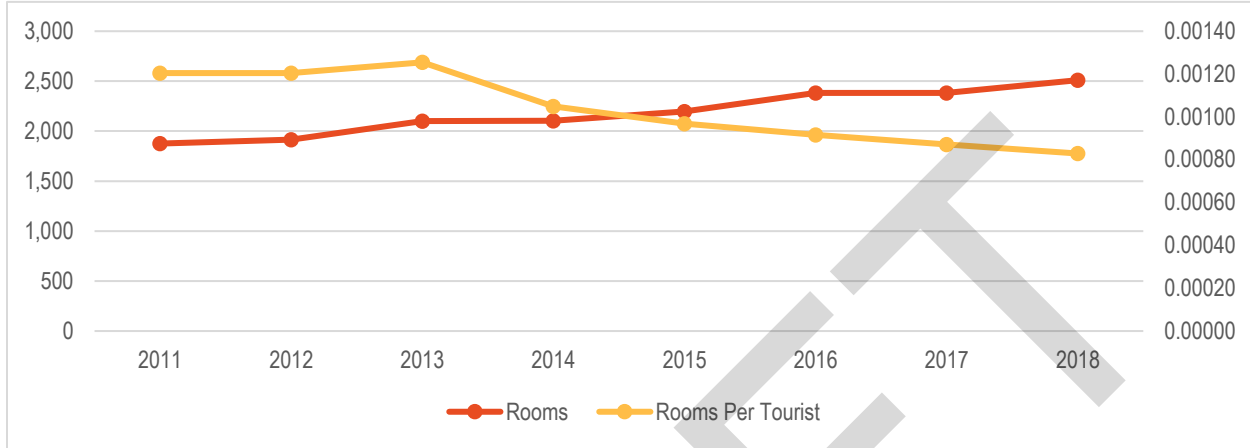


continue to impact the room per tourist ratio. The level of services the City and County choose to provide is a policy decision. Developers have indicated their independent research also suggests additional market demand for overnight accommodations and as such, developing commercial land for this use has trumped other types of land use development.

FIGURE 3.2: TOURIST TO ROOMS PER TOURIST



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SECTION 4: FUNDING/INCENTIVE RECOMMENDATIONS

A number of financial considerations are important to address in light of potential changes to revenue streams and zoning policy changes. Several tools exist which may help incentivize a particular type of development. Community Reinvestment Areas (“CRA”) are used to promote economic development through the use of property tax increment. A CRA project area plan and interlocal agreement may designate specific land use types which are eligible for tax increment. Special Service Districts, Local Districts and Public Infrastructure Districts can provide a nexus between the types of services being provided and the revenue source to provide that service. These tools can assist with the function and financing of public infrastructure and services. While the utilization of these types of tools may shift the development pro forma from overnight accommodations to other types of commercial development, it may not correlate with a shift in spending patterns. Therefore, the County and the City should develop a cost/benefit analysis for each proposed development to determine the impacts on the community.

Another tool that may benefit the County and the City is the utilization of impact fees. As new development comes into the City and County, impact fees can be a valuable tool to ensure development is providing the capital necessary to maintain the existing level of service for public infrastructure and services including parks, public safety and transportation. The City of Moab currently collects impact fees for water and sewer but does not collect them for storm water, transportation, public safety or parks and recreation. Grand County collects impact fees for public safety, roads, and storm drain. A parks and recreation fee is not currently collected. Roadway user fees, often charged through a utility bill, are also an effective way to spread the costs of road use across both residents and businesses. Further, traditional funding streams including property tax may be an important tool to offset municipal expenses if resort community and transient room taxes plateau.