



**CITY OF SANTA FE**

# **Impact Fee Basics**

**Tim Wood, Project Manager**

**John Ghilarducci, Principal**

**Eli Jamieson, Analyst**

**June 11, 2026**



# Agenda

- Project Introduction
- Current impact fees
- Legal Review
- Example Data
  - » Projected Growth
  - » Capital Improvement Plan
- Next Steps



# Agenda

- Project Introduction
- Current impact fees
- Legal Review
- Example Data
  - » Projected Growth
  - » Capital Improvement Plan
- Next Steps



# Key Characteristics of Impact Fees

Impact Fees are one-time charges, not ongoing rates. Paid at the time of development.

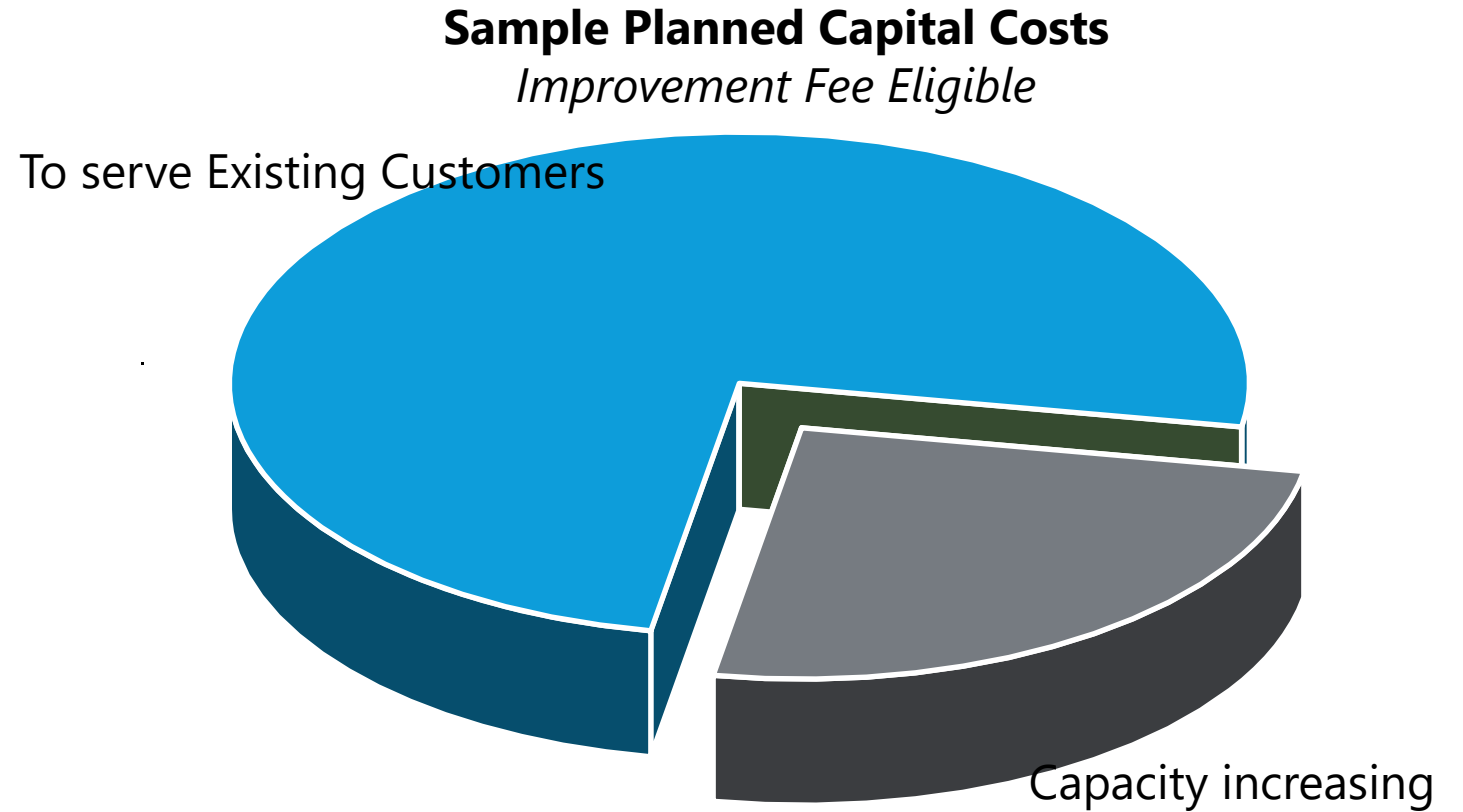
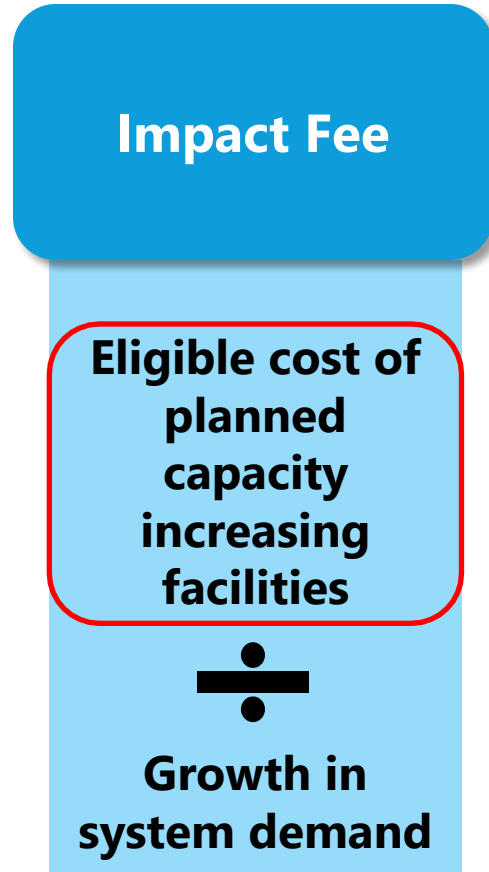
Impact Fees are available for water, wastewater, stormwater, transportation, parks, police, and fire.

Impact Fees are for **capital only**, in both their calculation and in their use.

Impact Fees are for “system” facilities, not “local” facilities.



# Impact Fee Cost Basis





# Project Objectives

- We will update impact fee calculations for four services
  - » Roads
  - » Parks
  - » Fire
  - » Police
- We will ensure that impact fees reflect new information, such as:
  - » Current population, employment growth projections
  - » Capital needs in the forthcoming ICIP update
  - » Revisiting impact fee discount rates



# Our Approach (Standards vs. Plan)

- *Impact Fee Capital Improvements Plan 2021-2027*, adopted in 2020
  - » “Standards-based”
  - » No defined projects
  - » Unit costs
- Our approach
  - » “Plan-based”
  - » List of defined projects
  - » Determination of allocation to growth for each project (eligibility)



# Agenda

- Project Introduction
- Current impact fees
- Legal Review
- Example Data
  - » Projected Growth
  - » Capital Improvement Plan
- Next Steps



# Current Impact Fees

Land Use Type	Unit	Roads	Parks	Fire	Police	Total
<b>Single-Family Detached</b>						
1,500 sq. ft. or less	Dwelling	\$2,246	\$1,080	\$206	\$65	\$3,596
1,501–2,500 sq. ft.	Dwelling	\$2,367	\$1,162	\$222	\$70	\$3,821
2,501–3,000 sq. ft.	Dwelling	\$2,487	\$1,244	\$237	\$75	\$4,043
3,001 sq. ft. or more	Dwelling	\$2,624	\$1,338	\$254	\$81	\$4,297
<b>Accessory Unit</b>	Dwelling	\$1,171	\$740	\$141	\$45	\$2,096
<b>Multi-Family</b>	Dwelling	\$1,373	\$880	\$168	\$53	\$2,474
<b>Mobile Home Park</b>	Space	\$1,261	\$1,796	\$342	\$108	\$3,508
<b>Retail/Commercial</b>	1,000 sq. ft.	\$3,269	\$0	\$250	\$79	\$3,598
<b>Office</b>	1,000 sq. ft.	\$2,790	\$0	\$121	\$39	\$2,950
<b>Industrial</b>	1,000 sq. ft.	\$1,114	\$0	\$52	\$17	\$1,183
<b>Warehouse</b>	1,000 sq. ft.	\$578	\$0	\$24	\$8	\$609
<b>Mini-Warehouse</b>	1,000 sq. ft.	\$282	\$0	\$5	\$2	\$288
<b>Public/Institutional</b>	1,000 sq. ft.	\$1,266	\$0	\$56	\$18	\$1,340

Source: City of Santa Fe



# Agenda

- Project Introduction
- Current impact fees
- **Legal Review**
- Example Data
  - » Projected Growth
  - » Capital Improvement Plan
- Next Steps



# Federal Case Law

- Fifth Amendment to the Constitution of the United States
  - » "... nor shall private property be taken for public use, without just compensation."
- Four cases decided by the Supreme Court of the United States
  - » *Nollan v. California Coastal Commission*, 483 U.S. 825 (1987)
  - » *Dolan v. City of Tigard*, 512 U.S. 374 (1994)
  - » *Koontz v. St. Johns River Water Management District*, 570 U.S. 595 (2013)
  - » *Sheetz v. El Dorado County*, 601 U.S. \_\_\_ (2024)
- Together, these cases require impact fees (and all exactions) to be **no greater than the cost to mitigate a new development's impact.**



# Key Elements Required by State Statute

- Capital Improvements Plan
  - » Identifies improvements to be funded
  - » Can include capital projects, debt service payments, admin cost
  - » Must analyze project “eligibility” (the extent to which the project serves growth)
- Land Use Assumptions
  - » Establishes growth by land use type
  - » Expressed in “service units” (e.g. trips for transportation, population for parks)
  - » Projected growth in demand for not more than 10 years



# Key Considerations from State Statute

- Cities must build projects on the list within 7 years, or they may need to issue refunds.
  - » True-up of impact fee after completion of projects
- Land use assumptions and capital improvements plan must be updated every 5 years.
  - » The governing body can also determine that “no changes to the land use assumptions, capital improvements plan or impact fees are needed”
- Land use assumptions, capital improvements plan, and impact fees can be amended in interim years.
  - » These actions can not increase the maximum defensible fee without the full process



# Agenda

- Project Introduction
- Current impact fees
- Legal Review
- Example Data
  - » Projected Growth
  - » Capital Improvement Plan
- Next Steps



# Capital Improvement Example

- Includes project title, capacity added, total cost.
- Largely informed by ICIP

<b>Parks Projects</b>	<b>Developed Acres Added</b>	<b>Undeveloped Acres Added</b>	<b>Total Cost</b>
<b>Herb Martinez Park Improvements</b>	0.00	0.00	\$ 875,000
<b>Zozobra Field and Fort Marcy Park Renovations</b>	0.00	0.00	9,000,000
<b>MRC Soccer Valley Expansion</b>	225.38	(225.38)	4,370,000
<b>Ragle Park Baseball Field Upgrades</b>	0.00	0.00	4,300,000
<b>Frenchy's Field Park/SF River Trail Improvements</b>	0.00	0.00	600,000
<b>SWAN Park Phase II</b>	41.86	(41.86)	13,200,000
<b>Santa Fe Teen Center Improvements</b>	0.00	0.00	300,000
<b>Total</b>	<u>267.24</u>	<u>(267.24)</u>	<u>\$ 32,645,000</u>

*Source: Infrastructure Capital Improvement Plan Fiscal Years 2027-2031, City staff.*



# Land Use Assumption Example

- Measures growth by type (e.g. population, housing units, nonresidential SF)
- Serves as the “denominator” for the impact fee calculation
- May be converted to other units (e.g. trips for TIF)

<b>Master Growth Assumptions</b>	<b>2020</b>	<b>2026</b>	<b>2031</b>	<b>Growth from</b>
	<b>Actual</b>	<b>Projection</b>	<b>Projection</b>	<b>2026 to 2031</b>
<b>Population</b>	87,505	91,825	95,587	<b>3,762</b>
<b>Total housing units</b>	43,330	48,019	52,497	<b>4,478</b>
<b>Total non-residential development (1,000 square feet)</b>	33,064	33,856	34,531	<b>675</b>
<b>Total industrial and warehouse (1,000 square feet)</b>	6,487	6,643	6,775	<b>133</b>



# Agenda

- Project Introduction
- Current impact fees
- Legal Review
- Example Data
  - » Projected Growth
  - » Capital Improvement Plan
- Next Steps



# Net Steps

- ICIP Adoption (6/24)
- Update Impact Fee Calculations
- Presentation of Draft Plan to Public Works & Utilities Committee (7/20)
- Presentation of Analysis to CAIC (7/21)
- Finalize Comments from CAIC (August)
- Adoption Sequence (August-September)

**Thank you!**  
**Questions?**

**Tim Wood, Project Manager**  
**503-374-1707**  
**Tim.Wood@bowman.com**

**[www.fcsgroup.com](http://www.fcsgroup.com)**

