Subtotal	526,460	**86.0%**
Nonresidential					
	Non-working Residents	16,519	4	66,076	
	Jobs Located in the City	2,465			
	City Residents Working in the City	781	8	6,248	
	Non-Resident Workers	1,684	8	13,472	
			Nonresidential Subtotal	85,796	**14.0%**
			Total	612,256	**100%**

Source: US Census, OnTheMap Application and LEHD Origin-Destination Employment Statistics

The proportionate share of costs attributable to residential development will be allocated to population and then converted to an appropriate amount by type of housing unit, based on persons per housing unit. Since the breakdown of nonresidential calls for service is not by specific nonresidential use (i.e., retail, office, industrial, etc.), TischlerBise recommends using average weekday vehicle trips as the best demand indicator for Fire/EMS infrastructure. Trip generation rates are highest for commercial development, such as a shopping center, and lowest for industrial/warehouse development. Office/institutional trip rates fall between the other two categories. This ranking of trip rates is consistent with the relative demand for Fire/EMS services from nonresidential development. Other possible nonresidential demand indicators, such as employment or floor area, do not accurately reflect the demand for Fire/EMS services. If employees per 1,000 square feet of building area were used as the demand indicator, Fire/EMS impact fees would be too high for office/institutional development.

IMPACT FEE COMPONENTS

Fire/EMS Stations – Incremental Expansion

As a result of anticipated development, the City of Bella Vista plans to expand its current inventory of Fire/EMS station space to serve future development. The current inventory includes 28,824 square feet at an estimated replacement cost of $10,134,152 utilizing the replacement cost of Station 2.

This analysis uses functional population to allocate the proportionate share of demand to residential and nonresidential development. The existing level of service for residential development is 0.721 square feet per person (28,824 square feet X 86 percent residential share / 34,936 persons). The existing nonresidential level of service is 0.482 square feet per nonresidential vehicle trip (23,324 square feet X 14 percent nonresidential share / 8,372 trips). Using the average cost of $352 per square foot, the Fire/EMS station cost is $253.35 per person (0.721 square feet per person X $352 per square foot) and $169.80 per nonresidential vehicle trip (0.483 square feet per trip X $352 per square foot).

Figure F2: Fire/EMS Station Level of Service and Cost Allocation

Description	Square Feet**	Cost per Sq. Ft.	Replacement Cost*
Town Center Central Fire	6,824	$352	$2,399,232
Trafalgar Rd Station 2	5,000	$352	$1,757,937
Highlands Gate Station	9,200	$352	$3,234,603
Branchwood Station	7,800	$352	$2,742,381
Total	**28,824**	**$352**	**$10,134,152**

*Based on replacement cost for Station 2

**City of Bella Vista Fire Department

Level-of-Service Analysis	
Existing Square Feet	28,824
Population in 2021	34,396
Nonresidential Vehicle Trips in 2021	8,363
Residential Share	86%
Nonresidential Share	14%
LOS: Sq. Ft. per Person	**0.721**
LOS: Sq. Ft. per Vehicle Trip	**0.483**

Cost Analysis	
Cost per Square Foot	$352
LOS: Square Feet per Person	0.721
Cost per Person	**$253.35**
LOS: Square Feet per Vehicle Trip	0.483
Cost per Vehicle Trip	**$169.80**

Fire/EMS Apparatus – Incremental Expansion

The City of Bella Vista plans to expand its current inventory of Fire/EMS apparatus to serve future development. The current inventory includes 25 units with a total cost of $5,217,000, so this analysis uses the average cost of $208,680 per unit.

This analysis uses functional population to allocate the proportionate share of demand to residential and nonresidential development. The existing level of service for residential development is 0.0006 units per person (25 units X 86 percent residential share / 34,396 persons). The existing nonresidential level of service is 0.0004 units per nonresidential vehicle trip (25 units X 14 percent nonresidential share / 8,363 trips). Using the average cost of $208,680 per unit, the Fire/EMS apparatus cost is $130.42 per person (0.0006 units per person X $208,680 per unit) and $87.41 per nonresidential trip (0.0004 units per trip X $208,680 per unit).

Figure F3: Fire/EMS Apparatus Level of Service and Cost Allocation

Description	Units	Cost per Apparatus*	Replacement Cost
Ambulance F450	3	$168,000	$504,000
Ambulance F550	3	$192,000	$576,000
SUV	6	$56,000	$336,000
Brush Truck	2	$175,000	$350,000
Pickup Truck	3	$42,000	$126,000
Pumpers	3	$600,000	$1,800,000
Tender	1	$450,000	$450,000
Quint	1	$1,000,000	$1,000,000
Rescue Trucks	2	$30,000	$60,000
Polaris	1	$15,000	$15,000
TOTAL	**25**	**$208,680**	**$5,217,000**

* City of Bella Vista Fire Department

Level-of-Service Analysis	
Population in 2021	34,396
Nonresidential Vehicle Trips in 2021	8,363
Residential Share	86%
Nonresidential Share	14%
LOS: Apparatus per Person	**0.0006**
LOS: Apparatus per Vehicle Trip	**0.0004**

Cost Analysis	
Cost per Apparatus	$208,680
LOS: Units per Person	0.0006
Cost per Person	**$130.42**
LOS: Units per Vehicle Trip	0.0004
Cost per Vehicle Trip	**$87.41**

Fire/EMS Training Space – Plan Based

The City of Bella Vista has plans to expand its Fire/EMS training space. The planned training facility is 4,800 square feet with a total cost of $1,687,619, or $352 per square foot. Since this planned facility is being constructed partly to correct existing deficiencies as well as serve the needs of new growth, TischlerBise is using year 2045 to establish the level of service for this facility, as this coincides with the final payment year of the Sales and Use Tax Bonds Series 2020. This will ensure that all demand units are treated equally, and new development pays no more than their proportionate share.

This analysis uses functional population to allocate the proportionate share of demand to residential and nonresidential development in 2045. The 2045 level of service for residential development is 0.072 units per person (4,800 square feet X 86 percent residential share / 57,547 persons). The 2045 nonresidential level of service is 0.021 units per nonresidential vehicle trip (4,800 square feet X 14 percent nonresidential share / 31,363 trips). Using a cost of $352 per square foot, the Fire/EMS training space cost is $25.22 per

person (0.072 square feet per person X $352 per square foot) and $7.54 per nonresidential trip (0.021 square feet per trip X $352 per square foot).

Figure F4: Training Facility Level of Service and Cost Allocation

Description	Square Feet**	Cost per Sq.Ft.*	Cost
Training Facility	4,800	$352	$1,687,619

*Cost per square foot from the cost per square foot of station 2.

** City of Bella Vista Fire Department

Level-of-Service Analysis	
Population in 2045	57,547
Nonresidential Vehicle Trips in 2045	31,363
Residential Share	86%
Nonresidential Share	14%
LOS: Sq. Ft. per Person	**0.072**
LOS: Sq. Ft. per Vehicle Trip	**0.021**

Cost Analysis	
Cost per Square Foot	$352
LOS: Square Feet per Person	0.072
Cost per Person	**$25.22**
LOS: Square Feet per Vehicle Trip	0.021
Cost per Vehicle Trip	**$7.54**

PROJECTED DEMAND

Fire/EMS Stations

Based on a projected population increase of 8,577 persons over the next 10 years, future residential development demands an additional 6,180 square feet (8,577 additional persons X 0.721 square feet per person). With a projected 5,521 increase in nonresidential vehicle trip ends over the next 10 years, future nonresidential development demands an additional 2,666 square feet (5,521 additional trips X 0.483 square feet per trip). Future development demands an additional 8,846 square feet of Fire/EMS station space at a cost of $3,110,270 (8,846 square feet X $352 per square foot).

Figure F5: Projected Demand for Fire Station Facilities

Type of Infrastructure	Level of Service	Demand Unit	Cost per Sq.
Stations	0.721 Square Feet	per Person	$352
	0.483 Square Feet	per Vehicle Trip	

Demand for Stations					
Year	Population	Nonresidential Vehicle Trips	Residential Demand	Nonresidential Demand	Total
2021	34,396	8,363	24,785	4,039	28,824
2022	35,175	8,770	25,347	4,235	29,582
2023	35,973	9,203	25,921	4,444	30,366
2024	36,788	9,664	26,509	4,667	31,176
2025	37,622	10,156	27,110	4,905	32,015
2026	38,475	10,681	27,725	5,158	32,883
2027	39,348	11,241	28,353	5,429	33,782
2028	40,240	11,838	28,996	5,717	34,713
2029	41,152	12,476	29,653	6,025	35,679
2030	42,085	13,157	30,326	6,354	36,680
2031	42,972	13,884	30,965	6,705	37,670
24-Yr Increase	**8,577**	**5,521**	**6,180**	**2,666**	**8,846**

Total Growth-Related Expenditures	**$2,172,874**	**$937,396**	**$3,110,270**

Fire/EMS Apparatus

Based on a projected population increase of 8,577 persons over the next 10 years, future residential development demands an additional 5.4 units of Fire/EMS apparatus (8,577 additional persons X 0.0006 units per person). With projected growth of 5,521 nonresidential vehicle trips over the next 10 years, future nonresidential development demands an additional 2.3 units of Fire/EMS apparatus (5,521 additional trips X 0.0004 units per nonresidential vehicle trip). Future development demands an additional 7.7 units of Fire/EMS apparatus at a cost of $1,601,148 (7.7 units X $208,680 per unit).

Figure F6: Projected Demand for Fire/EMS Apparatus

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Apparatus	0.0006 Units	per Person	$208,680
	0.0004 Units	per Vehicle Trip	

Demand for Apparatus					
Year	Population	Nonresidential Vehicle Trips	Apparatus		
			Residential	Nonresidential	Total
2021	34,396	8,363	21.5	3.5	25.0
2022	35,175	8,770	22.0	3.7	25.7
2023	35,973	9,203	22.5	3.9	26.3
2024	36,788	9,664	23.0	4.0	27.0
2025	37,622	10,156	23.5	4.3	27.8
2026	38,475	10,681	24.0	4.5	28.5
2027	39,348	11,241	24.6	4.7	29.3
2028	40,240	11,838	25.1	5.0	30.1
2029	41,152	12,476	25.7	5.2	30.9
2030	42,085	13,157	26.3	5.5	31.8
2031	42,972	13,884	26.9	5.8	32.7
10-Yr Increase	**8,577**	**5,521**	**5.4**	**2.3**	**7.7**

Growth-Related Expenditures	**$1,118,582**	**$482,566**	**$1,601,148**

Fire/EMS Training Space

Based on a projected population increase of 23,151 persons to the year 2045, future residential development demands an additional 1,660 square feet (23,151 additional persons X 0.072 square feet per person). With a projected 22,999 increase in nonresidential vehicle trip ends over the next 24 years, future nonresidential development demands an additional 493 square feet (22,999 additional trip ends X 0.021 square feet per trip end). Future development demands an additional 2,154 square feet of Fire/EMS training space at a cost of $757,221 (2,154 square feet X $352 per square foot). Existing development demands 2,646 square feet at a total cost of $930,398 and must use non-development fee funds for repayment.

Figure F7: Projected Demand for Fire/EMS Training Space

Type of Infrastructure	Level of Service	Demand Unit	Cost per Sq. Ft.
Training Facility	0.072 Square Feet	per Person	$352
	0.021 Square Feet	per Vehicle Trip	

Demand for Training Facility					
Year	Population	Nonresidential Vehicle Trips	Residential Demand	Nonresidential Demand	Total
2021	34,396	8,363	2,467	179	2,646
2022	35,175	8,770	2,523	188	2,711
2023	35,973	9,203	2,580	197	2,777
2024	36,788	9,664	2,639	207	2,846
2025	37,622	10,156	2,698	218	2,916
2026	38,475	10,681	2,760	229	2,989
2027	39,348	11,241	2,822	241	3,063
2028	40,240	11,838	2,886	254	3,140
2029	41,152	12,476	2,952	268	3,219
2030	42,085	13,157	3,018	282	3,301
2031	42,972	13,884	3,082	298	3,380
2032	43,878	14,661	3,147	314	3,461
2033	44,803	15,492	3,213	332	3,546
2034	45,747	16,379	3,281	351	3,632
2035	46,712	17,328	3,350	372	3,722
2036	47,696	18,343	3,421	393	3,814
2037	48,702	19,429	3,493	417	3,910
2038	49,728	20,590	3,567	442	4,008
2039	50,777	21,833	3,642	468	4,110
2040	51,847	23,163	3,719	497	4,215
2041	52,940	24,587	3,797	527	4,324
2042	54,056	26,111	3,877	560	4,437
2043	55,195	27,743	3,959	595	4,554
2044	56,359	29,491	4,042	632	4,675
2045	57,547	31,363	4,127	673	4,800
10-Yr Increase	8,577	5,521	615	118	734
24-Yr Increase	**23,151**	**22,999**	**1,660**	**493**	**2,154**

10-Yr Growth-Related Expenditures	$216,273	$41,628	$257,900
Total Growth-Related Expenditures	**$583,797**	**$173,424**	**$757,221**
Existing Development Share	$867,335	$63,064	$930,398
Total Expenditures	**$1,451,131**	**$236,488**	**$1,687,619**

CREDIT FOR FUTURE DEBT PAYMENTS

To ensure fee-payers avoid potential double payment for annual debt service, TischlerBise included a credit in the development impact fee calculations for the debt issued for the Fire Station 3 Replacement

and Training Facilities construction. The debt was issued as a Sales and Use Tax Bond (2020) and 19% of the bond was allocated to Fire/EMS uses.

The repayment of annual debt service is allocated to residential and nonresidential development via functional population. Annual principal payments are divided by population/trips to yield principal payments per person/trip. To account for the time value of money, annual payments are discounted using a net present value formula based on the applicable discount (interest) rate. This results in a credit of $49.39 per person and $24.61 per trip.

Figure F8: Credit for Future Fire/EMS Debt Payments

Total		Residential Share (86%)			Nonresidential Share (14%)		
Date	Total Principal	Residential Share of Principal	Population	Principal Payment per Person	Nonresidential Share of Principal	Nonresidential Trips	Principal Payment per Trip End
10/1/2021	$123,956.09	$106,602.24	34,396	$3.10	$17,353.85	8,372	$2.07
10/1/2022	$124,909.60	$107,422.26	35,175	$3.05	$17,487.34	8,780	$1.99
10/1/2023	$130,630.65	$112,342.36	35,973	$3.12	$18,288.29	9,213	$1.98
10/1/2024	$135,398.19	$116,442.45	36,788	$3.17	$18,955.75	9,676	$1.96
10/1/2025	$141,119.24	$121,362.55	37,622	$3.23	$19,756.69	10,168	$1.94
10/1/2026	$146,840.29	$126,282.65	38,475	$3.28	$20,557.64	10,694	$1.92
10/1/2027	$152,561.34	$131,202.76	39,348	$3.33	$21,358.59	11,255	$1.90
10/1/2028	$158,282.39	$136,122.86	40,240	$3.38	$22,159.54	11,854	$1.87
10/1/2029	$163,049.94	$140,222.94	41,152	$3.41	$22,826.99	12,493	$1.83
10/1/2030	$167,817.48	$144,323.03	42,085	$3.43	$23,494.45	13,175	$1.78
10/1/2031	$173,538.53	$149,243.13	42,972	$3.47	$24,295.39	13,904	$1.75
10/1/2032	$178,306.07	$153,343.22	43,878	$3.49	$24,962.85	14,683	$1.70
10/1/2033	$184,027.12	$158,263.32	44,803	$3.53	$25,763.80	15,515	$1.66
10/1/2034	$0.00	$0.00	45,747	$0.00	$0.00	16,405	$0.00
10/1/2035	$0.00	$0.00	46,712	$0.00	$0.00	17,356	$0.00
10/1/2036	$0.00	$0.00	47,696	$0.00	$0.00	18,374	$0.00
10/1/2037	$0.00	$0.00	48,702	$0.00	$0.00	19,462	$0.00
10/1/2038	$973,532.07	$837,237.58	49,728	$16.84	$136,294.49	20,626	$6.61
10/1/2039	$0.00	$0.00	50,777	$0.00	$0.00	21,872	$0.00
10/1/2040	$0.00	$0.00	51,847	$0.00	$0.00	23,205	$0.00
10/1/2041	$0.00	$0.00	52,940	$0.00	$0.00	24,632	$0.00
10/1/2042	$0.00	$0.00	54,056	$0.00	$0.00	26,160	$0.00
10/1/2043	$0.00	$0.00	55,195	$0.00	$0.00	27,796	$0.00
10/1/2044	$0.00	$0.00	56,359	$0.00	$0.00	29,549	$0.00
10/1/2045	$1,476,030.99	$1,269,386.66	57,547	$22.06	$206,644.34	31,426	$6.58
Total	$4,430,000.00	$3,809,800.00			$620,200.00		

Discount Rate	4%
Net Present Value	**$49.39**

Discount Rate	4%
Net Present Value	**$24.61**

PROPOSED FIRE/EMS IMPACT FEES

Infrastructure components and cost factors for Fire/EMS impact fees are summarized in the upper portion of Figure F9. For Fire/EMS impact fees, the capital cost is $359.59 per person and $240.11 per trip end.

Fire/EMS impact fees for residential development are assessed according to the number of persons per housing unit. The single-family fee of $788 is calculated using a cost of $359.59 per person multiplied by a demand unit of 2.19 persons per housing unit.

Nonresidential impact fees are assessed according to the average weekday vehicle trip ends by type of development. The industrial fee of $595 per 1,000 square feet of floor area is derived from a cost of $240.11 per trip multiplied by a demand unit of 2.48 trips per 1,000 square feet.

Figure F9: Schedule of Maximum Allowable Fire/EMS Impact Fees

Fee Component	Cost per Person	Cost per Trip
Stations	$253.35	$169.80
Apparatus	$130.42	$87.41
Training Facility	$25.22	$7.54
Sales and Use Tax Bond Credit	($49.39)	($24.64)
Total	$359.59	$240.11

Residential Development	Fees per Unit	
Development Type	Persons per Housing Unit[1]	Proposed Fees
Single Family	2.19	$788
Multi-Family	1.19	$428

Nonresidential Development	Fees per 1,000 Square Feet	
Development Type	AWVT per 1,000 Sq Ft[1]	Proposed Fees
Commercial	12.46	$2,992
Industrial	2.48	$595
Office/Institutional	4.87	$1,169

1. See Land Use Assumptions

PROJECTED FIRE/EMS IMPACT FEE REVENUE

Projected fee revenue shown below is based on the development projections, shown in Appendix A, and the proposed Fire/EMS impact fees shown in Figure F9. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase and impact fee revenue will increase at a corresponding rate. If development occurs at a slower rate than is projected, the demand for infrastructure will also decrease, along with impact fee revenue. Projected impact fee revenue over the next 10 years equals $4,423,468 and total projected expenditures equal $5,340,043.

Figure F11: Projected Fire/EMS Impact Fee Revenue

Fee Component	Growth Share	Existing Share	Total
Stations	$3,110,270	$0	$3,110,270
Apparatus	$1,601,148	$0	$1,601,148
Training Facility	$257,900	$930,398	$1,188,298
Sales and Use Tax Bond Credit	($559,673)	$0	($559,673)
Total	**$4,409,645**	**$930,398**	**$5,340,043**

Year		Single Family $788 per unit	Multifamily $428 per unit	Commercial $2,992 per KSF	Industrial $595 per KSF	Office/Inst $1,169 per KSF
		Hsg Unit	Hsg Unit	KSF	KSF	KSF
Base	2021	15,421	652	355	139	739
Year 1	2022	15,770	667	381	151	750
Year 2	2023	16,128	682	408	163	762
Year 3	2024	16,494	697	438	177	774
Year 4	2025	16,868	713	470	192	786
Year 5	2026	17,250	729	504	208	799
Year 6	2027	17,641	746	540	226	811
Year 7	2028	18,041	763	579	245	824
Year 8	2029	18,450	780	621	265	837
Year 9	2030	18,868	798	666	288	850
Year 10	2031	19,266	814	715	312	864
10-Year Increase		3,845	163	360	173	125
Projected Revenue		**$3,028,154**	**$69,557**	**$1,076,446**	**$103,106**	**$146,205**

Projected Fee Revenue	$4,423,468
Total Expenditures	$5,340,043
Existing Development Share	$930,398

POLICE IMPACT FEES

METHODOLOGY

The Police impact fees include components for Police facilities and vehicles. The *incremental expansion* methodology is used for Police vehicles and equipment. The *plan-based* methodology is used for Police facilities.

SERVICE AREA

The City of Bella Vista provides Police services throughout Bella Vista; therefore, there is a single service area for the Police impact fees.

PROPORTIONATE SHARE

Impact fees should not exceed a proportionate share of the capital cost needed to provide capital facilities to the development. The Police impact fees allocate the cost of capital facilities between residential and nonresidential development using functional population. Based on 2018 population and employment data, from the U.S Census Bureau, TischlerBise can calculate the functional population within Bella Vista. Residential development accounts for approximately 86 percent of functional population and nonresidential development accounts for the remaining 14 percent.

Figure P1: Proportionate Share

Proportionate Share

		Demand Units in 2018		*Demand Hours/Day*	*Person Hours*	*Proportionate Share*
Residential						
	Estimated Residents	28,774				
57%	Residents Not Working	16,519		20	330,380	
43%	Workers Living in the City	12,255				
6%	City Residents Working in the City		781	16	12,496	
94%	City Residents Working outside of the City		11,474	16	183,584	
			Residential Subtotal		526,460	**86.0%**
Nonresidential						
	Non-working Residents	16,519		4	66,076	
	Jobs Located in the City	2,465				
	City Residents Working in the City		781	8	6,248	
	Non-Resident Workers		1,684	8	13,472	
			Nonresidential Subtotal		85,796	**14.0%**
				Total	612,256	**100%**

Source: US Census, OnTheMap Application and LEHD Origin-Destination Employment Statistics

The proportionate share of costs attributable to residential development will be allocated to population and then converted to an appropriate amount by type of housing unit, based on persons per housing unit. Since the breakdown of nonresidential calls for service is not by specific nonresidential use (i.e., retail, office, industrial, etc.), TischlerBise recommends using average weekday vehicle trips as the best demand indicator for Police infrastructure. Trip generation rates are highest for commercial development, such as a shopping center, and lowest for industrial/warehouse development. Office/institutional trip rates fall between the other two categories. This ranking of trip rates is consistent with the relative demand for Police protection from nonresidential development. Other possible nonresidential demand indicators, such as employment or floor area, do not accurately reflect the demand for Police services. If employees per 1,000 square feet of building area were used as the demand indicator, Police impact fees would be too high for office/institutional development.

IMPACT FEE COMPONENTS

Police Facilities – Plan Based

Bella Vista plans to expand its current inventory of Police facilities to serve future development by constructing the projects shown in Figure P2. Since this planned facility is being constructed partly to correct existing deficiencies as well as serve the needs of new growth, TischlerBise is using year 2045 to establish the level of service for this facility, as this coincides with the final payment year of the Sales and Use Tax Bonds Series 2020. This will ensure that all demand units are treated equally, and new development pays no more than their proportionate share.

This analysis uses functional population to allocate the proportionate share of demand to residential and nonresidential development. The 2045 level of service for residential development is 0.702 square feet per person (47,000 square feet X 86 percent residential share / 57,547 persons). The existing nonresidential level of service is 0.21 square feet per nonresidential vehicle trip (47,000 square feet X 14 percent nonresidential share / 31,363 trips). Using the average cost of $400 per square foot from planned facilities, the Police facilities cost is $280.91 per person (0.702 square feet per person X $400 per square foot) and $84.00 per nonresidential vehicle trip (0.21 square feet per trip X $400 per square foot).

Figure P2: Planned Police Facilities Level of Service and Cost Allocation

Description	Square Feet*	Cost per Sq. Ft.	Cost*
New Public Saftey Building	47,000	$400	$18,800,000

*Bella Vista Police Department

Level-of-Service Analysis	
Population in 2045	57,547
Nonresidential Vehicle Trips in 2045	31,363
Residential Share	86%
Nonresidential Share	14%
LOS: Square Feet per Person	**0.702**
LOS: Square Feet per Vehicle Trip	**0.210**

Cost Analysis	
Cost per Square Foot	$400
LOS: Square Feet per Person	0.702
Cost per Person	**$280.91**
LOS: Square Feet per Vehicle Trip	0.210
Cost per Vehicle Trip	**$84.00**

Police Vehicles – Incremental Expansion

The City of Bella Vista plans to expand its current inventory of Police vehicles to serve future development. The current inventory includes 45 units with a total cost of $2,658,000, so this analysis uses the average cost of $59,067 per unit.

This analysis uses functional population to allocate the proportionate share of demand to residential and nonresidential development. The existing level of service for residential development is 0.0011 units per person (45 units X 86 percent residential share / 34,396 persons). The existing nonresidential level of service is 0.0008 units per nonresidential trip (45 units X 14 percent nonresidential share / 8,372 trips). Using the average cost of $59,067, the Police vehicles and equipment cost is $66.45 per person (0.0011 units per person X $59,067 per unit) and $44.49 per nonresidential trip end (0.0008 units per trip X $59,067 per unit).

Figure P3: Police Vehicle Level of Service and Cost Allocation

Vehicle Description	Units*	Cost per Unit*	Total Cost
Marked Patrol Vehicle	33	$66,000	$2,178,000
Unmarked/Administrative	12	$40,000	$480,000
Total	45	**$59,067**	**$2,658,000**

*Bella Vista Police Department

Level-of-Service Analysis	
Population in 2021	34,396
Nonresidential Vehicle Trips in 2021	8,363
Residential Share	86%
Nonresidential Share	14%
LOS: Vehicles per Person	**0.0011**
LOS: Vehicles per Vehicle Trip	**0.0008**

Cost Analysis	
Cost per Vehicle	$59,067
LOS: Vehicles per Person	0.0011
Cost per Person	**$66.45**
LOS: Vehicles per Vehicle Trip	0.0008
Cost per Vehicle Trip	**$44.54**

PROJECTED DEMAND

Police Station Facilities

Based on a projected population increase of 23,151 persons over the next 24 years, future residential development demands an additional 16,259 square feet of police facilities (23,151 additional persons X 0.702 square feet per person). With projected nonresidential trip growth of 22,999 over the next 24 years, future nonresidential development demands an additional 4,830 square feet of police facilities (22,999 additional trips X 0.21 square feet per trip). Future development demands an additional 21,089 square feet of police facilities at a cost of $8,435,405 (21,089 square feet X $400 per square foot).

Figure P4: Projected Demand for Police Station Space

Type of Infrastructure	Level of Service	Demand Unit	Cost per Sq. Ft.
Police Station	0.702 Square Feet	per Person	$400
	0.210 Square Feet	per Vehicle Trip	

Demand for Station					
Year	Population	Nonresidential Trips	Residential Demand	Nonresidential Demand	Total
2021	34,396	8,363	24,155	1,756	**25,911**
2022	35,175	8,770	24,703	1,842	**26,544**
2023	35,973	9,203	25,263	1,933	**27,195**
2024	36,788	9,664	25,836	2,029	**27,865**
2025	37,622	10,156	26,421	2,133	**28,554**
2026	38,475	10,681	27,020	2,243	**29,263**
2027	39,348	11,241	27,633	2,360	**29,993**
2028	40,240	11,838	28,259	2,486	**30,745**
2029	41,152	12,476	28,900	2,620	**31,520**
2030	42,085	13,157	29,555	2,763	**32,318**
2031	42,972	13,884	30,178	2,916	**33,094**
2032	43,878	14,661	30,814	3,079	**33,893**
2033	44,803	15,492	31,464	3,253	**34,717**
2034	45,747	16,379	32,127	3,440	**35,567**
2035	46,712	17,328	32,805	3,639	**36,444**
2036	47,696	18,343	33,496	3,852	**37,348**
2037	48,702	19,429	34,202	4,080	**38,282**
2038	49,728	20,590	34,923	4,324	**39,247**
2039	50,777	21,833	35,659	4,585	**40,244**
2040	51,847	23,163	36,411	4,864	**41,275**
2041	52,940	24,587	37,178	5,163	**42,342**
2042	54,056	26,111	37,962	5,483	**43,445**
2043	55,195	27,743	38,762	5,826	**44,588**
2044	56,359	29,491	39,580	6,193	**45,773**
2045	57,547	31,363	40,414	6,586	**47,000**
10-Yr Increase	8,577	5,521	6,023	1,159	**7,182**
24-Yr Increase	23,151	22,999	16,259	4,830	**21,089**

10-Yr Growth-Related Expenditures	$2,409,267	$463,729	$2,872,995
Total Growth-Related Expenditures	**$6,503,469**	**$1,931,936**	**$8,435,405**
Existing Development Share	$9,662,070	$702,525	$10,364,595
Total Expenditures	**$16,165,539**	**$2,634,461**	**$18,800,000**

Police Vehicles

Based on a projected population increase of 8,577 persons over the next 10 years, future residential development demands an additional 9.6 units of vehicles (8,577 additional persons X 0.0011 units per

person). With projected nonresidential trip growth of 5,521 over the next 10 years, future nonresidential development demands an additional 4.2 units (5,521 additional trips X 0.0008 units per trip). Future development demands an additional 13.8 units of Police vehicles at a cost of $815,766 (14 units X $59,067 per unit).

Figure P5: Projected Demand for Police Vehicles

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Police Vehicles	0.0011 Vehicles	per Person	$59,067
	0.0008 Vehicles	per Vehicle Trip	

Demand for Vehicles					
Year	Population	Nonresidential Trips	Residential Demand	Nonresidential Demand	Total
2021	34,396	8,363	38.7	6.3	45.0
2022	35,175	8,770	39.6	6.6	46.2
2023	35,973	9,203	40.5	6.9	47.4
2024	36,788	9,664	41.4	7.3	48.7
2025	37,622	10,156	42.3	7.7	50.0
2026	38,475	10,681	43.3	8.1	51.3
2027	39,348	11,241	44.3	8.5	52.7
2028	40,240	11,838	45.3	8.9	54.2
2029	41,152	12,476	46.3	9.4	55.7
2030	42,085	13,157	47.3	9.9	57.3
2031	42,972	13,884	48.3	10.5	58.8
10-Yr Increase	**8,577**	**5,521**	**9.6**	**4.2**	**13.8**
		Growth-Related Expenditures	**$569,904**	**$245,862**	**$815,766**

CREDIT FOR FUTURE DEBT PAYMENTS

To ensure fee-payers avoid potential double payment for annual debt service, TischlerBise included a credit in the development impact fee calculations for the debt issued for the Police Department Headquarters construction. The debt was issued as a Sales and Use Tax Bond (2020) and 81 percent of the bond was for the headquarters construction.

The repayment of annual debt service is allocated to residential and nonresidential development via functional population. Annual principal payments are divided by population/trips to yield principal payments per person/trip. To account for the time value of money, annual payments are discounted using a net present value formula based on the applicable discount (interest) rate. This results in a credit of $209.61 per person and $104.44 per trip.

Figure P6: Credit for Future Police Debt Payments

Total		Residential Share (86%)			Nonresidential Share (14%)		
Date	Total Principal	Residential Share of Principal	Population	Principal Payment per Person	Nonresidential Share of Principal	Nonresidential Trips	Principal Payment per Trip
10/1/2021	$526,043.91	$452,398	34,396	$13.15	$73,646	8,372	$8.80
10/1/2022	$530,090.40	$455,878	35,175	$12.96	$74,213	8,780	$8.45
10/1/2023	$554,369.35	$476,758	35,973	$13.25	$77,612	9,213	$8.42
10/1/2024	$574,601.81	$494,158	36,788	$13.43	$80,444	9,676	$8.31
10/1/2025	$598,880.76	$515,037	37,622	$13.69	$83,843	10,168	$8.25
10/1/2026	$623,159.71	$535,917	38,475	$13.93	$87,242	10,694	$8.16
10/1/2027	$647,438.66	$556,797	39,348	$14.15	$90,641	11,255	$8.05
10/1/2028	$671,717.61	$577,677	40,240	$14.36	$94,040	11,854	$7.93
10/1/2029	$691,950.06	$595,077	41,152	$14.46	$96,873	12,493	$7.75
10/1/2030	$712,182.52	$612,477	42,085	$14.55	$99,706	13,175	$7.57
10/1/2031	$736,461.47	$633,357	42,972	$14.74	$103,105	13,904	$7.42
10/1/2032	$756,693.93	$650,757	43,878	$14.83	$105,937	14,683	$7.21
10/1/2033	$780,972.88	$671,637	44,803	$14.99	$109,336	15,515	$7.05
10/1/2034	$0.00	$0	45,747	$0.00	$0	16,405	$0.00
10/1/2035	$0.00	$0	46,712	$0.00	$0	17,356	$0.00
10/1/2036	$0.00	$0	47,696	$0.00	$0	18,374	$0.00
10/1/2037	$0.00	$0	48,702	$0.00	$0	19,462	$0.00
10/1/2038	$4,131,467.93	$3,553,062	49,728	$71.45	$578,406	20,626	$28.04
10/1/2039	$0.00	$0	50,777	$0.00	$0	21,872	$0.00
10/1/2040	$0.00	$0	51,847	$0.00	$0	23,205	$0.00
10/1/2041	$0.00	$0	52,940	$0.00	$0	24,632	$0.00
10/1/2042	$0.00	$0	54,056	$0.00	$0	26,160	$0.00
10/1/2043	$0.00	$0	55,195	$0.00	$0	27,796	$0.00
10/1/2044	$0.00	$0	56,359	$0.00	$0	29,549	$0.00
10/1/2045	$6,263,969.01	$5,387,013	57,547	$93.61	$876,956	31,426	$27.91
Total	$18,800,000.00	$16,168,000			$2,632,000		

Discount Rate	4%
Net Present Value	$209.61

Discount Rate	4%
Net Present Value	$104.44

PROPOSED POLICE IMPACT FEES

Infrastructure components and cost factors for Police impact fees are summarized in the upper portion of Figure P8. For Police impact fees, the capital cost is $137.75 per person and $23.95 per trip end.

Police impact fees for residential development are assessed according to the number of persons per housing unit. The single-family fee of $302 is calculated using a cost of $137.75 per person multiplied by a demand unit of 2.19 persons per housing unit.

Nonresidential impact fees are assessed according to the average weekday vehicle trip ends per 1,000 square feet of floor area. The industrial fee of $59 per 1,000 square feet of floor area is derived from a cost of $23.95 per trip end multiplied by a demand unit of 2.48 trips per 1,000 square feet.

Figure P7: Schedule of Maximum Allowable Police Impact Fees

Fee Component	Cost per Person	Cost per Trip
Police Station	$280.91	$84.00
Police Vehicles	$66.45	$44.54
Sales and Use Tax Bond Credit	($209.61)	($104.58)
Total	**$137.75**	**$23.95**

Residential Development	Fees per Unit	
Development Type	**Persons per Housing Unit***	**Proposed Fees**
Single Family	2.19	$302
Multifamily	1.19	$164

Nonresidential Development	Fees per 1,000 Square Feet	
Development Type	**AWVT per 1,000 Sq Ft***	**Proposed Fees**
Commercial	12.46	$298
Industrial	2.48	$59
Office/Institutional	4.87	$117

*See Land Use Assumptions

PROJECTED POLICE IMPACT FEE REVENUE

Projected fee revenue shown below is based on the development projections, shown in Appendix A, and the proposed Police impact fees shown in Figure P7. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase and impact fee revenue will increase at a corresponding rate. If development occurs at a slower rate than is projected, the demand for infrastructure will also decrease, along with impact fee revenue. Projected impact fee revenue over the next 10 years equals $1,318,858 and total projected expenditures equal $11,678,219. Existing development's share equals $10,364,595 and must use non-development funds for repayment.

Figure P8: Projected Police Impact Fee Revenues

Fee Component	Growth Share	Existing Share	Total
Police Station	$2,872,995	$10,364,595	$13,237,591
Police Vehicles	$815,766	$0	$815,766
Sales and Use Tax Bond Credit	($2,375,138)	$0	($2,375,138)
Total	**$1,313,624**	**$10,364,595**	**$11,678,219**

Year		Single Family $302 per unit	Multifamily $164 per unit	Commercial $298 per KSF	Industrial $59 per KSF	Office/Inst $117 per KSF
		Hsg Unit	Hsg Unit	KSF	KSF	KSF
Base	2021	15,421	652	355	139	739
Year 1	2022	15,770	667	381	151	750
Year 2	2023	16,128	682	408	163	762
Year 3	2024	16,494	697	438	177	774
Year 4	2025	16,868	713	470	192	786
Year 5	2026	17,250	729	504	208	799
Year 6	2027	17,641	746	540	226	811
Year 7	2028	18,041	763	579	245	824
Year 8	2029	18,450	780	621	265	837
Year 9	2030	18,868	798	666	288	850
Year 10	2031	19,266	814	715	312	864
10-Year Increase		3,845	163	360	173	125
Projected Revenue		**$1,159,965**	**$26,644**	**$107,379**	**$10,285**	**$14,584**

Projected Fee Revenue	$1,318,858
Existing Development Share	$10,364,595
Total Expenditures	$11,678,219

LIBRARY IMPACT FEES

METHODOLOGY

The Bella Vista Library is owned by the Bella Vista Public Library Foundation. The Foundation owns the building, while the City owns the collection and operates the Library. As such, this analysis only includes components for library collections. The Library impact fees include components for collection items. The *incremental expansion* methodology is used for Library collection items.

SERVICE AREA

The Library Foundation provides Library services throughout Bella Vista; therefore, there is a single service area for the Library impact fees.

PROPORTIONATE SHARE

Impact fees should not exceed a proportionate share of the capital cost needed to provide capital facilities to the development. The Library impact fees allocate the cost of capital facilities between residential and nonresidential development using the proportionate share of library card holders. Based on 2020 library card registration data, provided by Library staff, residential development accounts for approximately 92 percent of functional population and nonresidential development is responsible for the remaining 8 percent.

Figure L1: Library Proportionate Share Analysis

Proportionate Share Analysis		
Type	**Registration Cards***	**Percent**
Residential	5,750	92%
Nonresidential	500	8%
TOTAL	**6,250**	**100%**

* Bella Vista Library

IMPACT FEE COMPONENTS

Library Collection – Incremental Expansion

The City of Bella Vista plans to expand its current inventory of Library collection items to serve future development. The current inventory includes 40,061 collection items with an estimated replacement cost of $899,864. This equates to an average cost per cost per collection item of $22.

This analysis uses Bella Vista Library card registration data, provided by City staff, to allocate the proportionate share of demand to residential and nonresidential development. The existing level of service for residential development is 1.09 units per person (40,396 collection items X 92 percent residential share / 34,396 persons). The existing nonresidential level of service is 1.00 units per job (40,681 collection items X 8 percent nonresidential share / 3,250 jobs). Using the average cost of $22 per collection item, the Library collection items cost is $24.07 per person (1.09 collection items per person X $22 per unit) and $22.15 per job (1.00 units per job X $22 per unit).

Figure L2: Library Collection Cost Allocation and Level of Service

Description	Units*	Unit Cost	Replacement Cost*
Library Collections	40,681	$22	$899,864

*City of Bella Vista Library

Level-of-Service Analysis	
Population in 2021	34,396
Jobs in 2021	3,250
Residential Share	92%
Nonresidential Share	8%
LOS: Units per Person	**1.09**
LOS: Units per Job	**1.00**

Cost Analysis	
Cost per Collection Item	$22
LOS: Units per Person	1.09
Cost per Person	**$24.07**
LOS: Units per Job	1.00
Cost per Job	**$22.15**

PROJECTED DEMAND

Library Collection Items

Based on a projected population increase of 8,577 persons over the next 10 years, future residential development demands an additional 9,332 collection items (8,577 additional persons X 1.1 collection items per person). With projected employment growth of 1,496 jobs over the next 10 years, future nonresidential development demands an additional 1,498 collection items (1,496 additional jobs X 1.00 collection items per job). Future development demands an additional 10,831 units of library collection items at a cost of $239,575 (10,831 units X $22.12 per item).

Figure L3: Projected Demand for Library Collection Items

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Library Collections	1.09 Collection Items	per Person	$22
	1.00 Collection Items	per Job	

Demand for Collection Items					
Year	Population	Employment	Residential Demand	Nonresidential Demand	Total
2021	34,396	3,250	37,427	3,254	**40,681**
2022	35,175	3,364	38,275	3,369	**41,644**
2023	35,973	3,484	39,143	3,489	**42,632**
2024	36,788	3,612	40,030	3,617	**43,647**
2025	37,622	3,747	40,938	3,752	**44,690**
2026	38,475	3,889	41,866	3,895	**45,761**
2027	39,348	4,041	42,815	4,047	**46,862**
2028	40,240	4,202	43,786	4,208	**47,993**
2029	41,152	4,372	44,778	4,379	**49,157**
2030	42,085	4,553	45,794	4,560	**50,354**
2031	42,972	4,746	46,759	4,753	**51,512**
10-Yr Increase	8,577	1,496	9,332	1,498	**10,831**

Growth-Related Expenditures	$206,433	$33,142	$239,575

PROPOSED LIBRARY IMPACT FEES

Infrastructure components and cost factors for Library impact fees are summarized in figure L6. For Library impact fees, the capital cost is $24.61 per person and $22.91 per job.

Library impact fees for residential development are assessed according to the number of persons per housing unit. The single-family fee of $54 is calculated using a cost of $24.61 per person multiplied by a demand unit of 2.19 persons per housing unit.

Nonresidential impact fees are assessed according to the number of jobs per 1,000 square feet of floor area. The commercial/shopping center fee of $54 per 1,000 square feet of floor area is derived from a cost of $22.91 per job multiplied by a demand unit of 2.34 jobs per 1,000 square feet.

Figure L4: Schedule of Maximum Allowable Library Impact Fees

Fee Component	Cost per Person	Cost per Job
Library Collections	$24.61	$22.91
Total	**$24.61**	**$22.91**

Residential Development	Fees per Unit	
Development Type	**Persons per Housing Unit***	**Proposed Fees**
Single Family	2.19	$54
Multifamily	1.19	$27

Nonresidential Development	Fees per 1,000 Square Feet	
Development Type	**Jobs per 1,000 Sq Ft***	**Proposed Fees**
Commercial	2.34	$54
Industrial	1.63	$37
Office/Institutional	2.97	$68

* See Land Use Assumptions

PROJECTED LIBRARY IMPACT FEE REVENUE

Projected fee revenue shown below is based on the development projections, shown in Appendix A, and the proposed Library impact fees shown in Figure L6. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase and impact fee revenue will increase at a corresponding rate. If development occurs at a slower rate than is projected, the demand for infrastructure will also decrease, along with impact fee revenue. Projected impact fee revenue over the next 10 years equals $245,981 and total projected expenditures equal $239,575. Existing development's share equals $0.

Figure L7: Projected Library Impact Fee Revenue

Fee Component	Growth Share	Existing Share	Total
Library Collections	$239,575	$0	$239,575
Total Expenditures	**$239,575**	**$0**	**$239,575**

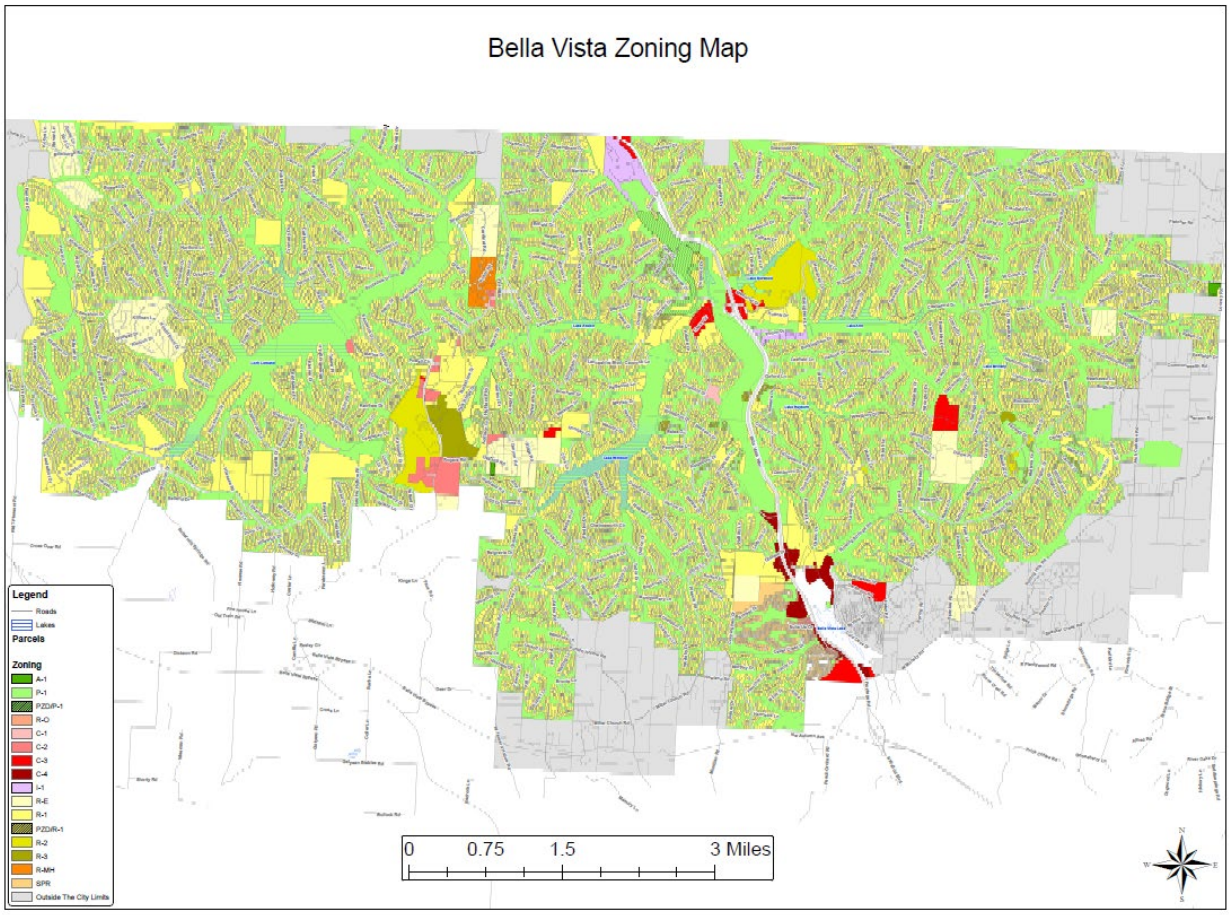
Year		Single Family $54 per Unit	Multifamily $27 per Unit	Commercial $54 per KSF	Industrial $37 per KSF	Office/Inst $68 per KSF
		Hsg Unit	Hsg Unit	KSF	KSF	KSF
Base	2021	15,421	652	355	139	739
Year 1	2022	15,770	667	381	151	750
Year 2	2023	16,128	682	408	163	762
Year 3	2024	16,494	697	438	177	774
Year 4	2025	16,868	713	470	192	786
Year 5	2026	17,250	729	504	208	799
Year 6	2027	17,641	746	540	226	811
Year 7	2028	18,041	763	579	245	824
Year 8	2029	18,450	780	621	265	837
Year 9	2030	18,868	798	666	288	850
Year 10	2031	19,266	814	715	312	864
10-Yr Increase		3,845	163	360	173	125
Projected Revenue		**$207,283**	**$4,432**	**$19,291**	**$6,467**	**$8,508**

Projected Fee Revenue	$245,981
Total Expenditures	$239,575
Existing Development Share	$0

APPENDIX A: LAND USE ASSUMPTIONS

The City of Bella Vista, Arkansas, retained TischlerBise to analyze the impacts of development on its capital facilities and to calculate impact fees based on that analysis. TischlerBise prepared current demographic estimates and future development projections for both residential and nonresidential development that will be used in the calculation of the impact fees. Current demographic data estimates for 2021 are used in calculating levels of service (LOS) provided to existing development in Bella Vista.

The estimates and projections of residential and nonresidential development in this *Land Use Assumptions* document are for areas within the boundaries of Bella Vista, Arkansas. The map below illustrates the areas within the Citywide Service Area for Fire/EMS, Police, and Library development impact fees.



SUMMARY OF GROWTH INDICATORS

Key land use assumptions for the Bella Vista Impact Fee Study are population, housing units, and employment. Based on discussions with city staff, TischlerBise estimates population using data from the Northwest Arkansas Regional Planning Commission's *2040 Northwest Arkansas Metropolitan Transportation Plan* (Chapter 3; Table 2). For housing units, TischlerBise applies person per housing unit factors derived from 2014-2018 American Community Survey 5-Year Estimates to population estimates and projections. For nonresidential development, the base year employment estimate is calculated based on data used in the *2040 Northwest Arkansas Metropolitan Transportation Plan*. TischlerBise converts employment estimates and projections to nonresidential floor area based on average square feet per job multipliers published by the Institute of Transportation Engineers (ITE). The projections contained in this document provide the foundation for the Impact Fee Study. These metrics are the service units and demand indicators used in the Impact Fee Study.

Development projections, summarized below, will be used to estimate impact fee revenue and to indicate the anticipated need for growth-related infrastructure. However, impact fee methodologies are designed to reduce sensitivity to development projections in the determination of the proportionate share fee amounts. If actual development is slower than projected, fee revenue will decline, but so will the need for growth-related infrastructure. In contrast, if development is faster than anticipated, Bella Vista will receive an increase in fee revenue, but will also need to accelerate infrastructure improvements to keep pace with the actual rate of development. During the next 10 years, citywide development projections indicate an increase of 4,008 housing units and approximately 663 thousand square feet of nonresidential floor area.

Bella Vista, AR	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10-Year
	Base Yr	1	2	3	4	5	6	7	8	9	10	Increase
Population[1]												
Single Family Units	33,395	34,152	34,926	35,718	36,528	37,356	38,203	39,069	39,955	40,861	41,722	8,327
Multifamily Units	1,001	1,023	1,046	1,070	1,094	1,119	1,145	1,171	1,197	1,224	1,250	249
Total	34,396	35,175	35,973	36,788	37,622	38,475	39,348	40,240	41,152	42,085	42,972	8,577
Housing Units[2]												
Single Family Units	15,421	15,770	16,128	16,494	16,868	17,250	17,641	18,041	18,450	18,868	19,266	3,845
Multifamily Units	652	667	682	697	713	729	746	763	780	798	814	163
Total	16,073	16,437	16,810	17,191	17,581	17,979	18,387	18,804	19,230	19,666	20,080	4,008
Jobs[3]												
Commercial	831	891	956	1,025	1,100	1,180	1,265	1,357	1,455	1,561	1,674	843
Industrial	227	246	266	289	313	340	368	399	433	470	509	282
Office/Institutional	2,192	2,227	2,262	2,297	2,333	2,370	2,408	2,446	2,484	2,523	2,563	371
Total	3,250	3,364	3,484	3,612	3,747	3,889	4,041	4,202	4,372	4,553	4,746	1,496
Nonres Sq Ft in thousands (KSF)[3]												
Commercial	355	381	408	438	470	504	540	579	621	666	715	360
Industrial	139	151	163	177	192	208	226	245	265	288	312	173
Office/Institutional	739	750	762	774	786	799	811	824	837	850	864	125
Total	1,233	1,282	1,334	1,389	1,448	1,511	1,577	1,648	1,724	1,805	1,891	658

1. Population projections given by NWARPC for 2020, 2030, and 2040. All other years total population is calculated by annual compound growth rates using the 2020, 2030, and 2040 projections. The annual compound growth rate between 2020 and 2030 is 2.27% and between 2030-2040 it is 2.11%.

2. Total housing unit projections are calculated by dividing the total population projection by the average persons-per-housing unit (2.14). Multiplying the total housing units by the current housing mix results in number of housing units by type.

3. Employment projections based on annual employment growth in each sector between 2010-2017. Annualized growth rates were calculated to be 7% for commercial, 8% for industrial, and 2% for office.

4 Nonresidential Floor Area is calculated by multiplying an ITE (Institute of Transportation Engineers) floor area per employee (Sq.Ft.) estimate and that years employees in per respective industry.

RESIDENTIAL DEVELOPMENT

Housing Unit Size

According to the U.S. Census Bureau, a household is a housing unit occupied by year-round residents. Impact fees often use per capita standards and persons per housing unit (PPHU) or persons per household (PPH) to derive proportionate share fee amounts. When PPHU is used in the fee calculations, infrastructure standards are derived using year-round population. When PPH is used in the fee calculations, the impact fee methodology assumes a higher percentage of housing units will be occupied, thus requiring seasonal or peak population to be used when deriving infrastructure standards. TischlerBise recommends that Bella Vista impose impact fees for residential development according to the number of persons per housing unit (PPHU).

Occupancy calculations require data on population and the types of units by structure. The 2010 census did not obtain detailed information using a "long-form" questionnaire. Instead, the U.S. Census Bureau switched to a continuous monthly mailing of surveys, known as the American Community Survey (ACS), which has limitations due to sample-size constraints. For example, data on detached housing units are now combined with attached single units (commonly known as townhouses, which share a common sidewall, but are constructed on an individual parcel of land). For impact fees in Bella Vista, detached stick-built units and attached are included in the "Single-Family" category. The second residential category includes duplexes and all other structures with two or more units on an individual parcel of land. This is referred to as the "Multi-Family" category. The "Multi-Family" category also includes mobile homes, boats, RV, vans, and all other units.

Figure A1 below shows the occupancy estimates for Bella Vista. Single-family units average 2.19 persons per housing unit and multi-family units average 1.19 persons per housing unit.

Figure A1: Persons per Housing Unit

2018 Summary by Type of Housing	Persons	Households	Persons per Household	Housing Units	Persons Per Housing Unit	Housing Mix
Single Family	27,937	11,757	2.38	12,759	**2.19**	95%
Multifamily	837	497	1.68	701	**1.19**	5%
TOTAL	28,774	12,254	2.35	13,460	**2.14**	

Source: 2013-2018 American Community Survey 5-year Estimates, U.S. Census Bureau

Residential Estimates

TischlerBise uses the Northwest Arkansas Regional Planning Commissions' *2040 Northwest Arkansas Metropolitan Transportation Plan* data to derive 2021 base year population estimates. Shaded yellow in Figure A2, city population estimates equal 34,396 persons in 2021. TischlerBise allocates population to interim years using a linear projection. Since population in group quarters is not associated with a housing unit, the analysis excludes group quarters population. TischlerBise uses resident population, calculated by subtracting group quarters population from total population, to project demand from future residential development. The base year resident population estimate quals 34,396 persons.

To estimate housing units, TischlerBise applies the persons per housing unit factor derived from 2014-2018 American Community Survey 5-Year Estimates to the resident population estimates and projections. To estimate housing units by type, the analysis maintains the existing housing mix shown in Figure A1. This results in an additional 3,845 single-family units and 163 multi-family units. The base year housing estimate includes 16,073 housing units.

Figure A2: Residential Estimates

Bella Vista, AR	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10-Year
	Base Yr	1	2	3	4	5	6	7	8	9	10	Increase
Population[1]												
Single Family Units	33,395	34,152	34,926	35,718	36,528	37,356	38,203	39,069	39,955	40,861	41,722	8,327
Multifamily Units	1,001	1,023	1,046	1,070	1,094	1,119	1,145	1,171	1,197	1,224	1,250	249
Total	34,396	35,175	35,973	36,788	37,622	38,475	39,348	40,240	41,152	42,085	42,972	8,577
Housing Units[2]												
Single Family Units	15,421	15,770	16,128	16,494	16,868	17,250	17,641	18,041	18,450	18,868	19,266	3,845
Multifamily Units	652	667	682	697	713	729	746	763	780	798	814	163
Total	16,073	16,437	16,810	17,191	17,581	17,979	18,387	18,804	19,230	19,666	20,080	4,008

Source: *2040 Northwest Arkansas Metropolitan Transportation Plan* , Northwest Arkansas Regional Planning Commission.; Chapter 3, Table 3.2.

1. Population projections given by NWARPC for 2020, 2030, and 2040. All other years total population is calculated by annual compound growth rates using the 2020, 2030, and 2040 projections. The annual compound growth rate between 2020 and 2030 is 2.27% and between 2030-2040 it is 2.11%.

2. Total housing unit projections are calculated by dividing the total population projection by the average persons-per-housing unit (2.14). Multiplying the total housing units by the

NONRESIDENTIAL DEVELOPMENT

Current estimates and future projections of nonresidential development are detailed in this section including jobs and nonresidential floor area. TischlerBise uses the term jobs to refer to employment by place of work. In Figure A3, gray shading indicates the nonresidential development prototypes used by TischlerBise to derive employment densities and average weekday vehicle trip ends. For nonresidential development, TischlerBise uses data published in Trip Generation, Institute of Transportation Engineers, 10th Edition (2017).

The prototype for industrial development is Light Industrial (110) which generates 4.96 average weekday vehicle trip ends per 1,000 square feet of floor area and has 613 square feet of floor area per employee. For office and institutional development, the proxy is General Office (ITE 710); it generates 9.74 average weekday vehicle trip ends per 1,000 square feet of floor area and has 337 square feet of floor area per employee. The prototype for commercial development is Shopping Center (ITE 820) which generates 37.75 average weekday vehicle trips per 1,000 square feet of floor area and has 427 square feet of floor area per employee.

Figure A3: Nonresidential Demand Units

ITE Code	Land Use / Size	Demand Unit	Wkdy Trip Ends Per Dmd Unit[1]	Wkdy Trip Ends Per Employee[1]	Employees Per Dmd Unit	Sq Ft Per Employee
110	Light Industrial	1,000 Sq Ft	4.96	3.05	1.63	613
130	Industrial Park	1,000 Sq Ft	3.37	2.91	1.16	862
140	Manufacturing	1,000 Sq Ft	3.93	2.47	1.59	629
150	Warehousing	1,000 Sq Ft	1.74	5.05	0.34	2,941
254	Assisted Living	bed	2.60	4.24	0.61	na
320	Motel	room	3.35	25.17	0.13	na
520	Elementary School	1,000 Sq Ft	19.52	21.00	0.93	1,075
530	High School	1,000 Sq Ft	14.07	22.25	0.63	1,587
540	Community College	student	1.15	14.61	0.08	na
550	University/College	student	1.56	8.89	0.18	na
565	Day Care	student	4.09	21.38	0.19	na
610	Hospital	1,000 Sq Ft	10.72	3.79	2.83	353
620	Nursing Home	bed	3.06	2.91	1.05	na
710	General Office (average size)	1,000 Sq Ft	9.74	3.28	2.97	337
760	Research & Dev Center	1,000 Sq Ft	11.26	3.29	3.42	292
770	Business Park	1,000 Sq Ft	12.44	4.04	3.08	325
820	Shopping Center (average size)	1,000 Sq Ft	37.75	16.11	2.34	427

1. Trip Generation, Institute of Transportation Engineers, 10th Edition (2017).

Employment Estimates

TischlerBise uses the Esri Business Analyst and Past employment growth data to derive 2021 base year employment estimates. Shaded yellow in Figure A4, Bella Vista employment estimates equal 3,250 jobs in 2021. To calculate employment by industry sector, TischlerBise applies 2020 Esri Business Analyst data to the ITE Trip Generation Estimates.

To estimate nonresidential floor area, TischlerBise applies the employment density factors shown in Figure A3 to employment estimates, by industry sector, shown below in Figure A4. For example, 2020 city-wide industrial employment of 209 jobs multiplied by an employment density factor of 613 square feet per employee equals 143 KSF of industrial floor area. TischlerBise repeats this process for commercial and office development. The 2021 base year estimate includes approximately 1.18 million square feet of nonresidential floor area.

Figure A4: Nonresidential Estimates

Development Type	2020 Jobs	Share of Total Jobs	Square Feet per Employee[1]	2020 Estimated Floor Area[2]	Jobs per 1,000 Sq Ft[2]
Commercial[3]	775	25%	427	330,925	2.34
Industrial[4]	209	7%	613	128,117	1.63
Office/Institutional[5]	2,158	69%	337	727,246	2.97
Total	**3,142**	**100%**		**1,186,288**	

Source: Esri Business Analyst Online, 2020.

1. Trip Generation, Institute of Transportation Engineers, 10th Edition (2017).
2. TischlerBise Calculation
3. Major sectors include Retail Trade; Accommodation and Food Services.
4. Major sectors include Manufacturing; Wholesale Trade.
5. Major sectors include Educational Services; Health Care & Social Assistance.

Nonresidential Projections

TischlerBise utilizes US Census Bureau data from 2010 to 2017 on past employment to project future employment. Based on these projections, Bella Vista's citywide employment will increase to 4,746 jobs in 2031. TischlerBise converts projected employment to projected floor area using the same steps outlined in the previous section. This results in a total nonresidential floor area projection of approximately 1.89 million square feet in 2031.

Employment and nonresidential floor area projections are used to illustrate the possible future pace of service demands, revenues, and expenditures. To the extent these factors change, the projected need for infrastructure will also change. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase at a corresponding rate. If development occurs at a slower rate than is projected, the demand for infrastructure will also decrease.

Figure A5: Nonresidential Projections

Job Projections[1]	Base	1	2	3	4	5	6	7	8	9	10	10-Year
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Increase
Commercial	831	891	956	1,025	1,100	1,180	1,265	1,357	1,455	1,561	1,674	899
Industrial	227	246	266	289	313	340	368	399	433	470	509	300
Office	2,192	2,227	2,262	2,297	2,333	2,370	2,408	2,446	2,484	2,523	2,563	405
Total	3,250	3,364	3,484	3,612	3,747	3,889	4,041	4,202	4,372	4,553	4,746	1,604

1. Employment projections based on annual employment growth in each sector between 2010-2017. Annualized growth rates were calculated to be 7% for commercial, 8% for industrial, and 3% for office.

KSF Projections[1]	Base	1	2	3	4	5	6	7	8	9	10	10-Year
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Increase
Commercial	355	381	408	438	470	504	540	579	621	666	715	384
Industrial	143	155	168	182	197	214	232	251	272	295	320	189
Office	739	750	762	774	786	799	811	824	837	850	864	136
Total	1,236	1,286	1,338	1,394	1,453	1,516	1,583	1,655	1,731	1,812	1,899	709

1. Nonresidential Floor Area is calculated by multiplying an ITE (Insitute of Transportation Engineers) floor area per employee (Sq.Ft.) estimate and that years employees in their respective industry.

AVERAGE WEEKDAY VEHICLE TRIPS

Bella Vista will use average weekday vehicle trips (AWVT) as the nonresidential demand units for Law Enforcement fees.

Nonresidential Trip Generation Rates

For nonresidential development, TischlerBise uses trip generation rates published in Trip Generation, Institute of Transportation Engineers, 10th Edition (2017). The prototype for industrial development is Light Industrial (110) which generates 4.96 average weekday vehicle trip ends per 1,000 square feet of floor area. For office and institutional development, the proxy is General Office (ITE 710), and it generates 9.74 average weekday vehicle trip ends per 1,000 square feet of floor area. The prototype for commercial development is Shopping Center (ITE 820) which generates 37.75 average weekday vehicle trips per 1,000 square feet of floor area.

Figure A6: Average Weekday Vehicle Trip Ends by Land Use

ITE Code	Land Use / Size	Demand Unit	Wkdy Trip Ends Per Dmd Unit[1]	Wkdy Trip Ends Per Employee[1]	Employees Per Dmd Unit	Sq Ft Per Employee
820	Shopping Center (average size)	1,000 Sq Ft	37.75	16.11	2.34	427
110	Light Industrial	1,000 Sq Ft	4.96	3.05	1.63	613
710	General Office (average size)	1,000 Sq Ft	9.74	3.28	2.97	337

'1. Trip Generation, Institute of Transportation Engineers, 10th Edition (2017).

Trip Rate Adjustments

Average Weekday Vehicle Trips (AWVT) are used as a measure of demand by land use. Vehicle trips are estimated using average weekday vehicle trip ends from the reference book, *Trip Generation, 10th Edition*, published by the Institute of Transportation Engineers (ITE) in 2017. A vehicle trip end represents a vehicle entering or exiting a development (as if a traffic counter were placed across a driveway). To calculate the impact fees, trip generation rates are adjusted to avoid double counting each trip at both the origin and destination points. The basic trip adjustment factor is 50 percent. As discussed further below, the impact fee methodology includes additional adjustments to make the fees proportionate to the infrastructure demand for particular types of development.

Adjustment for Pass-By Trips

For commercial development, the trip adjustment factor is less than 50 percent because this type of development attracts vehicles as they pass by on arterial and collector roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For the average shopping center, ITE data indicate 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the commercial site as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor is 66 percent multiplied by 50 percent, or approximately 33 percent of the trip ends.

FUNCTIONAL POPULATION

TischlerBise recommends functional population to allocate the cost of infrastructure to residential and nonresidential development. Functional population is similar to what the U.S. Census Bureau calls "daytime population," which accounts for people living and working in a jurisdiction, but also considers commuting patterns and time spent at home and at nonresidential locations. OnTheMap is a web-based mapping and reporting application that shows where workers are employed and where they live. OnTheMap was developed through a unique partnership between the U.S. Census Bureau and its Local Employment Dynamics (LED) partner states.

Residents who do not work are assigned 20 hours per day to residential development and four hours per day to nonresidential development (annualized averages). Residents who work in Bella Vista are assigned 16 hours to residential development and 8 hours to nonresidential development. Residents who work outside Bella Vista are assigned 16 hours to residential development, and inflow commuters are assigned 8 hours to nonresidential development. Based on 2018 data, residential development accounts for 86 percent of functional population and nonresidential development accounts for the remaining 14 percent.

Figure A7: Functional Population

Proportionate Share

		Demand Units in 2018		Demand Hours/Day	Person Hours	Proportionate Share
Residential						
	Estimated Residents	28,774				
57%	Residents Not Working		16,519	20	330,380	
43%	Workers Living in the City		12,255			
6%	City Residents Working in the City		781	16	12,496	
94%	City Residents Working outside of the City		11,474	16	183,584	
			Residential Subtotal		526,460	**86.0%**
Nonresidential						
	Non-working Residents		16,519	4	66,076	
	Jobs Located in the City		2,465			
	City Residents Working in the City		781	8	6,248	
	Non-Resident Workers		1,684	8	13,472	
			Nonresidential Subtotal		85,796	**14.0%**
				Total	612,256	**100%**

Source: US Census, OnTheMap Application and LEHD Origin-Destination Employment Statistics

DEVELOPMENT PROJECTIONS

Citywide

Provided below are summaries of Bella Vista development projections used in the Impact Fee Study. Development projections are used to illustrate a possible future pace of demand for service units and cash flows resulting from revenues and expenditures associated with those demands.

Figure A8: Development Projections Summary

Bella Vista, AR	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10-Year
	Base Yr	1	2	3	4	5	6	7	8	9	10	Increase
Population[1]												
Single Family Units	33,395	34,152	34,926	35,718	36,528	37,356	38,203	39,069	39,955	40,861	41,722	8,327
Multifamily Units	1,001	1,023	1,046	1,070	1,094	1,119	1,145	1,171	1,197	1,224	1,250	249
Total	34,396	35,175	35,973	36,788	37,622	38,475	39,348	40,240	41,152	42,085	42,972	8,577
Housing Units[2]												
Single Family Units	15,421	15,770	16,128	16,494	16,868	17,250	17,641	18,041	18,450	18,868	19,266	3,845
Multifamily Units	652	667	682	697	713	729	746	763	780	798	814	163
Total	16,073	16,437	16,810	17,191	17,581	17,979	18,387	18,804	19,230	19,666	20,080	4,008
Jobs[3]												
Commercial	831	891	956	1,025	1,100	1,180	1,265	1,357	1,455	1,561	1,674	843
Industrial	227	246	266	289	313	340	368	399	433	470	509	282
Office/ Institutional	2,192	2,227	2,262	2,297	2,333	2,370	2,408	2,446	2,484	2,523	2,563	371
Total	3,250	3,364	3,484	3,612	3,747	3,889	4,041	4,202	4,372	4,553	4,746	1,496
Nonres Sq Ft in thousands (KSF)[3]												
Commercial	355	381	408	438	470	504	540	579	621	666	715	360
Industrial	143	155	168	182	197	214	232	251	272	295	320	178
Office/ Institutional	739	750	762	774	786	799	811	824	837	850	864	125
Total	1,236	1,286	1,338	1,394	1,453	1,516	1,583	1,655	1,731	1,812	1,899	663

1. Population projections given by NWARPC for 2020, 2030, and 2040. All other years total population is calculated by annual compound growth rates using the 2020, 2030, and 2040 projections. The annual compound growth rate between 2020 and 2030 is 2.27% and between 2030-2040 it is 2.11%.

2. Total housing unit projections are calculated by dividing the total population projection by the average persons-per-housing unit (2.14). Multiplying the total housing units by the current housing mix results in number of housing units by type.

3. Employment projections based on annual employment growth in each sector between 2010-2017. Annualized growth rates were calculated to be 7% for commercial, 8% for industrial, and 2% for office.

4 Nonresidential Floor Area is calculated by multiplying an ITE (Institute of Transportation Engineers) floor area per employee (Sq.Ft.) estimate and that years employees in per respective industry.

NONRESIDENTIAL VEHICLE TRIP PROJECTIONS

Provided below are citywide summaries of residential vehicle trip projections used in the Impact Fee Study.

Figure A9: Nonresidential Vehicle Trip Projections Summary

Trip Projections	Base	1	2	3	4	5	6	7	8	9	10	10-Year
Residential	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Increase
Single Family	88,523	90,530	92,582	94,681	96,828	99,023	101,268	103,564	105,912	108,313	110,597	22,073
Multi-Family	1,766	1,806	1,847	1,889	1,932	1,975	2,020	2,066	2,113	2,161	2,206	440
Total	**90,289**	**92,336**	**94,429**	**96,570**	**98,760**	**100,999**	**103,288**	**105,630**	**108,025**	**110,474**	**112,803**	**22,514**
Nonresidential												
Commercial	4,421	4,742	5,086	5,455	5,850	6,274	6,729	7,217	7,740	8,302	8,904	4,482
Industrial	354	383	416	451	489	530	575	623	675	732	794	441
Office	3,598	3,654	3,712	3,770	3,830	3,890	3,951	4,014	4,077	4,141	4,206	609
Total	**8,372**	**8,780**	**9,213**	**9,676**	**10,168**	**10,694**	**11,255**	**11,854**	**12,493**	**13,175**	**13,904**	**5,532**
Grand Total	98,661	101,115	103,643	106,246	108,928	111,693	114,544	117,484	120,518	123,649	126,707	28,046

APPENDIX B: LAND USE DEFINITIONS

RESIDENTIAL DEVELOPMENT

As discussed below, residential development categories are based on data from the U.S. Census Bureau, American Community Survey. Bella Vista will collect impact fees from all new residential units. One-time impact fees are determined by site capacity (i.e., number of residential units).

Single-Family Units:

1. Single-family detached is a one-unit structure detached from any other house, that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A one-family house that contains a business is considered detached as long as the building has open space on all four sides.
2. Single-family attached (townhouse) is a one-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.

Multi-Family Units:

1. 2+ units (duplexes and apartments) are units in structures containing two or more housing units, further categorized as units in structures with "2, 3 or 4, 5 to 9, 10 to 19, 20 to 49, and 50 or more apartments."
2. Mobile home includes both occupied and vacant mobile homes, to which no permanent rooms have been added. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer's lot, at the factory, or in storage are not counted in the housing inventory.
3. Boat, RV, Van, Etc. includes any living quarters occupied as a housing unit that does not fit the other categories (e.g., houseboats, railroad cars, campers, and vans). Recreational vehicles, boats, vans, railroad cars, and the like are included only if they are occupied as a current place of residence.

NONRESIDENTIAL DEVELOPMENT

The proposed general nonresidential development categories (defined below) can be used for all new construction within Bella Vista. Nonresidential development categories represent general groups of land uses that share similar average weekday vehicle trip generation rates and employment densities (i.e., jobs per thousand square feet of floor area).

Commercial: Establishments primarily selling merchandise, eating/drinking places, and entertainment uses. By way of example, *Commercial* includes shopping centers, supermarkets, pharmacies, restaurants, bars, nightclubs, automobile dealerships, movie theaters, hotels, and motels.

Industrial: Establishments primarily engaged in the production, transportation, or storage of goods. By way of example, *Industrial* includes manufacturing plants, distribution warehouses, trucking companies, utility substations, power generation facilities, and telecommunications buildings.

Institutional: Public and quasi-public buildings providing educational, social assistance, or religious services. By way of example, *Institutional* includes schools, universities, churches, daycare facilities, hospitals, government buildings, assisted living facilities, and nursing home facilities.

Office: Establishments providing management, administrative, professional, or business services. By way of example, *Office* includes banks, business offices, medical offices, and veterinarian clinics.

APPENDIX C: SERVICE AREA MAPS

CITYWIDE SERVICE AREA

The map below represents the Citywide Service Area for Fire/EMS, Police, Library, and Transportation development impact fees.