

TO: James L. App, City Manager

FROM: Jim Throop, Director of Administrative Services

SUBJECT: Annual Development Impact Fee Report FY2012

DATE: March 5, 2013

Needs: To receive and file the annual development impact fee report to the City Council for the fiscal year ended June 30, 2012.

Facts:

1. The City imposes various development impact fees. The rates applied during fiscal year 2012 are identified in the attachment Exhibit B (all fees were adjusted 7/1/11 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, 2012.

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, 2012

	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 7/1/11	119,488	1,528,920	689,937	82,843	2,071,046	293,956	371,036	1,763,269	2,144,671
Revenues - All Sources	3,107	38,992	3,370,043	(3)	152,328	19,422	3,080	357,541	404,994
Revenue Transfers IN			6,902						
Balance Sheet Transactions			700,436	(26,476)	(6,928)				(3,417)
Expenditures		(3,235)	(2,994,973)	(56,364)	(325,870)				(288,122)
Expenditure Transfers OUT									
Ending Cash Balance 6/30/12	\$ 122,595	\$ 1,564,677	\$ 1,772,345	\$ -	\$ 1,890,576	\$ 313,378	\$ 374,116	\$ 2,120,810	\$ 2,258,126
Professional Services		3,235							
Hwy 101/46W			1,056,959						
Developer Improvements					225,160				
NE Corner Charolais & River Roac					100,710				
Charolais Corridor Multi Use Trail									
13th Street Bridge Project			1,850,866	56,364					
Niblick Bridge II Design			3,403						
Traffic Studies			83,745						
Well Install #10									
Developer Improvement Reimbursements									122,897
Nacimiento Water Payments to County									14
Nacimiento Water Treatment Plant									165,211
Paso Robles Street Onramp									
Lift Station Upgrades									
Developer Improvements									
Upgrade Existing Sewer									
TOTAL	\$ -	\$ 3,235	\$ 2,994,973	\$ 56,364	\$ 325,870	\$ -	\$ -	\$ -	\$ 288,122

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, 2012

	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 7/1/11	384,831	909,091	1,555,625	281,836	3,505,001	138,509	10,976	2,559,916	56,132
Revenues - All Sources	6,365	27,541	16,787	74,557	540,022	18,184	143,605	82,097	7,011
Revenue Transfers IN									
Balance Sheet Transactions									
Expenditures			(3,235)	2,515	(1,905,148)		23,339	(3,235)	
Expenditure Transfers OUT				(18,095)			(54,856)		
Ending Cash Balance 6/30/12	\$ 391,196	\$ 936,632	\$ 1,569,177	\$ 340,813	\$ 2,139,875	\$ 156,693	\$ 123,064	\$ 2,638,778	\$ 63,143
Professional Services			3,235					3,235	
Hwy 101/46W									
Developer Improvements									
NE Corner Charolais & River Roac									
Charolais Corridor Multi Use Trai									
13th Street Bridge Project				18,095					
Niblick Bridge II Design									
Traffic Studies									
Well Install #10									
Developer Improvement Reimbursements					1,905,148		54,856		
Nacimiento Water Payments to County									
Nacimiento Water Treatment Plant									
Paso Robles Street Onramp									
Lift Station Upgrades									
Developer Improvements									
Upgrade Existing Sewer									
TOTAL	\$ -	\$ -	\$ 3,235	\$ 18,095	\$ 1,905,148	\$ -	\$ 54,856	\$ 3,235	\$ -

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

Exhibit B

Impact Fee Schedule

Rates Effective (07/01/11 - 6/30/12)

Water Connection Fee Schedule

(Includes Nacimiento Water)

Per unit Cost - < 1"

\$17,750	Multi-Family Residence
\$17,750	Mobile Home Park Space
\$17,750	Single Family Residence
\$17,750	Mobile Home Subdivision Lot
\$17,750	Commerical Unit + \$626 per sub-user
\$17,750	Hospital/Convalescent + \$626 per sub-user
\$17,750	Hotel/Motel + \$626 per unit
\$17,750	School + \$626 per classroom

Water Meters >3/4"

\$29,640	1" Meter
\$59,110	1.5" Meter
\$94,610	2" Meter
\$177,500	3" Meter
\$295,890	4" Meter
\$591,610	6" Meter
\$946,610	8" Meter
\$1,360,890	10" Meter

Sewer Connection Fee Schedule

\$5,900	Per Multi-Family Residence
\$6,500	Per Mobile Home Park Space
\$6,500	Per Single Family Residence
\$6,500	Per Mobile Home Subdivision Lot
\$6,500	3/4" - Non-Residential
\$10,900	1" - Non-Residential
\$21,800	1.5" - Non-Residential
\$34,900	2" - Non-Residential
\$65,400	3" - Non-Residential

Storm Drain Impact Fee Schedule

\$0 - \$1,973	Single Family Residence
\$0 - \$972	Multi-Family Residence
\$0 - \$987	Assisted Living
\$0	Commercial Lodging
\$0	RV Parks & Campgrounds
\$0 - \$1.35	Commercial - per square foot
\$0 - \$0.89	Industrial - per square foot

Exhibit B

Impact Fee Schedule

Rates Effective (07/01/11 - 6/30/12)

Transportation (Streets, Signals & Bridges) Mitigation Fee

\$4,804 - \$9,652	Single Family Residence
\$3,844 - \$7,721	Multi-Family Residence
\$1,176 - \$2,163	Assisted Living
\$2,523	Commercial Lodging
\$2,104	RV Parks & Campgrounds
\$6.77 - \$8.12	Commercial - per square foot
\$3.19 - \$4.08	Industrial - per square foot

Public Safety (Police & Fire) Facilities Impact Fee

\$936	Single Family Residence
\$841	Multi-Family Residence
\$12,424	Assisted Living
\$406	Commercial Lodging
\$406	RV Parks & Campgrounds
\$0.54	Commercial - per square foot
\$0.05	Industrial - per square foot

General Government Facilities Impact Fee

\$4,080	Single Family Residence
\$3,574	Multi-Family Residence
\$3,627	Assisted Living
\$85	Commercial Lodging
\$85	RV Parks & Campgrounds
\$0.41	Commercial - per square foot
\$0.12	Industrial - per square foot

Library Facilities Impact Fee

\$1,127	Single Family Residence
\$989	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 (07/01/11 - 6/30/12)

Park Development Impact Fee

\$4,135	Single Family Residence
\$3,622	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

\$557	Single Family Residence
\$489	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

\$0	Police Equipment
\$0	Fire Equipment
\$509	Creston/North River Road Signal
\$2,274	Union Road Improvements
\$1,626	North River Road Improvements
\$0	Golden Hill/Hwy 46 Signal
\$0	Golden Hill/Union Signal
\$900	Park Site Acquisition & Development
\$0	Offsite Water Well
<u>\$165</u>	Specific Plan Preparation
<u>\$5,474</u>	Total (assuming all fees apply)

Borkey Specific Plan (Sub-area B)

\$101	Wastewater (per SF unit)
\$523	Water (per SF unit)
\$256	Signal Buena Vist @ Hwy 46 (per SF unit)
\$334	North River Road Upgrade (per SF unit)
\$147	Contingency (per SF unit)
\$268	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, 2012 was \$4,383,748.

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, 2012 was \$2,258,127

Storm Drainage Development Impact Fees

Storm drainage fees were first imposed in January, 1980 by Resolution No. 2391. 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, 2012 was \$313,378.

Public Facilities Development Impact Fees

This fee was established by Resolution No. 93-166 dated October 5, 1993. This fee assists in funding construction and implementation of improvements to public facilities sufficient to accommodate needs generated by new development.

The cash balance at June 30, 2012 was \$1,569,177.

Traffic Mitigation 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, combines the former bridge development fee, signalization development fee and a portion of the public facilities development fee.

The fee assists in funding construction and implementation of improvements key to elements of the citywide transportation system sufficient to accommodate future traffic demand generated by new development.

The cash balance at June 30, 2012 was \$1,772,345.

Public Safety (Police & Fire) 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. For purposes of this report, the law enforcement and fire protection equipment balances are combined. This fee funds portions of the construction of new law enforcement facilities used to protect life and property.

The combined balance at June 30, 2012 was \$1,687,272.

Library Facilities 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. Revenues are used to pay debt service on the construction of the existing library facility.

The balance at June 30, 2012 was \$936,632.

Public Meeting Facility 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, replaces a portion of the former public facilities impact fee. Revenues are used to pay debt service on the construction of the existing city hall/library facility.

On October 3, 2006 Council adopted Resolution 06-188 which updated new development impact fees in accordance with the calculations and recommendations contained in Nexus Study. Under the new impact fee schedule, public meeting facilities are included in the "General Governmental Service Facilities" fee.

The balance at June 30, 2012 was \$374,116.

Park and Recreation Facilities Impact Fees

Park fees were originally established by Ordinance No. 411 in May, 1978. This fee funds public facilities which improve neighborhood and community parklands as needed to serve new development.

The cash balance in the fund at June 30, 2012 was \$1,890,576.

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. This fee funds assists in funding construction and improvements of a city-operated aquatics center.

The balance at June 30, 2012 was \$391,196.

General Governmental 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 Nexus Study. This fee is used to assist in the construction and development of facilities used by the City to provide basic governmental services and public facilities maintenance services, exclusive of public safety services.

The balance at June 30, 2012 was \$2,638,778.

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 Nexus Study. This fee is used to ensure construction of bike and pedestrian facilities throughout the City necessary to accommodate new development.

The balance at June 30, 2012 was \$63,143.

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, 2012 was \$340,812.

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, 2012 was \$156,693.