

TO: James L. App, City Manager
FROM: Jim Throop, Director of Administrative Services
SUBJECT: Annual Development Impact Fee Report FY2010
DATE: January 18, 2011

Needs: To receive and file the annual development impact fee report to the City Council for the fiscal year ended June 30, 2010.

Facts:

1. The City imposes various development impact fees. The rates applied during fiscal year 2010 are identified in the attachment Exhibit B (all fees were adjusted 7/1/09 by various inflationary factors).
2. A separate fund has been established for each development impact fee to record financial transactions.
3. For the purposes of presentation only, some development impact fees have been consolidated in the comprehensive annual financial report (audit), i.e. specific plan fees.
4. Interest income is allocated to each development impact fee fund based upon its proportional share of total invested City cash resources.
5. In certain locations, the City has allowed developers to defer public improvements (saving up-front project costs) until such a time that new development actually occurs. In these areas, new development pays specific plan fees at the time of issuance of building permit rather than during the initial planning process. The two applicable specific plan areas are:
 - Union/46 Specific Plan
 - Borkey Specific Plan (Sub-area B)
6. In the case wherein a capital improvement project is funded from two or more development impact fee funds, all expenditures are recorded in a single fund and the appropriate proportional share of each funding source is transferred into this single fund. This methodology provides for the 'capturing' of all project costs in a single account for determining the total final cost of the project.

Analysis & Conclusion:

As required by State law, the attached documents are made available for public review. These documents provide the appropriate information as required in State code. The attached documentation is for the annual activity of each development impact fee for the fiscal year ended June 30, 2010.

Fiscal Impact:

None.

Options:

- a. Receive and file.
- b. Amend, modify, or reject the above option.

Attachments

Exhibit "A"
Detail Schedule of
Development Impact Fee Expenditures

Fiscal Year Ending June 30, 2010

	Fund 211 Public Safety Police	Fund 212 Public Safety Fire	Fund 213 Transportation Mitigation	Fund 215 Bridges	Fund 216 Park Development	Fund 217 Storm Drainage	Fund 219 Public Meeting Fac.	Fund 220 Water Connections	Fund 221 Sewer Connections
Beginning Cash Balance 7/1/09	89,619	1,252,390	1,441,524	91,008	2,260,936	228,967	367,983	4,097,525	1,966,023
Revenues - All Sources	21,085	210,123	2,518,853	1,607	138,915	50,533	1,313	253,397	366,826
Revenue Transfers IN			869,175					152,020	
Balance Sheet Transactions			(1,140,815)	(14,446)	(35,448)	(1,393)		(2,632,564)	178,625
Expenditures		(5,990)	(1,134,915)	(2,840)	(469,000)			(214,021)	(507,477)
Ending Cash Balance 6/30/10	\$ 110,704	\$ 1,456,523	\$ 2,553,822	\$ 75,329	\$ 1,895,403	\$ 278,107	\$ 369,296	\$ 1,656,357	\$ 1,699,657
Professional Services		5,990							
Hwy 101/46W PAED			377,327						
13th Street Bridge Project			711,256						
Niblick Bridge II Design				2,840					
Traffic Studies			46,332						
Storm Drain Master Plan									
Replace Roof West Side Reservoir									
Install Recycled Water									
Nacimiento Water								57,262	
Nacimiento Water Treatment Plant								156,759	
Legal Fees - SW Fireflow Improvements									17,291
Paso Robles Street Onramp									1,438
Upgrade Lift Station #9									116,054
Riverside Interceptor									370,533
Various Lift Station Upgrades									2,161
Templeton Interceptor Upgrades Reaches									
Upgrade Existing Sewer									
TOTAL	\$ -	\$ 5,990	\$ 1,134,915	\$ 2,840	\$ -	\$ -	\$ -	\$ 214,021	\$ 507,477

Note: Line item expenses are NOT adjusted for accounts payable items (non-cash transactions)

Exhibit "A"
Detail Schedule of
Development Impact Fee Expenditures

Fiscal Year Ending June 30, 2010

	Fund 222 Aquatic Facilities	Fund 223 Library Expansion	Fund 224 Public Facilities	Fund 225 Union/46 Specific Plan	Fund 226 Nacimiento Water Project	Fund 228 Borkey Specific Plan	229 Nacimiento Water Treatment	231 General Gov't Facilities	237 Bike & Pedestrian Path
Beginning Cash Balance 7/1/09	371,398	799,397	1,546,284	200,425	3,595,065	886,743	(1,162,751)	2,059,972	15,711
Revenues - All Sources	9,118	41,577	33,934	57,418	220,662	153,793	31,874	255,781	11,198
Revenue Transfers IN									
Balance Sheet Transactions				(12,604)	3,771		1,170,039		
Expenditures			(5,990)	(20,873)			(39,162)	(5,990)	
Expenditure Transfers OUT			(29,175)						
Ending Cash Balance 6/30/10	\$ 380,516	\$ 840,974	\$ 1,545,053	\$ 224,366	\$ 3,819,498	\$ 1,040,536	\$ -	\$ 2,309,763	\$ 26,909
Professional Services			5,990					5,990	
Hwy 101/46W PAED									
13th Street Bridge Project				20,873					
Niblick Bridge II Design									
Traffic Studies									
Storm Drain Master Plan									
Replace Roof West Side Reservoir									
Install Recycled Water									
Nacimiento Water							39,162		
Nacimiento Water Treatment Plant									
Legal Fees - SW Fireflow Improvements									
Paso Robles Street Onramp									
Upgrade Lift Station #9									
Riverside Interceptor									
Various Lift Station Upgrades									
Templeton Interceptor Upgrades Reaches									
Upgrade Existing Sewer									
TOTAL	\$ -	\$ -	\$ 5,990	\$ 20,873	\$ -	\$ -	\$ 39,162	\$ 5,990	\$ -

Note: Line item expenses are NOT adjusted for accounts payable items (non-cash transactions)

Exhibit B

Impact Fee Schedule

Rates Effective (07/01/09 - 6/30/10)

Water Connection Fee Schedule

(Includes Nacimiento Water)

Per unit Cost - < 1"

\$14,870	Multi-Family Residence
\$14,870	Mobile Home Park Space
\$14,870	Single Family Residence
\$14,870	Mobile Home Subdivision Lot
\$14,870	Commerical Unit + \$626 per sub-user
\$14,870	Hospital/Convalescent + \$626 per sub-user
\$14,870	Hotel/Motel + \$626 per unit
\$14,870	School + \$626 per classroom

Water Meters >3/4"

\$24,830	1" Meter
\$49,520	1.5" Meter
\$79,260	2" Meter
\$148,700	3" Meter
\$247,880	4" Meter
\$495,620	6" Meter
\$793,020	8" Meter
\$1,140,080	10" Meter

Sewer Connection Fee Schedule

\$4,961	Per Multi-Family Residence
\$5,467	Per Mobile Home Park Space
\$5,467	Per Single Family Residence
\$5,467	Per Mobile Home Subdivision Lot
\$5,467	Per Commercial Unit
\$5,467	Per Hospital/Convalescent Unit +\$252 per room
\$5,467	Per Hotel/Motel Unit +\$102 per unit
\$7,273	Per School + \$102 per classroom

Storm Drain Impact Fee Schedule

\$0 - \$1,936	Single Family Residence
\$0 - \$954	Multi-Family Residence
\$0 - \$968	Assisted Living
\$0	Commercial Lodging
\$0	RV Parks & Campgrounds
\$0 - \$1.32	Commercial - per square foot
\$0 - \$0.87	Industrial - per square foot

Exhibit B

Impact Fee Schedule

Rates Effective (07/01/09 - 6/30/10)

Transportation (Streets, Signals & Bridges) Mitigation Fee

\$4,715 - \$9,472	Single Family Residence
\$3,773 - \$7,577	Multi-Family Residence
\$1,154 - \$2,122	Assisted Living
\$2,476	Commercial Lodging
\$2,065	RV Parks & Campgrounds
\$6.64 - \$7.96	Commercial - per square foot
\$3.13 - \$4.00	Industrial - per square foot

Public Safety (Police & Fire) Facilities Impact Fee

\$919	Single Family Residence
\$825	Multi-Family Residence
\$12,276	Assisted Living
\$483	Commercial Lodging
\$483	RV Parks & Campgrounds
\$0.58	Commercial - per square foot
\$0.07	Industrial - per square foot

General Government Facilities Impact Fee

\$4,004	Single Family Residence
\$3,507	Multi-Family Residence
\$3,560	Assisted Living
\$83	Commercial Lodging
\$83	RV Parks & Campgrounds
\$0.41	Commercial - per square foot
\$0.12	Industrial - per square foot

Library Facilities Impact Fee

\$1,106	Single Family Residence
\$971	Multi-Family Residence
\$0	Assisted Living
\$0	Commercial Lodging
\$0	RV Parks & Campgrounds
\$0	Commercial - per square foot
\$0	Industrial - per square foot

Exhibit B

Impact Fee Schedule

Rates Effective (07/01/09 - 6/30/10)

Park Development Impact Fee

\$4,058	Single Family Residence
\$3,554	Multi-Family Residence
\$0	Assisted Living
\$0	Commercial Lodging
\$0	RV Parks & Campgrounds
\$0	Commercial - per square foot
\$0	Industrial - per square foot

Bike & Pedestrian Impact Fee

\$547	Single Family Residence
\$480	Multi-Family Residence
\$0	Assisted Living
\$0	Commercial Lodging
\$0	RV Parks & Campgrounds
\$0	Commercial - per square foot
\$0	Industrial - per square foot

Union/46 Specific Plan

\$42	Police Equipment
\$335	Fire Equipment
\$492	Creston/North River Road Signal
\$2,198	Union Road Improvements
\$1,572	North River Road Improvements
\$0	Golden Hill/Hwy 46 Signal
\$0	Golden Hill/Union Signal
\$870	Park Site Acquisition & Development
\$351	Offsite Water Well
<u>\$160</u>	Specific Plan Preparation
<u>\$6,020</u>	Total (assuming all fees apply)

Borkey Specific Plan (Sub-area B)

\$99	Wastewater (per SF unit)
\$513	Water (per SF unit)
\$251	Signal Buena Vist @ Hwy 46 (per SF unit)
\$327	North River Road Upgrade (per SF unit)
\$145	Contingency (per SF unit)
\$263	Plan Preparation (per SF unit)

Exhibit C

Water Development Impact (Connection) Fees

The water connection fee was established in February, 1979 by City Council Resolution No. 2314. This fee is used to assist in funding the construction and improvements in water production and delivery needed to accommodate new development.

During fiscal year 2005, the Council approved a participation contract for the Nacimiento Water Project. New impact fees were imposed to pay for construction of infrastructure necessary to deliver and treat said water. The Nacimiento Water component is included in the connection fees in Attachment A. However, those portions of the impact fee delivery and treatment of Nacimiento Water are calculated and accounted for separately.

The cash balance in all funds at June 30, 2010 was \$5,475,855.

Sewer Development Impact (Connection) Fees

The sewer connection fee was first established in February, 1979 by City Council Resolution No. 2278. This fee is used to assist in funding the construction and improvements in wastewater treatment needed to accommodate new development.

In October 2002, the Council authorized the refinancing of the 1993 Refunding Sewer Revenue Bonds and the issuance of an additional \$8,000,000 in new money to fund approximately \$4,000,000 in system collection improvements and \$4,000,000 in treatment plant improvements.

The cash balance at June 30, 2010 was \$1,699,657.

Storm Drainage Development Impact Fees

Storm drainage fees were first imposed in January, 1980 by Resolution No. 2391. Current fees were set with Resolution No. 06-188. The fees are used to assist in funding the construction of storm drainage improvements needed to control increases in run-off created by new development projects.

The cash balance at June 30, 2010 was \$278,107.

Traffic Mitigation Development Impact Fee

This fee was adopted October 3, 2006 via Resolution No. 06-188. It combines the former bridge development and signalization fees. This fee assists in funding construction of transportation improvements consistent with the Circulation Element of the General Plan.

The cash balance at June 30, 2010 was \$2,553,822.

Public Safety (Police & Fire) Development Impact Fees

These fees were adopted October 3, 2006 via Resolution No. 06-188. For purposes of this report, the law enforcement and fire protection equipment balances are combined. These funds provide for the purchase of new facilities, vehicles and equipment related to both Police and Emergency Services Departments.

The combined balance at June 30, 2010 was \$1,567,227.

Library Facilities Impact Fee

This fee was adopted October 3, 2006 via Resolution No. 06-188. Revenues are used to pay debt service on the construction of the existing library facility.

The balance at June 30, 2010 was \$840,794.

Park and Recreation Facilities Impact Fees

Park fees were originally established by Ordinance No. 411 in May, 1978. Current fees were set with Resolution 06-188 on October 3, 2006. These funds are used to purchase and develop community parklands.

The cash balance in the fund at June 30, 2010 was \$1,895,403.

Aquatics Facilities Development Impact Fee

This fee was adopted March 3, 2003 via Resolution No. 03-31 as part of the City's AB 1600 Development Impact Fee Study. Funds for the aquatic facility are now collected with Park and Recreation fees per Resolution No. 06-188.

The balance at June 30, 2010 was \$380,516.

General Governmental Facilities Impact Fee

Current fees for Government Facilities were set with in 2009 with Resolution No. 09-131. Projects funded with these fees include City Hall, Public Use Facility, parking structure and a central corporate yard.

The balance at June 30, 2010 was \$2,309,763.

Bike & Pedestrian Path Facilities Impact Fee

On October 3, 2006 Council adopted Resolution 06-188 which updated new development impact fees in accordance with the calculations and recommendations contained in a Justification Study. This fee funds construction of bike and pedestrian facilities throughout the City.

The balance at June 30, 2010 was \$26,909

Union/46 Specific Plan Fees

When the City adopted the Union/46 Specific Plan in 1988, the environmental impact report (EIR) identified the impacts that would be created by new development in the study area. The building/development community had the option of installing all required infrastructure improvements in conjunction with new development; by establishing an assessment district; or deferring infrastructure costs through payment of an in-lieu specific plan fee. Based upon the desire of the building/development community to minimize the "up-front" costs on development and in order to spread the costs of infrastructure over all of the properties that would benefit from the improvements, a specific plan fee was established.

The cash balance at June 30, 2010 was \$224,336.

Borkey Specific Plan Fees

In a similar manner to the Union/46 Specific Plan area, when the Borkey Specific Plan was adopted in 1989, an EIR identified the public infrastructure needed to mitigate the impacts of the planned new development. The adopted Specific Plan provided for infrastructure costs to be deferred and spread over all of the parcels in the plan area. The City Council allowed that fees would be collected at the time of issuance of building permits.

The cash balance at June 30, 2009 was \$1,040,536.