

AMENDED 11/10/04

PUBLIC SAFETY COSTS OF
ACCOMMODATING NEW DEVELOPMENT
AND RECOMMENDED PUBLIC SAFETY
DEVELOPMENT IMPACT FEES

PREPARED FOR THE
CITY OF ALBUQUERQUE

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1. PUBLIC SAFETY IMPACT FEES

The City of Albuquerque is authorized to impose development impact fees. The New Mexico Development Fees Act [5-8-1 to 5-8-42 NMSA 1978] authorizes all cities and counties to enact or impose impact fees on land within their respective corporate boundaries and to pay specified costs of constructing capital improvements or facility expansions with impact fees. Section 5-8-3.B “If it complies with the Development Fees Act, a municipality or county may enact or impose impact fees on land within its respective corporate boundaries.” Section 5-8-2.I defines an impact fee as:

[A] charge or assessment imposed by a municipality or county on new development in order to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development. The term includes amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction, development fees and any other fee that functions as described by this definition. The term does not include hook-up fees, dedication of rights of way or easements or construction or dedication of on-site water distribution, wastewater collection or drainage facilities, or streets, sidewalks or curbs if the dedication or construction is required by a previously adopted valid ordinance or regulation and is necessitated by and attributable to the new development.

The statute authorizes specific services to be funded with impact fees. Section 5.8-2. provides the list:

D. "capital improvement" means any of the following facilities that have a life expectancy of ten or more years and are owned and operated by or on behalf of a municipality or county:

(1) water supply, treatment and distribution facilities; wastewater collection and treatment facilities; and storm water, drainage and flood control facilities;

(2) roadway facilities located within the service area, including roads, bridges, bike and pedestrian trails, bus bays, rights of way, traffic signals, landscaping and any local components of state and federal highways;

(3) buildings for fire, police and rescue and essential equipment costing ten thousand dollars (\$10,000) or more and having a life expectancy of ten years or more; and

(4) parks, recreational areas, open space trails and related areas and facilities;

The New Mexico enabling act adopts the proportionate share concept in Section 5-8-7 with “[t]he fee shall not exceed the cost to pay for a proportionate share of the cost of system improvements, based upon service units, needed to serve new development.”

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In Section 5-8-2.G "facility expansion" is defined in the statute as the "expansion of the capacity of an existing facility that serves the same function as an otherwise necessary new capital improvement, in order that the existing facility may serve new development." Section 5-8-2.G further specifies that "facility expansion" does not include "the repair, maintenance, modernization or expansion of an existing facility to better serve existing development..."

The Act specifies that no impact fees shall be spent to provide new or better facilities for existing development. Furthermore, fees collected for public safety capital improvements and facility expansion can only be spent for public safety capital facilities and facility expansions and not for any other type of improvements or facilities.

A capital improvement plan is required by the Act to be the basis of impact fee programs. Section 5-8-23 requires that "If the governing body adopts an ordinance, order or resolution approving the land use assumptions, the municipality or county shall provide for a capital improvements plan to be developed by qualified professionals using generally accepted engineering and planning practices..."

Therefore, the City of Albuquerque is authorized to adopt public safety impact fees provided that the fees do not exceed a proportionate share of the cost of providing capital improvements to new developments within service areas. Furthermore, those impact fees must be in accord with land use assumptions adopted by the City Council and be incorporated into Capital Improvement Plans. This report will set out the calculations for public safety impact fees consistent with these requirements.

2. GROWTH IN DEMAND FOR PUBLIC SAFETY

A. Land Use Assumptions and Functional Population

Table 1 (on the following page) sets out the functional population served by Albuquerque's public safety providers and the growth in functional population to be accommodated by those providers to the year 2025. Functional population is somewhat different from the usual concept of residential population. In determining residential population, the practice is to count or estimate the number of people that reside in a jurisdiction such as Albuquerque. This practice originated with counting people for purposes of allocating congressional seats, and is still important for a number of other purposes, such as revenue sharing. The problem with this practice is that it can distort planning for services such as public safety. People can and do move about freely, especially within a community. People commonly pass local government boundaries as they go to and from work, shopping and a variety of other functions. For example, according to the 2000 Census there were 215,222 workers within the City of Albuquerque.¹ There were 31,978 that came into Albuquerque from elsewhere to work.² While those people are in Albuquerque, they are in need of and are served by Albuquerque public safety providers. This is equally true for tourists and shoppers, although data on the numbers of these individuals is not as easily attainable as the data for numbers of employees.

The functional population of an area is the sum of the residents plus those that are at that place on a temporary basis. Functional population is estimated by populating the buildings within an area. Residences are populated with census data, places of employment are populated with employment studies, and both services and trade places of commerce are populated using travel studies. Each type of area is weighted for the portions of time spent at that area. For example, typical employees spending 45 hours per week at the site of employment will devote 26.8% of their time at the place of employment. A person coming into Albuquerque for purposes of employment will demand and receive 45 hours per week of public safety protection from Albuquerque public safety service providers. Additionally, a person's time as a customer at stores is weighted by the time spent at such places. For example, a person going to grocery stores 3 times per week for one-half an hour each time will devote 0.89% of his or her time at grocery stores. If people come into Albuquerque to grocery shop, they will each demand and receive 1.5 hours of public safety protection. If a non-Albuquerque resident both worked and grocery shopped in Albuquerque, that person would demand and receive 46.5 hours of public safety protection each week. These people must be added to the measured population to reach an accurate measure of the actual demands placed on public safety providers.

¹ 2000 Census of the Population, <http://factfinder.census.gov/servlet>.

² *Ibid.*

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There are two basic ways of measuring functional population. The first is the “daytime” population. This is the population that would be present during the daytime, conceptually as of noon. The second is “24/7” population. This approach averages commuters, tourists and imported shoppers with Albuquerque residents. The functional population measurement employed herein is the 24/7 equivalent population.

Albuquerque is divided into two public safety service areas, East Side and West Side. These service areas are divided by the Rio Grande River and are illustrated on the map at the end of this report.

Table 1 shows the 2004, 2015 and 2025 functional populations for Albuquerque. The 2004 functional population of 512,201 can be contrasted with a resident population of 476,973 in 2004 [City of Albuquerque]. The number of people coming into Albuquerque can explain the difference.

**TABLE 1
FUNCTIONAL POPULATION
City of Albuquerque**

	East Side	West Side	Total City
2004	409,724	102,477	512,201
2015	434,939	140,245	575,184
2025	457,715	166,257	623,972
Growth 2004-2025	47,991	63,779	111,770
Growth Rate	0.53%	2.33%	0.94%

Table 2 shows functional population by type of development.

**TABLE 2
FUNCTIONAL POPULATION BY TYPE OF DEVELOPMENT
BASED ON POPULATION 24 HOURS PER DAY, 7 DAYS PER WEEK**

Type of Development	Functional Occupants	Unit of Measurement
Residential <i>(Average Size: 1,886 Square Feet)</i>	0.743	Per 1,000 Square Ft.
Single Family Detached	1.668	Per Dwelling
Single Family Attached	1.213	Per Dwelling
Multi-Family	0.929	Per Dwelling
Mobile Home	1.370	Per Dwelling
All Units	1.401	Per Dwelling
Industrial	0.300	Per 1,000 Square Ft.
Offices	0.268	Per 1,000 Square Ft.
Retail	1.224	Per 1,000 Square Ft.

Here, functional population is shown as an allocation of the population among various land use types per 1,000 square feet of floor area. This table expresses the extent to which particular land uses place demands on Albuquerque’s public safety providers.

B. Levels of Service and Per Capita Costs

1. Fire and Emergency Protection

Table 3 shows the level of service for fire and emergency protection – approximately one station for every 20,000 people on the West Side and 23,000 on the East Side.

**TABLE 3
LEVEL OF SERVICE FOR FIRE & EMERGENCY PROTECTION**

Year	Area Served	24/7 Functional Population	Stations	Persons Served per Station
2004	East Side	409,724	17	24,101
	West Side	102,477	6	17,080
2015	East Side	426,149	19	22,429
	West Side	131,017	8	16,377
2025	East Side	457,715	20	22,886
	West Side	166,257	8	20,782

Table 4 sets out the needed fire and emergency protection improvements required to maintain the existing levels of service to 2025. Improvements to 2015 are the focus of the impact fee program even though the City uses a longer planning horizon. This time limit is set in the statute.

**TABLE 4
NEEDED FIRE & EMERGENCY CAPITAL IMPROVEMENTS**

Year Needed	Projected New Fire Station	Area Served	Station Construction Cost	Apparatus Cost	Total Cost
2008	Station 22	East Side	\$3,293,381	\$842,242	\$4,135,623
2011	Station 23	East Side	\$3,186,340	\$814,867	\$4,001,207
2011	Station 24	West Side	\$3,047,389	\$779,332	\$3,826,721
2015	Station 25	West Side	\$2,830,590	\$2,517,833	\$5,348,423
2022	Station 26	East Side	\$2,594,875	\$663,607	\$3,258,482
TOTAL					\$20,570,456

SOURCE: Albuquerque Fire Department, January 2004.

NOTE: All costs as of March 2004.

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Table 5 shows the total fire and emergency protection improvement costs from Table 3 as per capita costs of \$237.45 for the East Side and \$143.86 on the West Side and then expresses those costs on the basis of individual land uses.

**TABLE 5
COST PER CAPITA AND PER UNIT
FIRE & EMERGENCY PROTECTION**

Per Capita Costs			
Description		East Side	West Side
Total Needed Improvements to 2025		\$11,395,311	\$9,175,144
New Functional Population by 2025		47,991	63,779
Cost per Functional Person		\$237.45	\$143.86
Unit Costs per 1,000 Square Ft.			
Type of Development	Occupants per 1,000 Square Ft.	East Side	West Side
Residential	0.743	\$176.37	\$106.86
Industrial	0.300	\$71.22	\$43.15
Offices	0.268	\$63.72	\$38.60
Retail	1.224	\$290.70	\$176.12

These calculations are based on the projections of needed improvements to 2025. This period is used in order to avoid attributing more than a proportionate share of costs to earlier development. Earlier development refers to the development between 2005 and 2015.

2. Police

The capital assets assigned to the Albuquerque Police Department are shown below in Table 6. These facilities are divided between those that serve the entire city (Citywide), the East Side, and West Sides of Albuquerque. The division between East Side and West Side is the Rio Grande River.

**TABLE 6
POLICE DEPARTMENT CAPITAL ASSETS**

Area Served	2004 Replacement Value	Floor Area Sq. Ft.
Citywide		
Forensic Science Center	\$12,549,346	45,911
APD Academy	\$5,107,451	25,700
Law Enforcement Center	\$25,787,674	131,406
Emergency Dispatch Center	\$5,097,433	24,447
Citywide Total	\$48,541,903	227,464
East Side		
Valley Area Command	\$5,910,237	24,950
SouthEast Side Area Command	\$1,408,641	8,900
NorthEast Side Area Command	\$1,962,443	8,000
Foothills Area Command	\$2,689,366	16,000
Triangle Mini-Substation	\$536,039	500
Old Town Community Substation	\$826,400	2,000
S. Broadway Substation	\$655,653	2,500
Montgomery & Tramway Substation	\$2,092,967	3,900
East Side Total	\$16,081,745	66,750
West Side		
West Side Command Center	\$2,041,939	8,500
West Side Total	\$2,041,939	8,500
All Facilities	\$66,665,588	302,714

SOURCE: Albuquerque Police Department, January and July 2004.

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The levels of service for police facilities are shown in Table 7. The level for Citywide facilities is 0.444 square feet of space per capita, 0.163 square feet per capita for East Side facilities, and 0.083 feet per capita for West Side facilities. Comparing the West Side level of service to the 0.163 of the East Side shows an existing deficiency of 8,195 square feet on the West Side. This deficiency is recognized and there are funds in the current bond program to acquire land and build a facility. Both service areas will have a level of service approximating 0.163 feet per capita when this deficiency is corrected.

**TABLE 7
POLICE FACILITIES LEVELS OF SERVICE
2004**

Description	Facilities Serving		
	Citywide	West Side	East Side
Functional Population 2004	512,201	102,477	409,724
Replacement Value	\$48,541,903	\$2,041,939 Deficiency of: \$2,010,277	\$16,081,745
Total Area (Square Ft.)	227,464	8,500 * Deficiency of: 8,195	66,750
Square Feet per Capita	0.444	0.083 Deficiency of: 0.080	0.163
Cost per Capita	\$94.77	\$19.93 At planned Level of Service: \$39.54	\$39.25

* This deficiency is being addressed in the 2004 budget

Table 8 shows the application of the per capita costs to individual units of new development.

**TABLE 8
POLICE COST PER CAPITA AND PER UNIT**

Per Capita			
Facilities Serving	Cost per Functional Person		
	East Side <i>(47,991 New Functional Population)</i>	West Side <i>(63,779 New Functional Population)</i>	
Citywide	\$94.77	\$94.77	
Service Area	\$39.25	\$39.54	
Total	\$134.02	\$134.31	
Per Unit			
Development Type	Persons per 1,000 Square Ft.	Unit Costs per 1,000 Square Ft.	
		East Side	West Side
Residential	0.743	\$99.55	\$99.77
Industrial	0.300	\$40.20	\$40.29
Offices	0.268	\$35.96	\$36.04
Retail	1.224	\$164.08	\$164.44

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Table 9 restates public safety needs and costs for Albuquerque by service area and by general type of development to 2015. Any public safety impact fees adopted by the City of Albuquerque should not exceed the amounts shown in Table 9. The City is, of course, free to charge less than the amounts shown in Table 9 if that is the wish of the Council.

**TABLE 9
PUBLIC SAFETY NET IMPACT COSTS AND
RECOMMENDED IMPACT FEES BY SERVICE AREA**

	East Side	West Side
New Functional Population 2004 – 2025	47,991	63,779
Total Public Safety Cost per Capita	\$371.47	\$278.17
Fire and Emergency Protection Levels of Service		
Persons Served per Fire Station	22,886	20,782
New Stations Needed by 2025	3	2
Fire Improvement Costs	\$11,395,311	\$9,175,144
Fire Cost Per Capita	\$237.45	\$143.86
Police Levels of Service		
Citywide Facilities, Square Ft. per Capita	0.444	0.444
Citywide Cost per Capita	\$94.77	\$94.77
Service Area Facilities, Square Ft. per Capita	0.163	0.163
Service Area Costs per Capita	\$39.25	\$39.54
Police Cost per Capita	\$134.02	\$134.31
Development Type		
Development Type	Functional Occupants	Unit Costs per 1,000 Square Feet
		East Side
		West Side
Residential	0.743	\$275.92
Industrial	0.300	\$111.42
Offices	0.268	\$99.68
Retail	1.224	\$454.78
		\$340.56

C. Capital Improvement Plan

Table 11 (on the following two pages) contains the public safety capital improvements that will be partially or totally funded with impact fees. Total public safety impact fee eligible expenditures amount to \$29,807,974. Projected potential maximum public safety impact fee receipts amount to \$19,872,398, thus requiring \$9,935,576 in other funds to complete the funding of the program.

The amounts used to project these receipts are:

**TABLE 10
PUBLIC SAFETY IMPACT FEES PER 1,000 FT²**

Total	Eastside	Westside
Residential	\$275.92	\$206.62
Industrial	\$111.42	\$83.44
Offices	\$99.68	\$74.65
Retail	\$454.78	\$340.56
Institutional	\$108.18	\$81.01
Fire		
Residential	\$176.37	\$106.86
Industrial	\$71.22	\$43.15
Offices	\$63.72	\$38.60
Retail	\$290.70	\$176.12
Institutional	\$69.15	\$41.89
Police		
Residential	\$99.55	\$99.77
Industrial	\$40.20	\$40.29
Offices	\$35.96	\$36.04
Retail	\$164.08	\$164.44
Institutional	\$39.03	\$39.12

The public safety capital improvement program shown in Table 11 sets out the capacity enhancing improvements on which impact fees can be spent. This program entails:

Total Public Safety Improvements	\$29,807,974
Impact Fees	\$19,872,398
Other Funds (including 2003 Police Bonds)	\$9,935,576

The proposed improvements go beyond that which can be attributed to growth during the 2004-2015 period. Therefore, other funds will be needed. The 2003 bond issue provides \$870,000 of supplemental funding for police facilities, although more will be needed. The need for other funds is due to two factors. One is the existing deficiency in West Side police facilities. The other factor is the smoothing-out of cost by attributing some of the 2005-2015 costs to post 2015 development.

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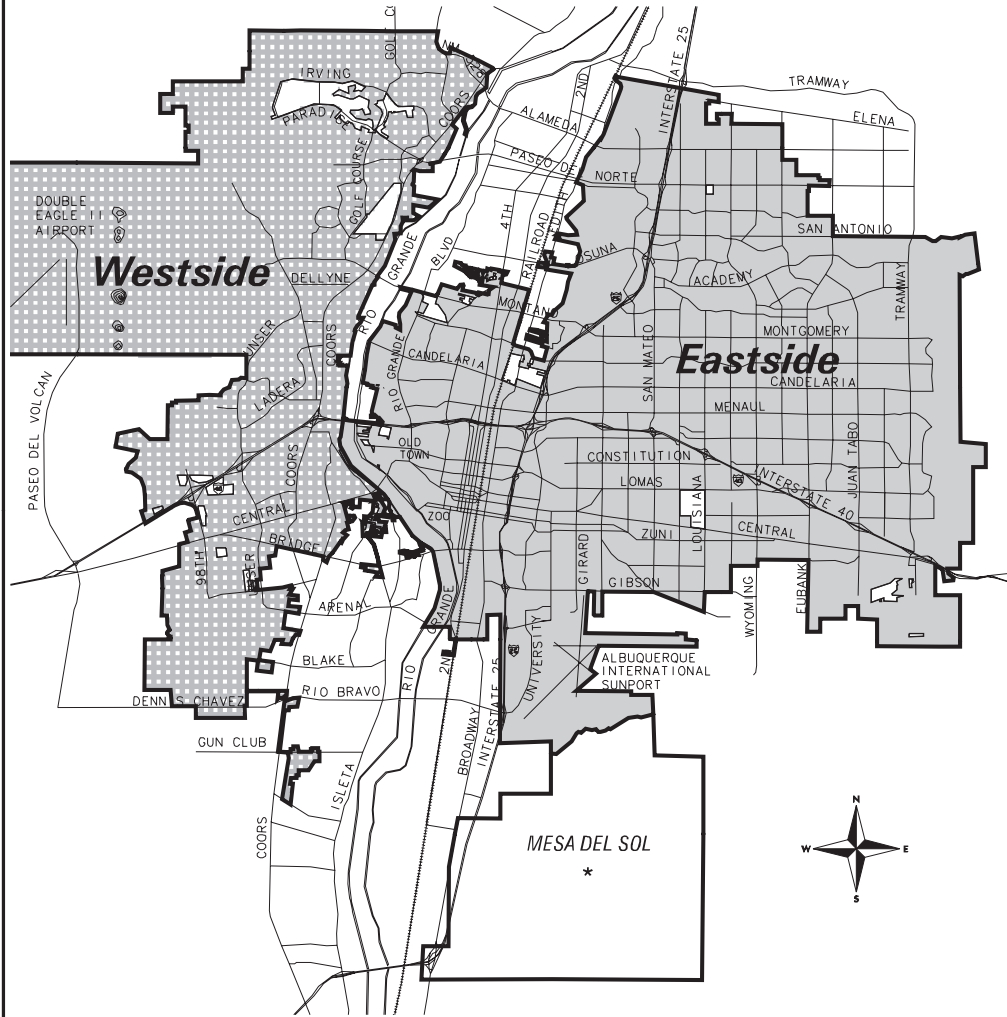
TABLE 11 PUBLIC SAFETY CAPITAL IMPROVEMENT PLAN 2005 - 2015

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	TOTAL
FIRE												
West Side												
Sta.24							\$3,826,721					\$3,826,721
Sta.25											\$5,348,423	\$5,348,423
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$3,826,721	\$0	\$0	\$0	\$5,348,423	\$9,175,144
Impact Fees												\$5,433,131
Other Funds												\$3,742,013
East Side												
Sta.22				\$4,135,623								\$4,135,623
Sta.23							\$4,001,207					\$4,001,207
Total	\$0	\$0	\$0	\$4,135,623	\$0	\$0	\$4,001,207	\$0	\$0	\$0	\$0	\$8,136,829
Impact Fees												\$5,987,229
Other Funds												\$2,149,601
Total Fire												
Total	\$0	\$0	\$0	\$4,135,623	\$0	\$0	\$7,827,928	\$0	\$0	\$0	\$5,348,423	\$17,311,974
Impact Fees												\$11,420,360
Other Funds												\$5,891,614
POLICE												
Citywide												
Mobile Crime Lab			\$300,000									\$300,000
Mobile Command Post			\$300,000									\$300,000
Mobile SWOT Unit					\$300,000							\$300,000
Batmobiles (3)					\$260,000		\$300,000			\$345,000		\$905,000
Radio Equipment										\$3,570,000		\$3,570,000
Firearms Comparison Microscope	\$80,000											\$80,000
Gas Chromatograph Mass Spectrometer (2)		\$120,000										\$120,000
Film Processing Equipment		\$50,000	\$50,000									\$100,000
DNA Analyzer		\$125,000										\$125,000
Raid Vans (2)								\$38,000		\$43,000		\$81,000

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	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	TOTAL
Prisoner Transport Vehicle										\$115,000		\$115,000
Total	\$80,000	\$295,000	\$650,000	\$0	\$560,000	\$0	\$300,000	\$38,000	\$0	\$4,073,000	\$0	\$5,996,000
Impact Fees												\$5,968,920
Other Funds												\$27,080
West Side												
6th Command				\$3,500,000								\$3,500,000
Total	\$0	\$0	\$0	\$3,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500,000
Impact Fees												\$1,493,425
Other Funds												\$2,006,575
East Side												
Mesa del Sol											\$3,000,000	\$3,000,000
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000
Impact Fees												\$989,693
Other Funds												\$2,010,307
Total Police												
Total	\$80,000	\$295,000	\$650,000	\$3,500,000	\$560,000	\$0	\$300,000	\$38,000	\$0	\$4,073,000	\$3,000,000	\$12,496,000
Impact Fees												\$8,452,038
Other Funds												\$4,043,962

Public Safety Service Areas



*Mesa del Sol (Planned Community requirements will apply)

Map Printed August 10, 2004