



## Westfield City Council Report

<b>Ordinance Number:</b>	12-13
<b>APC Petition Number:</b>	1204-ZOA-02
<b>Petitioner:</b>	City of Westfield
<b>Requested Action:</b>	The City of Westfield is proposing ordinance 12-13 to update the Road Impact Fee.
<b>Filing Date:</b>	March 30, 2012
<b>Referral Date to APC:</b>	April 9, 2012
<b>APC Public Hearing:</b>	May 7, 2012
<b>APC Recommendation:</b>	May 21, 2012
<b>Eligible for Adoption:</b>	June 11, 2012
<b>Prepared By:</b>	Jennifer M. Miller, AICP

### **PETITION HISTORY**

This item was introduced to the City Council on April 9, 2012. The Advisory Plan Commission (the "APC") held a public hearing on May 7, 2012. It was approved by the APC during the May 21, 2012 meeting. Certification of the vote is provided as Exhibit 1.

### **PROCEDURAL**

- Road Impact Fee Ordinances are required to be adopted in the same manner as zoning ordinances per Ind. Code § 36-7-4-1311.
- The Advisory Plan Commission (the "APC") held a public hearing on May 7, 2012, pending direction from the City Council.
- Notification of the May 7, 2012 public hearing was provided in accordance with the Advisory Plan Commission Rules of Procedure.
- The Westfield City Council may take action on this item at the June 11, 2012 meeting.
- The existing City of Westfield Road Impact Fee Ordinance 07-28 will expire June 10, 2013; therefore, action must be taken on this item by December 10, 2012 per Ind. Code § 36-7-4-1300 series.

## **PROJECT OVERVIEW**

### Project Description

State statute, Ind. Code § 36-7-4-1300, requires the City Council to review and approve the Zone Improvement Plan (the “ZIP”) prior to making changes to the Road Impact Fee. The ZIP was approved by the City Council on April 9, 2012. Following the adoption of the document, the Road Impact Fee Ordinance was introduced, also at the April 9, 2012 City Council meeting.

The Ordinance complies with the statutory requirements for a Road Impact Fee Ordinance. The Ordinance would apply to development within the City’s corporate limits. Collected fees could then be applied to public roads within the corporate limits with the exception of US 31, SR 32, SR 38, 146<sup>th</sup> Street and Moontown Road. These aforementioned roads fall under other governmental jurisdiction for maintenance.

Comments were received from the public during the public hearing on May 7, 2012 and in writing prior to the meeting. A summary of the identified issues and the responses has been provided as Exhibit 2 of this report. Copies of written comments received are provided as Exhibit 3.

## **RECOMMENDATIONS/ACTIONS**

- Community Development Department [May 21, 2012]  
The Westfield Community Development Staff, in its report to the APC, made a recommendation that the APC forward a favorable recommendation to the City Council.
- Advisory Plan Commission [May 21, 2012]  
The Westfield-Washington Advisory Plan Commission has forwarded a unanimous favorable recommendation to the City Council (7-0).
- City Council
  - Introduction: [April 9, 2012]
  - Eligible for Adoption: [June 11, 2012]

Submitted By: Jennifer M. Miller, AICP

**WESTFIELD-WASHINGTON ADVISORY PLAN COMMISSION  
CERTIFICATION**

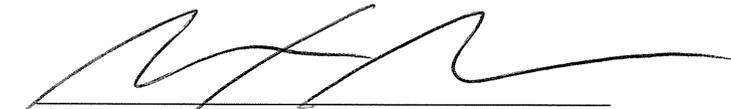
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The Westfield-Washington Advisory Plan Commission (the "APC"), held a public hearing on Monday May 21, 2012 to consider Ordinance 12-13, Road Impact Fee. Notice of public hearing was advertised and presented to the APC. Notice was shown to have been published in a newspaper of general circulation in Hamilton County, Indiana. The proposed update is described as follows:

Case No. 1204-ZOA-02  
Petitioner City of Westfield  
Description The City of Westfield requests an update to the Road Impact Fee Ordinance.

On May 21, 2012, the APC voted to approve and certify 1204-ZOA-02 to the Westfield City Council by vote of 7-0.

I, Matthew S. Skelton, Esq., being the Secretary of the APC, do hereby certify that the information contained herein is a true and accurate record of the APC's action on 1204-ZOA-02.

  
\_\_\_\_\_  
Matthew S. Skelton, Esq. Secretary

June 4, 2012  
Date

**ROAD IMPACT FEE ORDINANCE****EXHIBIT 2****Summary of Issues Raised at May 7, 2012 APC Public Hearing**

**Case No.** 1204-ZOA-02

**Petitioner** City of Westfield

**Description** The City of Westfield requests a public hearing and recommendation for the Road Impact Fee Ordinance.

1. What is the impact of the Road Impact Fee on the housing market and housing industry?

Response: Dave Compton, the representative from the Builders Association of Greater Indianapolis (BAGI), commented at the public hearing that they supported the use of impact fees and suggested a tiered approach to any increase in fees. Indiana state statute does not prohibit this suggested fee structure.

2. Is a road impact fee increase justified at this time given the struggling real estate market?

Response: The amount of an impact fee is not directly related to the level of permit activity within the community. The impact fee is not generally charged until the development receives a building permit.

3. To what extent do the US 31 Major Moves improvements create the need for infrastructure improvements contemplated in the Zone Improvement Plan?

Response: The US 31 Major Moves improvements do not create a need for additional infrastructure improvements. Additional analysis completed by the City's Thoroughfare planning consultant has examined this issue and their findings are that the upgrade US 31 to a freeway is expected to have an overall positive impact on Westfield's road network by drawing traffic away from many roads, especially parallel north/south roads. Rather than causing additional improvements to be made to Westfield's roads, the US 31 Major Moves upgrade reduces the improvements that would otherwise be necessary to maintain the existing service levels.

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[www.bagi.com](http://www.bagi.com)

**Builders  
Association  
of Greater  
Indianapolis**



*Where the Quality Standards are Set.*

May 7, 2012

Dear Mayor, Council Members and Plan Commission Members,

On behalf of the Builders Association of Greater Indianapolis, please accept this letter as you consider the proposed increase in the City's road impact fee. As the professional trade association representing the residential construction industry, we are in support of impact fees for infrastructure to support new development and economic growth.

However, the process and planning to develop impact fees must take into account various technical and practical considerations. Our review of the plan indicated the following items warrant your further consideration and discussion:

First, the proposed increase more than doubles the existing road impact fee for single family homes from \$1800 to \$3,837. Such a dramatic fee increase will choke any positive steps the industry and market are making towards a solid recovery. Such an increase will dramatically and negatively impact homebuyers. Now simply is not the time to add such a significant burden.

Second, it is not clear why the fee for new homes would go up so dramatically when the projections for new home growth have slowed so dramatically since the last Zone Improvement Plan. As a result, the increase cannot be justified based upon an increase in the pace of new home construction. If anything, common sense instructs that the impact of new homes would be reduced when the pace of new home construction has slowed.

Third, it appears that the increased fee may be driven by improvements needed to be made as a result of the US 31 improvements and not necessarily due to increased impacts by new developments on the roadways. To that extent, it does not seem that those US 31-related improvements should be attributable to new development.

As you know, the cost of planned road projects/improvements not only adds burden to the cost of new housing construction but the level of service in the plan requires the City to identify taxes or bonds to pay the existing population's share of the improvements. Thus, the higher the fee, the greater funding the existing population must also bear, too. The improvement plan does not adequately address this item.

Builders Association of Greater Indianapolis  
May 7, 2012  
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We appreciate your consideration of our comments and look forward to an opportunity to work together in creating an impact fee that meets the needs of all segments of the community. The common goal to ensure that positive economic growth continues in the City of Westfield is in everyone's best interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Lains". The signature is stylized with a large initial "S" and a long horizontal stroke at the end.

Steve Lains  
Chief Executive Officer

## Jennifer Miller

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**Subject:** FW: Follow-up

**From:** Steve Lains <[SteveL@bagi.com](mailto:SteveL@bagi.com)>

**Date:** May 11, 2012 1:07:35 PM EDT

**To:** Matt Skelton <[mskelton@westfield.in.gov](mailto:mskelton@westfield.in.gov)>, <[jmiller@westfield.in.gov](mailto:jmiller@westfield.in.gov)>

**Cc:** David Compton <[David.Compton@PulteGroup.com](mailto:David.Compton@PulteGroup.com)>, Steve Lains <[SteveL@bagi.com](mailto:SteveL@bagi.com)>, <[Steve.Hardin@bakerd.com](mailto:Steve.Hardin@bakerd.com)>

**Subject:** Follow-up

Thank you for taking the time and meeting Dave and I for lunch yesterday. We both appreciate your willingness to discuss and find solutions to help continue the positive economic growth that Westfield is experiencing.

To recap our issues re: the road impact study we discussed yesterday beyond those already presented in our previous letter to the APC:

- 1) The impact of the US 31 improvements on the existing resident's travel patterns and how that shifting of existing traffic onto different roads was accounted for in the model is still not clear to us. We simply want to make sure that the increased traffic in the 2021 projections account for that shift and does not add the entire burden of those street improvements onto new development. A percentage of approximately 25% of future roadway projects being the result of existing resident's needs seems on the low side when one does just a quick, non-technical review of the info and unique situation with US 31.
- 2) Are the planned roadway improvements feasible within the 10 year timeframe indicated? If so, how will those projects that are the responsibility of the existing residents going to be funded? That is an important piece of the study. My interpretation of the enabling statute (IC 36-7-4-1321(d) (1)) prescribes that the fee calculation has to include a deduction for the new residents tax payments towards that portion of those projected projects costs. Again, I am not an attorney but simply providing you my lay person's interpretation of the statute that was intended to keep the new resident from being "double dipped". I can forward you a copy of the study recently completed in Zionsville for parks and their handling of this issue if you would like to see that example.

It is clear that we all want to get to a point in which the new fee is reasonable to allow for the continued growth of Westfield and its infrastructure. As discussed, we will continue to be engaged as a part of the solution to that end and would be happy to attend the meeting with the consultant to further discuss these items. If you agree to that, please let me know the date and time of that meeting and I will make sure we have a representative there.

Thank you and under separate email I will send you an outlook invite for a couple of regularly scheduled meetings to keep the lines of communication open as we discussed. Also, I'll send you a link to BAGI membership info per your request.

Have a great weekend and do not hesitate to contact me directly re: this or any other issues.

Steve Lains  
Chief Executive Officer  
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[www.bagi.com](http://www.bagi.com)

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*Homes build our local economy - in 2010 new home construction created \$638 million in local income, \$60 million in local taxes and 9,773 local jobs.*

## Jennifer Miller

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**From:** Joy Skidmore <jskidmore@kiterealty.com>  
**Sent:** Thursday, May 31, 2012 8:33 AM  
**To:** Jennifer Miller  
**Cc:** Thomas K. McGowan; Bud Moll  
**Subject:** Westfield Proposed Impact Fee Increases

Ms. Miller,

As owner of two shopping centers in the City of Westfield, we would like to submit our opinion to Council regarding the proposed increase in road impact fees. While the recession appears to be coming to an end, it continues to be a struggle to obtain and retain tenants. The current impact fee schedule already in place has prohibited several retail deals from being completed. In certain cases, the impact fees have actually exceeded the cost for the entire construction of the tenant build out. Therefore, it stands to reason, any increase is going to further prohibit Kite and other landlords from securing future tenants for our centers. By prohibiting retail growth these fee increases will subsequently negate the generation of new jobs and sales tax revenue.

We would respectfully ask the City Council to deny any increase in these impact fees and implore them to continue to find another means to fund the necessary roadway improvements and maintenance required for the City to remain prosperous.

Sincerely,

**Joy Skidmore** | Project Manager, Construction Services

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317 409 0554 [cell]  
317 577 5600 [main]  
317 577 5605 [fax]

**Kite Realty Group**  
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